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THE CANADIAN RESPONSE TO JOSEPH CHAMBERLAIN'S
TARIFF REFORM CAMPAIGN, 1903 - 1906

by

William George Attwell, B.A.

A thesis submitted to the Faculty of
Graduate Studies in partial fulfilment
of the requirements for the degree of
Master of Arts

Department of History

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Ottawa, Ontario

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ABSTRACT

Tariff Reform, as proposed by Joseph Chamberlain in October, 1903, was designed to strengthen Great Britain by means of fiscal protection for British home industries and by the consolidation of the Empire through imperial preferential tariffs. Because of the preference on British goods introduced by the Laurier government in 1897 and Canadian requests for an imperial preference in 1902 and 1903, Chamberlain anticipated public support from Laurier for his campaign. But the Canadian Prime Minister did not provide aid. Instead, he remained silent. Officially, the reason was non-interference in British internal politics. In reality, though, Laurier's response was an attempt to prevent conflict within the country and his party. This was because Tariff Reform offended low tariff groups and French-Canadians while appealing to Canadians interested in tariff protection and closer ties with the Empire. Thus, because Laurier did not allow Parliament and his cabinet ministers to become involved in the British discussion, the controversial issue did not cause more conflict in Canada than actually took place. In essence, the study of the Canadian response to Tariff Reform shows the problems of political leadership in a country of regions, where economic interests varied and different perceptions of the outside world existed.

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PREFACE

The main reason why the topic of this thesis was chosen was that it allows the two themes, on which Laurier was defeated in 1911, to be examined at the mid-point of the Liberal tenure of office. One theme was the degree of Canadian involvement in the Empire, while the other was the level of the tariff in Canada. Regarding the imperial connection, this investigation indicates that Canadians differentiated between the interests of their country and Great Britain. Thus, most Canadians were not willing to accept imperial free trade or agree to external interference in the domestic affairs of Canada or of Britain. As a result, Laurier's lack of public support for Chamberlain was generally tolerated by his countrymen. Despite general agreement in the country on Laurier's stand, much room remained for conflict on the issue of the 'common' interests of Canada and Britain -- imperial defence, for example. Concerning the fiscal question, this thesis reveals that the level of the tariff was not accepted as a point of compromise by protectionists and low tariff adherents. Both groups, particularly the proponents of high tariffs, made attempts to achieve fiscal changes to suit their vested interests. It is for this reason that the Canadian preference on British imports bore the brunt of fiscal discussion in the country. The conclusions of this study, then, are perhaps not unexpected -- the imperial and tariff issues were as controversial as always during Laurier's prime ministership, posing political problems.

The point which was found most interesting in the investigation was the division within the Liberal Party and in the country over the connection with the Empire and the level of the tariff in Canada. Because of this point, many questions remain unanswered. For example, does party disunity lead to a high rate of political survival in Canada? In other words, do the realities of Canadian politics mean that the party which is strongly united will have a poor chance of political survival? And if this is so, exactly what holds a divided membership together? Is it simply "half-way" measures as part of party policy? Is it the desire for power and quest for the benefits of government corruption, to which Goldwin Smith alluded?¹ Is it the lack of a political alternative? Or is it the attraction of particular regional leaders, as Paul Stevens suggests?²

Other issues which need to be examined further deal with the various types of imperialists in Canada. One wonders to what extent attitudes varied among imperialists according to regions. For example, do Montreal and Toronto imperialists differ? The fact that the British Empire League existed mainly within the Toronto area would seem to indicate so. As well, the attitudes of businessmen who advocated closer Empire ties need study. This thesis

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- 1) Goldwin Smith, Canada and the Canadian Question, Buffalo, University of Toronto Press, 1971, pp. 173-4.
 - 2) Paul Stevens, "Laurier, Aylesworth, and the Decline of the Liberal Party in Ontario," Canadian Historical Association Annual Report, 1968, p. 94.

suggests that self-interest was the governing factor in the formulation of their opinions. However, this generality requires wider analysis. J. E. Tyler holds that the business community supported imperial unity during the late nineteenth century as a means to expand their economic concerns through preferences.³ Does the desertion of businessmen from the British Empire League as a result of the abrogation of the Corn Duty in early 1903 support this point? However, the questions to be answered are endless. Perhaps this is because original research leads to more questions than were meant to be solved.

Part of the significance of this thesis, though, is that some of the above questions are discussed. For example, the extent to which the tariff divided the members of the imperial movement is examined. However, the major contribution of this work lies in its treatment of Liberal disunity on the imperial and fiscal issue, and the response of Laurier in the light of it.

This division among the Liberals is revealed by an investigation of the response of Canadians to the Tariff Reform campaign initiated by Joseph Chamberlain in the fall of 1903. The first chapter sets the background of preferential tariffs in Canada's commercial history, examining the value of the Canadian offer of preference to Britain. Of importance to the over-all theme of the thesis, though,

3) John E. Tyler, The Struggle for Imperial Unity, 1868-1895, Longmans, Green & Co., London, 1938, p. 151.

is the study of Laurier's policies and activities over the preference before October, 1903, as a result of political exigencies. The second chapter re-emphasizes this need to act according to political necessity by examining the role of the British Prime Minister during the Tariff Reform campaign. Chapters III and IV lay the groundwork for the study of the Canadian Liberal Party in response to Chamberlain's efforts. These two units indicate the intensity of the conflict which the imperial and fiscal proposals of Chamberlain provoked among Canadians. The fifth chapter then deals with the divergence of opinion regarding the British campaign within the Liberal Party, the dilemma this situation posed for the party's leader, and Laurier's consequent reaction to appeals for support of the Tariff Reformer in Great Britain. In the Conclusion, the Prime Minister's response is put into perspective with his efforts to contain differences within Canada and among the Liberals during his term of office.

CHAPTER I

THE POLITICS OF THE CANADIAN COMMERCIAL POLICY

Joseph Chamberlain's¹ Glasgow speech in October, 1903, when he initiated his Tariff Reform campaign, did not raise the issue of imperial unity through preferential tariffs for the first time in Canada. On the contrary, for over two decades previously, preferential tariffs had been discussed in growing volume as a practical means to achieve the military and political consolidation of the Empire. As well, before 1860, Canada had benefited from preferential trade under the Old Colonial System, the predecessor to the imperial organization of the late nineteenth century. However, because the use of preferential tariffs ended with the demise of the first British Empire, and because the nature of the Canadian economy had changed since that time, preferential tariffs would require a large adjustment in thinking about commercial policy at the end of the century.

The Old Colonial System of the first British Empire had been based on mercantilism.² According to this theory, the acquisition of power by the state was considered to be

1) Joseph Chamberlain (1836-1914); English businessman; mayor of Birmingham, 1873-6; entered House of Commons as a Liberal in 1876; President of Board of Trade, 1880-85; Liberal Unionist in 1886; Colonial Secretary, 1895-1903; leader of Tariff Reform in late 1903.

2) For the theory and beginning of mercantilism in Great Britain, see R.L. Schuyler, The Fall of the Old Colonial System. A Study in British Free Trade, New York, Oxford University Press, 1945, pp. 1-54.

of primary importance. Because the wealth of the world was held to be fixed in quantity, state power could only be increased by accumulating as many economic resources as possible, to the resulting detriment of other nations. Consequently, the trade and commerce of a country were seen as subservient to the state's interest of power. Therefore, they were regulated and controlled. Also, colonies were valued as sources of raw material and markets for manufactured goods. To ensure the self-sufficiency of the imperial unit, the trade of the colonies was directed by the Mother Country. Their commerce, for example, could only be carried in British or colonial vessels. European goods had to be imported into the colonies through Great Britain, not directly. As a means of restricting the importation of non-British products, high duties were placed on them. As well, preferences were given to the colonies. These measures were enacted in order to benefit the Mother Country, the Empire as a whole, and thus, the state.

Preferential tariffs were such a mainstay of the Old Colonial System that, while certain aspects of British mercantilism were being modified during the 1820's, the system of preferences was actually strengthened.³ To the colonies, especially in British North America, the

3) Ibid., pp. 115-33.

preferential tariffs were important because they helped to reserve the British market for colonial raw materials. For example, the Canadian and New Brunswick economies expanded dramatically as a result of the high preferences on lumber which were established between 1809 and 1822. As well, Canada benefited from a substantial preference on wheat and flour between 1843 and 1846. The latter concession was perhaps the most significant preference Canada enjoyed as it led to abnormal prosperity and investment in capital equipment.⁴ In fact, a whole network of transportation and servicing facilities developed based on the Corn Laws preference. However, the subordinate status of the colonies in the imperial system was indicated by Parliament's abolition of the laws in 1846.⁵ Without concern for the colonies, the British government did away with the laws because of the Irish famine and the consequent need for cheaper food in Great Britain. The resulting advocacy of annexation to the United States by the conservative Montreal merchants reveals the degree of psychological dependence which mercantilism engendered.

The Old Colonial System, though, had come under severe

4) For the effect of both preferences upon Canada, see ibid., pp. 104-6, 142-3.

5) John Bartlet Brebner, North Atlantic Triangle, (The Carleton Library, No. 30), Toronto, McClelland & Stewart, Ltd., 1966, pp. 153-4.

criticism with the realization that Great Britain's strength was founded upon her industries, not upon the largest possession of the world's 'fixed' stack of wealth. Therefore, state power could be increased if Britain could expand and diversify her trade throughout the world. Thus, the cheapest sources of raw material and foodstuffs were needed, as were the widest possible markets. Already, by the early nineteenth century, trade with Europe and the United States was more important than with the colonies. A new orientation for Britain's trade and commerce was needed, then. The answer was believed to lie in free trade. As a result, the system of protective tariffs and preferences began to be dismantled toward the end of the 1840's.

Consequently, the Old Colonial System came to an end. The new tariff of 1846 which decreased the general rates of duties, and the repeal of the Navigation Act in 1849 which had restricted imperial commerce to British or colonial ships, destroyed the Old Colonial System. Its last vestiges disappeared with the cancellation of the remaining major preferences in 1853 and 1860.⁶ Thus, Canada's experience with preferential trade initiated and regulated by Great Britain, came to an end. It would

6) For reference to end of preferences under the Old Colonial System, see Schuyler, op. cit., pp. 133-63, 176-83.

not be until the end of the nineteenth century that Canada would encounter the concept of imperial preferential trade again.

At first, the British government attempted to insist that the colonies adhere to its new tariff policies. However, it was quickly realized that the colonial situation was different from Great Britain's because of the nature of the colonial economies. British free trade resolve was tested during the 1850's, when the Province of Canada initiated two fiscal measures which have remained a constant feature of the tariff ever since. The need to acquire revenue and provide industrial protection made it necessary to raise the duties on imports. The high rates on both British and foreign goods imposed by the Cayley Tariff in 1858, and the Galt Tariff a year later, conflicted with the new fiscal practices in England. However, the tariff increase in Canada withstood attempts to have it annulled.⁷ Aside from political reasons in allowing the tariff to stand, the British realized the expenses which the colony was incurring, requiring higher duties, despite several clearly protective aspects.

7) D.M.L. Farr, The Colonial Office and Canada, 1867-87, Toronto, University of Toronto Press, 1955, pp. 170-1.

A similar situation existed with differential duties where the economic interests of the colonies conflicted with British free trade policies. The first occasion after the adoption of laissez-faire when this type of fiscal feature was introduced, arose through reciprocity with the United States. The need for additional markets to compensate for the loss of imperial trade made the southern neighbour an attractive alternative for Canadian exports. The difficulty in the achievement of reciprocity, though, was that the arrangement embodied a form of discrimination which was anathema to free traders. The Australian colonies had not been allowed to legislate preferences among themselves during the 1850's and 1860's. Expediency, however, made the British government agree to negotiate a treaty with the United States at the urging of her colonies in North America. It was hoped that reciprocity would prevent annexation and make the colonies more willing to accept a larger share of defence expenditures in British North America.⁸ It was also for the sake of expediency that Britain allowed her North American colonies to initiate reciprocity among themselves during the late 1850's and 1860's. Consent was given because it was thought that these arrangements would lead to political union and

8) Ibid., pp. 168-9

fewer British military expenses. For the same reason, reciprocal trade between Canada and Prince Edward Island was permitted during the late 1860's as well.⁹ Because these initial measures had been allowed by Great Britain, precedents now existed to weaken any future stand that the British government might take against the fiscal expression of colonial economic objectives.

However, it was increasingly realized that a representative and responsive government of a colony must be able to express the interests of the country without imperial restriction. The tolerance of protection as an aspect of colonial tariff policy before 1867 indicates this realization, and the protectionist duties allowed in Canada afterwards reveal it further. In 1879, the National Policy was proclaimed. The most important feature of this policy was the creation of a high tariff wall around Canada in order to encourage home industry. It was hoped that such an arrangement would lead to an expansion of the domestic market, and the consolidation of the proposed east-west transportation system which was to be oriented toward the export of goods to Great Britain. As a result of the new tariff, the average duty of 16 per cent on British goods

9) Ibid., pp. 171-2.

for the period 1874-1879 was raised to 19.4 per cent for the five years after 1879.¹⁰ Although the increase was not particularly severe, the general rate on British and foreign imports was raised progressively in the following years. The fact that the British government accepted completely Canada's right to place high duties on British imports was shown by its refusal to interview manufacturers disgruntled by significant tariff increases on iron and steel goods in 1887.¹¹

Although the National Policy was designed to stimulate Canadian industries, dependence upon foreign markets was a recurring theme in Canadian economic history during the nineteenth century. The economic woes in Canada brought on by the loss of preferred access to the British market through the collapse of the Old Colonial System substantiate this point. As a result, Canadian governments, irrespective of party, consistently attempted to expand Canadian trading relations with foreign countries. Because of the importance of the British and American markets, governments' interest was especially oriented toward obtaining beneficial entry to either market for her

10) O.J. McDiarmid, Commercial Policy in the Canadian Economy, Cambridge, Mass., Harvard University Press, 1946, p. 116.

11) Farr, op. cit., p. 198.

natural products. This attitude was directed toward one country when conditions were not favourable for expansion of Canadian trade with the other.

Canadians had always remembered the benefit of reciprocity. Many individuals looked back upon the period, 1854-1866, as a 'Golden Age'.¹² Through the later nineteenth century, the fast-developing, large nation to the south presented many more attractions than it did before Confederation. Thus, it can be understood why every Canadian tariff until 1894 offered reciprocity to the United States.¹³ Also, many specific attempts were made to obtain the desired trade agreement, as, for example, during the Joint High Commission negotiations of 1886-7.¹⁴ Canadian initiatives were always frustrated, though. To some extent, failure was caused by the refusal of Canada to lower her tariff on manufactured goods. However, during the long period of Republican ascendancy after 1861, the American tariff became increasingly protective. The high McKinley Tariff of 1891, in fact,

12) Donald C. Masters, The Reciprocity Treaty of 1854. (The Carleton Library, No. 9.) Toronto, McClelland & Stewart, Ltd., 1969, pp. 103-129.

13) Farr, op. cit. p. 176

14) Robert C. Brown, Canada's National Policy, 1883-1900: A Study in Canadian-American Relations, Princeton, Princeton University Press, 1964, pp. 73-4.

helped to sway Sir John A. Macdonald from his previous reciprocity attempts to fight the Liberal policy of Unrestricted Reciprocity on the cry of 'loyalty to the Mother Country'.¹⁵ Macdonald's victory during the election of 1891, however, does not indicate that a significant majority of Canadians rejected the notion of reciprocity with the United States. Although the Conservatives won the election with 123 seats against the Liberals' 92 seats, the popular vote was 51.5 per cent for the Conservatives and 48.9 per cent for the Opposition.¹⁶ Thus, Canadians did not reject reciprocity conclusively in 1891. However, it is doubtful if those who voted for the Liberals and Unrestricted Reciprocity in 1891 would have rejected a British offer of preferential trade.

Canadians never forgot the advantages which had accrued to them from the preferential tariffs under the Old Colonial System. In fact, the advantages of the large British market of consumers were so obvious throughout the nineteenth century that Canadians did not have to rely upon their past experiences with preferences to realize the benefit which Canadian goods would receive from preferential access to Great Britain. Because of the need for imported raw

15) Ibid., pp. 192-96.

16) Ibid., p. 211

materials and foodstuffs and the large size of her market, Great Britain offered an immense attraction to any country interested in the expansion of trade. Thus, a preference for Canadian exports on the British market would benefit Canada's economy tremendously. Most Canadians never forgot this, nor did their government.

However, the devotion to free trade and certain British treaty obligations made a preference between Great Britain and her colonies almost unattainable. In 1862 and 1865, 'most-favoured-nation' arrangements were made with Belgium and the German Confederacy respectively. As a result, these two countries obtained the right to enjoy the benefit of any tariff reduction given by one part of the Empire to another. This was a feature of the treaties which the Mother Country consistently honoured because of the importance of Belgium and Germany as trading partners. In 1873, for example, when Canada granted free entry to British salt, the same privilege had to be extended to Germany, which demanded it. Similarly, during the early 1880's, the Colonial Office considered disallowing a preferential arrangement between Jamaica and Canada which, however, was never realized. Thus, the German and Belgium treaties were one of the main obstacles preventing imperial preferences.

The first appearance of a general imperial preference

in Canada after the 1840's came in the form of an unofficial offer of such an arrangement when Sir John A. Macdonald introduced his National Policy in 1879.¹⁷ The proposal, did not incorporate the concept of mutual preferences. Rather, it was a Canadian offer of a preference on British exports to Canada. Partly to allay British concern over the stiff duties on British imports into Canada, and partly to mitigate the anger of free trade and low tariff adherents in Canada, Macdonald planned to supplement his tariff legislation with a 20 to 25 per cent preference on British imports without demands for British reciprocation.

However, the preference never found its way into the 1879 tariff because it was feared that the United States would retaliate on Canadian lumber if Britain received such favourable treatment. Secondly, it was not realized because an agricultural duty was rumored to be under consideration in Great Britain and the Canadian government did not want to give up any negotiating power prematurely. Another important reason was that Macdonald was unwilling to sacrifice future Canadian industries by reducing the newly-created protectionist tariff without definite tariff

17) The material for this and the next paragraph has been taken from the following two books: J. S. Ewart, The Kingdom of Canada, Imperial Federation, the Colonial Conferences, the Alaska Boundary, and Other Essays, Toronto, Morang and Company, Ltd., 1900, pp. 255-6; and D. G. Creighton, John A. Macdonald, The Old Chieftain, Volume 2, Toronto, Macmillan and Co., 1955, pp. 245, 257-8, 267, 476.

privileges on the British market. Henceforth, the Conservative government insisted upon mutual preferential tariffs between Great Britain and Canada. Thus, when Sir John A. Macdonald, Sir S. L. Tilley, Sir Charles Tupper,¹⁸ and Sir Alexander T. Galt¹⁹ went to England in July, 1879, to explain the National Policy and to negotiate the creation of a High Commission, the most important secondary object of their visit was to investigate the possibilities of a mutual preference. However, Britain was in no mood for the introduction of tariffs, and the investigation proved fruitless. In 1880, with the defeat of the British political party most suspected of harbouring preferential tendencies (the Conservative Party), any future effort by the Canadian government remained out of the question for some time to come.

The Canadian government, though, never really lost interest in imperial preferential tariffs. When Jan Hofmeyr suggested a plan for an imperial tax on foreign

18) Sir Charles Tupper, (1821-1915); involved in Nova Scotia politics, 1855-1867; Premier of Nova Scotia, 1864-67; elected to Canadian House of Commons, 1867; Prime Minister, May 1 - July 8, 1896.

19) Alexander T. Galt (1817-1893); railway promoter with land and mining interests; elected to Legislative Assembly of the Province of Canada; 1849; member of Executive Council; elected to House of Commons, 1867, becoming Minister of Finance, July 1 - Nov. 4, 1867.

imports to augment an imperial defence fund at the Colonial Conference of 1887, the Canadian delegation remained silent. This was certainly not due to indifference to the notion of preferences, though. It was the result of a lack of previous thought on the subject of imperial defence and perhaps an awareness of the political implications in Canada of the issue. Macdonald did not take the initiative in recommending imperial preferences during the late 1880's because it was obvious that the British government was unwilling to entertain ideas of tariffs and mutual preference. He was concerned with the country's trade with the United States. This was because fears of American tariff retaliation on Canadian exports of lumber and fish were increased and magnified by the difficulties experienced between Canada and the United States over the North Atlantic fisheries issue during the late 1880's.²⁰

However, Canadian activities concerning preferential tariffs were not restricted solely to the government. Several individual Canadians began to advocate the cause of preferential tariffs as well. It would appear, though, that the early stages of the public participation in the

20) Brown, op. cit., pp. 31-41, 88.

debate over imperial preferences by Canadians took place in Great Britain itself, not in Canada. This situation occurred because it was not necessary to convince Canada of the advantages of a tariff or preferential trade. However, in Great Britain, a struggle for the implementation of tariffs and preferences was underway which needed support. The role of some Canadians in a British preferential movement thus seemed natural. At the same time, though, there was a growing interest in imperial unity. Proposals for defence within the Empire and political schemes such as an Imperial Parliament or Council of Advice had been discussed during the 1870's and early 1880's. The Imperial Federation League was founded in 1884 as a vehicle to promote such ideas. However, within the organization, there was a division between the free traders and other individuals who desired implementation of tariffs and preferences. Canadians tended to give support to the latter group. In fact, Canadian attempts to aid imperial unity in England focussed mainly upon the acquirement of preferences rather than notions of political federation or imperial defence. This was because Canada would have benefited from preferences directly and to a large extent, and not from the other aspects of consolidating the Empire.

Despite Sir C. H. Tupper's pronouncement about his father,²¹ A. T. Galt seems to have been the first important Canadian to have actively advanced the idea of imperial preferential tariffs.²² When in England with the Canadian government delegation in 1879, Galt spoke to the Association of Chambers of Commerce and preached the practicability of imperial commercial union. Later, in Canada, just before taking up the position of High Commissioner in England, Galt denounced British free trade as a failure and urged the adoption of tariffs especially for retaliatory purposes. In fact, Galt became so active in England, that he not only helped to found the National Fair Trade League (which advocated preferences) in 1881, but in 1882 he asked the Canadian government to introduce a ten per cent preference on British goods without reciprocity from Great Britain.²³ However, his successor in the office of High Commissioner in 1883, Sir Charles Tupper, was far more blunt and forward. When the Right

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- 21) Sir Charles H. Tupper, editor, Supplement to Life and Letters of the Right Honourable Sir Charles Tupper, Bart., K. C. M. G., Toronto, Ryerson Press, 1926, p. 170.
- 22) O. D. Skelton, Life and Times of Sir Alexander Tilloch Galt, (The Carleton Library, No. 26), Toronto, McClelland and Stewart, Ltd., 1966, pp. 261, 263.
- 23) Benjamin H. Brown, The Tariff Reform Movement in Great Britain, 1881-1895, New York, Columbia University Press, 1943, p. 26, 211.

Honourable W. E. Forster, the first President of the Imperial Federation League, approached the High Commissioner for his opinions on imperial federation, Tupper immediately replied that preferential tariffs leading to increased imperial trade were the only means to achieve closer imperial unity.²⁴ At the first Congress of Chambers of Commerce of the Empire in 1886, when all tariff advocates had been instructed by the executive of the Imperial Federation League to remain silent on the subject of tariffs and preferences, only Tupper refused to abide by these instructions. Instead, he used the occasion for an emotional speech stating that imperial disunity was at stake without increased imperial trade.²⁵

In Canada, as in the United Kingdom, a growing number of individuals interested in imperial unity were less concerned about the value of preferential tariffs than in political and military schemes for imperial federation. For example, in early 1887, the Imperial Federation League of Canada at its first meeting in Montreal failed to mention imperial preferences among the several resolutions it passed.²⁶

24) E. M. Saunders, The Life and Letters of the Right Honourable Sir Charles Tupper, Bart., K.C.M.G., Volume 1, London, Cassell and Co., Ltd., 1916, p. 171.

25) Benjamin Brown, Tariff Reform, p. 93.

26) Imperial Federation League in Canada; Progress of Work and Rules for, Brandon, 1887, pp. 2-3.

The national executive on March 5th, 1887, in reconfirming the league's objectives, did likewise.²⁷ Thomas Macfarlane's pamphlet, A United Empire, printed in 1885, which was reputed by Archibald McGoun to have contained the germ of the preferential scheme for the league,²⁸ was more a proposal for raising revenue for an imperial navy than fiscal means to reunite the Empire.²⁹ It was not until agitation over Commercial Union with the United States arose in 1887 that many Canadians began to advocate imperial preference as a means of securing imperial unity.

The reason why the Commercial Union movement gave such impetus to the preferential tariff agitation in Canada was that it publicized the significance of tariffs as an integrating factor between countries. Essentially, Commercial Union meant closer commercial contacts between Canada and the United States through the abolition of Canadian and American tariffs on the goods of each country, and through the imposition of duties on foreign products. Those Canadians who espoused closer association with Great Britain and the Empire feared that Commercial Union would quickly lead to political annexation by the United States.

27) Ibid., pp. 4-5.

28) Archibald McGoun, On Commercial Union with the United States with a Word on Imperial Reciprocity, June 1887, p. 28.

29) Thomas Macfarlane, A United Empire, Read Before The Montreal Branch of the Imperial Federation League in Canada, December 21, 1885.

The political results of the fiscal policies of the German Zollverein did not lessen such fears. Thus, Canadian proponents of imperial unity began to offer the concept of preferential trade as an effective means to counter the economic attractiveness of the United States as manifested in the Commercial Union movement.

The importance of the Commercial Union movement as a causal factor in the Canadian advocacy of preferential tariffs is indicated by the increasing appearance of references to imperial preferences as the Commercial Union movement grew in intensity. By the spring of 1887, Canadian agitation for Commercial union had not yet reached its zenith.³⁰ Thus, references to imperial preference as a means of uniting the Empire were few and of a minor nature. For example, one of the early references to imperial preferences was Archibald McGoun's speech before the Montreal branch of the Imperial Federation League on June 10th, 1887. During his speech, he denounced Commercial Union with the United States and as an alternative, suggested imperial reciprocity through preferential tariffs.³¹ However, the significance of imperial preferences was not fully understood by the advocates of imperial unity during the spring of 1887.

30) For the progress of the Commercial Union movement in Canada, see Brown, Canada's National Policy, pp. 125-60.

31) McGoun, op. cit., the entire pamphlet.

Proof of this lack of comprehension is suggested by a resolution passed at the annual general meeting of the Imperial Federation League in Ottawa on June 20th.³² The resolution proposed that imperial reciprocity was the trade policy most in accordance with the objects of the league. Examination of the discussion during the meeting concerning the resolution, though, shows that it was not passed because of any anti-American feeling or concern for imperial unity. Ironically, the resolution was passed because the members feared that the planned reduction of Great Britain of tolls on the Suez Canal in 1893 would allow Indian wheat to undersell Canadian wheat on the British market. It was hoped that a preferential arrangement with Great Britain would forestall Indian competition.

By the fall, though, agitation over Commercial Union with the United States had intensified. In response to the agitation, Thomas Macfarlane wrote a very lucid letter in the November edition of Imperial Federation, the Imperial Federation journal. In it he pleaded for commercial union between Canada and the United Kingdom based upon a preference in inter-Empire trade, which he maintained, was not free

32) The Ottawa Evening Journal, June 20, 1887. p. 1. The name of the gentleman who proposed the resolution was the Rev. Canon Dalton, tutor of the Royal Princes during the cruise of H.M.S. Bacchante. Dalton had just returned to Canada, his native country.

trade or protection, but rather self-protection.³³ Having been published in Imperial Federation, and therefore distributed among its Canadian readers, Macfarlane's letter must have been highly important as a catalyst in focusing the ideas of Canadian advocates of imperial unity on the value of preferences, as Col. G. T. Denison's³⁴ recollections would seem to substantiate.³⁵

Consequently, during the rapid expansion of the Canadian Imperial Federation League in opposition to Commercial Union during the late fall of 1887 and early 1888, the issue of preferential tariffs, as a unifying factor in the Empire, played a prominent role. The Toronto branch of the league, which was formed on December 22nd, 1887, had the advocacy of commercial union with the United Kingdom as its expressed object.³⁶ During the early part of 1888, other branches adopted a similar stance, and the Canadian

33) Thomas Macfarlane to the Editor, October 6, 1887, Imperial Federation, The Journal of the Imperial Federation League, November, 1887, p. 226.

34) Colonel George T. Denison (1839-1925); soldier; one of the founders of the Canada First movement; a leader of the Imperial Federation movement; President of British Empire League.

35) Col. G. T. Denison, The Struggle for Imperial Unity, Recollections and Experiences, Toronto, Macmillan and Co., Ltd., 1909, p. 90.

36) Ibid., p. 91.

League changed its official list of resolutions to include a prominent clause advocating discriminatory duties within the Empire.³⁷ In a January, 1888, speech, later printed, widely circulated, and used as a standard text on preferential tariffs in Canada, the Vice-President of the league, Archibald McNeill, came out firmly in support of the idea of preferences.³⁸ Soon afterwards, the President of the league, D'Alton McCarthy,³⁹ and J. H. Marshall,⁴⁰ succeeded in provoking discussion in the House of Commons with the introduction of a resolution urging the implementation of preferential tariffs, which was not passed, however.⁴¹ By the end of 1888, as Colonel G. T. Denison wrote in his autobiography, "a most vigorous campaign" had been initiated.⁴²

When it was realized that practical implementation of imperial tariffs was inhibited by the most-favoured-nation treaties with Germany and Belgium, the Canadian campaign

37) Ibid., p. 90, 119.

38) Ibid., p. 91

39) D'Alton McCarthy (1836-1898); Conservative M. P. until 1889; Independent leader of 'Equal Rights' movement; elected to Parliament, 1876-98.

40) Joseph Henry Marshall (1854-1919); Conservative; a farmer near London, Ont.; Member of Parliament, 1887-1896.

41) Canada, House of Commons, Official Debates, (Henceforth H. of C. Debates) April 30, 1888, Vol. 2, pp. 1069-92.

42) Denison, op. cit., p. 96.

for imperial preferences focussed more specifically upon the abrogation of these treaties. For example, after adopting a resolution favouring the cancellation of the treaties in 1890, the Imperial Federation League 'despatched' a member, Colonel G. T. Denison, to undertake missionary work in England. Denison hoped that he would be able to exert pressure upon the parent branch of the league to adopt a position similar to that of the Canadian branch regarding preferences and the two treaties. However, the British league was dominated by free traders who were unwilling to accept the notion of tariffs, let alone imperial preferences. Speaking as often as possible, Denison still failed to convince the British league. He did succeed with great difficulty, though, in having a clause concerning the two treaties included in the annual report of the British league.⁴³

After a decade of inaction, the Canadian government began to interest itself in the pursuit of imperial preferences. The protectionism displayed by the McKinley Tariff appeared to give notice that reciprocity with the United States was unlikely at the time. The results of the election of 1891 revealed the anti-American, pro-British feelings of the majority of Canadian voters. Also, years

43) Ibid., pp. 138-40.

of depression in Canada served to dim the glamour of the National Policy. Imperial preference was seen as a means to help renew the attractiveness of the National Policy. For these reasons, Macdonald decided to make a concerted effort to convince the British government as to the value of imperial preferences and the abrogation of the most-favoured-nation treaties.⁴⁴ However, his death resulted in a weakening of the proposed endeavour. Rather than a formal state paper sent to the British government as intended by Macdonald, resolutions were passed in both Houses of Parliament in 1891 urging the British government to cancel the two treaties.⁴⁵ Interest was maintained in imperial preferences when, a year later, the Canadian House of Commons passed another resolution informing the British government that if and when Canadian agricultural goods were admitted to the British market under a preferential tariff, the Canadian government would reciprocate on British goods.⁴⁶ Although these resolutions were disregarded by the British government, they are important as an indication

44) Brown, Canada's National Policy, pp. 212-18.

45) H. of C. Debates, September 20, 1891, for discussion see pp. 6309-25. Also, Senate Debates, September 25, 1891, pp. 610-50.

46) Ibid., April 25, 1892, for discussion of the resolution, see pp. 1555-1635.

of the degree of interest in imperial preferences within the Canadian government and among the Canadian public during the early 1890's.

By the mid-1890's, interest in preferential tariffs achieved new prominence. The effect of the injurious depression of the period served to heighten the Canadian government's concern for trade expansion as the main stimulus to preferential tariff discussion. A very real anxiety over diminishing export returns pressed the colonies to instigate the Colonial Conference held in Ottawa in 1894, during which the Canadian government, particularly the Minister of Trade and Commerce, Sir Mackenzie Bowell, and the Minister of Finance, Sir George E. Foster,⁴⁷ played a prominent role in the passage of several resolutions advocating preferential tariffs.⁴⁸ However, the British government declined to implement the resolutions. When the pugnacious Tupper became Prime Minister in 1896, he attempted to obtain preferences from Great Britain but his short term of office prevented an active official pursuit.⁴⁹

47) Sir George E. Foster (1847-1931); Conservative M. P. from New Brunswick; elected to House in 1882; Minister of Finance 1888-1896; Minister of Trade and Commerce, 1911-1921; involved with League of Nations.

48) Richard Jebb, The Imperial Conferences, A History and Study, London, Longmans, Green and Co., 1911, pp. 178-80.

49) Saunders, op. cit., pp. 160-66, 180.

Before the end of 1896, then, imperial preferences had been clearly advocated by a segment of the Canadian public and the Canadian government as well. In fact, the idea had achieved such attention that during the election of 1896 both political parties included imperial reciprocity as planks in their platforms.⁵⁰

Unlike the Conservative Party's steadfast adherence to the National Policy and protective tariffs, the Liberal Party changed its stance on tariffs from its fiscal pronouncements of the late 1880's. Originally, the Liberals' fiscal policy emphasized free trade. This emphasis manifested itself in the Liberal espousal of Unrestricted Reciprocity with the United States. However, the loss of the election of 1891 made the party leaders realize that they needed the support of Canadian manufacturing and transportation interests and that they had to place more emphasis upon 'loyalty' to Great Britain in their policies. Thus, in 1893, at the party convention in Ottawa, the Liberals accepted the notion of moderate tariffs in order to attract businessmen to the Liberal Party.⁵¹

This new fiscal orientation of the party was reflected in the composition of the first Liberal cabinet when Laurier became Prime Minister in 1896. Instead of appointing the

50) J. S. Willison, Sir Wilfrid Laurier and the Liberal Party, Toronto, George N. Morang, 1903, Vol. II, pp. 287-8.

51) Brown, Canada's National Policy, pp. 257-62.

low-tariff adherent and finance minister in the previous Liberal administration during 1874-1878, Richard Cartwright,⁵² W. S. Fielding⁵³ was placed in charge of the Finance Department. Fielding, as well as other ministers, such as William Mulock,⁵⁴ R. R. Dobell,⁵⁵ and William Paterson,⁵⁶ and Raymond Préfontaine,⁵⁷ were all sympathetic to the essential characteristics of the National Policy.⁵⁸

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- 52) Sir Richard Cartwright (1835-1912); businessman and banker from Ontario; Member of Parliament, 1867-1911; Minister of Finance, 1873-78; Minister of Trade and Commerce, 1896-1911.
- 53) William S. Fielding (1848-1929); owner of Morning Chronicle, Halifax; involved in provincial politics, becoming Premier and Provincial Secretary, 1884-1896; Federal Minister of Finance, 1896-1911.
- 54) Sir William Mulock (1844-1944); Toronto lawyer; in House of Commons, 1882-1905; Postmaster General, from 1896 until his resignation in 1905.
- 55) Richard R. Dobell (1837-1902); a Quebec City businessman with lumber and mercantile interests in Quebec City; elected to House, becoming Minister without Portfolio, 1896-1902; advocate of Imperial Federation; helped to found British Empire League, 1896.
- 56) William Paterson (1839-1914); biscuit and confectionery manufacturer in Brantford; elected to Parliament, 1872-1911; Minister of Customs, 1897-1911.
- 57) Raymond Préfontaine, (1850-1905); federal representative for Chambly, Quebec, from 1886 until his death; Minister of Marine and Fisheries in the Laurier cabinet.
- 58) John T. Saywell, "The 1890's", The Canadian, 1867-1967, J. M. S. Careless and R. Craig Brown, ed., Toronto, Macmillan Co., 1968, p. 126.

Also, because the Empire was still a potent force in Canadian politics, and because the protectionist McKinley Tariff of 1891 indicated American indifference toward reciprocity with Canada, the Liberals began to look to Empire and imperial preferences. In order to become elected to and remain in office, then, the Liberals could not adhere as rigidly to their former ideology of low tariffs and continentalism as did the first Liberal Prime Minister, Alexander MacKenzie. Rather, the Liberals realized that they had to be realistic in their response to political issues.

However, although the Liberals were no longer committed to free trade when they were elected in 1896, because of platform promises, they were committed to a lowering of the protectionist tariffs implemented by the Conservative government. It is for this reason that the Liberals, unlike their predecessors, were able to initiate a preference to Great Britain without demanding reciprocity. When the Laurier government implemented its campaign pledge of preferences into legislation, it took the form of a general offer of a one-eighth reduction of the Canadian tariff to any country that gave similar concessions to Canada. This was not a specific offer of preference to Great Britain, though. Because of the restrictions of the German and Belgium treaties, Canada could not offer preferences to Great Britain without giving the same privileges to both

Germany and Belgium. The Laurier government, knowing full well that Great Britain was the only country which immediately complied with the conditions of the new tariff, felt that the general offer would allow the new tariff to by-pass the most-favoured-nation treaties. The law officials of the British government thought differently.⁵⁹ However, because of the Canadian initiative and fait accompli, Joseph Chamberlain, the Colonial Secretary, was able to convince the British cabinet to abrogate the restricting treaties in 1898. Thus, the last restriction to complete Canadian fiscal autonomy was removed. As a result, in 1898, Canada offered Britain and her colonies a specific preference. Under the terms of the new tariff, any members of the British Empire were eligible for the increased preference of twenty-five per cent, which was to be raised in 1900 to thirty-three and a third per cent if the Canadian offer was reciprocated.⁶⁰

Despite the government's professed statements that the tariff concessions were for reasons of imperial sentiment and were given out of gratitude to Great Britain for the

59) Norman Penlington, Canada and Imperialism, 1896-99, Toronto, University of Toronto Press, 1963, p. 51

60) The material for this paragraph was obtained mainly from the following books: D. R. Annett, British Preference in Canadian Commercial Policy, Toronto, Ryerson Press, 1948, pp. 30-34; McDiarmid, op. cit., pp. 213-5.

benefits received from her,⁶¹ there were several other reasons as well -- reasons which made the preferential offer an act of political astuteness. Aside from helping to increase Anglo-Canadian trade and making Canada more attractive for British investment and immigration, the preference pleased Liberal followers who held free trade and low tariff views. It also surrounded a political party, formerly smeared by the Conservatives in 1891 as traitors, with an aura of patriotism and loyalty to the Mother Country. To many Canadians, the latter two points seemed to be confirmed by the fact that Canada demanded no preference from Great Britain in return. Thus, the offer of preference helped to consolidate Laurier's political position after the election of 1896. Norman Penlington has even suggested that the preference was offered in order to ensure Canada of British support during the negotiations with the United States over the fisheries issue and the Alaska boundary dispute.⁶² Certainly, the Canadian offer of preference helped to endear Canada to the hearts of many Englishmen. However, since the Liberals had been out of office for nearly twenty years, the need to strengthen

61) H. of C. Debates, W. S. Fielding, April 5, 1898, pp. 3136-41.

62) Penlington, op. cit., p. 52.

their political position was undoubtedly one of the foremost reasons for the preference in the minds of their leaders.

The offer of preference was not the only method, however, by which the Liberal government attempted to expand the country's trade. Both the government and many of its supporters were still interested in reciprocity with the United States, although they were not hopeful of its realization shortly after 1896.⁶³ Negotiations during the meeting of the Joint High Commission in late 1898 and early 1899, though, gave Canada the most likely opportunity to achieve reciprocity in decades. The tariff discussions were detailed during the negotiations. However, they were terminated by the Canadian government. Anti-American feeling had begun to increase in Canada because of the seeming pertinaciousness of the United States in not allowing Canadian access to the Yukon through a change of the Alaskan boundary. Thus, Canadian nationalism made it dangerous for the Canadian government to establish close fiscal relations with the United States, while at the same time it made the settlement of the emotional issue of the Alaska boundary more difficult.⁶⁴ As a result, Laurier had to end the fiscal discussion.

63) W. S. Fielding, H. of C. Debates, April 22, 1897, p. 1108.

64) Penlington, op. cit., p. 127-8.

However, the Liberal government never gave up hope of reciprocity as a means to increase Canadian trade. In the years after the end of the Joint High Commission session, W. S. Fielding, one of the leading exponents of the Liberal fiscal philosophy, repeatedly stated the desire of Canada for reciprocity.⁶⁵ The booming state of the Canadian economy, though, lessened the necessity of reciprocity. Also, the importance of Great Britain as a market for over fifty per cent of Canadian exports made the government look to Great Britain and preferential trade for the continuation of Canada's economic welfare.

The question still remains, though, whether the Canadian preference actually helped British exports on the Canadian market. Certainly the preferences of 1/8 off the general rate in 1897, 1/4 off in 1898, and 1/3 off in 1900 were substantial. In fact, if the old pre-1897 tariff had remained unaltered, an extra 28 million dollars would have been paid on the 500 million dollars worth of British exports to Canada between the years 1897 and 1906.⁶⁶ The Liberals were fond of quoting statistics to indicate the significance of the Canadian preference to British goods. For example, references were made to the decreasing value of British exports to Canada before the preference was introduced in 1897, and

65) H. of C. Debates, W. S. Fielding, May 2, 1899, p. 2477.

66) H. of C. Debates, W. S. Fielding, November 29, 1906, p. 290.

to the significant increase in British exports after that date.⁶⁷ The conclusion was drawn that the Canadian preference had been of definite value.

However, one must wonder as to the extent of the Canadian preference's influence upon the increase of British exports to Canada. After 1897, the Canadian economy was recovering from a difficult depression. In fact, the Canadian economy was on its way to a significant rate of expansion. Because of this, Canadians purchased more goods in general than before. Thus, imports from Great Britain increased with the expanding state of the Canadian economy, not simply because of the Canadian preference on British goods. In fact, although the amount of British goods entering Canada increased after 1897, the proportion of Canada's total imports which Britain supplied actually decreased to a significant extent. For example, in 1896, British goods composed 31.2 per cent of Canada's total imports. Yet, in 1900, this proportion dropped to 25.7 per cent where it remained for the next decade.⁶⁸ It is significant to note that the United States increased its proportion of Canada's

67) Some statistics to which were commonly referred are: \$43,000,000 worth of British goods imported in 1895; \$33,000,000 in 1896; \$29,000,000 in 1897; \$35,000,000 in 1898; and \$49,000,000 in 1902. These statistics were presented at the Colonial Conference of 1902. M. Olliver, The Colonial and Imperial Conference from 1887-1937, Ottawa, Queen's Printer, 1954, Vol. 1, Mr. William Paterson, Minister of Customs, p. 174.

68) Annett, op. cit., p. 42.

total imports from 50.8 per cent in 1896 to 59.2 per cent in 1900. This situation occurred despite the maximum tariff rate under which American goods entered Canada.

The reason why the percentage of British goods within Canada's imports decreased was that British exporters and manufacturers failed to exploit the Canadian market. Not only did the exporters fail to advertise their products actively in Canada, but the British manufacturers neglected to produce for the particular demands of the Canadian consumers.⁶⁹ As well, the British tended to export a type of high-quality product which entered Canada under a high duty, whereas the Americans sent a less-finished product which was admitted into Canada under lower duties. Thus, despite the preference, the average duty on British dutiable goods entering Canada was equal to the average duty on American dutiable goods: 24.74 per cent on British goods and 24.83 per cent on American products in 1902.⁷⁰ One must conclude that the nature of British exports to Canada, and the lack of active interest in the Canadian market on the part of British exporters, did not lead to the full utilization of the Canadian preference. Although there remained room for increased British exports under the existing

69) H. of C. Debates, W. S. Fielding, May 2, 1899, pp. 2467-70. Daily Mail and Empire, July 2, 1903, p. 7; October 7, 1905, p. 15; June 26, 1906, editorial page.

70) H. of C. Debates, W. S. Fielding, March 17, 1902, pp. 1299-1302.

Canadian preference, then, the preference itself was not a particularly significant factor in influencing the composition of Canadian imports.

Another reason why the preference was not effective in increasing British exports was simply that the Canadian tariff, even with the decreased rates on British goods, was still high during Laurier's tenure of office.⁷¹ The changing nature of the Canadian economy gave rise to a new class of powerful industrialists and manufacturers. In 1880, 75 per cent of the Canadian population was rural, but this decreased to 37.5 per cent by 1900.⁷² Obviously, the Canadian population was largely urban by the beginning of the twentieth century and involved in the industrial sector of the Canadian economy. The result was that the industrialists and manufacturers had an increasingly significant voice in the formulation of the tariff which they wanted to protect their industries. This can be seen by the increase of the average rate of duty imposed on British imports over the last thirty years. For the period from 1874-79, the rate was 16 per cent; five years after 1879, it was 19.4 per cent and in 1902, even with the preference, it was 24.74 per cent.⁷³

71) Edward Porritt, Sixty Years of Protection in Canada, 1846-1907; Where Industry Leans on the Preference, London, Macmillan and Co., Ltd., 1908, pp. 1-3; and Annett, op. cit., p. 43.

72) Saywell, op. cit., p. 116.

73) See pages 7-8 and 34 of this Chapter.

Thus, Laurier took cognizance of the fiscal interests of the manufacturers. His realization of the importance and significance of the industrialists for both Canada and the Liberal Party is indicated by his response to Chamberlain during the Colonial Conference of 1897. In pursuit of his goal of a strong Empire, Chamberlain suggested that the colonies agree to free trade within the Empire with tariffs placed on foreign goods. Laurier responded to this proposal in the same way as he did with many of Chamberlain's other schemes for imperial unity. He differentiated between Great Britain and the Empire. According to Laurier, Britain's commercial interests were not those of Canada.⁷⁴ Because imperial free trade would have destroyed Canada's developing manufacturing industry, he rejected Chamberlain's proposals as inimical to Canadian interests. Although still associated with the interests of the British Empire, Canadian interests had to be considered first and foremost.

This attitude is evident in Laurier's handling of attempts to secure definite Canadian participation in, and monetary contributions to, imperial defence. Thus, Canadian volunteers, not an official Canadian contingent,

74) Saywell, op. cit., p. 118.

went to South Africa in 1899.⁷⁵ Similarly, a Canadian navy was proposed in 1909, not direct contributions to the imperial navy.⁷⁶ In both cases, French and English elements of Canadian society differed in respect to the exact nature of Canada's role in defence of the Empire. English-Canadians generally wanted direct enthusiastic involvement, whereas French-Canadians wanted little to do with imperial defence. The result was that Laurier formulated his policies in an attempt to satisfy the various pressure groups. However, the status of the self-governing colonies within the Empire had not yet been firmly established. In his response to the pressure of different groups in Canada, Laurier aimed for a relationship between Great Britain and the colonies which took the peculiar problems and interests of the colonies into account. A study of the Colonial Conference of 1902 concerning the issue of imperial preference helps to reveal the influence of particular interests in Canada, in this case business interests, upon the Canadian government's position.

Canada had not asked officially for a preference for Canadian goods on the British market in return for the

75) Richard A. Preston, Canada and "Imperial Defence": A Study of the Origins of the British Commonwealth's Defense Organization, 1867-1919, Toronto, University of Toronto Press, 1967, pp. 261-4.

76) Donald C. Gordon, The Dominion Partnership in Imperial Defense, 1870-1914, Baltimore, John Hopkins Press, 1965, pp. 227-30.

British preference in the Canadian tariff. However, during the early part of 1902, the situation changed. As a result, the Canadian government took a firm stand against the British government on preferential trade during the Colonial Conference of 1902.

During early 1902, pressure began to be exerted on the Canadian government either to decrease the British preference in Canada or to convince the British government to reciprocate the Canadian preference. The main source of this pressure was the Canadian business community. Initially, when Canada gave a preference to British imports, Canadian businessmen looked upon it with some anxiety, but they were prepared to live with it.⁷⁷ Occasionally, just before 1902, some Boards of Trade asked for preferential reciprocity or a decreased British preference in Canada, but their efforts were sporadic and unconcerted.⁷⁸ The fact that Canadian business was booming, and the realization that Great Britain had so far adhered tenaciously to a policy of free trade induced the Canadian manufacturers to recommend simply to the government that it ought to keep

77) McDiarmid, op. cit., p. 214.

78) For example, in 1900, the Ottawa Board of Trade sent a delegation to the British government and Chancellor of Exchequer in order to convince them of the value of imperial preferences. However, during their discussions in England, no threats of a decreased Canadian preference were made. Notice that just one Board of Trade made this attempt. H. of C. Debates, March 1, 1901, pp. 1465-6.

the matter in mind.⁷⁹ However, by 1902, the British preference in Canada was beginning to hurt several areas of Canadian manufacturing severely, particularly the woollen and textile industries. Thus, discontent with the preferential arrangement began to mount among the Canadian business community. Writing of this discontent, the Canadian Minister of Finance, W. S. Fielding, told Chamberlain that the manufacturers wanted either a smaller British preference in Canada or else a preference on the British market for Canadian goods.⁸⁰

With the imposition of an English agricultural duty seemingly imminent according to rumours which began circulating during the early part of 1902, Canadian business began to emphasize tariff concessions from Great Britain. In April, 1902, when Britain was forced to meet the heavy expenditures of the South African War with a two per cent duty on all flour and wheat imports (a levy affecting eighteen per cent of Canada's exports to Great Britain,⁸¹) an opportunity for preferential access into Britain thus presented itself. Agitation for imperial reciprocity then became very

79) P. W. Ellis, President's speech Before the Annual Convention of the Canadian Manufacturers' Association, Industrial Canada, Toronto, November 1901, p. 120.

80) W. S. Fielding to Joseph Chamberlain, March 11, 1903, Minto Papers.

81) McDiarmid, op. cit., p. 215.

active in Canada. The agitation became more lively when it was realized that the Colonial Conference, which was to be held during the summer of 1902, would give the government a strategic opportunity to voice the Canadian interest in tariff preference. Thus, resolutions passed by the Toronto and Montreal Boards of Trade, which advised and almost demanded preferential reciprocity from England, were forwarded to Laurier for use at the Colonial Conference as examples of Canadian sentiment.⁸² The publication of the Canadian Manufacturers' Association (henceforth C. M. A.), Industrial Canada, also entered the discussion, warning that Canadian industries were suffering as a result of the British preference in Canada. It suggested strongly that Canada ought to receive some equivalent concession to facilitate access to the British market.⁸³

The sentiment of the Canadian business community manifested itself politically through the activities of the Conservative Party. On May 12, 1902, after the introduction of the agricultural duty in Great Britain, Robert Borden, the leader of the Conservative Party, provoked a debate in the House of Commons when he used information culled from his scrapbooks to demonstrate the apparent lack of a government

82) H. of C. Debates, H. Hughes, March 17, 1902, pp. 2953-4.

83) Industrial Canada, July, 1902, p. 422.

policy toward a preference from Great Britain. During the debate, the government's preference on British imports was attacked as a measure which failed to produce benefits from Britain for Canadian goods and which decreased the government's negotiating power now that Great Britain had introduced a grain duty. Some Conservatives even went to the point of decrying the British preference in Canada as an abhorrent step toward free trade in Canada.⁸⁴ In order to pressure the Liberal government into asking Britain for preferential reciprocity, Borden informed the House of Commons that the Conservatives were prepared to join unanimously with the government in passing a resolution stating the advantages of a system of imperial preferential trade. However, the offer was not accepted.⁸⁵

The Canadian supporters of imperial unity also voiced the opinion that now was the chance for Canada to receive a preference from Great Britain. Their hopes had risen tremendously when Great Britain introduced the grain duties of 1902, especially as the duties were significant for Canadian exports. Thus, they did everything they could to persuade the Canadian government to seek preferential reciprocity from Great Britain. One of the foremost Canadian

84) H. of C. Debates, W. B. Northrup, April 15, 1902, pp. 2755-8.

85) For an excellent but politically prejudiced account of preferential tariff discussion in the House of Commons since 1897, see Sir Robert Borden's speech in H. of C. Debates, May 12, 1902, pp. 4704-63.

imperialists, Colonel G. T. Denison, even embarked for England with the intention of convincing the British to give a preference to colonial wheat and flour.⁸⁶

As a result, the Canadian government went to the Colonial Conference with the intention of obtaining a reduction in the British Corn Duty for Canadian imports. On July 18, 1902, Laurier broached the subject,

Now you have imposed grain duties. I know it is a delicate subject, but I do not see from what point of view the policy could be objected to if a preference were to be given to the colonies upon the grain duties.⁸⁷

To stress the point, Laurier said later that he was "... bound to say that there was some disappointment in Canada..."⁸⁸ when Canada was not exempted from the Corn Duty in return for the British preference in the Canadian tariff. Strong hints were made that if some remittance of the Corn Duty was not forthcoming, Canada might have to decrease the British preference in Canada. In response to this pseudo-ultimatum, Chamberlain asserted that the Canadian preference to Britain had not greatly benefited British exports to Canada, and suggested that Canada would have to increase its preference before England could reciprocate. However,

86) Denison, op. cit., pp. 290-332.

87) . . Ollivier, op. cit., p. 172.

88) Ibid., p. 204.

both Chamberlain's assertion and suggestion were rejected by Fielding who stated that England must act first. In the end, the results of the Conference dealing with imperial preferences were negative. Nothing concrete was accomplished except for the adoption of a resolution which recognized the value of imperial preferences and urged the British government to give tariff preferences to the colonies:

3. That with a view, however, to promoting the increase of trade within the Empire, it is desirable that those Colonies which have not already adopted such a policy should, as far as their circumstances permit, give substantial preferential treatment to the products and manufactures of the United Kingdom.

4. That the Prime Ministers of the Colonies respectively urge on His Majesty's Government the expediency of granting in the United Kingdom preferential treatment to the products and manufactures of the Colonies whether by exemption from or reduction of duties now or hereafter imposed.

5. That the Prime Ministers present at the Conference undertake to submit to their respective Governments at the earliest opportunity the principle of the resolution and to request them to take such measures as may be necessary to give effect to it.⁸⁹

Canadian support of the resolution passed at the Colonial Conference indicates the Canadian government's desire to have preferences on the British market for Canadian goods. However, what the Canadian government wanted for the immediate present was a reduction of the Corn Duty for Canadian imports. During a conversation

89) Ibid., p. 207.

between Fielding and Chamberlain away from the conference table, Fielding stated that the Canadian government would substantially increase the British preference in Canada if Canada received a rebate on the Corn Duty.⁹⁰ Apparently, Fielding even suggested that if Chamberlain could inform the Canadian cabinet immediately of a favourable response by the British cabinet, counter-concessions would be included in the forthcoming Canadian budget.⁹¹ As well, in order to remove any doubts in the minds of the British cabinet about the sincerity of the Canadian government, Fielding reassured Chamberlain that current Canadian discussions with the French government concerning trade matters would not inhibit increased British exports to Canada.⁹² When Fielding wrote Chamberlain in October, 1902, requesting information regarding a possible cabinet decision on preferential tariffs, the finance minister stated that he would be willing to visit England to help matters, if needed, despite the inconvenience of Parliament's opening.⁹³

90) Julian Amery, Joseph Chamberlain and the Tariff Reform Campaign, Vol. 5, (The Life of Joseph Chamberlain), London, Macmillan, 1969, p. 116.

91) Loc. Cit., Chamberlain agreed to keep Fielding informed.

92) Ibid., p. 115.

93) Fielding to Chamberlain, October 4, 1902, ibid., p. 117.

A month later, as a result of pressure in Canada, Fielding again wrote for information, stressing the necessity of knowing the British cabinet's decision.⁹⁴ The evidence, then, indicates the intense interest of the Canadian government in securing a preference on the Corn Duty for Canadian products, and her willingness to offer concessions. However, the British government had to act first.

The reason for the very active interest in imperial preferences by the Canadian government lay in the fact that pressure from the Canadian business community had increased since the summer of 1902. In September, the C. M. A. formed the Educational Campaign Committee, with a fund of 50,000 dollars, to undertake a proposed programme to convince the Canadian public as to the value of a higher tariff.⁹⁵ During the same month, the C. M. A.'s concern over the Canadian tariff and the preference which it gave to British

94) Fielding to Chamberlain, November 3, 1902, ibid., p. 118.

The reply that Fielding received from Chamberlain was that the British government could not come to a decision at that time, and it was suggested that the Canadian government should present a budget which would clearly allow an immediate response to a favourable decision by the British government. Chamberlain to Fielding, November 20, 1902, ibid., 124. Fielding's reply was that Britain must act first. Fielding to Chamberlain, March 11, 1903, ibid., pp. 163-4.

95) S. D. Clark, 'The Canadian Manufacturers' Association and the Tariff', The Canadian Journal of Economics and Political Science, February, 1939, Vol. 5, pp. 25-26.

imports was placed in resolution form for the first time at its annual meeting in Halifax. This statement, later known as the Halifax Resolution, re-affirmed the Association's belief in a mutual reciprocal imperial preference, and stated that a Canadian tariff should give a preference to any part of the Empire which offered reciprocal arrangements to Canadian exports, "...recognizing always that under any condition the minimum tariff must afford adequate protection to all Canadian products."⁹⁶ Business dissatisfaction with the Canadian tariff and the British preference in Canada was manifested in the unofficial campaign for higher tariffs by Israel Tarte, the Minister of Public Works. Dissension within the federal cabinet over the tariff issue exemplifies the intense pressure upon the Canadian government to establish higher tariffs as well as to obtain imperial preferences.

As Fielding told Chamberlain "...tariff questions have of late received much attention in Canada."⁹⁷ The pressure proved of such significance that Fielding had to state in the House of Commons that, during any negotiation with Britain over preferential trade, Canadian industries would not be sacrificed. He also stated that the tariff protecting

96) Industrial Canada, September, 1902, p. 83.

97) Fielding to Chamberlain, November 3, 1902, quoted in Amery, ibid., p. 118.

Canadian industries would not be altered. In fact, the British were warned that if they did not show appreciation of the preference by giving Canada a preference on the Corn Duty, then they could not complain if the Canadian preference was modified or changed.⁹⁸

It could be argued that the Canadian government was using the threat of a lower preference on British imports as a means to prod the British government into action on imperial preferences. However, the intensity and frequency of the Canadian government's requests would tend to suggest otherwise. The Canadian effort resulted from political necessity. The Liberals were supported by manufacturers and industrialists. Due to business pressure, the preference in Canada would have to have been decreased if the British did not reciprocate the privileged fiscal entry of her goods into Canada. Yet it was the preference which allowed the Liberal Party to obtain support from low-tariff adherents. How could the Liberal Party retain the support of both pressure groups if a preference was not obtained from Britain? This was a problem which Laurier had to consider. If a preference was given by the British government, then the financial and transportation groups and their subsidiary interests would have benefited as well as the agricultural sector of the economy. These interests could then have

98) H. of C. Debates, W. S. Fielding, April 16, 1903, p. 1402.

remained united on one of the essential principles of the National Policy, namely the east-west flow of goods in Canada, accelerated and strengthened by the preferred entry of Canadian goods on the British market. However, if an imperial preference could not be obtained, then the alliance of business and agricultural interests within the party would have been severely tested by the intensified attempts of the business community to decrease the British preference. It could not be expected of the Canadian government to overlook this consideration in any imperial negotiations on fiscal issues.

However, Chamberlain was encountering difficulty in convincing the influential free traders in the British cabinet to allow a reduction of the Corn Duty for colonial products. At one point in September, 1902, Chamberlain apparently succeeded in convincing the British cabinet to permit a reduction. Feeling confident of his efforts, in late 1902, the Colonial Secretary went to South Africa for a three-month trip. Upon his return to England, he discovered that the free traders within the cabinet had succeeded in reversing the previous decision to allow a rebate. At the same time, Chamberlain received a letter from Fielding, which pointed out that the British preference in Canada had "...been the subject of much attack in the

Dominion."⁹⁹ Now that the Corn Duty had been abrogated, the Canadian business community, specifically the manufacturers, demanded that the British preference in Canada be either decreased or cancelled altogether. Fielding's letter reflected this threat by the statement that if Great Britain did not wish to initiate any preferential tariffs, then Great Britain should not complain if Canada abolished the British preference. Thus, by the spring of 1903, the hopes which had existed the previous spring for imperial preferences and strong imperial trade seemed visibly to have disappeared.

Just as the failure of the Canadian government to obtain a reduction in the Corn Duty at the Colonial Conference and afterward made the Canadian manufacturers increase their pressure for a modification of the British preference in Canada, so it made Canadian supporters of imperial unity feel despondent about the future of the imperial tariff movement. To them, it seemed that the means to achieve imperial preferential trade were crumbling. The endemic rumours in early 1903 to the effect that the British Corn Duty was about to be withdrawn, and its ultimate abrogation in April, 1903, reinforced the fear that the Mother Country was not interested in the Empire and would never introduce

99) Fielding to Chamberlain, March 11, 1903, quoted in Amery, op. cit., p. 163.

imperial preferences.¹⁰⁰ Without the action and support of Britain, the realization of imperial preferences was impossible. Further discontent arose within the movement's ranks as a result of the disappearance of many members who were now advocating a substantial decrease in the Canadian preference on British goods.¹⁰¹ Added to these points, was the suspicion that the Canadian government was not favourably inclined toward preferences and imperial unity.

Many supporters of imperial unity had been disillusioned by the Canadian government's interest in imperial unity. The hopes and aspirations which they had placed in Laurier at the beginning of his term of office had begun to fade. Disillusionment set in because of the government's lack of enthusiasm in despatching Canadian troops to South Africa in 1899.¹⁰² Laurier's apparent lack of interest in imperial defence and closer political relations between Canada and Great Britain seemed confirmed by his initial refusal to discuss these issues at the Colonial Conference of 1902.¹⁰³

100) For example, The Daily Province, Vancouver, May 9, 1903, p. 8.

101) Col. G. T. Denison to Joseph Chamberlain, March 23, 1903, copy, Denison Papers.

102) Penlington, op. cit., p. 240.

103) Some individuals made this interpretation based on Laurier's delay in answering an enquiry from Chamberlain concerning the agenda of the approaching Colonial Conference, and also from his statement that Canada did not need to discuss political relations or imperial defence. H. of C. Debates, H. Hughes, April 11, 1902, pp. 2943-4.

Thus, the lack of positive results at the Colonial Conference concerning imperial preference seemed the result of more than a paralysis of Canadian statesmanship.¹⁰⁴ It seemed to be a lack of concern. Anxiety over the Canadian governments' attitude concerning imperial preferential trade increased as the result of a renewal of interest in reciprocity with the United States by early 1903. At the time, it was feared by supporters of imperial unity, such as Colonel Denison, that the Canadian government might oblige the Americans.¹⁰⁵ To those who had been through the pro-American agitation of the late 1880's and early 1890's, it seemed that their efforts since that time had been to little avail, and that a return to the previous conflict was very unlikely.

The convergence of all these factors during the early part of 1903 depressed several leading Canadian supporters of imperial unity. It seemed to suggest that their dreams of imperial unity were not to be achieved. It is not surprising, then, that Denison wrote Chamberlain, "(o)ur people are very much discouraged."¹⁰⁶ In two very lengthy letters, written in March and April, 1903, Denison urged

104) A. H. V. Colquhoun to Denison, June 10, 1902, Denison Papers.

105) Denison to Chamberlain, March 23, 1903, copy, ibid.

106) Loc. cit.

upon Chamberlain "...the importance of something being done now."¹⁰⁷ What Denison wanted was a definite start toward the consolidation of the Empire which would give him and his colleagues at least some encouragement; otherwise, "(w)hat will happen?" he wrote.¹⁰⁸

However, people like Denison were not fully aware of the political and fiscal realities of the Canadian situation. After the demise of the Old Colonial System, the British North American colonies would have done almost anything to re-obtain imperial preferences. However, this situation changed increasingly toward the end of the nineteenth century. The manufacturing sector of the Canadian economy was developing and expanding, and needed protection from cheap American and British manufactured goods. Because of the increasing strength and influence of the business community, the political party in power had to respond to the pressure of business interests in the same way it had to meet the pressure of other influential Canadian groups, such as the French-Canadians. Thus, in any imperial arrangement over preferential trade around the beginning of the twentieth century, the prime minister had to take into account the demands of the manufacturers and industrialists. Furthermore, if the interests of the business community were disregarded, the continued survival of the party in power would have been in jeopardy. Thus, because of the

107) Ibid., April 18, 1903, copy.

108) Ibid., March 23, 1903, copy.

particular concerns of each part of the Empire, the possibility of generalized imperial preferences coming into being by the beginning of the twentieth century was unlikely.

CHAPTER II

JOSEPH CHAMBERLAIN AND THE TARIFF REFORM

CAMPAIGN IN GREAT BRITAIN

The political repercussions of Joseph Chamberlain's Tariff Reform campaign in Great Britain exemplifies the problem of unity for a party in power during the discussion of controversial issues. The advocacy of tariffs for protective and imperial purposes had evolved to the point by 1903 where the continued survival of the ruling party in Great Britain was placed in jeopardy. It is necessary to study the Tariff Reform campaign and its divisive effect upon the British Conservative Party in order to understand the full significance of the question for the Canadian Liberal Party and the government of Sir Wilfrid Laurier.

Just as there were individuals in Canada who were disappointed by the abrogation of the Corn Duty in April, 1903, so there were persons in Great Britain who felt similarly downcast. However, there was a major difference between the movements for preferential tariffs in Great Britain and Canada. In Canada, support for preferential tariffs came from both the government and the public, whereas in Britain the government remained aloof and even hostile to the notion of preferential trade and imperial unity. Nevertheless, a movement for preferential tariffs did exist in Great Britain at the same time as many Canadians advocated a similar policy.

Public support in Britain for preferential tariffs arose toward the end of the nineteenth century. The reason for the submergence of preferential proposals after the collapse of the Old Colonial System lay in the country's intense adherence to the notion of free trade. The return of economic prosperity during the 1850's and 1860's after the depression of the 1840's seemed to justify the soundness of laissez-faire. Also, the overwhelming acceptance of the free trade philosophy in Great Britain largely inhibited any active concern for a strongly united Empire. Thus, the movement for preferential trade within the Empire was virtually non-existent after the disappearance of the Old Colonial system until the late 1870's.¹

The reason why conditions were favourable for the beginning of a movement for preferential trade during the late 1870's was that the financial crisis of 1873 resulted in a world-wide depression.² This depression made individuals with interests in agriculture and in many industries realize their vulnerability to cheap foreign

1) Sydney H. Zebel, "Fair Trade: An English Reaction to the Breakdown of the Cobden Treaty System," Journal of Modern History, Vol. 12, 1940, pp. 161-2.

2) The material for this paragraph has been taken from Julian Amery, Joseph Chamberlain and the Tariff Reform Campaign, Vol. 5, (The Life of Joseph Chamberlain), London, Macmillan, 1969, pp. 204-7; Zebel, "Fair Trade" Modern History, pp. 162-7.

goods imported into free-trade Britain. Thus, protection clubs and leagues began to spring up whose tempo of activity became increasingly loud and enthusiastic as contributions flowed in to club coffers and support swelled. For the most part protection was the only object of these clubs. The few references which were made to preferential trade before the late 1870's took the form of a general concern for increased trade within the Empire, and rarely as a means of imperial consolidation. However, by the end of the decade, the potentially unifying effect of commerce upon the Empire was recognized by a number of individuals. For example, W. F. Ecroyd, a firm supporter of protection and imperial unity, came to believe that protection was second to the commercial consolidation of the Empire. Another example of the growing realization of the connection between imperial unity and preferential tariffs was the attempt in 1879 of the Reciprocity Fair Trade Association to have the Canadian government include a preference for British goods within the National Policy. However, preferential tariff activities in England remained relatively quiescent and unorganized until the founding of the National Fair Trade League in 1881.

The National Fair Trade League was the first organization to include as part of its manifesto the distinct proposal of discriminatory duties in favour of

the colonies against foreign imports. During the 1880's, the league actively propagated its two-fold objective of tariff protection, or "fair trade" as league members called it, and imperial unity through preferential tariffs. However, tariff protection always remained the dominant objective of the organization.

At this time, during the early 1880's, renewed interest in the value of the Empire emerged. However, comparable to the movement for imperial unity in Canada, interest in the Empire did not emphasize preferential trade as a form of cement. For example, the Imperial Federation League was founded in 1884 to bring about closer political, military and institutional ties within the Empire. Since members of the league were both free traders and fair traders, the organization could not actively advance the notion of preferential tariffs. Without tariffs in the United Kingdom, there could be no preferential tariffs. Thus, the course of preferential trade was wholly dependent upon the success of the protection-oriented movement in which it was a minor adjunct.

During the 1880's, the fortunes of the fair trade movement rose and fell according to the economic prosperity of England and the political state of the Conservative

Party with which the movement had aligned itself.³ Just after the National Fair Trade League was founded in 1881, prosperity returned to England. Consequently, the league did not conduct an active campaign. Rather it had to content itself with the education of the public through the use of articles, pamphlets, and its official organ, Fair Trade. With the return of economic depression in 1885 and 1886, and the electoral success of the Conservative Party in 1886, the league began to organize itself more closely in order to promote its objectives. Branch organizations were initiated, speeches given, meetings held and fair trade resolutions passed -- all in an attempt to make the country more receptive to the notion of fair trade through the introduction of tariffs. Because the Conservative Party required the support of the Liberal Unionists, who were free traders, in order to remain in power, the Conservative Party could not adopt fair trade principles as government policy. However, the fair traders worked within the Conservative Party organization to make fair trade an official party measure. Their efforts met with a good degree of success in 1887. In that year, fair trade resolutions were passed at meetings of the Grand Council of the Birmingham Conservative Association, the National Union

3) Zebel, "Fair Trade," Modern History, pp. 168-180.

of Conservative Associations of Scotland, and the all-important National Union of Conservative and Constituents Association of England. At the latter meeting, the vote in favour of the fair trade resolution was 1000-2. This over-whelming support was the result of the manipulations of the fair traders who used propaganda tactics and the surprise appearance of the resolution in order to achieve success.⁴ The year 1887 represented one of the most successful years for the fair traders as a result. However, after 1887, their fortunes declined. This was due to a reaction within the Conservative Party against the fair traders, and the need for the party to remain in harmony with the Liberal Unionists, as well as a result of a return of prosperity.

The movement for tariff reform and preferences in the United Kingdom received a helpful stimulus from the colonial request for preferences at the Colonial Conference of 1887, and particularly from the upsurge of Canadian feeling against annexation with the United States. These points made the efforts of the British imperialists and tariff reformers seem all the more patriotic and acceptable. The highly protectionist American tariff of 1890 proved to be an effective catalyst to the movement as well. Not

4) Ibid., p. 177.

only did American protectionism weaken Cobden's argument that the world would follow the United Kingdom's adoption of free trade, but it also caused injury to English industry since it was more difficult to export British goods to the United States. Thus, the value of trade and commerce as a means to unite and protect the Empire became more apparent than before. A greatly increased agitation by the movement in England naturally resulted. A new association, the United Empire Trade League, was founded in 1891 expressly to advocate the issue of preferential tariffs. This association arose out of the conviction that the dedicated protectionists in the old National Fair Trade League were holding back the cause of preferential tariffs through their demands for outright protection. Its leader, Sir Howard Vincent, made an Empire-wide tour in 1892, during which he visited most of the major Canadian cities and did his utmost to accelerate and unite the movement.

The agitation in England forced the Prime Minister, Lord Salisbury, to permit discussion on preferential tariffs within the Conservative Party.⁵ In November, 1891, the Conservative Party Conference passed a resolution adopting

5) For the activities of the Conservative Party in England, see Benjamin H. Brown, The Tariff Reform Movement in Great Britain, 1881-1895, New York, Columbia University Press, 1943, pp. 58-84.

Vincent's policy of preferences which subtly implied protection for British industries. The following year, Salisbury spoke at Hastings and indicated that he was now more critical of free trade than ever before. But the assumption of office by the Liberals in 1892 with the help of Irish Home Rule and disestablishment, terminated whatever endeavours the Conservative Party had undertaken. When the Conservatives returned to power in 1895, times had changed. Emphasis was now placed through fervent agitation upon the expansion of the Empire. Imperial expansion rather than imperial preferences became the way to a successful destiny as England became fascinated by the empire of Rhodes, the Kimberley diamond mines, and the military adventures of the 1890's.

The rising interest in the Empire found expression in the British government by the efforts of Joseph Chamberlain, who became Colonial Secretary in 1895. Chamberlain's success in business, in municipal reform as mayor of Birmingham, and in the initiation of the Liberal Party caucus which introduced a form of democracy within the party, helped him to obtain a sizeable following of personal supporters.⁶ His activities within the government,

6) Sydney H. Zebel, "Joseph Chamberlain and the Genesis of Tariff Reform," The Journal of British Studies, Vol. 7, 1967, p. 132-3.

as President of the Board of Trade in the Gladstone government between 1880 and 1885 and later as Colonial Secretary under Salisbury, made him a commanding figure in the public eye. Thus, when he attempted to realize greater unity and coordination within the Empire as Colonial Secretary, he was able to attract much attention.

Those who advocated imperial unity both in Britain and Canada quickly realized that Chamberlain was to be their spokesman. Unlike the Little Englanders, Chamberlain looked favourably upon the colonies and the British Empire. To him, the colonies were of value and a means to augment British power. The Venezuelan crisis of 1896, the success of the United States during the Spanish-American War in 1898 and the growing strength of the German Empire served notice that Great Britain was no longer the sole great power in the world. Rather, rival powers were emerging. Although the colonies could not equal Great Britain's military power by any means, they could help share imperial defence expenditures and actively involve themselves in imperial defence. Echoing current theory regarding the nature of imperial unity, Chamberlain's notion of colonial status within the Empire was one which saw the colonies giving positive aid and support in strengthening Great Britain and the imperial entity. Chamberlain was not beyond taking definite action

and initiative in obtaining colonial help. At the Colonial Conference of 1897, he asked the colonies to bear a portion of the expense of the British navy. The Colonial Secretary's efforts to secure troops from the colonies during the South African War exemplifies his understanding of the colonial role within the British Empire. He even went to the point of informing colonial governments of the views held by colonials which would help to draw the colonies closer to Great Britain; for example, the repatriation of the 100th Regiment of Canada.⁷

However, Chamberlain did not look upon the Empire in solely military terms. His attempts and ultimate failure to achieve imperial federation soon after he became Colonial Secretary indicate another aspect of his thinking.⁸ He also looked upon the Empire in economic terms as well. When he entered Parliament in 1876, he was a free trader as were the vast majority of Englishmen. Chamberlain's economic orthodoxy is shown by Gladstone's selection of him to defend free trade against the criticism of the fair traders in 1884. However, his study of the free trade position led him to question the value of his economic

7) Norman Penlington, Canada and Imperialism, 1896-1899, Toronto, University of Toronto Press, 1965, p. 71-2.

8) Peter Fraser, Joseph Chamberlain: Radicalism and Empire, 1868-1914, London, Cassell and Co. Ltd., 1966, p. 231.

beliefs. His disenchantment with free trade increased in later years.⁹ His main concern was that Britain's lack of tariff protection seemed to provide trade benefits to foreign countries and not to his own nation. Britain's trade balance was beginning to become unfavourable. Exports no longer paid for imports during the 1880's. This was because foreign protection was beginning to hurt British industries. For example, England's textile trade with the Continent fell off rapidly during this period. Because of the absence of tariffs in Britain, foreign goods could enter and outsell British products. One of the results was that foreign trusts and combines could dump products in the British Isles. As well, American and German production of steel overtook that of the United Kingdom during the 1890's. The United States, partly because of protective tariffs, had prospered to the point where by the end of the nineteenth century she had secured enough capital to invest in England.¹⁰ Thus, Chamberlain began to look upon tariffs more favourably than he had in the past.

However, there was another reason for his interest in tariffs. Chamberlain saw tariffs as a source of revenue for the social legislation which he hoped to implement. With revenue from tariffs, old age pensions

9) Amery, op. cit.., 109-110.

10) Ibid., p. 208, 212.

could be offered to the ~~deserving~~, loans could be advanced for the purchase of houses by the working class and compensation given for industrial accidents.¹¹ Aside from providing the means to provide social programmes and aid to British industries, though, Chamberlain saw the value of tariffs in relation to the Empire as well.

The practical unifying effect of common fiscal policies was evident from the success of the German Zollverein. Chamberlain's first attempt to secure imperial unity through fiscal means did not take the direction of preferential tariffs, though. When he tried for the first time to unite the Empire economically at the Colonial Conference of 1897, his proposal was for a free trade area in the form of an imperial Zollverein.¹² Colonial hesitation to give up protective tariffs and Canada's initiative in giving Great Britain a preference on the Canadian market, made Chamberlain look toward imperial preferential trade as a more feasible means to secure imperial unity.¹³ Thus, when Canada's first attempts in 1897 to give Britain a preference indirectly were inhibited by the German and Belgium most-favoured-nation treaties, Chamberlain successfully strove to have them cancelled

11) Fraser, op.cit., p. 165-6.

12) James L. Garvin, Empire and World Policy, 1895-1900, The Life Joseph Chamberlain, Vol. III, London, Macmillan Co., 1951, pp. 181-94.

13) Zebel, "Joseph Chamberlain," British Studies, pp. 140-1.

in 1898. The fact that Chamberlain had adopted imperial preference as a means to unite the Empire is indicated by his later attempts to have a preference given to the colonies through the Corn Duty of 1902.

Chamberlain had hoped to use a preference on the Corn Duty as a means to stir up and extend imperial enthusiasm throughout the Empire. Initially, Chamberlain won the unofficial consent of the British cabinet in late 1902 to give the colonies the desired preference. However, his absence in South Africa soon afterwards allowed the free traders in the cabinet to have the previous decision revoked. Instead of a preference, the Corn Duty itself was abrogated on April 16, 1903. Chamberlain was disappointed, to say the least, by the disappearance of the means with which he had hoped to secure greater imperial unity. Fielding's statement in the Canadian House of Commons on April 16 concerning the possibility that the Canadian preference on British imports would be withdrawn if the United Kingdom did not reciprocate on the Corn Duty, did not help to alleviate Chamberlain's anxiety about the future of imperial preferences.¹⁴ By the spring of 1903, then, it appeared to Chamberlain that his goals of imperial unity, a strengthened Britain, and social legislation were receding out of reach. Something positive

14) See previous chapter, pp. 46-47.

and forceful had to be done. The grip of free trade on Great Britain, which prevented the realization of imperial preferences, had to be broken. It was with the intention of breaking this grip by appealing to the British public that Chamberlain spoke at Birmingham on May 15, 1903.

The importance of Chamberlain's Birmingham speech was two-fold. First, it emphasized the value of the Empire to the future of Great Britain. Secondly, it pronounced Britain's fiscal policy of free trade to be not only outdated, but in need of re-examination and revision, if England and the Empire were to remain strong and united. During his speech, Chamberlain elaborated upon these two points.¹⁵

In essence, he asked his audience to behold an Empire with a potential of great wealth and population without which England's trade and commerce, and her power and influence as a nation, would be adversely affected. He held that trade and commerce were of the greatest importance for the continued union of the Empire. Chamberlain wondered if enough was being done to channel the patriotic movement in Britain and her colonies in the right direction, and whether England's legislation was making for imperial union or separation -- this was the crucial issue, he maintained. The permanency of the

15) Amery, op. cit., pp. 184-192.

Empire, Chamberlain believed, rested upon a community of sacrifice. The colonies had made several advances toward union, such as, the contribution of men during the South African war, the acceptance by South Africa, New Zealand, and Australia, of the principle of preference to Great Britain, and particularly Canada's enactment of a 'meaningful' preference for British manufacturers which resulted in German tariff reprisals on Canadian goods. But how could the colonial advances be met? How could the Empire be protected against German reprisals? New measures were needed to solve these problems.

Only two alternative courses of action were open to England. On one hand, Britain could continue the espousal of the free trade doctrine which prevented adaptation to the changed circumstances of the times. This was the wrong interpretation, according to Chamberlain. Or on the other hand, Britain could alter the purely technical definition of free trade in order to regain England's freedom and power of negotiation, lost long ago. What was desired now, Chamberlain said, was a discussion on the tenets of free trade to determine what the British people wanted for the future. His speech terminated with a certain sense of immediacy: "Make a mistake in legislation - it can be corrected. Make a mistake in your imperial policy - it is irretrievable (loud applause). You have an opportunity; you will never have it again."¹⁶ The reaction to his

16) Ibid., p. 191.

speech was immense. Even Chamberlain was surprised at its reception.¹⁷

However, the speech had many political repercussions for the ruling Conservative Party, of which Arthur J. Balfour¹⁸ was the leader. The specific problem was that the party was composed of different groups with divergent opinions. In 1887, the Conservatives had been joined by the Liberal Unionists who had split with the Liberals over the issue of Irish Home Rule. The secessionists remained as a separate entity under the co-leadership of Chamberlain and the Duke of Devonshire,¹⁹ but they operated from within the Conservative Party. As a result, a number of members in Balfour's party owed their first loyalty to Chamberlain. More importantly, though, the Conservative Party was divided between those individuals who favoured tariffs and the orthodox for whom any fiscal policy other than free trade was anathema. Thus, the suggestion that fiscal change was necessary shook the government.

After discovering that the cabinet had reversed its original decision regarding a preference on the Corn Duty,

17) Ibid., p. 192.

18) Arthur J. Balfour, (1848-1930); prominent Conservative who held a key position in the party for fifty years after 1880; served in various cabinet posts under Salisbury, Asquith, Lloyd George, and Baldwin; Prime Minister, 1902-05.

19) Eighth Duke of Devonshire, (1833-1908); British statesman, free trader, served in cabinet under Gladstone and Balfour, leader of Liberal Unionist party in 1886-1905.

Chamberlain delivered his Birmingham speech in an attempt to prod the government into supporting his proposals of imperial unity through preferences. Opposition tactics in the House of Commons, though, drew him into advocating fiscal changes that were politically unwise. For example, Chamberlain admitted that his policies would result in higher food prices, even though the consumer would receive remuneration through the creation of old-age pensions dependent upon revenue derived from tariffs. Yet the emotional cry of cheap bread was one of the reasons for the introduction of free trade during the mid-nineteenth century. The result was that Balfour headed a party which was polarizing into two camps. The only way to retain party unity was to declare the issue an open question until party policy had been established.²⁰ In the meantime, it was agreed that members would refrain from provoking the argument. Thus, Balfour won time in which to find a solution which could hold the party together.

Chamberlain's proposals were oriented in the direction of consolidating the military, political and economic strength of the Empire. This was to be expected from a minister who was the Colonial Secretary. However, it could not be assumed that the direct concern of a minister would necessarily determine the main policies for the whole cabinet

20) Alfred Gollin, Balfour's Burden; Arthur Balfour and Imperial Preference, London, Anthony Blond, Ltd., 1965, pp. 28,108-9.

and the guiding principles of the British nation.²¹ It was the Prime Minister in whom lay the duty and responsibility to foresee the total implication of issues. The problem with Chamberlain's proposals was that they had not received the enthusiastic approval of both the colonies and the British public.

During the Colonial Conferences of 1897 and 1902, military and political attempts at imperial consolidation had not met with favour among the colonies. Similarly, Great Britain had not been won over to the acceptance of tariffs. Only a change of attitude in the colonies and Great Britain would result in the success of Chamberlain's concept of imperial unity. Yet, this change of attitude was unlikely in the near future. For the present, there were a number of important issues for the British cabinet to face.²² The Boer War had revealed several weaknesses in Britain's international position. Diplomatically, Great Britain was isolated and consequently in need of friends. The inefficiency of the British army had been made all too obvious by the war and improvements were necessary. As well, the navy required modernization to allow it to operate in the twentieth century. These were important problems in the eyes of Balfour. This was particularly so since he believed the leader of the

21) Ibid., p. 64.

22) Ibid., p. 63.

Opposition, Sir Henry Campbell-Bannerman, to be not only incapable of sound administration, but also unwilling to make the necessary diplomatic and military changes. To Balfour, power had to be retained in order to achieve the needed reform. Party unity, then, was mandatory.

The truce among the government's members could not endure indefinitely. During the summer months, debate on the fiscal issue resumed.²³ Chamberlain's supporters created the Tariff Reform League to help in the task of propaganda; The free traders responded with similar leagues and "educational" measures. It was apparent that an energetic conflict was approaching. Something had to be done to maintain the unity of Balfour's party. What the Prime Minister decided upon was to rid his cabinet of the immovable advocates of both fiscal positions. Thus, his government could not be identified with either faction. If a policy of compromise could be found and advocated, then even party members of opposing opinions might be persuaded to continue to support the Prime Minister.

Balfour's plan to relieve his cabinet of extremists was greatly facilitated by Chamberlain's voluntary resignation.²⁴ The Colonial Secretary realized the strength of the free traders within the party. Consequently, he wished to initiate a campaign to convince the British public to accept tariffs and imperial preferences.

23) Anery, op. cit., pp. 283-320.

24) Gollin, op. cit., pp. 119-124.

Balfour could only agree. He had nothing to lose. If public support for Chamberlain was evident, then the government's policy could be adapted to incorporate them. If Chamberlain failed, then Balfour's government would undoubtedly remain intact long enough to enact the desired diplomatic and military changes.

Chamberlain's letter of resignation was valuable for another reason as well. It was used to force the resignation of the free trade defenders within the cabinet, such as the Chancellor of the Exchequer, Charles Ritchie.²⁵ By not revealing Chamberlain's resignation, Balfour made the free traders believe that the Colonial Secretary was to remain in the cabinet and his policies were to be accepted by the government. In this situation, they could only resign. Upon receipt of their resignations, Chamberlain's departure was made public. At the same time, a policy of fiscal change for purposes of commercial retaliation was announced. In this way, support was retained among most of Balfour's supporters.

Having thus been freed from the inhibiting rule of cabinet solidarity, Chamberlain was now able personally to conduct a nation-wide campaign for the purposes of educating the public to support his proposals. The campaign was initiated by a speech at Glasgow on October the 6th.²⁶ The difference between his Birmingham and

25) Ibid., pp. 134-47.

26) Amery, op. cit., pp. 460-67.

Glasgow speeches was that the latter gave a detailed, statistical elaboration of the need for fiscal change and of the Empire's importance to Great Britain, accompanied by concrete proposals for reform. According to Chamberlain, signs of decay were evident in England's trade. Not only was England's export trade stagnant and barely advanced from the volume of business of thirty years ago, but it had failed to keep up with the country's thirty per cent population increase. Of more concrete importance, Britain's exports to Germany and the United States had decreased since the 1870's, British industries such as tin were being put out of business by foreign competition, and colonial trade was more and more being taken over by foreigners. The fact that the colonial trade with foreigners could have supported an estimated 870,000 Englishmen was depicted as a practical advantage of imperial connections. Chamberlain went so far as to portray the colonies as willing to meet England in increasing imperial trade, and suggested that they were ready to restrain their own future industrial growth in favour of the British manufacturers. This statement aroused such offence in the colonies that it was deleted from the text of Chamberlain's speech when it was printed. In all, the former Colonial Secretary maintained that the Empire could be an economically self-sufficient unit, the like of which the world had never seen. However, such an Empire was only possible through commercial union and

reciprocal preferences.

It was in order to achieve the object of imperial unity, and a greater prosperity and national strength for England, that Chamberlain suggested several areas of fiscal change. He first proposed the introduction of slight duties on foreign agricultural imports into Great Britain, duties from which the colonies were to be excluded, except on wines and fruit for which the colonies would be given a preference. Bacon and maize, though, were to remain on the free list to help the English poor. To compensate for the rise of food prices, which Chamberlain agreed would happen as a result of the new tariff, the duties on tea, coffee, cocoa, and sugar, already in existence for the purpose of revenue, would be reduced. Since the proposed new tariffs would not adequately replace revenue which accrued from the existing duties, a ten per cent tariff on all manufactured goods was advocated. It was also suggested that this ten per cent tariff could be manipulated to force a decrease of high foreign tariffs which almost prohibited British exports. On the whole, Chamberlain's proposals were well thought out, designed to appeal not only to the pockets of the voters but to their patriotism as well.

Until the end of the year Chamberlain continued to stump the country speaking to large numbers of people,

elaborating his arguments in detail, refuting the criticism of his opponents, and generally making his views heard in every corner of the British Isles.²⁷ The aftermath of Chamberlain's Glasgow speech was perhaps the greatest propaganda campaign in the history of the Empire, somewhat reminiscent of the Chartist and free trade movements during the 1830's and 1840's. Hundreds of speakers supported the "Missionary of the Empire" on every available platform. Every conceivable media of communication was employed to inundate the country with Chamberlain's views. Through the use of posters, broadsheets, pamphlets, books, advertisements, newspapers, telephones, and public meetings, the people of Great Britain were raised to fever pitch.

To the free traders, Chamberlain was a decided threat to the fifty-year old policy of laissez-faire. Thus, they responded to Chamberlain's campaign with vigorous hostility.²⁸ The free traders had prepared for the possibility of a fall campaign during the summer months, and their efforts after the Glasgow speech were almost of the same magnitude as those of the Tariff Reformers. Aside from re-stating the usual orthodox doctrines of free trade, they questioned Chamberlain's statistics and arguments with convincing facts and figures of their own. In reply to Chamberlain's conclusion that England's trade was not faring

27) Ibid., pp. 496-542.

28) Ibid., pp. 474-79.

well, they maintained that his conclusion was based solely upon the export trade, which only employed one-sixth of the total British labour force, and failed to take account of the strong domestic economy. To support their position that Great Britain was actually prospering, they revealed that the buying power of £1,400 twenty years ago was equivalent to only £1,000 in 1903. As well, they employed the fact that the total amount of money exchanged in the form of bank cheques had increased from £530,000,000 to over £800,000,000 since the 1870's. The free traders dismissed Chamberlain's statement that the Empire was on the verge of dissolution. The reticence of the Canadian government regarding Chamberlain's policy was held to be excellent proof that the colonies were not interested in the proposals nor concerned with the fears of Tariff Reformers. As a result of Mr. Chamberlain's efforts and the free traders' response, the subjects of protection, free trade, Empire and Little Englandism, were all vehemently discussed and re-evaluated after October 6th, 1903.

The first Tariff Reform campaign ended by the beginning of 1904, when it was realized that the acceptance of Mr. Chamberlain's policies would be a long, drawn-out affair, and when his health necessitated a rest in Egypt. Chamberlain had failed to win the government to his side, a result which he had thought possible when he resigned in September, 1903. As a consequence, the Tariff Reformers' tactics changed to a deliberate, conscious attempt to gain

ascendancy over the Liberal Unionist and Conservative constituent representatives, so that Chamberlain could force the issue upon the House of Commons. Public discussion of Chamberlain's proposals was thus allowed to lapse. By the spring of 1904, the Liberal Unionists were won over. During the period from July to October 1904, Chamberlain revived the public campaign by making speeches in order to sustain morale among his supporters. However, the recovery of the British economy in 1904 deflated the sense of economic foreboding among the British people and consequently militated against a favourable response to Chamberlain's appeal.

Balfour's efforts to retain control of the government through the autumn campaign of 1903 and afterwards were a constant source of strain for the Prime Minister. The policy of fiscal change and his refusal to define it specifically enabled him to govern Britain with the support of the Tariff Reformers and many of the free trade exponents within the party. The lack of clarity regarding this policy was such that whenever debates arose in the House of Commons necessitating an enunciation of the government's fiscal policy, Balfour simply left the House. Even when specific questions were put to him, he did likewise, to the infuriation of the Opposition.²⁹ The delicate nature of

29) Gollin, op. cit., pp. 273-75.

party unity was regularly revealed to Balfour by reports from agents the Prime Minister managed to place among the Tariff Reformers and free traders. At one point in December, 1903, the Liberal Unionists who espoused free trade attempted to reunite with the Liberal Party. However, wounds remaining from the Irish Home Rule conflict still festered, preventing reunion. By October, 1905, though, Chamberlain succeeded in gaining control over the Conservative Party. On October 21st, the Prime Minister's own party formally endorsed Chamberlain's policy at an annual general conference. With such evident lack of support, Balfour could only resign.

However, the two year period between his resignation and the initiation of the campaign which caused it had given Balfour enough time to accomplish much of what he had wanted to achieve.³⁰ Diplomatically, Great Britain was no longer isolated. The understanding of 1902 with Japan was augmented by the entente with France in 1904. The navy was well on the way to a desired state of improvement, especially through the construction of the first dreadnought. As well, although not with the same degree of success as with the navy, many improvements had been initiated with the army. Whether Balfour truly held on to the reins of government for the sake of power alone, or whether he sincerely believed that the Liberals could not have performed as exemplarily,

30) Ibid., pp. 256-67.

is a moot point. Nevertheless, it is to Balfour's credit that he held his government and party together under almost intolerable conditions for over two years.

However, the result of Balfour's resignation was the formation of a Liberal government under Sir Henry Campbell-Bannerman, which called an election for January, 1906. It had been accurately forecast by Chamberlain and his supporters as early as the beginning of 1904, that defeat would be theirs in the next general election. It seems rather ironic that the issue of Tariff Reform, which caused such excitement in 1903 and early 1904, had such little impact on the outcome of the election of 1906. This was because several measures of the government, such as the Education and Establishment Bills, and the Chinese Exclusion Act, had made it unpopular. The latter measure, Chamberlain felt, caused his defeat. The victory for the Liberals was unbelievably overwhelming. Chamberlain was dumbfounded by the extent of the electoral results, and his Tariff Reformers were naturally despondent.

After 1906, the number of Chamberlain's supporters quickly diminished, although a small band of highly dedicated men continued to pursue his goals. However, in July, 1906, Chamberlain suffered a severe heart attack which left the Tariff Reform movement without a man of equal stature. As a result of the loss of Chamberlain and because the British people were interested in social reform at home rather than the pursuit of Empire, the movement was never again able to invoke the same response as in the

fall of 1903.

The movement for a united Empire through preferential trade had emerged slowly after the demise of the Old Colonial System. Because of his powers of organization and public prestige, Joseph Chamberlain was able to give the movement energy, direction, and an opportunity to bring its goals close to realization. The Tariff Reform campaign, though, caused divisive vibrations within the party of Arthur Balfour. Only through the utmost effort was he able to hold his government together for over two years. Despite the failure of Chamberlain's public campaign in the election of 1906, it did succeed, though, in provoking a very strong interest both in Great Britain and in Canada during late 1903. Just as his efforts influenced the British government, so they affected the Canadian government. It is now necessary, therefore, to examine the response of the Canadian people to Tariff Reform.

CHAPTER III
CANADIAN SUPPORT FOR JOSEPH CHAMBERLAIN'S
TARIFF REFORM

The distance between Great Britain and Canada did not inhibit a large number of Canadians from supporting Chamberlain. They were attracted by his objects of imperial consolidation and fiscal change, although the precise goals suggested did not appeal to all of them. As a result, there was never unanimity among the Canadian supporters of Tariff Reform. However, they were all excited by the launching of Chamberlain's campaign. This is revealed by their response to his Birmingham speech of May, 1903, which presented the general direction of his thoughts and future activities.

Chamberlain's Birmingham speech startled everyone in Canada as it did in Great Britain. To many Canadians, it was an exciting promise of support for their long-advocated cause of imperial unity. Headlines of many Canadian newspapers read, "This Is The Creative Hour,"¹ and for those who had grown tired of Great Britain's lack of initiative, "John Bull Awakening To A Keener Sense of Responsibility of Empire...."² For some of Chamberlain's Canadian supporters, his pronouncements had come none too soon as well. Denison now felt that he had a weapon against reciprocity with the United States to hold Canada until

1) Vancouver Daily Province, July 8, 1903, p. 12.

2) Vancouver Daily News-Advertiser, June 18, 1903, p. 1.

the Mother Country decided on the issue of preferences.³ Later, after the Tariff Reform campaign had begun in the fall, one gentleman wrote an elderly friend, both of whom had been involved in the preference movement in Canada during the latter part of the 19th century,

We have been waiting for at least 10 years for the advent of a man of sufficient eminence to voice effectively the wishes lying latent in the hearts of true British subjects everywhere throughout the Empire. And now the hour is come and the man.⁴

Where Denison had been pessimistic about the future of the Empire and the efforts of his colleagues during the early part of 1903, his spirits were raised to such a height by Chamberlain's actions that, in reviewing the past activities of the Canadian movement for imperial unity, he was able to remark, "And what a lot we have done."⁵ Of those Canadian who looked to preferential trade for imperial unity, their reaction to the campaign was swift and of a positively enthusiastic nature.

A large part of the Canadian business community, especially those with interests in Anglo-Canadian trade and those who were also intensely interested in imperial unity, welcomed Chamberlain's efforts excitedly as a step toward imperial preference.⁶ Mixed with this enthusiasm

3) Denison to Chamberlain, May 23, 1903, Denison Papers.

4) Thomas Macfarlane to William Kirby, November 19, 1903, Kirby Papers.

5) Denison to Charles Mair, July 6, 1903, Mair Papers.

6) See Montreal Daily Star, May 16, 1903, p. 13, for a report on the views of Montreal's businessmen.

an excitement, however, was a feeling of caution and reserve. One influential businessman wrote the editor of his newspaper concerning Chamberlain's pronouncements, "I presume your early utterances will be cautious."⁷ Industrial Canada, the organ of the Canadian Manufacturers' Association, remained silent on the subject, except to remind its readers that the Canadian tariff would have to protect the country's industries.⁸ The reason for this caution was that many Canadian businessmen were waiting for concrete, definite proposals, so that they could see how their specific interests would be affected. Joseph Flavelle,⁹ a prominent Toronto businessman who later joined the Round Table movement, wrote, "As I told you before I have no opinion. I am keeping an open mind."¹⁰ On the whole, however, Canada's business community greeted the Birmingham speech with enthusiasm, tinged with caution.

Some historians have stated that Chamberlain lost the enthusiasm of Canadians when the details of his proposals were fully known.¹¹ However, an examination

7) Joseph Flavelle to John Willison, May 20, 1903, Willison Papers.

8) See for example, Industrial Canada, June, 1903, p. 494-5.

9) Sir Joseph Flavelle, (1858-1939); a Toronto merchant and financier with interests in feed-processing, banks, trust companies and railways.

10) Flavelle to Willison, June 1, 1903, Willison Papers.

11) See D. R. Annett, British Preference in Canadian Commercial Policy, Toronto, Ryerson Press, 1948, pp. 37-8; Oscar Douglas Skelton, Life and Letters of Sir Wilfrid Laurier, (Carleton Library, No. 22), Volume II, Toronto, McClelland and Stewart, Ltd., 1965, p. 115.

of newspapers in Canada during the campaign in England indicates otherwise. Enough speeches were made by Chamberlain for Canadians to have become familiar with the main substance of his plans by the beginning of November. Yet Canadian interest and indeed active involvement continued until just before Christmas and to some extent into January, 1904. By the middle of December, 1903, the Tariff Reformers in England realized that their campaign was going to be a long drawn-out affair. Thus, the campaign decreased in intensity, and Chamberlain went to Egypt in early 1904 for a rest. Canadians were well informed of this situation by the end of December, and their activities and enthusiasm similarly dropped off. What becomes clear, is that the degree of Canadian enthusiasm was in proportion to the intensity of the campaign in England and to the degree of Chamberlain's apparent success. The excited response to the speeches of Foster in mid-December after he had returned to Canada from helping Chamberlain in England attests to this observation.¹² Similarly, if the manufacturers were uninterested by the proposals, this is certainly not evident from their pro-Chamberlain resolutions passed in late November and December.¹³ There was enough in the ex-Colonial Secretary's pronouncements to attract the enthusiasm of Canadians until it became apparent that his

12) See Daily Mail & Empire, December 15, 1903, p. 2; Montreal Daily Star, December 19, 1903, p. 16.

13) See pp. 119-120 of this chapter.

success was not likely in the immediate future. Certainly by late 1905, when the Tariff Reform campaign was re-activated in England, Canadian enthusiasm had died down. By then, success for the campaign was not obvious. But until early 1904, Chamberlain received enthusiastic interest and support from a large number of individuals in Canada.

Many Canadians realized that there was need of a campaign in Canada which would rally the Canadian people around Chamberlain's banner. With an indication of support from Canada, it was felt that the victory of imperial preferential trade would be assured. Thus, these individuals began to ask their fellow countrymen to rise up in support of Chamberlain. At the first meeting of the British Empire League in the fall of 1903, Colonel George Denison told the gathering,

Chamberlain has come out of the government to fight our battle, and it is manifestly the duty of Canada to strengthen his hands in every possible way.¹⁴

At the outset of the campaign, Canadians were told that they should and must allow their enthusiasm to overflow towards the former Colonial Secretary. Even in letters to the editor, similar expressions were voiced, as the letter of Francis A. Hilton, a lawyer, indicates:

14) Globe, September 21, 1903, p. 7.

Surely it is 'up to' the Canadian spectator to cheer on the struggling hero who almost alone is fighting the greatest battle the Empire has ever had against the prejudice and shortsighted folly that, like a drowning man, would drag down a rescuer rather than listen to reason. We should do more than cheer. We should agitate the issue in town and country, in Parliament and out of Parliament, in season and out of season, in councils, trades, and societies, and thereby supply nerve power to the solitary fighter in the form of resolutions of confidence and approval.¹⁵

In order to ensure Canadian support, British Tariff Reformers wrote their Canadian allies for their active involvement. Writing on June 12, 1903, in anticipation of the fall campaign in England, T. A. Brassey, the son of the prominent British railway contractor, wrote to Denison, "You must make as much noise as you can in Canada..."¹⁶ However, many Canadians needed no such appeals to remind them what they had to do now that 'The Hour' had come.

There was a conscious realization among Canadian imperialists such as Denison, that they could do something to stir up feeling and produce concrete examples of Canadian support for Chamberlain's use in England. Consequently, they attempted to influence and direct public opinion just as they had done in the effort to force

15) Toronto World, October 13, 1903, editorial page.

16) T. A. Brassey to Denison, June 12, 1903, Denison Papers.

Canadian participation in the Boer War in 1899.¹⁷ In asking permission to publish a speech in aid of Chamberlain, W. H. Merritt¹⁸ told the speaker that the resulting pamphlet could not "...fail to help form public sentiment in favour of Imperial Preferential Tariff."¹⁹ Such an attitude was shared by G. W. Ross,²⁰ Premier of Ontario, who was willing to lend his name and reputation to the campaign, and consequently attempt to strengthen his party's dwindling popularity in Ontario. For example, at a time when support for Chamberlain was swelling in Toronto after the start of the fall campaign, Ross sent a very helpful letter to Denison to be read before a meeting of the Toronto branch of the British Empire League, which was later published in the local newspapers.²¹ Ross privately hoped that his letter would help to direct public opinion favourably toward

17) For the campaign of 1899, see Norman Penlington, Canada and Imperialism, 1896-1899, Toronto, University of Toronto Press, 1965, pp. 241-251.

18) William H. Merritt, (1855-1918); prominent mining engineer; soldier; commanded the Governor General's Body Guard, 1903-09; President, Canadian Defence League.

19) W. H. Merritt to Dalmas, June 29, 1903, A. E. de St. Dalmas, Canada and the Empire, Toronto, William Briggs, 1903, p. 7.

20) Sir George W. Ross, (1841-1914); Ontario Minister of Education, 1883-99; Premier, 1899-1905; appointed senator in 1907.

21) Globe, October 21, 1903, p. 1.

Chamberlain's policies.²²

Perhaps the best method of attracting a favourable response in Canada was through public meetings. As a result, numerous meetings were held and speeches made during the fall of 1903 and early 1904 which elaborated upon the virtues of Mr. Chamberlain's policies. Judging by the number of speeches, it appears that Toronto was the city in Canada which was the most receptive to Chamberlain. However, speeches were also made in other Canadian cities as well. Many of the speeches were made by politicians as much interested in capturing the attention of the domestic electorate as discussing Tariff Reform. On many occasions throughout Canada in late 1903 and early 1904, Sir G. E. Foster, a prominent Conservative leader, spoke as much against Laurier as he did for Chamberlain.²³ Foster knew where the interest of his voters lay. So did W. F. Cockshutt, a Toronto merchant planning on running in the next federal election for the Conservatives, who was a regular speaker in support of Chamberlain.²⁴

Of course, the British Empire League, as the most prominent imperial organization in Canada, made full use of its meetings to discuss and propagate the issue, to send

22) Ross to Denison, October 19, 1903, Denison Papers.

23) As examples, see Ottawa Citizen, December 22, 1903, pp. 2, 9; Montreal Daily Star, December 16, 1903, p. 4; and December 15, 1903, p. 4.

24) For example, see Daily Mail & Empire, October 21, 1903, p. 6; Globe, December 8, 1903, p. 9.

indications of support to Chamberlain, and to provide platforms for speakers. The league and the Imperial Federation League, which it succeeded in 1896, had both been actively involved in similar campaigns before. For example, members of the Imperial Federation League such as Alexander McNeil²⁵ and Denison had helped to lead the fight against Commercial Union and Unrestricted Reciprocity during the late 1880's. During 1899, the British Empire League participated actively in the successful attempt to obtain Canadian involvement in the South African War. Membership in this league, though, dropped off after 1900 to the point where its President wondered as to the successful achievement of the league's objectives.²⁶ However, Chamberlain's campaign gave it new life, and it rose to meet the challenge. It was active to such an extent that the Secretary of the league in England asked the President of the British Empire League in Canada not to attempt to persuade the English body to support Chamberlain. It was feared that the organization in England would split apart since it was composed of free trade and Tariff Reform members.²⁷

Manipulation of meetings was not beyond the capacity of Chamberlain's supporters as well. Denison's correspondence

25) Alexander McNeil, Conservative: M. P. (1842-1932); lawyer in Warton, Ontario; elected to House, 1882-1901.

26) For the reasons, see pp. 43-5, Chapter I.

27) Mr. Murray to Denison, April 30, 1904, Denison Papers.

reveals various intrigues. One example was his efforts and those of some of his friends during the Third Congress of Chambers of Commerce of the Empire which met in Montreal during August, 1903.²⁸ At the meeting, many free traders from Great Britain were present. It was to be expected that conflict with the Canadian protectionists would result. A long, intense debate developed over the exact wording of a resolution concerning preferential tariffs. The discussion was deliberately prolonged by Canadian supporters of the Tariff Reform campaign in order to obtain a more favourable resolution than originally seemed possible. Also, they wanted the free traders "...to feel very uncomfortable, uneasy as to whether they were really right or not."²⁹ A similar situation developed two years later when Sir Frederick Pollock³⁰ visited Canada to obtain support for his 'pet' project of an imperial council. Apparently, Denison received word that Pollock was visiting Canada to "...draw a red herring across the scent, and get something that could be used against you (Chamberlain)..."³¹ As a result, at a large meeting in Toronto, Denison ensured that Pollock was given only a resolution which combined support both for Chamberlain and the concept of an imperial council.

28) See Denison to Chamberlain, August 22, 1903, Denison Papers.

29) Loc. cit.

30) Sir Frederick Pollock (1845-1937); distinguished lawyer; played leading role in founding Law Quarterly Review.

31) Denison to Chamberlain, November 4, 1905, Denison Papers.

Aside from the skilful drafting of resolutions, stress was placed on the particular individuals who moved and seconded resolutions. For example, at a meeting in early 1904, successful attempts were made to have Sir William Mulock, a Liberal cabinet minister, move a pro-Chamberlain resolution and to have a former Conservative Prime Minister of Canada, Sir Mackenzie Bowell, second the motion. The reason for these attempts was that it made the resolution appear more significant than had unknown individuals moved and seconded it.³² Although these incidents reveal Denison's managing, the fact that so many Canadians were willing to help him or receive his help indicates that Denison was not the only Canadian who recognized the value of manipulation in support of the Tariff Reformer.

The purpose of the pre-Chamberlain campaign in Canada was to arouse the Canadian people to indicate their positive interest in order "...to prevail upon Great Britain to adopt imperial preferential trade relations."³³ Thus, indication of Canadian support had to be provided for the British electorate. Essentially, there were three ways by which support could be expressed: by passing resolutions which were sent to England, by writing letters to English newspapers, and by actually participating in the British campaign.

32) Denison to Chamberlain, March 19, 1904, ibid.

33) Globe, May 20, 1903, p. 2.

The passage of resolutions by the various imperial and business organizations in Canada was perhaps the most important indication of Canada support. This was because resolutions represented groups rather than individuals. Thus, they possessed more weight. The greatest output of resolutions occurred during the fall of 1903 and early 1904 when Chamberlain's campaign was at its peak. Among the organizations emotionally devoted to imperial unity, the national body and the Toronto branch of the British Empire League sent resolutions, as did a United Empire Loyalist group in St. Catherines, an Orange Lodge in Vancouver, as well as the Ottawa Sons of England. Also, the meetings which were addressed by Foster sent resolutions as well. However, of the resolutions from these organizations, only the resolutions from the national body and the Toronto branch of the British Empire League, the United Empire Loyalist, and Foster's meetings received prominence in major English newspapers.

On the other hand, resolutions passed by Canadian business groups received more publicity in England than those from the imperial organizations. This was because they emanated from groups in Canadian society whose interests would have been directly affected by any imperial trade arrangement. Because the English free traders maintained that Canadian business would not permit any real advantage to English industries and were not really in support of Chamberlain, it was necessary to counter these arguments.

Also, business resolutions received more publicity in Britain than ones from imperial organizations because businessmen tended to be more realistic. Thus, their resolutions were felt to represent more fully a 'Canadian' point of view and be more objective than their imperialist colleagues. A total of twelve Boards of Trade in Vancouver, Winnipeg, Toronto, Saint John, Kessie and Nelson in British Columbia, Ottawa, Montreal, Hamilton, Stratford, London, and Guelph, as well as the Canadian Manufacturers' Association and the Dominion Millers Association passed resolutions which were forwarded to the Tariff Reformers in Britain.³⁴ After January, 1904, it was realized that Chamberlain's campaign was going to be a very long one with possible success only in the distant future. As a result, only the national body and the Toronto branch of the British Empire League, and the Canadian Manufacturers' Association continued to send resolutions to Chamberlain annually between 1903 and 1906. By the time the general election of 1906 was called, little enthusiasm remained. One of the main reasons why so many organizations sent resolutions in the fall of 1905 was because of the supplication of Sir Alfred Mosely, a prominent Tariff Reformer, who attended and emotionally addressed all the meetings which forwarded resolutions to England.³⁵

34) For example, see Daily Mail & Empire, December 1, 1903, p. 2; and November 4, 1903, p. 1; Ottawa Evening Journal, November 5, 1903, p. 9; Vancouver Daily News-Advertiser, November 11, 1903, p. 1; London Times, November 24, 1903, p. 10.

35) For example, Ottawa Citizen, November 14, 1905, p. 5.

The publication of Canadian letters in British newspapers and journals was also utilized in aid of 'The Great Cause'. The publication of letters, especially those from prominent Canadians, was considered to have value to the English campaign. On December 12, 1903, Chamberlain wrote Tupper, "...it would immensely strengthen my hands to have a simple statement from you expressing your belief..."³⁶ The letters were generally sent to correct misconceptions concerning the Canadian point of view. Many of the letters, such as Foster's to the Standard Leader, or Tupper's to the Economist, or the letter of William Peterson, Principal of McGill University, to the Times, were re-published in Canadian newspapers.³⁷ As might be expected of Denison's contributions, his letters sparked a lively controversy among the Tariff Reformers and free traders in England. The English free traders had tried to create the impression that the late Lord Salisbury had opposed the proposals of Chamberlain. However, according to a number of letters between the former Prime Minister of England and Denison, the opposite attitude existed. Thus, Denison wrote a letter to The Times which was published on May 20, 1905. As Premier Ross wrote Denison, his letter "...caused quite a sensation."³⁸ Lord Robert Cecil replied to Denison's letter,

36) Chamberlain to Tupper, December 12, 1903, Tupper Papers.

37) Daily Mail & Empire, September 25, 1905, p.1; Globe, September 24, 1903, p. 1; Daily Mail & Empire, July 9, 1903, p. 1.

38) Ross to Denison, May 29, 1905, Denison Papers.

and the debate began.

It was felt by a number of Canadians that personal involvement in the British campaign would be the most effective way to help the ex-Colonial Secretary. One Canadian speaker wrote, "I am satisfied that a colonial speaker can do much more good than several British speakers of equal ability."³⁹ Since colonial support for Chamberlain was an important issue in the campaign, the reasoning was convincing. Thus, Canadian participation was eagerly sought by the Tariff Reform League, which approached various Canadians who were in England on private or business matters. E. S. Clouston, a prominent banker, was approached but declined for business reasons. Sir Charles Tupper, who had been in England on private business since July, 1903, was successfully asked. As a former Prime Minister of Canada, Tupper was in demand. When he returned to England in 1905, he was greeted by a hurried letter from J. R. Cousens, a member of the Tariff Reform League, who asked him to address several meetings.⁴⁰ J. W. Bengough, the famous Canadian cartoonist, who had been in England under the auspices of the Department of the Interior, was approached by the Director of the Tariff Reform League himself, C. A. Pearson. Bengough agreed to draw cartoons for the league

39) Andrew Pattullo, London Times, December 30, 1903, p. 2.

40) J. R. Cousens to Tupper, June 1, 1905, Tupper Papers.

for three months, and possibly return to England to remain until the end of the campaign.⁴¹ Canadian expatriates in England went to work for Chamberlain as well. Examples were J. G. Colmer,⁴² secretary to the Canadian High Commissioner's office, and Sir Gilbert Parker, author, the latter becoming prominent in the hierarchy of the movement. One Canadian civil servant working in England wrote his minister of Colmer's opponents: "They resent him hotly."⁴³

The Tariff Reform League also pursued speakers directly from Canada. Foster received repeated invitations to cross the Atlantic.⁴⁴ Premier Ross was asked to give three or four weeks of his time for platform work, but he had to decline for reasons of health and party politics.⁴⁵ Donald MacMaster,⁴⁶ a prominent Montreal lawyer, was even approached to run in a British constituency in late 1905, which he did, unsuccessfully.⁴⁷ A number of Canadians

41) Globe, December 2, 1903, p. 7.

42) J. G. Colmer, (1856-?), secretary to the High Commissioner's office, 1880-1903; secretary of the Colonization Board, 1889-1909; member of British Empire League; writer on imperial themes.

43) W. L. Griffith to Sifton, January 18, 1904, Sifton Papers.

44) Manchester Guardian, October 10, 1903, p. 7.

45) Ross to Denison, October 9, 1903, Denison Papers.

46) Donald MacMaster, K.C. (1846-?); Canadian M.P., 1882-6; elected to British House of Commons in 1910.

47) Globe, January 16, 1905, p. 1.

seemed to have gone over to England on their own accord to help Chamberlain. Henry Bell-Irving, a meat exporter from Vancouver, said as much and was proud of this fact.⁴⁸ Judging from the need for letters of introduction, it would appear that the former owner of the Woodstock Sentinel Review, Andrew Pattulle, went uninvited as well.⁴⁹ On the whole, evidence indicates that about a dozen Canadians participated in Chamberlain's campaign. There were probably many more Canadians who spoke to small gatherings, thus failing to receive attention in the national newspapers. Undoubtedly, there were several Canadians, such as G. W. Ross or William Kirby,⁵⁰ who were eager to speak in England, but for various reasons such as health were unable to do so.

Some Canadians, who actively supported Chamberlain, possessed a deep sense of involvement, and had an individual, personal way of contributing to the English campaign. One such gentleman was the elderly Thomas Macfarlane of Ottawa, who initiated several schemes to help the Tariff Reformers, but whose efforts were frustrated by his insignificance and the impractical nature of his schemes. At first, after Chamberlain's fall campaign got under way,

48) Vancouver Daily Province, October 19, 1903, p. 3.

49) See Pattulle to Laurier, October 21, 1903, Laurier Papers; Toronto News, December 30, 1903, p. 2.

50) William Kirby (1817-1906); one-time editor of Niagara Mail; fiction writer and poet.

Macfarlane planned to wait until a British election was called over Chamberlain's proposals in order to visit England, and help in the area of his birthplace. However, when the campaign became a drawn out affair, Macfarlane planned on gathering a dozen 'Imperial Unionists' from Canada to mediate between the free traders and the Tariff Reformers and have them sacrifice their partisan interests "...on the altar of a common Empire, and to cooperate with the home government in the work of its consolidation."⁵¹ However, only Sir Sandford Fleming met him in England, and the Duke of Argyll, whom Macfarlane had hoped would sponsor his plan, only listened politely to him, and the scheme collapsed. In many ways, Macfarlane's scheme was unrealistic, but his attempts show the dedication and the sense of immediacy with which certain Canadians responded to Chamberlain's activities. To them, Chamberlain needed help in his attempt to unify and strengthen the Empire.

The reason why so many Canadians supported Chamberlain's campaign was that his platform expressed a concept of the Empire which was similar to their own. To these Canadians, and there were many of them, the Empire manifested all that was good in the world. As the iron and steel industrialist, Sir George Drummond, told the Canadian Club in Montreal:

51) Macfarlane to Kirby, June 13, 1904, Kirby Papers; for references to Macfarlane's activities, see his letters to Kirby, November 19, 1903, May 23, 1903, November 15, 1904, May 1, 1905, and October 1, 1905.

Imperially, we should remember, and our children should never forget, the magnificent privilege we enjoy of being members of a nation, of an Empire, which bears upon its banner no strain of national dishonour, and beneath a flag where oppression is impossible and justice reigns supreme.⁵²

However, on the other hand, the value of the Empire was also apparent in another way. For its members, comfort was found in the collective security achieved through the British Empire's 400 million subjects. Despite the seeming willingness of Great Britain to place friendship with the United States ahead of the interests of Canada toward the end of the nineteenth century,⁵³ the belief was common among many of Chamberlain's Canadian supporters that "...if the emergency arises we (the British Empire and Canada) shall be found standing back to back absolutely and indefectibly against the world."⁵⁴ Thus, "(a)ny nation or combination of nations would think twice before seeing conflict with John Bull and Sons."⁵⁵ As a result, although those individuals in Canada who favoured Chamberlain's proposals might have differed with him and among themselves on the exact form that imperial consolidation should take, they shared the same faith in a

52) Daily Mail & Empire, July 22, 1904, p. 2. See also G. E. Foster, Preferential Tariffs and Reciprocity, (Papers and Proceedings of the 17th Annual Meeting of the American Economists' Association), December, 1904, p. 8; W. K. McKnaught, Speech Before the Meeting of the British Chambers of Commerce and Canadian Manufacturers' Association, (no date or place of publication) p. 9.

53) Penlington, op. cit., p. 125.

54) B. E. Walker, "Practical Imperialism", Empire Club Addresses April 28, 1904, p. 216.

55) Dalmas, op. cit., p. 23.

consolidated Empire. It is for this reason that many Canadians responded so positively to the Tariff Reform campaign in England.

However, the factor that intensified the favourable response of Canadians was the fear that Canada's connection with the Empire was in danger. Essentially, there were two forces at work which were considered harmful. First, it was felt that the character of Canada was changing. With the increasing rate of immigration of European and American nationals, especially American immigrants after 1900, allegiance to the Empire in Canada was diminishing. Thus, it was feared that Canada's links with the Empire would become attenuated once these new immigrants from outside the Empire became a highly influential force in Canadian politics. The Premier of Manitoba, R. P. Roblin, expressed this anxiety quite lucidly:

No sentiment of birth and education restrains them, and without some strong tie of self-interest it will not be long before local leaders will be found who will agitate for a change in our relation with Great Britain. This will certainly not strengthen and may seriously weaken the British connection.⁵⁶

William Kirby, the Canadian author and prominent leader of the United Empire Loyalists, was more emotional about this issue:

56) R. P. Roblin, "Canada and Chamberlain", Canadian Magazine, December, 1903, p. 137.

The Americanization of the Dominion is going on at a frightful rate. We are daily cutting the strands of the cable that unites us to Britain and making fresh ones of connection with the United States.⁵⁷

However, the possibility of increased connections with the United States, specifically as a result of commercial reciprocity, provided the greatest source of fear for the imperial relationship. Apprehension of the United States still proved strong in Canada during 1903, particularly after the Alaska boundary award in October, just as it did in the late 1880's over Unrestricted Reciprocity, during the negotiations of the Joint High Commission in 1898 and 1899, and as it did later during the election of 1911. The reason why reciprocity aroused so much apprehension in the hearts of many Canadians was that separation from the Empire and close fiscal arrangements with the United States were held to be synonymous. Since there was "...no halfway house between separation from Great Britain and annexation to the United States,"⁵⁸ the results of reciprocity were clear. As Denison told Chamberlain, the outcome would be that Canadians would "...lose our nationality, our constitution, our freedom, and everything we hold dear."⁵⁹ Some Canadians, such as William Kirby, even went further. He attached such importance to Canada's position within the

57) William Kirby to Garnet Wolseley, November 11, 1904, Kirby Papers.

58) Walker's Speech, Daily Mail & Empire, April 27, 1904, p. 8.

59) Denison to Chamberlain, April 18, 1903, Denison Papers, copy.

Empire that, he argued, not only would Canada lose what she held dear if she became ensnared with the United States, but "...the whole fabric of oversea Empire will tremble into ruin and England will be desolate among the nations."⁶⁰ However, for those Canadians who were interested in Canadian commerce, there was something far more dear than oversea Empire and 'our nationality, our constitution, and our freedom.' What these individuals feared from reciprocity was the destruction of the east-west transportation network based upon trade with the Mother Country which had been so painfully constructed.⁶¹

Because they valued and feared for the Empire, Chamberlain's supporters desired the Canada of the future to "...still be as loyal to the Empire as she is today."⁶² They wanted something "...to tie us up...."⁶³ It was agreed that there was much imperial sentiment in Canada. But sentiment alone was not enough to act as a bond. It was not enduring. Something was needed to create a feeling of mutual self-interest among Great Britain and her colonies, something which would bring the disparate parts of the Empire together for all time. It was precisely because

60) Kirby to Denison, July 14, 1904, Denison Papers.

61) See for example, A. McFee, Globe, September 30, 1904, p. 2; Ottawa Evening Journal, December 23, 1904, editorial.

62) W. K. George, Reply to Welcome by Lord Mayor of Birmingham, no date or place of publication, (1905?), p. 9.

63) Denison to Chamberlain, April 18, 1904, Denison Papers.

Chamberlain's campaign included imperial preferences, which were considered a practical means of uniting the Empire, that so many Canadians gave him their strong support.

The Canadian adherents to Chamberlain's plans shared the belief that trade was a very potent force in strengthening imperial unity. After all, "(w)here your treasure is there your heart will be also," said Premier Ross of Ontario.⁶⁴ And as Foster said:

Sentiment, loyalty and patriotism kept an Empire together, but what would a body be if it were all bone and ligament? You had to pump in the vital blood to make it live and vigorously. It was much the same with Empires. Sentiment was the ligament and bone, but the fresh blood of commercial intercourse was the living, moving force.⁶⁵

Thus, the only way that mutually self-profitable imperial commerce could be assured was by the imposition of tariffs on non-Empire goods with preferences on goods from the various parts of the Empire. Nothing would "...be more potent than this in binding (the Empire) together for all time."⁶⁶

Canadians had shown the way by the implementation of what became, in fact, a British preference in 1897. However, it was commonly held by Canadians that the weakening

64) Premier Ross, Address, Daily Mail & Empire, January 1, 1903, p. 2.

65) Foster, Address to the Toronto National Club, Daily Mail & Empire, December 14, 1905, p. 6.

66) McKnaught, op. cit., p. 5.

of the Empire was due to "...Britain's own fault...",⁶⁷ because of her hesitation to implement preferential tariffs. This criticism had been exacerbated by Britain's cancellation of the Corn Duty in 1903. According to many Canadian pro-Chamberlain businessmen, they had suffered from the Canadian preference on British goods for the sake of the Empire, while waiting hopefully for Britain to respond in kind. However, by the beginning of Chamberlain's campaign, they were becoming restless. They were beginning to think that they were being taken advantage of by the British businessmen. They wanted action on imperial preferences very soon, or else some said that they would advocate the abrogation of the Canadian preference.⁶⁸ Regarding this issue, H. B. Ames, Montreal businessman and alderman, told the Leeds Chamber of Commerce that "This is the last message from the business community of Canada to the business community of the north of England."⁶⁹ It was felt by these Canadians that if Canada withdrew the preference, most hopes for a comprehensive imperial preference would be diminished and the unity of the Empire would fade away. Thus, as Cookshutt said in Toronto, referring to the controversy induced by Chamberlain in England, it was "...upon the final outcome of the fiscal question, (that) the fate of the British Empire rested."⁷⁰

67) Dalmas, op.cit., p. 26.

68) Industrial Canada, October 1903, p. 109.

69) H. B. Ames, Daily Mail & Empire, April 1, 1904, p. 2.

70) Globe, December 8, 1903, p. 6.

Pro-Chamberlain support in Canada, then, was given to the man in England who had initiated a definite campaign to convince the English people to accept imperial preference. With imperial preferences, it was considered that the Empire's future would be assured, and that Canada would continue to experience the privileges which Chamberlain's Canadian supporters imagined the imperial association to offer.

Just as preferences as a means to promote imperial unity attracted favourable interest, the potential effect of the plan upon the Canadian economy won even more support. It was agreed by most Canadians that a preference for their goods on the British market would be unbelievably advantageous to Canada. This was because Britain was one of the greatest consuming markets in the world, having to import most of the foodstuffs for her population and most of the raw materials needed for her industries. Up to 1903, Canada's share of this market had been slight. Of the 1,114 million pounds of meat imported by Britain per year, Canada only supplied a three day supply of 9,000,000 pounds. Of the 445 million pounds of imported butter Britain consumed, for example, Canada supplied just 24 million pounds. Similarly, with 140 million bushels of wheat which Great Britain imported, only 31 million bushels were of Canadian origin, as were 660,000 barrels of the 12 million barrels of imported flour used by Great Britain.⁷¹

71) Premier G. W. Ross, Daily Mail & Empire, December 1, 1903, p. 10.

If Canada was given an assured, preferential access to the British market, the resulting expansion in Canadian farming, lumbering, fishing, mining, and dairying would be phenomenal. And with such a "...preference on Canadian land...",⁷² Canada's population would immediately increase as large numbers of immigrants entered to share in the country's exceptional expansion. A realization of these economic benefits was evident in almost all speeches made by Canadians on Tariff Reform.

Beyond the advantages to the primary industries of Canada, a British preference for Canadian raw materials would help to expand the secondary industries. In order to harvest the greatly expanded production of Canadian staples, manufactured articles such as shovels, axes, carts, picks, and harvesters would be needed. Household articles (kitchen utensils, lamps, tables) would be required to provide the means for a basic living for the new immigrants. All these articles and items would have to be provided. Thus, Canadian manufacturers had visions of the immense growth of Canadian industry. Many Canadians easily agreed with The Montreal Daily Star's editorial, entitled 'Mr. Chamberlain's Great Idea', which stated in part:

Canada has everything to gain and nothing to lose by entering this great fiscal confederation. Its farmers stand to gain by a substantial preference in the markets of the United Kingdom for their wheat, meat, dairy produce and fruit. Its

72) Montreal Daily Star, November 27, 1903, p. 4.

manufactures stand to gain by the growth of the home market which must follow this boom in Canadian agriculture...⁷³

It is no wonder that Canadian adherents to Chamberlain's policies predicted that imperial preferential trade would allow the Canadian economy to expand ten to fifty times beyond its capacity at the turn of the century.⁷⁴ Thus, many Canadians saw profound economic advantages to their country from a system of imperial preferences. The man who advocated such a policy and actively campaigned to obtain it was bound to receive their support.

The Canadian manufacturers were particularly interested in Chamberlain's policies. They were attracted to him because he used fiscal arguments against the free traders which were similar to their own. They argued, as did Chamberlain, that the free trade doctrines were not practical in the realities of the contemporary economic situation. There was no sense in throwing one's own domestic markets open to a flood of foreign goods from countries which placed high tariffs against your own exports, they reasoned.⁷⁵ "Commerce was a commercial war", said Robert Meighen, President and Managing Director of the Lake of the Woods

73) Ibid., October 13, 1903, p. 6.

74) See F. A. Hilton to Editor, Globe, October 13, 1903, editorial page; and Premier Ross's Speech, Globe, January 1, 1903, p. 2.

75) See H. W. Lavender's speech, Daily Mail & Empire, September 18, 1903, p. 2; Foster's Cardiff Speech, November 5, 1903, Foster Papers, scrapbook, newspaper clipping; W. K. George's Speech, Daily Mail & Empire, September 18, 1903, p. 1.

Milling Company, "You have to rise to the occasion and defend yourself against commercial war."⁷⁶ The only way which one could aid oneself was through the use of the tariff. Thus, a protective tariff was a matter of "...self-preservation...",⁷⁷ because "(a) protective tariff is a practical agency for holding the home market and encouraging home industry...."⁷⁸ Chamberlain did not expound outright protection, but rather he advocated the limited use of tariffs to provide help for domestic industry against foreign imports. However, the extent to which he adhered to protective tariffs was enough to appeal to some Canadians. Thus, because of his economic views Chamberlain "...appeared to be the most clear-headed business man..."⁷⁹ who could help Britain "...give the outside world a dose of their own medicine."⁸⁰

However, although the Canadian manufacturers supported Chamberlain, some of them used his movement for their own ends. One simple example is the Canadian cigar manufacturer who named one of his brands after the Tariff Reformer. His advertisement for the brand was "Chamberlain is the Preferential 10¢ Cigar. You'll Enjoy Every Bit of It." The man smoking the cigar in the illustration was quite

76) Globe, August 19, 1903, p. 8.

77) Sir G. E. Drummond's speech, Globe, October 13, 1903, p. 1.

78) Halifax Herald, December 12, 1903, editorial.

79) Sir G. E. Drummond's speech, Globe, September 18, 1903, p. 2.

80) Loc. cit.

obviously Chamberlain himself.⁸¹ However, more significant use was made of Chamberlain and Tariff Reform. Since the manufacturers were desirous of higher tariffs in Canada, they jumped on the band-wagon of imperial preferential trade, supported it constantly in the name of the Empire, and advocated higher tariffs on non-British imports, specifically American goods. Most manufacturers were more concerned about American rather than British imports because the former were generally cheaper and more attractive to Canadian consumers. The rising proportion of American goods among imports heightened the manufacturers' anxiety.⁸² Some of the manufacturers even went to the point of suggesting that the general rate of the tariff be raised as a whole, while a higher preference be given to British goods.⁸³ However, if their policy was incorporated into the tariff, Canadians would have had to pay higher prices for British imports despite the increased preference. Support in

81) See, for example, Daily Mail & Empire, December 5, 1903, p. 4. For similar advertisements for Paine's Celery Compound and Chase & Sanborn Coffee, see respectively, Ottawa Citizen, October 10, 1903, p. 9, and Daily Mail & Empire, March 6, 1905, p. 5.

82) See as examples of this apprehension, the editorial of Halifax Herald, November 27, 1903, p. 4; and the speeches of W. F. Cockshutt, Globe, December 8, 1903, p. 9; W. F. Maclean, Daily Mail & Empire, December 1, 1903, p. 2; H. B. Ames, Globe, April 8, 1904, p. 5; J. P. Mersey, Industrial Canada, February 7, 1904, p. 361.

83) Industrial Canada, July, 1904, p. 570.

Canada, then, was not strictly the result of imperial and fiscal sentiment held in common with the British Tariff Reformers. It was also the result of direct pecuniary interest. This situation led to problems within the pro-Chamberlain movement in Canada.

Evidence exists that among the Canadians who supported Chamberlain there were feelings of animosity as well as wariness. Essentially, the conflict arose between two groups. The first was composed of the protectionists who were interested primarily in a high tariff for Canadian industries. Against the protectionists were arrayed those Canadians who were so enthusiastic about Chamberlain's attempts to secure imperial unity that they wanted as few obstacles as possible placed in his path. Equally upset by the protectionists were those individuals who emphasized a low, revenue tariff to help the Canadian farmer. The reasons for the hostility between the groups can be understood by an examination of their attitudes towards the issue of involvement in Chamberlain's campaign and the topic of Canada's economic future.

The matter of participation in the British campaign indicates the differences which existed among the Canadians who supported Chamberlain. The precise area of difficulty lay in differing interpretations of Canada's role within the Empire. This is because Canada's place within the imperial structure was still in a state of flux. Those who actually

did or else wanted to become associated with the Tariff Reform campaign in England maintained that as Canadians, and thus as members of the Empire, they had the right to become actively involved. To them, their imperial citizenship allowed them to discuss any issue within the Empire or in England itself, "...just as much as the man that (sic) was born in London, or in Edinburgh, or here in Dundee."⁸⁴ In fact, for some Canadians, participation in the discussions within the British Isles was on the basis of something more than a citizen of the Empire. It was a matter of going 'home' and convincing "...my...fellow-countrymen:..."⁸⁵ As loyal citizens of the Empire and as Britons (although living in Canada), they considered it their duty to become involved in the British debate. An exponent of this attitude is George Pattullo, who sold his paper in Woodstock and left for England to help the Tariff Reformers.⁸⁶ As well, Thomas Macfarlane was willing to run the risk of losing his job, with which he was threatened, in order to participate.⁸⁷

84) G. E. Foster, Daily Mail & Empire, December 3, 1903, p. 3.

85) Macfarlane to Kirby, November 19, 1903, Kirby Papers.

86) Ottawa Citizen, December 30, 1903, p. 2. See the Vancouver Daily News-Advertiser for notions of duty as held by Henry Bell-Irving, December 11, 1903, p. 10, and C. F. Jackson, December 27, 1903, p. 5. Both these gentlemen were involved in the campaign in England.

87) Macfarlane to Kirby, November 19, 1903, Kirby Papers.

However, the fact that the individuals who did participate actively felt obliged continually to justify their involvement both to their British and Canadian audiences would seem to indicate that their attitudes were not commonly held.⁸⁸

Many Canadians, who favoured Chamberlain, believed that common citizenship in the Empire did not mean involvement in the British campaign. The general feeling among these individuals, noticeable particularly among the manufacturers, was that there were domestic issues pertaining to an individual part of the Empire in which a person from another part of the Empire could not become involved. As B. E. Walker told his Empire Club audience:

It is for them to make up their minds as to what is in the interests of the English rather than for us.⁸⁹

This position was taken up because it was felt that the component parts of the Empire could not make sacrifices for other parts, since it would lead to hostile feeling within the Empire. Each part had to decide what it felt it could give and not give, and then imperial negotiations could be undertaken. Any scheme of imposing imperial arrangements upon various

88) See Foster, Daily Mail & Empire, December 15, 1903, p. 2; The London Times' reports of speeches by Sir Charles Tupper, October 16, 1903, p. 5, and Pattulle, December 12, 1903, p. 12; Fleming's Newport Speech, November 3, 1903, and Edinburgh Speech, November 16, 1903, Fleming Papers, scrapbook, newspaper clipping.

89) Empire Club, April 28, 1904, p. 205.

parts of the Empire would be disastrous, it was maintained.⁹⁰ When the Canadian Manufacturers' Association undertook a tour of Great Britain during June and July of 1905, its members refused to lend assistance to Chamberlain, despite the expressed attempt of Thomas Macfarlane to persuade several businessmen to do otherwise. One member, R. A. Torrance, told a local newspaper after returning to Canada, "...the Canadian Manufacturers' Association made it clearly understood at public gatherings and in private interviews that they did not wish for a moment to interfere in the political situation in the British islands in any way...."⁹¹ To individuals such as Torrance, then, refusal to become actively involved in Chamberlain's British campaign indicated their belief in the individual nature of the component parts of the Empire in any decision-making process concerning imperial issues. It can be imagined that the Canadian manufacturers maintained this policy because they recognized that they could protect their economic interests more easily if the centre of decision-making lay closer to home.

Another area, the most important one, where Chamberlain's supporters in Canada differed, dealt with their interpretation of the nature of Canada's future economy. Differing with the

90) See The Montreal Daily Star, May 20, 1903, p. 4; Sir G. E. Drummond, The Daily Mail and Empire, September 22, 1903; E. L. Gurney, ibid., August 18, 1903, p. 2; The Toronto News, September 9, 1903, editorial.

91) Guelph Daily Mercury, August 14, 1905, p. 1.

economic beliefs of the protectionists were a large number of individuals who both fervently supported imperial unity and looked forward to a consolidated Empire, and who were desirous of an agrarian future for Canada.⁹²

Archibald McGoun was the most expressive exponent of this view. In his pamphlet, A New Tariff Within The Empire: Canadian Chapters on Mr. Chamberlain's Policy, (1904) McGoun maintained that

...the sound development of Canada does not lie in the direction of manufacturing, but in the direction of cultivation of the soils, of the settling of our land with numerous and prosperous people.⁹³

It was for this reason that McGoun proposed that the Canadian preference on British imports be greatly increased -- a policy to which the Ottawa Evening Journal subscribed as well.⁹⁴ This policy was advocated because it was felt that it would open up the way for a preference for the Canadian farmer on the market in Britain and provide him with cheap British manufactured goods.⁹⁵ It was in this way that the Empire would be strengthened, it was felt. Unity would be constantly enhanced through the dependency of the Canadian farmer on the British market and of the English manufacturer on the potentially large market in Canada.

92) Carl Berger, The Sense of Power: Studies in the Ideas of Canadian Imperialism, 1867-1914, Toronto, University of Toronto Press, pp. 141-2, 177-83, 191-3.

93) Archibald McGoun, A Revenue Tariff Within the Empire: Canadian Chapters on Mr. Chamberlain's Policy, (1904), Montreal, John Lovell & Son, Ltd., 1904, p. 72.

94) Ottawa Evening Journal, November 11, 1905, editorial.

95) McGoun, op. cit., p. 64.

McGoun refused to agree that Canadian industries would suffer to a large extent by a lowering of the Canadian tariff. Only a few Canadians would be hurt, while a very large part of the Canadian population would receive benefits. Of the million industrial workers in Canada, he maintained that under one-half would be affected unfavourably by a greatly increased Canadian preference for British imports.⁹⁶ A year later, after the publication of his pamphlet, this ratio was decreased to one-quarter when he spoke to the Empire Club.⁹⁷ Thus, McGoun saw no difficulty in an agrarian future for Canada within a united Empire, bound together by high imperial preferences.

However, the influential protectionists held opposing views concerning the future state of the Canadian economy. Rather than remain an agrarian nation, they wanted Canada to industrialize to the point of becoming reasonably self-reliant, able to compete with any manufacturing country in the world.⁹⁸ The reason was quite simple -- "(i)f we make (manufactured goods), we are rich, if we don't we inevitably become poor."⁹⁹ Manufacturing industries were

96) Ibid., p. 4.

97) McGoun, "What Canada can give for a British Preference," Empire Club Addresses, December 7, 1905, p. 263.

98) See B. E. Walker's speech, Globe, September 4, 1903, p. 5; Flavelle to Willison, December 3, 1903, Willison Papers.

99) Sir G. E. Drummond's speech, Daily Mail & Empire, July 22, 1904, p. 1.

mandatory. Without them, Canadians would emigrate to the United States in search of jobs and high wages, a trend which had occurred during the late nineteenth century. Also, the large numbers of immigrants could not be assimilated.¹⁰⁰ Thus, industries were considered as a definite part of the Canadian future. Because of this attitude, the protectionists were shocked and dismayed by Chamberlain's assertion that the colonies would be willing to limit their industrial growth for an imperial preference. However, he was quickly convinced to modify his position at Tynemouth. Henceforth, it was maintained that the protectionist vision of Canada's economic future was compatible with Chamberlain's view of the Empire.¹⁰¹

To the protectionists, then, it was a matter of 'Canada First' in any dealings with the Empire. However, nothing incongruous or contradictory was seen about their advocacy of the 'Canada First' stand and a belief in a united, consolidated Empire policy. The best way to reinforce the imperial entity, they felt, was to strengthen the individual, component parts to the best of their ability.¹⁰² Thus, it was the duty of Canadians to develop their own industries. As a result, the desire to have high tariffs on foreign and British manufactured imports can be understood.

100) For the reasons, see Daily Mail & Empire, November 20, 1903, p. 2; Dalmas, op.cit., p. 25.

101) Industrial Canada, October, 1903, p. 10, 33; and Daily Mail & Empire, September 1, 1905, p. 7

102) H. A. Drummond to Laurier, December 14, 1904, Laurier Papers.

It was not unusual, then, for the Hamilton branch of The Imperial Order of the Daughters of the Empire to promote a 'Made-in-Canada' display.¹⁰³ However, despite the protectionists' attempts to restrain competition from foreign goods, they still felt that Canada could offer a market to the British manufacturer. Because Canada would not be able to produce many lines of manufactured products, and as a result of the predicted phenomenal increase of the Canadian population over the next several decades, enough opportunity would remain available for British industry on the Canadian market.¹⁰⁴ Thus, the protectionists insisted that their vision of Canada's economic future would not impede Chamberlain's aim of imperial consolidation.

The different attitudes held by those Canadians who supported Chamberlain are reflected in their resolutions. Resolutions sent by individuals who were concerned primarily with the achievement of imperial unity displayed this emphasis, even to the point of being emotional and verbose. A typical example of this concern is evident in the resolution from the Sons of England in Ottawa who wished Chamberlain "...Godspeed and success in the great work you have undertaken of consolidating our glorious Empire."¹⁰⁵ Similarly, resolutions

103) Daily Mail & Empire, June 23, 1903, editorial.

104) Industrial Canada, January, 1905, p. 36.

105) Ottawa Free Press, November 10, 1903, p. 1. For other examples of this type of resolution, see Toronto branch of the British Empire League, Daily Mail & Empire, October 21, 1903, p. 6; Orange Lodge in Vancouver, Vancouver Daily News-Advertiser, November 15, 1903; and the United Empire Loyalists of St. Catherines, Globe, July 11, 1903, p. 17.

from Canadians interested mainly in agriculture indicated their desire for a low tariff. A statement from the Manitoba Legislature held that the people of Canada, in order to assist further the success of Chamberlain's campaign, were willing to make substantial reductions in the Canadian tariff for British goods -- an attitude not shared by many businessmen.¹⁰⁶

While most of the resolutions of the Boards of Trade and the Canadian Manufacturers' Association mentioned Chamberlain's efforts toward strengthening the Empire, this aspect of the movement was given less attention in Canada. Certainly, the resolutions were devoid of rhetoric and emotionalism. The emphasis in almost all these resolutions was on the importance of Chamberlain's proposals in promoting imperial trade. However, what was more consciously emphasized was the insistence that Canadian industrial interests would have to be safeguarded in any imperial preferential arrangement. The Stratford Board of Trade went so far as to urge specifically that preferences ought to be voluntary and not binding, enabling the participants to be free to amend or change their policies when considered necessary.¹⁰⁷ Only when Alfred Moseley, an important British Tariff Reformer, personally appealed for a special resolution from a Canadian Manufacturers' Association meeting in Berlin, was

106) Daily Mail & Empire, February 5, 1904, p. 1.

107) Montreal Daily Star, December 7, 1903, p. 9. See the Halifax resolution of the Canadian Manufacturers' Association, Globe, September 18, 1903, p. 1.

a somewhat unemotional clause, in support of imperial unity added for the first time to the organization's standard resolution on preferential trade.¹⁰⁸ Many of the members of the Canadian Manufacturers' Association were very interested in the consolidation of the Empire. However, the fact that the Canadian Manufacturers' Association did not pass any emotional resolutions in support of Chamberlain or emphasize imperial unity overtly, indicates that the Canadian manufacturers as a whole were more interested in the tariff and financial aspect of Chamberlain's policies. This concern was bound to upset a number of Chamberlain's supporters in Canada.

However, at no time did the differences of attitude become exacerbated to the point where there was a split in the pro-Chamberlain ranks. On occasions, though, there were bitter words between the various groups. Canadians, desirous of seeing as few obstacles as possible placed in the way of imperial unity, wanted to see Mr. Chamberlain's campaign roll smoothly "...until a satisfactory result... (was) ... obtained."¹⁰⁹ Thus, they became upset with the protectionists' demands for a high tariff because difficulties resulted for the acceptance by the British public of Mr. Chamberlain's proposals. This was because it was more difficult to envisage a profitable Canadian market for British manufactured goods if Canada had a high

108) Daily Mail & Empire, December 19, 1905, p. 1.

109) Macfarlane to Kirby, November 19, 1903, Kirby Papers.

tariff on goods from Britain. The tariff pronouncements of the protectionists were seen as obstacles placed in the way of Chamberlain, and were thus not appreciated by those Canadians who wanted to see the Empire united quickly and with ease.

Those pro-Chamberlain Canadians who favoured low tariffs were also frustrated by the tariff policies of the protectionists. For these individuals, it was intolerable that the consumers of Canada should pay high tariffs on imported manufactured goods, and thus increase the cost of living, just because of the existence of a few manufacturing industries. The advantages of Chamberlain's proposals for the exports of the Canadian farmer far outweighed any disadvantages to the weak Canadian industries, they felt. The specific issue of complaint was that a minority group of manufacturers were advocating a policy which would increase the national cost of living and most likely make it improbable that the Canadian farmers would be able to send their produce to Great Britain under a preferential scheme. Thus, it was because the dedicated imperialist emphasized a united Empire and other Canadians were concerned with the problem of obtaining a low tariff that these two groups became irritated with the policies of the protectionists. These two points of emphasis were often blended together, as in the case of P. D. Ross¹¹⁰ of the Ottawa Evening Journal,

110) Philip D. Ross (1858-1949); owner of Ottawa Journal and life-long Conservative.

but they indicate the reasons for the negativity towards protectionists.

One of the manifestations of this frustration was in the attitude towards the Conservative Party, many members of which avowed protectionist principles. The Conservatives were considered to be controlled by the protectionists to such an extent that the party would be prevented from "...meeting you in a hearty spirit,"¹¹¹ as Denison told Chamberlain. Consequently, the Liberals may have had "...a most ungracious attitude towards this (preferential trade) movement..."¹¹² but it was held that they would have given more to Great Britain in return for the much-prized preference on Canadian goods than would the Conservatives. In fact, this feeling about the Conservative Party was such that a year before Chamberlain initiated his fall campaign, J. T. Small, a lawyer and the President of the Toronto branch of the British Empire League, wrote Denison that he had told his Conservative friends that he and Alexander McNeil would probably "...go out and actually work and canvas for Laurier."¹¹³

Aside from the political manifestations, there was actually direct irritation toward the businessmen who refused to become enthusiastic to Chamberlain's proposals of imperial unity. At an Ottawa Board of Trade meeting convened during

111) Denison to Chamberlain, November 10, 1903, Denison Papers.

112) McGoun, op. cit., p. 76.

113) J. T. Small to Denison, June 3, 1902, Denison Papers.

the fall of 1903 to pass a pro-Chamberlain resolution, Thomas Macfarlane became somewhat irascible because he felt that the proposed resolution did not express enough appreciation of Chamberlain's efforts to secure imperial unity, but placed too much emphasis on the trade aspects.¹¹⁴ Soon after the incident, Macfarlane wrote a friend that he had tried to do his best to obtain a more favourable resolution for Chamberlain, but failed.¹¹⁵ Feeling even went to the point, in one case, when it was felt that the protectionists really didn't want a preference from Britain and thus were equated with that 'dreadful enemy of the Empire,' Henri Bourassa:¹¹⁶

But as far as Canadian business is concerned, we are quite sure that a man who has any brains at all and thinks Canada should not desire a tariff preference from Britain is -- well, a protectionist or a Bourassa.¹¹⁷

In two provincial legislatures, this conflict between the people who wanted a low tariff and those who desired protection was exemplified in discussions on proposed resolutions. One such situation occurred over an amendment

114) Ottawa Evening Journal, December 23, 1905, p. 20.

115) Macfarlane to Kirby, November 19, 1903, Kirby Papers.

116) Joseph Henri-Napoleon Bourassa, (1868-1952); elected to House, 1896-1907, and 1925-1935; entered provincial politics, 1908-1912. Nationaliste Bourassa became dissatisfied with Laurier's apparent support of English-Canadian aspirations, and thus began to oppose the Prime Minister in Quebec.

117) Ottawa Evening Journal, February 29, 1904, editorial.

to a pro-Chamberlain resolution, forced upon the Manitoba government, which stipulated that the people of Canada desired a high Canadian preference for British goods.¹¹⁸ The other incident occurred in the New Brunswick Legislature. The Conservative opposition proposed a pro-Chamberlain resolution, implying support for protective tariffs. However, the government took the resolution over and turned it into a pro-Laurier, low tariff, document.¹¹⁹ Although the latter two examples indicate a certain amount of 'politicizing', they do manifest conflict between those Canadians who were interested in high and low tariffs.

Although the protectionists did not display signs of hostility, they were somewhat wary of the unpractical enthusiasm for imperial unity. Their interest in schemes leading to consolidation of the Empire was limited by their business orientation and direct interest in manufacturing industries. They knew that they would always be affected by an imperial economic arrangement. Thus, they were interested in the specifics of imperial preferences -- the give and take of the issue -- rather than the simple, abstract generalities. It was not that they were strictly interested in the financial rather than the imperial aspect of preferential tariffs; it was that their business interests naturally took precedence. Indicating his priorities, Sir G. E. Drummond, a man with investments in the iron

118) Manitoba Free Press, February 4, 1904, p. 6; and February 5, 1904, p. 6.

119) St. John Daily Sun, April 8, 1904, p. 6.

and steel industry, told the Third Congress of Chambers of Commerce of the Empire, as related by The Globe:

The bond must be mutually advantageous, and, for his part he would scan the terms of a mutual agreement to see that he secured his rights....¹²⁰

Drummond maintained that he was not greedy, but after securing his rights, he would be willing to give in the name of the Empire. The problem of some individuals, according to the protectionists, was that they were much too enthusiastic about the simple generalities of the preferential arrangement. As Flavelle wrote,

The country ought to be held true to some common sense -- 'The Old Flag', 'The Empire' in the ordinary after dinner sentimental expression has no place -- The Empire League (The British Empire League) with its high minded sentiment and soldiers, Col. Denison, must not be leaders.¹²¹

Not all the protectionists considered the British Empire League to be composed of unduly high-minded sentiment and soldiers. In fact, many of them were members of the league themselves. Had Chamberlain's campaign been successful in England, though, leading to preferential negotiations with the colonies, the protectionists in the league might have found themselves in direct confrontation with their dedicated imperialist colleagues. However, the occasion never arose.

Reaction to the prospects of Mr. Chamberlain's defeat varied. Discouragement and disappointment were the words

120) Globe, August 19, 1903, p. 8.

121) Flavelle to Willison, June 4, 1903, Willison Papers.

which closely fitted the reaction of most of Chamberlain's Canadian supporters after his defeat in 1906 or in anticipation of it.¹²² However, the hope of future unity for the Empire, as a result of Chamberlain's defeat, was held differently. To J. Cappon,¹²³ a professor at Queen's University, the defeat was really only a slight setback because the issue of preferential tariffs and the need for imperial unity had been brought to the attention of the British public.¹²⁴ Chamberlain's eventual success was believed to only be a matter of time. However, it would necessitate 'uphill work' accompanied by stout hearts, a careful watch and the guardianship of imperial unity at all times.¹²⁵ In other words, there was still hope in the future.

For some people, though, prospects of defeat were utterly demoralizing. William Kirby wrote "I am half discouraged at the prospects of the future."¹²⁶ Several months later, he wrote, "I am sick at heart at the possibilities of the future."¹²⁷ In fact, Pattullo committed suicide

122) Denison to L. S. Amery, November 17, 1906, Denison Papers.

123) James Cappon, (1854-1939); Englishman who became professor of English language and literature at Queen's University in 1888 and in 1906, became Dean of Arts.

124) Queen's Quarterly, January, 1906, p. 12.

125) Denison to Lord Grey, January 20, 1906, Denison Papers.

126) Kirby to Denison, July 14, 1904, Denison Papers.

127) Kirby to Wolseley, November 11, 1904, Kirby Papers.

in his London hotel room while in England helping Chamberlain toward the end of December, 1903. Severe heckling at the meetings he addressed depressed Pattullo, who was already aware of the Tariff Reformers' difficulties for success by this time.¹²⁸ However, for some other Canadians who were behind Chamberlain's campaign, prospects of his defeat promoted a feeling of abandonment -- that Canada had done all she could for imperial unity, and now, since Great Britain was not interested, Canada should simply discard notions of imperial unity and stand by herself:

If Mr. Chamberlain fails as seems likely, let us stick to ourselves. We have done our duty, but if imperial union fails, let us have a clearer outlook as to our own future.¹²⁹

However, while Chamberlain's supporters among Canadian businessmen must have felt somewhat discouraged by the prospects of his defeat, most of these individuals realized that there were other ways of promoting imperial trade, with or without him. Since the British public had turned down imperial preferences, the Canadian businessmen looked to imperial trade delegations and exhibitions in order to increase Empire trade.¹³⁰ On the whole, the dedicated imperialists saw Mr. Chamberlain's campaign as a sound

128) Toronto News, December 30, 1903, p. 2. It is interesting to speculate whether Pattullo's death resulted from the apparent failure to successfully perform his 'duty'.

129) C. Mafr' to Denison, January 8, 1904, Denison Papers.

130) See Industrial Canada, October, 1904, p. 137; W. K. McNaught, Daily Mail & Empire, March 3, 1906, p. 6; W. K. George, op. cit., August 12, 1905, p. 4.

indication of a movement which would achieve its objectives in time, once the British woke up to the needs of the occasion. Canadian businessmen, while desiring preferences, realized the difficulties of convincing the British to accept imperial preferences and simply emphasized other methods in which they were especially interested to achieve increased trade within the Empire.

In conclusion, then, it can be seen that Canadians were not in total agreement in their support of Chamberlain. All could agree as to Chamberlain's general goals of imperial unity and preferential tariffs. But they disagreed amongst themselves over the nature of their country's future economy and the degree to which the achievement of imperial unity should take precedence over the existence of the Canadian tariff. Thus, they also held different opinions as to whether the Canadian preference on British imports should be large or small. Whatever the differences, though, there was a sizeable element in Canada which could find enough reasons to lend support to Joseph Chamberlain.

CHAPTER IV

CANADIAN OPPOSITION TO JOSEPH CHAMBERLAIN'S CAMPAIGN

Just as the fiscal and imperial policies of Chamberlain sparked lively support among some Canadians, so did they give rise to a negative response among other individuals in the Dominion. Although some Canadians were critical of Chamberlain's proposals, they did not remain apathetic in their reaction to the British discussion or to the advocacy by Canadians of support for the Tariff Reformers. Thus, not only were the former Colonial Secretary's ideas opposed, but so were the Canadian attempts to help him.

Perhaps the largest, definitely the most vocal, group of Canadians who took exception to Chamberlain's policies did so because of their views on protection. Feeling in Canada against protection had been rising steadily during the latter part of the nineteenth century as the Canadian tariff became more protectionist.¹ The depression of the late 1880's and early 1890's made the high tariff more disliked by Canadians, such as farmers, who depended upon a low tariff for a good standard of living. Anti-protection expression manifested itself in the rapid rise during this time of the farmers' association, Patrons of Industry, which managed to secure forty thousand signatures for a petition taking issue with the tariff in 1893. Both the decrease of the tariff in 1894 by the Conservatives,

1) John T. Saywell, "The 1890's," The Canadians, 1867-1967, J. E. S. Careless & R. Craig Brown, editors, Toronto, The Macmillan Co., 1967, p. 117, 119.

and Laurier's offer of preference to Great Britain, were attempts to alleviate the fiscal grievances of those who desired a lower tariff. Despite these measures, though, protectionist sentiment was rising in Canada by the beginning of the twentieth century. It was in the context of the tariff discussion in Canada that many individuals voiced their suspicions of Chamberlain and his policies.

The word 'protection' conjured up images of evil in the minds of many Canadians. Most importantly, it was felt that high tariffs created inequalities which gave special privileges to a small, self-interested class of manufacturers who desired special protection for their own benefit, to the detriment of the Canadian majority.² Aside from the corruption of politics by the "...annual pilgrimage of seekers of special favour...",³ protection, it was widely felt, caused a lowering of the standard of living as a result of increased taxation on foreign goods.⁴ If protection was implemented, strife would develop between the proponents and opponents of the tariff, resulting in the "...instant degradation, slow disintegration and final extinction of the body politic...."⁵ Protection was seen

2) Guelph Daily Mercury, October 16, 1903, editorial.

3) The Globe, Toronto, August 23, 1904, editorial.

4) J. C. Sutherland, Canadian Proposals from a Canadian Point of View, London, 1904 p. 6.

5) H. Washington, Our Surtax and the Poor, Ottawa, British Colonial Free Trade League, p. 5.

as leading to a powerful pressure upon the government to spend lavishly, thus keeping the treasury in need.⁶ Industries which could not survive with at least a moderate tariff, were "...of no public utility,"⁷ and should, therefore, disappear. To one free trade extremist, H. Washington, not only did protection cause poverty in the world such as existed in countries like the United States and the United Kingdom, but it also created evil and crime.⁸ To these individuals, then, a high tariff was something to be fought with tenacity.

For a while after May 15th, 1903, there was confusion among anti-protectionists, such as, the editor of the Montreal Daily Witness, as to exactly what Chamberlain's fiscal policies entailed. However, after the ex-Colonial Secretary's Glasgow speech, it seemed that he had taken up "...pure undisguised protection."⁹ If Chamberlain won, the Witness felt, the government which would have been formed as a result would have possessed "...a mandate for extreme protection."¹⁰ Chamberlain and his followers were thus seen as "...working up the whole world into a state of commercial jealousy and exasperation which is not unlikely to lead to actual war."¹¹ One Canadian, who had agreed to work in

6) Toronto Weekly Sun, September 30, 1903, p. 1.

7) Manitoba Free Press, Winnipeg, October 7, 1903, p. 4.

8) Washington, op.cit., pp. 4, 14-18.

9) Montreal Daily Witness, October 22, 1903, p. 4.

10) Ibid., November 7, 1903, p. 4.

11) Toronto Weekly Sun, June 10, 1903, p. 1.

England for the Tariff Reformers as a cartoonist, resigned his position soon after Chamberlain's October 6th speech. Initially, in September, J. W. Bengough wrote to a friend that Chamberlain's policies were 'the thing' required for the United Kingdom and Canada.¹² When a form of tariff protection was proposed at Glasgow, though, "...not being prepared to support protection per se for England or any other country, he handed in his resignation, terminating his connection two weeks after it had begun."¹³ He, then, began to draw anti-Chamberlain cartoons for the Globe in early 1904.¹⁴ Opposition to Chamberlain's proposals was, therefore, stimulated by his protectionist policies.

However, the vehemence by which Chamberlain's proposals were received in Canada was not only due to the belief that his policies would be injurious, but, on the contrary and more importantly, that they would aid the Canadian protectionists in their vociferous struggle over the tariff. The anti-protectionists became quite concerned about the effects of Chamberlain's proposals upon Canada. Sydney Fisher,¹⁵ the Minister of Agriculture, and a confirmed low-tariff proponent with connections in the fruit export

12) Ottawa Evening Journal, September 3, 1904, p. 1.

13) The Globe, December 2, 1903, p. 7.

14) For examples of Bengough's cartoons, see The Globe, January 1, 8, 12, 19, 28 and February 2, 1904, p. 1.

15) Sydney A. Fisher (1850-1921); Quebec farmer, elected to the House, 1882-91, 1896-1911, Minister of Agriculture, 1896-1911, President of Ensilage Stock Feeding Association and Fruit Growers' Association.

business, wrote to Sir Clifford Sifton¹⁶ who was in England on government business:

I see no advantage to us to have protection introduced in England; on the contrary, it will put life and heart into our protectionist people here and weaken you and me in our resistance to the already too strong protectionist feeling in the country.¹⁷

Fisher's statement proved to be a correct analysis. As Goldwin Smith¹⁸ later admitted to a correspondent, the former Colonial Secretary's policies did "...lend a stimulus to protectionism."¹⁹ The pro-Chamberlain efforts of the Canadian manufacturers were thus seen as arising largely from self-interest.

As a consequence, a propaganda campaign was undertaken to offset the efforts of the manufacturers. In response to the attempts of the Canadian Manufacturers' Association to flood the West with pamphlets advocating higher tariffs, some of which apparently used Mr. Chamberlain's name frequently, John Dafoe,²⁰ the right-hand man to Sifton, the

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- 16) Sir Clifford Sifton, (1861-1929); Manitoba lawyer with interests in oil and paper industry, Minister of the Interior, and Superintendent of Indian Affairs in the Laurier cabinet, 1896-1905.
- 17) Sydney Fisher to Sir Clifford Sifton, October 5, 1903, Sifton Papers.
- 18) Goldwin Smith (1823-1910); historian and political journalist; guardian of Canadian autonomy and advocate of low tariffs.
- 19) Goldwin Smith to J. X. Merriman, January 5, 1906, Smith Papers.
- 20) John Dafoe (1866-1944); editor of Manitoba Free Press, who consistently advocated Canadian autonomy and lower tariffs.

Western Liberal magnate, began to print pamphlets to counter the claims of the Canadian Manufacturers' Association. One such pamphlet was devoted exclusively to Chamberlain's policies.²¹ As well, a Toronto publisher, G. N. Morang, distributed a recently published pamphlet with an anti-Chamberlain bias to all the major newspapers in Canada and Great Britain as well as to British free trade organizations.²²

The main organs of the anti-protectionist front, however, were the many newspapers across the country which were acutely concerned about the influence of the manufacturers in Canada. It was these newspapers which bore the brunt of the day-to-day discussion. In many editorials, the Canadian public was warned of attempts to increase the tariff through efforts to help Mr. Chamberlain. For example, The Halifax Morning Chronicle wrote:

What they (the Canadian protectionists) foresee and desire to assist in bringing about is the abandonment of free trade by Great Britain after half a century of fair trial -- thereby affording a convincing assurance to the whole world of the superiority of protection as a working theory for a nation (or a dominion).²³

To the editors of these newspapers, the imperial pronouncements of some supporters of the British Tariff Reformers in Canada were but one nefarious plot:

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- 21) John Dafeo to Sir Clifford Sifton, November 7, and 18, 1903, Sifton Papers.
- 22) G. N. Morang to Adam Shortt, February 1, 1904, Shortt Papers, Archives of Queens University. The pamphlet, Imperial Preferential Tariffs from the Canadian Point of View, was by Adam Shortt.
- 23) Halifax Morning Chronicle, November 21, 1903, p. 2.

If they can get all Canadians into a chorus of applause for Mr. Chamberlain, then a whole lot of Canadians will have no time to devote to the prospects of an increase of the Canadian tariff. If we all vote for Conservative candidates because Mr. Chamberlain has caught our eye, then the Conservative Party will go about raising the tariff, and the rest of the country may think upon Mr. Chamberlain or anything else that turns up.²⁴

Aside from lampooning the reasons for the Canadian protectionists' support of Chamberlain, the newspapers dwelt upon the lack of logic of Canadian high tariff spokesmen. They were seen as advocating a protective Canadian tariff and at the same time uncritically supporting Chamberlain's policies. Thus, to the anti-protectionists, it was ludicrous to listen

...to the cry for preferential trade within the empire as the sole panacea for closer and much desired union: and on the other hand to the very same people on the very same page imploring the government to 'protect' our manufacturers against 'those British and foreign manufacturers'.²⁵

The protectionists, it was argued, were shouting for Chamberlain's victory, but when it came to the details of negotiation, Chamberlain would be expected "...to make allowances to their views as fellow protectionists, and to sympathize with their desire to keep British goods out of the Canadian market.²⁶ In the Manitoba Free Press, Dafoe

24) Montreal Daily Herald, October 15, 1903, p. 4.

25) Montreal Daily Witness, June 10, 1903, p. 4.

26) Halifax Morning Chronicle, October 8, 1903, p. 4.

with his dry wit wrote that if Chamberlain's proposed policy of preferences was so essential to the preservation of the Empire, then he should visit Canada and "...strive to change the hearts of the Manufacturers' Association and the party in Parliament led by Mr. Borden."²⁷ On the whole, an uneasy suspicion of the manufacturers' motives and intent drove the anti-protectionists to intensify their response against Chamberlain's campaign.

As the manufacturers' position was continually attacked in Canada, so was Chamberlain's tariff stand in England demeaned. However, criticism of the efforts of the former Colonial Secretary was not as outright or virulent as the campaign against the Canadian protectionists. Specific measures criticising the Tariff Reformers consisted simply of commenting on the campaign in England, and emphasizing the arguments and role of the free traders in Britain who were considered to be conducting their campaign "...with intelligence and force."²⁸

Many British free trade arguments were widely accepted in Canada. For example, it was agreed that Britain's export trade was not declining, but actually increasing; that imperial preferences would lead to dearer bread in England, and that Chamberlain was using the issue of imperial preferences to cover up his past mistakes. Also, it was held that Britain's food supply, if derived solely from

27) Manitoba Free Press, October 17, 1903, p. 4.

28) Montreal Daily Witness, November 14, 1903, p. 4.

within the Empire and mainly from Canada, would be at the mercy of not only the United States in time of war but of prairie frosts which might result in a Canadian wheat failure. Such arguments as these were used to prove to the Canadian populace that Chamberlain's fiscal policy would be harmful to Great Britain. However, the large number of anti-protectionists in Canada were more concerned with how his campaign was affecting the Canadian political and economic scene than with the debate in Britain.

Chamberlain's proposals were opposed for another reason beside his protectionist tendencies. His involvement in the South African War, his activities in pursuit of colonial contributions to the Royal Navy, his role during the various Colonial Conferences, and his pronouncements for imperial unity and consolidation -- all these points made Chamberlain's position appear odious to Canadians who associated his name with 'imperialism'. Chamberlain's initiation of a public campaign looking towards consolidation of the Empire through the implementation of preferential tariffs served in large measure to exacerbate hostility toward him.

This negative feeling derived because the objectives of imperial preferential trade were considered a nefarious disguise to restrict Canadian political autonomy through what was considered to be another attempt to secure imperial federation. Henri Bourassa, a man who had vehemently opposed Canada's participation in the South African War,

stated this anxiety lucidly at Quebec City before 3,000 persons:

La révolution fiscale et économique que M. Chamberlain demande à ses concitoyens d'opérer..., n'est qu'un prétexte et un moyen pour opérer la fédération impériale.²⁸

Similarly, James Young felt that the issue of preferential tariffs was only of secondary importance in Chamberlain's scheme and was being used to entice Canadians to give up their political autonomy and join an imperial federation.²⁹ Thus, it can be understood why La Vérité failed to mention preferential tariffs when it presented to its readers a capsule-size summary of what were considered to be the main tenets of Chamberlain's policies:

Le projet de Monsieur Chamberlain comporte essentiellement la limitation de l'autonomie législative des colonies par la création d'un conseil impérial, et leur participation à la défense de l'empire.³⁰

The consequences of imperial federation, it was feared, would be that "Le Canada avec le projet de Chamberlain serait brimé des son évolution."³¹

It was felt that in an imperial federation, Canada would have to follow the dictates of imperial, rather than national, interests. What was most feared was that the Dominion would be caught up in an inescapable web of imperial

28) Le Soleil, December 12, 1903, p. 4.

29) James Young, What the British Preference and Imperial Federation (As Proposed by the Right Honourable Joseph Chamberlain) Mean for Canada and Canadians, 1903, p. 3.

30) La Vérité, Quebec City, November 1, 1904, p. 4.

31) Le Canada, Montreal, September 27, 1903, p. 8.

obligations, necessitating contributions to British military forces. Mere reference to Chamberlain's activities in the South African War was enough to suggest where his imperial policies would lead. A letter to the Globe, entitled 'What the British Preference and Imperial Federation mean for Canada and Canadians,' was devoted solely to the problems of militarism.³² Just before Chamberlain's autumn campaign got underway, Bourassa said "...les avantages offerts aux Canadiens n'ont comme but que de faire participer à la defense de l'empire."³³ Opposition to military involvement in the Empire was mainly the result of an intense dislike of military participation in the defence of the Empire's distant territory. Edward Farrer³⁴ was sure that Canadians would not support Chamberlain and "...allow the new imperialism to degrade them or break the faith and traditions of the New World to serve as mercenaries in the Old."³⁵ Loss of political autonomy, then, to which Chamberlain's policies would lead, it was thought, would end in military adventures not compatible with what were considered to be Canadian local interests.

To many individuals who did not support the Tariff Reformer his proposals meant something more specific than the loss of Canada's legislative liberties. It was felt

32) James Young to the Editor, The Globe, August 3, 1905, p. 7.

33) La Presse, September 24, 1903, p. 1.

34) Edward Farrer (1850-?); former editor of Toronto Mail, Canadian correspondent of London Economist, supporter of Commercial Union.

35) Globe, November 30, 1903, p. 6.

that his policies meant a return to mercantilism, and were opposed for that reason. Adam Shortt, a professor of political economy at Queen's University, wrote lucidly:

...Chamberlain had before his mind a scheme for the future of the empire which is tantamount to a restoration of the old colonial system, on its commercial and industrial side at least, with its machinery of mutual preferences, and the ideal of self-contained empire with restrictions on foreign trade.³⁶

It was felt that the common imperial fiscal policies would prove too restrictive for the developing colonies, and prevent tariff revisions by individual colonies to suit their own interests. Chamberlain's inadroit remark during his Glasgow speech, when he suggested that the colonies would be willing to inhibit their own industrial growth in undeveloped areas of manufacture to allow greater importation of British goods, served to strengthen the belief that the British wanted Canada to remain as a "a drawer of water and a hewer of wood".

Chamberlain's apparent willingness to see Canada's economic development restricted was resented. Canada's future seemed bright at the opening of the twentieth century as the result of the phenomenal nation-wide prosperity and immense industrial and agricultural growth. Uncas (a pen name) wrote to the editor of the Guelph Daily Mercury that

36) A. Shortt, Imperial Preferential Tariffs: A Canadian Point of View, Toronto, Morang and Co., Ltd., 1904, p. 2. Shortt was later congratulated for his analysis of Chamberlain's motives by a young student who was glad to see his own views confirmed by "...a person of such recognized authority." W. G. Cates to Adam Shortt, November 19, 1903, Shortt Papers.

"The trend of things is naturally toward yet greater industries, and with the growth of population, the increase of trade, etc., this tendency must become emphasized."³⁷ Sifton, who disliked Chamberlain, thought the whole idea that Canada should not manufacture what Great Britain produced "...preposterous to think about."³⁸ The possibility that Canada would, deliberately and consciously, stunt her potential industrial growth appeared unnatural and revolting. Chamberlain's suggestion smacked too clearly of an illiberal attitude towards the younger nations of the Empire.

Aside from a concern about the restricted growth of Canadian industries, there was a fear that the 'mercantile system' which Chamberlain proposed would directly harm the Canadian people financially. For example, it was felt that members of the Empire would be forced to buy goods from other parts of the Empire which could be obtained more cheaply elsewhere, a situation which had occurred in Canada with sugar from the British West Indies before the 1840's.³⁹ Also, the acclaimed position for Canada as 'Granary of the Empire', a position promised by the Chamberlain supporters, was thought to lead to the possibility of a reduction in the selling price of Canadian wheat on the British market.

37) Uncas to the Editor, Guelph Daily Mercury, September 12, 1903, editorial page.

38) The Globe, December 8, 1903, p. 2.

39) E. Farrer, "Canada and the New Imperialism," Contemporary Review, December, 1903, p. 731.

This might occur because a guaranteed English market might inspire Canadians to accelerate the expansion of their immense western wheat fields to the point where an over-supply would be produced. Since the high-grade Canadian wheat was an item of demand for the qualitative improvement of British flour, its purchase price was therefore higher than normally would have been the case. If, however, coupled with an over-supply of wheat and as a result of it, Great Britain was able to obtain Canadian wheat easily and in bountiful quantities, the need for the Canadian product for qualitative improvement would end, and the price of Canadian wheat would drop disastrously. Financial sacrifices did not seem to be an advantage of imperial unity, nor did restricted Canadian industrial growth.

Thus, opposition to the policies of Chamberlain resulted mainly from the far-reaching implications of the imperial and tariff policies involved. However, there were two specific issues which helped to reinforce the Canadian suspicion of Chamberlain and his ambitious commercial programme: the British cattle embargo, and the Alaska boundary decision.

The cattle embargo was initially imposed for protection against a pleuro-pneumonia epidemic during the early 1890's, but it was continued afterward as a means of protecting British farmers. The embargo required that all imported cattle were to be slaughtered upon arrival in Great Britain, which denied an opportunity to recoup the weight lost by the

cattle during transit. This meant hardship for Canadian farmers, particularly those in Ontario, who depended on cattle exports for extra cash return. The matter became acute toward the end of 1903 when farm labour in Ontario became scarce as a result of the exodus to the West. With the shortage of labour, farmers found it difficult to achieve a satisfactory amount of obesity in their cattle, which made it all the more necessary to have a fattening-up period for the stock upon arrival in Great Britain. Also, because cheese factories and creameries were going out of business in some parts of Ontario, many farmers looked to cattle exports to augment their income. As a result, the farmers wanted the embargo removed. Several newspapers took up their cause, of which the Globe was the most enthusiastic. In quite a number of editorials, this newspaper advocated the removal of the embargo, and urged the Canadian farmers to "...press unitedly and persistently for the repeal of the problem."⁴⁰ The Globe reiterated that "this is in reality as much a Canadian as a British question, and the Canadian government cannot put this to the fore too strongly or too persistently."⁴¹ The paper acknowledged that Great Britain possessed the right to impose an embargo if it wished. However, the Globe rationalized its interference in British affairs by the suggestion that its demand was in the interest

40) The Globe, February 4, 1905, editorial.

41) Ibid., September 15, 1905, editorial.

of the British population since cheaper meat would result from the removal of the embargo.⁴²

Chamberlain's reluctance to accept the abrogation of the cattle embargo as part of his campaign platform, because some of his support was drawn from farmers interested in stock raising, only further incensed the Globe and other papers.⁴³ The existence of the cattle embargo was held to be an excellent indication of the weakness of Chamberlain's proposals. Too many difficulties arose in the attempt to draw a balance between admission of colonial agricultural products and protection to British farm products. The conclusion drawn from his attitude toward the embargo was that his proposals were purely protectionist and that Canada's interests would be subordinated to the welfare of Britain.⁴⁴ The Globe wrote "If Mr. Chamberlain wishes Canadian farmers to believe his preferential tariff campaign is anything more than a fake he will have to make war directly and persistently on the embargo."⁴⁵

In some heavily interested quarters, it was felt that the Canadian preference should be used as a lever to attempt to force the British to remove the cattle embargo. Robert Dickerdike, a Member of Parliament from Montreal, a man with important connections with the cattle trade business,

42) Ibid., October 7, 1904, editorial.

43) The Globe, November 4, 1904, editorial. For other newspapers, see, Guelph Daily Mercury, December 10, 1903, p. 7; Manitoba Free Press, October 27, 1903, p. 4.

44) Montreal Daily Witness, October 19, 1903, p. 4.

45) The Globe, October 14, 1904, editorial.

wrote to a correspondent that it appeared Great Britain was endeavouring to drive Canada into disloyalty if not into discontent by retention of the embargo. He continued: "...unless the embargo is removed at an early date there will be strong pressure brought to bear on the Dominion Government to withdraw the preference to British manufacturers."⁴⁶ The publication of Dickerdike's letter caused the Daily Mail and Empire to denounce his suggestion as a blow to Mr. Chamberlain at a most critical moment.⁴⁷

Aside from the British cattle embargo, there was something else which made the acceptance of Chamberlain's proposals for imperial consolidation more difficult than would have been the case otherwise. This was the Alaska boundary decision which was made public on October 18th, 1903. The decision occupied the newspapers' attention for over a month, during which time reports of Chamberlain's campaign were sometimes subordinated, but never obliterated, by it. During this month, the imperial issue of Chamberlain's campaign was emphasized rather than his fiscal policies, which later rebounded to their former important position. Although reaction toward the Alaska award died down while Canadian coverage and interest in Chamberlain's campaign continued, a certain amount of damage was done to the credibility of his statements concerning the value of the Empire and imperial unity. After all, it was reasoned,

46) Daily Mail & Empire, September 14, 1905, p. 1.

47) Ibid., September 26, 1905, editorial, p. 2.

what good was an Empire which failed to defend Canadian interests? The attitude that Great Britain only considered her own national interests seemed confirmed by the award. Years later, during the British election of 1906, Le Nationaliste wrote, "...les sacrifices ont été du côté des colonies et tous les bénéfices du côté de la métropole."⁴⁸ As an indication of the intensity of the feeling against Great Britain, some Canadians proposed the repeal of the British preference in an undoubtedly futile attempt to shock the British into realizing the value of the colonies. D. A. Ferguson wrote to one newspaper:

...as the only effective protest that is likely to reach the seat of his feelings, repeal the British preference without a moment's delay, and then Chamberlain's dream of a world-wide united empire will become a nightmare that would disturb John Bull's complacent slumbers and teach him that there is a limit to the endurance of even mere colonials.⁴⁹

The following day similar letters were published in The Toronto World.

Laurier's advocacy of treaty rights, aroused by his indignation over the award, moved back by one notch the goal of imperial consolidation and unity which the Canadian imperialists were striving to achieve. The extent of Canadian feeling even forced Laurier to postpone a promised speech concerning Canada's position in relation

48) Le Nationaliste, Montreal, January 14, 1906, p. 1.

49) The Toronto World, October 23, 1903, editorial page.

to Chamberlain's policies -- at least according to Laurier's explanation to Lord Minto who thought that the speech would have helped Chamberlain.⁵⁰ The state of the country's feeling seems to have been borne out by Foster's simple remark to his wife, when writing of the award while in England helping Chamberlain, "It is unfortunate coming just now."⁵¹ Although the Alaska boundary decision provoked a more nation-wide reaction in Canada than did the British cattle embargo, both issues contributed to a polarization of opinion regarding Chamberlain's proposals in Canada.

Despite their unanimity in criticizing the Tariff Reformer's campaign, there were some differences in emphasis among Canadians who dislike his policies. The differences were essentially between his French-Canadian and English-Canadian opponents. However, these differences cannot be related to a feeling of antagonism between the two groups. They lay in the extent of involvement in the discussion of Chamberlain's campaign, and the degree of emphasis which certain arguments received.

The main differences dealt with the extent of participation in the discussion of Tariff Reform in Canada. French-Canadians did not involve themselves as extensively in the campaign as did English-Canadians. There were far fewer references to Chamberlain in their newspapers and far

50) Conversation between Minto and Laurier, enclosed in a report sent to Chamberlain, December 13, 1903, Minto Papers.

51) G. E. Foster to his wife, October 26, 1903, Foster Papers.

fewer speeches than in English Canada. It must not be assumed, however, that French-Canadians did not respond to the campaign of Chamberlain. On the contrary, they did. However, considering the high level of interest in the campaign in English Canada, Quebec's response was slight in comparison. The main reason for this difference undoubtedly lay in the fact that French-Canadians were isolated from the issues which concerned their English-speaking countrymen. Thus, they did not feel a part of the discussion to the same extent as did English-Canadians.

The feeling that acceptance of Chamberlain's fiscal policies would lead to the loss of political autonomy was held to a varying degree by most anti-Chamberlain Canadians. However, this feeling was most deeply-felt among the French-Canadians, so that anxiety largely dominated their discussions. The reason for the significant emphasis given this fear lay in the fact that French-Canadians were convinced that the imperial movement was directed against their race. As Bourassa stated, the "...mouvement imperialiste apparait au Quebec comme un mouvement anti-Français."⁵² It was felt by L. A. Chauvin that their liberties would be severely limited: "L'imperialisme est un grand menace pour l'autonomie du peuple Canadien-Français."⁵³ In other words, in an imperial organization with close, 'inflexible' connections between its component parts, French-Canadian liberties of language,

52) Le Soleil, December 4, 1903, p. 7.

53) La Presse, August 24, 1903, p. 1.

religion, culture, and attitudes would be submerged. A statement concerning militarism by Le Soleil indicates the adamant French-Canadian resistance toward militarism and imperialism and, more importantly, their confidence in the maintenance of their liberties in Canada:

Quebec est oppose à la participation
du Canada à la défense de l'Empire, son
attitude sur cette question détermine
la politique du pays....⁵⁴

Suspicion of Chamberlain's policies was such that during late 1903, when Boards of Trade across Canada were passing resolutions in support of the British Tariff Reformers, members of the Montreal French-Canadian Chambre de Commerce refused to pass a pro-Chamberlain resolution.⁵⁵ On the whole, French-Canadians wanted nothing to do with Chamberlain or his policies, an attitude similar to their position on Canada's involvement in the South African War.⁵⁶ Some English-Canadians, such as James Young, felt the same way. Most opponents of Chamberlain in English Canada, however, were willing to discuss the possibility of imperial preferential tariffs, as long as it was an arrangement which did not help the Canadian protectionists or harm the Canadian progress toward political autonomy. In this stance, the Globe was typical:

54) Le Soleil, December 4, 1903, p. 7.

55) La Presse, November 5, 1903, p. 11.

56) Penlington, op. cit., pp. 247-50.

A preference in the English market would be advantageous and satisfactory, but only in the case of our autonomy being respected and maintained.⁵⁷

There was some wariness of Chamberlain among the English-Canadians, but it was not the resolute fear displayed by French Canada. English-Canadians could discuss the issue of preferential tariffs in terms of possible advantages to Canada. The French-Canadians, however, immediately dismissed the issue as harmful to Canada, specifically to Quebec.

The fact that the French-Canadians were concerned with the loss of Canadian political autonomy does not mean that they were unconcerned about imperial restrictions on Canadian industrial growth. On the contrary, they joined the English-Canadian chorus decrying Chamberlain's apparent designs to restrict Canadian economic development. La Verite wrote for example:

Notre commerce a besoin de toute sa liberte d'action pour prosperer et M. Chamberlain veut lui mettre des entraves en le restreignant a un seul debouche, celui de la Grande-Bretagne. ...M. Chamberlain veut que nous accordions aux produits industriels Anglais une preference, c'est-a-dire une diminution de droits incompatible avec la prosperite industrielle du Canada.⁵⁸

Thus, it can be seen that there were differences among the anti-Chamberlain Canadians, just as there were among his supporters. The extent of French-Canadian and

57) The Globe, March 18, 1904, editorial.

58) La Verite, November 1, 1903, editorial.

English-Canadian involvement, and the emphasis placed upon the reasons for opposition to Chamberlain were the main areas of differences among his Canadian opponents.

The disparaging stigma of 'Enemies of the Empire' and 'Annexationists' attached to their reputations was hotly resented by those who protested against the proposals of the Tariff Reformers in England. One example is Henri Bourassa's statement in the House of Commons concerning those Conservatives and imperialists who "...denounced me all over the country as a disloyal rebel on account of my opposition to Mr. Chamberlain's policy..."⁵⁹ He went on to say in his speech before the House of Commons in 1904:

I hope this will be the last time I shall hear it said in this House that I am an opponent of British connection or of good relations between Great Britain and Canada.⁶⁰

Although they desired to see Chamberlain defeated, their feelings generally did not indicate a lack of affection for the Empire and a lack of interest in remaining within it. On the contrary, anti-Chamberlain Canadians generally believed in Canada's future as lying within the Empire. However, their image of Canada's role within the Empire differed from that which they felt was held by individuals who supported Chamberlain in Canada and England. To them,

59) Canada, House of Commons, Debates, Henri Bourassa, June 15, 1904, p. 4903. For other examples, see, The Globe, January 28, 1905, editorial; Adam Shortt, Canada and Chamberlain, pp. 5.

60) Ibid., p. 4911.

the Empire of the future did not represent a highly centralized and structured organization. Rather it was to be a flexible, free association of autonomous units with individual rights of self-government, held together by reasons of a common sentiment, a common past, and a common loyalty to the British monarchy. The Canadian attitude toward self-government within the Empire was seen as a positive form of liberalism. Attempts to inhibit this forward progression of the Canadian experience by imperial federation and fiscal uniformity were considered retrograde and divisive. A responsible concern for the compatible interests of the individual local units and the Empire at large was considered to be the dominant force in inter-Empire dealings, not the 'ready-aye-ready' of the imperialists and the 'narrow self-interest' of the protectionists.

The desperate cry that the Empire was in danger and that disunity was looming over the horizon was not accepted. The Toronto Globe wrote in an editorial, "...we do not believe, with Mr. Chamberlain, and with some members of our own parliament, that the Empire will fall to pieces unless a colonial preference be granted."⁶¹ The fears of Chamberlain and his supporters were ridiculed as imaginary and without foundation. As the Halifax Morning Chronicle lampooned:

61) The Globe, July 29, 1903, editorial.

Once more we ask, what is it all about? What has occasioned it? What is there to justify it? What is to come of it? What good is to be accomplished by trying to persuade ourselves and others that all things British are on the verge of collapse, when, in reality, the Empire has but just reached its highest plane of unity, prestige and promise?...So far as Canada is concerned, we can affirm without fear of contradiction that there has been the most absolute satisfaction among the people at large and their political leaders with the existing relationship of the dominion to the Empire. The future has been looked forward to with unshaken confidence.⁶²

What was endangering the Empire, it was maintained, was not foreign enemies, but rather the greed of the Canadian protectionists and manufacturers. On the whole, the Canadian manufacturers were considered to be too self-interested. Adam Shortt wrote:

What the imperial preference advocates, on the two sides of the Atlantic, are trying to do is to divide an expected mutual benefit in such a fashion that each party shall receive about three quarters of it, on the ground that the other must concede something extra for the sake of sentiment.⁶³

The Montreal Daily Witness concluded that:

The great enemy of the British Empire to-day is not any foreign country or any possible combination of foreign countries, but the selfishness of dependent peoples, who, while refusing aid to the empire, refuse also to trade with it on any terms but those which butter the bread on their side.⁶⁴

62) Halifax Morning Chronicle, October 9, 1903, p. 4.

63) Adam Shortt, Imperial Preferential Trade, Toronto, 1904, p. 9.

64) Montreal Daily Witness, June 1, 1903, p. 4.

What the Canadian manufacturers proposed, it was felt, would tend to act "...as an acid ... (rather) ... than as a glue,"⁶⁵ and would "... be the most effectual way that malicious ingenuity could devise of setting them off speedily by the ears."⁶⁶ This was because the British manufacturers were being led to believe that they would gain pecuniary advantages from an imperial preference. They would naturally be upset then if, after having supported Chamberlain during his campaign, they discovered that Canada refused to allow the advantageous entry of British manufactured exports because of pressure from its protectionists.⁶⁷ The reaction of the British public, it was feared by Sydney Fisher, the man responsible for the sale of Canadian produce in England as Minister of Agriculture, would be a refusal by the British to purchase Canadian goods. In turn, a backlash against imperial sentiment would result in Canada.⁶⁸ Such a situation would not promote imperial feeling. This attitude was quite general among Chamberlain's opponents. In fact, it was an attitude more widespread in printed form than the fear that the constitutional proposals of the imperialists would actually lead to conflict within the Empire.

The Empire was not in danger. In fact, it was already being strengthened by what were called 'natural ways';

65) Ibid., May 29, 1903, p. 4.

66) Toronto Weekly Sun, September 9, 1903, p. 1.

67) Ibid., December 2, 1903, p. 1.

68) Sydney Fisher to Sir Clifford Sifton, October 5, 1903, Sifton Papers.

of which imperial co-operation and voluntary sacrifice were the bywords, not mandatory and fixed obligations.⁶⁹ In a speech to the Mulock Club, J. M. Clarke, a Liberal, expressed the attitude that acts of consolidation had already been performed by Canadians of their own free will with a regard for imperial interests, and that such acts would continue in a similar vein as long as nothing was done to restrict Canada's freedom of action.⁷⁰ Clarke maintained that the large Canadian contribution during the Hindu famine of the late 1890's and a contemporary interest in the lot of the poverty-stricken in London, England, were excellent examples of imperial feeling in Canada. Also, Clarke considered Canada's voluntary, not forced, participation in the South African War, and her introduction of preferences to Great Britain and other British colonies, as indications of the direction of the Empire's future course. As well, steps taken for the improvement of imperial commerce and transportation systems through subsidized steamship lines and the expansion of cable networks, were looked upon as indications of cohesion in the Empire.

Not all Canadians who opposed Chamberlain in Quebec agreed with Clarke's form of imperial relationship. The form of the relationship which Clarke envisaged was still one of involvement, without inflexible obligations. The French-Canadians and a few English-Canadians saw the

69) The Globe, September 7, 1903, editorial.

70) J. M. Clarke, Canada and Her Future: Before the Mulock Club, November 23, 1903, pamphlet.

connection more as one of sentiment, with a distinctly independent Canada. Bourassa's speech to the House of Commons indicates this point:

Happily for us, they (the British people) know that the British Empire has been built, both in commercial and military matters, upon the sound principle of decentralization, of the self-government and the independence of the different parts of the empire. They know that the only way by which the empire can stand together is to have the legislative tie as slender as possible for the slenderer that tie will be the stronger will be the sentimental tie.⁷¹

What Canada ought to develop, it was thus felt, was a more "...Canadian spirit...."⁷² Although these two views of imperial relations differed from one other, there was enough common ground for their exponents to unite against Chamberlain.

It was widely held in Canada that the controversy in the United Kingdom was only the affair of Great Britain, and not a matter in which Canada should express an interest. As was the case with most of its Canadian supporters, Chamberlain's policy was seen by his opponents in Canada as a purely domestic issue of a fiscal nature, which had to be settled by the United Kingdom in the light of its own financial interests. Only when Chamberlain's proposals were accepted by the British electorate and became part of official policy, could the matter be discussed by the

71) Canada, House of Commons, Debates, Henri Bourassa, June 15, 1904, p. 4910.

72) W. G. Cates to Adam Shortt, August 31, 1903, Shortt Papers.

colonies in its imperial context.

With a certain pride of self-government and political autonomy, the question of interference was related to the Canadian scene. The Manitoba Free Press wrote in an editorial:

Supposing Canada was aroused from end to end by a struggle between the two great parties over some all-important question of national policy, what would happen if the British government were to be so ill-advised as to attempt to interfere in support of one party or against the other? The party which bore the brunt of such interference would be embittered with consequences of the gravest sort to the good feeling now prevailing between Canada and Great Britain.⁷³

Any attempt at colonial interference in a British domestic issue, it was reasoned, would be bound to alienate a segment of the British population. If representatives of this group were to achieve office, then relations between the colonies and the Mother Country would be impaired. Interference in Britain's affairs was considered, therefore, as not practical or desirable. The defeat of the Unionist Party in January, 1906, served to prove the validity of the view of non-interference which most Canadians held since Chamberlain first began his campaign.⁷⁴

As a consequence, not one anti-Chamberlain Canadian could be found campaigning in the United Kingdom for the British free traders, nor was a significant public statement

73) Manitoba Free Press, October 12, 1903, p. 4.

74) The Globe, January 16, 1906, editorial.

ever made by these Canadians. When information was provided to the British free traders through letters and pamphlets, it was generally material correcting misconceptions about, and stating, the Canadian position as they saw it. Witness the statement of a cabinet minister:

I feel a good deal of irritation by the course of many in England taking for granted that Chamberlain's actions and the gist of his policy are due to insistence on our part for preference.

I have written a good many of my friends in England pointing out the unfairness of this.⁷⁵

Similarly, Goldwin Smith, a rabidly anti-Chamberlainite, constantly wrote to his friends in England, but he only said that Canada was not with the Tariff Reformer.⁷⁶ Such activities were not a direct contribution to the free traders' campaign.

An alternative in Canada to Chamberlain's campaign and its objects was the issue of reciprocity with the United States. In the United States, a reciprocity movement gained momentum and increasing support after 1902 because of a worsening financial recession and the anxiety that the success of Chamberlain's proposals would eventually restrict Canadian-American trade. The coffers of the formerly dormant American National Reciprocity League began to fill

75) Sydney Fisher to Sir Clifford Sifton, October 5, 1903, Sifton Papers.

76) For example, Goldwin Smith to Harold Cox, Daily Mail & Empire, February 13, 1904, p. 4; Goldwin Smith to Free Trade Union, the Globe, October 7, 1903, p. 2.

as a result, and many prominent men, such as A. G. Hay, Governor Cummings of Iowa, Andrew Carnegie, Senator Fairbanks, and President Theodore Roosevelt displayed favourable interest in the aims of the league.⁷⁷ However, there was no legitimate justification for statements made by pro-Chamberlain Canadians that the American agitation threatened to remove Canada from the imperial orbit. Such statements were simple exaggeration. It would appear that they were the product of an almost psychic fear of an American commercial connection. There were several individuals and groups in Canada who supported the American movement, such as the predictable John Charlton,⁷⁸ who aided the National Reciprocity League while in the United States on business, and the West Elgin Branch of a farmers' association which expressed general approval for a reciprocity treaty.⁷⁹ There was some discussion about the fruitful advantages of reciprocity. At Waterford, Charlton

77) For reports on the development of the American attitude toward reciprocity, see, The Ottawa Evening Journal, October 7, 1903, editorial; November 17, 1903, p. 1; Ottawa Free Press, November 18, 1903, p. 5; Daily Mail & Empire, April 2, August 16, September 17, 1904, editorial.

78) John Charlton, (1829-1910); prominent lumberman, elected to the House as a Liberal, 1872-1904, supporter of free trade between Canada and the United States.

79) Guelph Daily Mercury, November 9, 1903, p. 5; and the Ottawa Evening Journal, May 21, 1903, editorial.

maintained that had Canadian cattle been sold at Buffalo rather than at Toronto in 1903, the farmers would have gained one hundred thousand dollars more than they did.⁸⁰ One newspaper published the prices of eggs, hogs, cattle, and wheat sold in Buffalo and New York as compared to the prices in Toronto and Montreal, and the paper concluded that the benefits of reciprocity were greater in 1903 than they had been fifteen years previously.⁸¹ As a result, a few Canadians looked forward to reciprocity.

However, the sense of urgency about reciprocity, so evident in 1891, was completely lacking in 1903. On the whole, the Canadian public remained quietly interested but still apathetic toward the reciprocity agitation in the United States. This change of attitude was brought on by the prosperous economic conditions in Canada, the rejection by the United States of many Canadian advances for reciprocity, the McKinley and Dingley tariffs, increased Anglo-Canadian trade, and "...partially by a new sense of nationhood within the Empire, which has come to Canada."⁸² In essence, this attitude resulted from that optimistic confidence in Canada's future which existed around the turn of the twentieth century. In 1905, The Commercial Bulletin of Boston revealed that only twenty of two hundred and forty-one Canadian newspapers

80) The Globe, November 28, 1903, p. 27.

81) Toronto Weekly Sun, October 7, 1903, p. 1.

82) Ibid., December 17, 1903, editorial.

favoured reciprocity with the United States to some degree.⁸³ Laurier seems to have portrayed accurately the sentiments of his fellow Canadians in replying to an American who had written the Prime Minister for his views concerning reciprocity with the United States:

For my part I value very highly the importance of the American market for Canadian products, but failing to make an impression in that quarter, we directed our efforts elsewhere, and I am glad to say that they have been successful beyond expectation.

The movement in favour of reciprocity on our part had its *raison d'etre* some twelve years ago: in the present condition of our trade, its *raison d'etre* has ceased to exist.⁸⁴

Canadians who did not rush to Chamberlain's colours but instead criticized his policies, were therefore not anti-British nor pro-American. Rather, they believed in a Canada within the Empire having a voice in matters affecting her own interests. In fact, Chamberlain's policies of imperial unity and preferential trade were opposed by many Canadians on the grounds that the achievement of his goals would tend to destroy, not unite the Empire. The intensity of the feelings held by Chamberlain's opponents was certain to find expression in domestic politics, just as did the sentiments of those who supported him. The result, then, for any political party in Canada, composed of both supporters

83) J. C. Hopkins, ed., The Canadian Annual Review of Public Affairs, 1905, Toronto, The Annual Review Publishing Co., Ltd., 1906, p. 534.

84) Sir Wilfred Laurier to Wharton Barker, October 12, 1903, Laurier Papers.

and opponents of Chamberlain, was bound to be party tension and conflict. It is this difficulty which faced the leader of the Liberal Party in response to the Tariff Reform campaign.

CHAPTER V

SIR WILFRID LAURIER AND TARIFF REFORM

The problem for Sir Wilfrid Laurier was that the vehement discussion of the Tariff Reform campaign in Canada was all too easily reflected on the country's political scene. A point which was of greater significance was that the Liberal Party of Canada contained individuals who held strongly divergent views regarding Chamberlain's proposals. This situation led to tension and conflict among the Liberals.

Laurier had seen much political strife since he first entered Parliament in 1874. When he became party leader thirteen years later, he was very conscious of the weak position of the Liberals. Wide support was needed for a party which had been out of office for over a decade. Only after securing the allegiance of divergent political and sectional groups, as well as high and low tariff adherents, was he able to attain power in 1896. Laurier had been fairly successful since 1896 in balancing stresses and strains in the party. However, the situation had changed to a certain extent by the time Tariff Reform burst upon the scene as a result of the animosities from the South African War and subsequent attempts to secure Canadian participation in imperial defence. Thus, the composition of the party was bound to determine the manner in which Laurier responded to the issues presented by Chamberlain's Birmingham and Glasgow speeches.

The response of Laurier to the British campaign was one of silence. Laurier refused to give any public indication as to whether he stood in the camp of Chamberlain or his opponents. The official reason which was given was simply one of non-interference in British internal affairs. This position was one which had been held by Laurier ever since he had come to office.¹ Officially, Laurier maintained this policy because he felt that there would be a loud clamour in the United Kingdom if Canada dared to intervene in a British domestic issue, just as there would be a 'loud and mighty' outcry in Canada if England intervened in Canadian internal affairs.² Non-interference, in fact, was held to the point where even political discussion on imperial preferences generally, rather than the specific proposals of Chamberlain's campaign, was restricted. Whenever an inquiry was made as to the Canadian government's view on the subject of imperial preferences, reference was made to the statements which had been expressed at the Colonial Conference of 1902.³ A similar stand was taken when attempts were made to convince Laurier of the need for a resolution of support for Chamberlain.⁴ With few exceptions, this policy of silence was strictly adhered to by Laurier and his

1) Laurier to Denison, December 24, 1897, Denison Papers.

2) Laurier to G. W. Ross, November 6, 1903, Laurier Papers.

3) Laurier, October 8, 1903, H. of C. Debates, pp. 13375-6.

4) Laurier to Denison, November 31, 1903, Denison Papers.

cabinet ministers.

Chamberlain was very disappointed by the reticence of the Canadian government and its reluctance to give any indication of support. He had expected that Laurier would help the British campaign in the form of speeches and through a resolution passed by the House of Commons.⁵ However, it appears that the Tariff Reformer assumed, without justification, that the leader of the Dominion would respond in an enthusiastic, positive manner. Two letters seem to reveal this assumption. In July, 1903, Chamberlain wrote:

I am not by any means entirely satisfied with the actions of the Canadian Ministers. Seeing that in all their conversations (at the Colonial Conference) they pressed for the adoption of the policy, I am now advocating, I certainly hoped for a warmer and more indisputable welcome.⁶

And in late December, 1903, he wrote that previously he had thought that the Canadian ministers

...were most anxious for a preferential arrangement and would do anything to help it, even if they had to take some little risk of offending some of their supporters...., (and) would give public assurance that if I got my mandate they would be prepared to meet me in no grudging spirit.⁷

Thus, as he formulated his plans to educate the British people during the summer of 1903, Chamberlain must have interpreted the intensity of the Canadian government's requests for imperial preferences in 1902 and early 1903,

5) Fielding to Chamberlain, July 2, 1904, Chamberlain Papers.

6) Chamberlain to Lord Minto, July 31, 1903, Minto Papers.

7) Chamberlain to Minto, December 28, 1903, ibid.

as implying future support of a public nature in late 1903.

Certainly, it is true that the government was very energetic in suggesting the implementation of a preferential arrangement based on the Corn Duty during the Colonial Conference.⁸ Offers of increased fiscal privileges in Canada in return for imperial preferences were extended to the British government through the Colonial Secretary. However, on no occasion could evidence be found to indicate that Laurier and his ministers promised support to a man outside the government in Britain who had initiated a controversial public campaign for imperial consolidation and Tariff Reform. Thus, at no time did the Canadian government press "...for the adoption of the policy, I am now advocating...."⁹ All that was desired from Chamberlain's efforts was an imperial preference, not his imperial and fiscal proposals with their far-reaching implications. In fact, there was no warning of Chamberlain's campaign until his declaration of it. Thus, Laurier could not possibly have promised public support to the former Colonial Secretary for an undertaking such as was initiated in the fall of 1903. Chamberlain must have simply assumed that he would be given help no matter how he attempted to obtain acceptance by the British people for imperial preferences. The result was that he received what must have appeared to

8) See Chapter I, pp. 42-48, for the activities of the Canadian government.

9) Chamberlain to Minto, July 31, 1903, Minto Papers.

him as 'cold' silence from the Canadian government.

When it became apparent that no indication of support was going to be obtained from Laurier, Chamberlain's feeling quickly turned from disappointment to one of mistrust and suspicion of the Prime Minister. Three days before the end of 1903, he wrote:

I still wish that Sir Wilfrid would speak out and give me real assistance. If he does not, I must conclude that he is not 'a good man with whom to go out tiger hunting.'¹⁰

As a result of this attitude, Chamberlain refused to believe Laurier's sincerity in permitting Fielding to write him a letter, on November 4, 1903, which contained many points helpful to the British campaign. Not only did the letter re-confirm the enthusiastic interest of the Canadian people in the broad principles of imperial preferential trade, but it also maintained that there was little validity in many of the reasons held by some Canadians for opposition to Chamberlain's proposals.¹¹ As well, it stated that if Britain was to give a preference to Canadian imports, the British manufacturer would be given considerable advantage in Canada over his foreign competitor. Although the letter did not voice support for Chamberlain specifically, it did dispel misconceptions about the Canadian government's

10) Chamberlain to Minto, December 28, 1903, Minto Papers.

11) Fielding to Chamberlain, November 4, 1903, Chamberlain Papers. Some of the reasons which Fielding agreed were invalid dealt with the false interpretation that Chamberlain demanded colonial contributions to the imperial navy.

position on imperial preferences and the Tariff Reformer's proposals. It could not have been more useful in this regard. And yet, Chamberlain read only a minor, less significant part of the letter at Leeds for fear that Laurier would publicly refute the revelation of the entire letter.¹² After failing to receive the anticipated examples of Canadian support, Chamberlain must have felt that Laurier was not really in favour of his campaign. Thus, the former Colonial Secretary assumed that the Prime Minister was not a man to be trusted.

However, such an important letter would not have been sent without Laurier's permission and knowledge of its contents. In fact, the letter was sent in fulfilment of a promise to Lord Minto to have Fielding send such a letter.¹³ Even if there was reason to suggest deception, one must wonder what Laurier would have gained by repudiating the letter. If the letter was refuted, Laurier would have rebuked his most important minister publicly in the process -- not a very astute political move. And surely as a result, Laurier would have embroiled himself in a political issue of a highly controversial nature. In the minds of Chamberlain's Canadian supporters, such a reprimand would have confirmed that the Prime Minister was truly anti-Tariff Reform and

12) Amery, Chamberlain and the Tariff Reform Campaign, Vol. 6, (Life of Joseph Chamberlain), p. 517, 520.

13) Minto to Chamberlain, July 10, 1904, and "Report of Conversation with Sir Wilfrid Laurier", December 13, 1903, Minto Papers.

and Laurier would have been treated by them as such. If there was anything Laurier wanted to avoid, it was the appearance of being either for or against Chamberlain. The fact that Laurier did not refute the letter, when it was actually published at Fielding's request in 1904, would seem further to indicate that there was no valid reason for Chamberlain's mistrust of Laurier's sincerity.¹⁴

The Prime Minister was not on the 'warpath' against the Tariff Reformer, as he told W. T. Stead, when the latter sent his congratulations thinking that Laurier was taking an anti-Chamberlain stance by his public silence.¹⁵ In fact, the relationship of the Canadian government with Chamberlain after his resignation was more positive than one might have expected. Laurier's Minister of Finance, for example, continued to write privately to the former Colonial Secretary long after the latter had left the British cabinet. Surely, if Laurier had been against Chamberlain, or if there had been reasons to have mistrusted Laurier, Fielding's correspondence with Chamberlain would not have been so prompt in reply, so detailed and useful in content. Furthermore, when the Canadian government was planning to revise the tariff and preference in 1905, a minister, Sir William Mulock, would not have visited the Tariff Reformer with Laurier's cognizance expressly to explain the proposed tariff and its effect upon

14) Fielding to Chamberlain, July 2, 1904, Chamberlain Papers.

15) Laurier to W. T. Stead, July 20, 1903, Laurier Papers.

the British preference.¹⁶ Nor would the Prime Minister have agreed to the visit of W. A. S. Hewins as the personal representative of Chamberlain in order to discuss imperial preferential tariffs in late 1905.

An examination of Hewins' visit and discussion with Laurier and Fielding further reveals their sincerity. Both Canadians were affable and friendly to the Englishman during his visit. Fielding even said to Hewins that he "...could go and see him without ceremony, or telephone, or walk straight into his office."¹⁷ Laurier and Fielding's discussion with the visitor was very frank about the complexities of any imperial preferential arrangement. If Canada could obtain a preference on dairy products, bacon, cheese, and wheat, Laurier told Hewins, not only would several British manufactured products be placed on the free list but more would be imported with moderate duties.¹⁸ It could be said that Laurier's statements were really not sincerely made. However, the fact that he wanted a preference on Canadian exports in return for one on Canadian imports is indicated by his tariff position during negotiations with the Americans in 1898-99 and in 1911. The result of the discussion

16) "Notes of an Interview between Mr. Chamberlain and Sir William Mulock, with Mr. Hewins Present, on Friday, July 21, 1905," Chamberlain Papers.

17) W. A. S. Hewins, Apologia of An Imperialist: Forty Years of Imperial Policy, London, Constable, 1929, Volume 2, p.141.

18) Hewins to Chamberlain, October 24, 1905 and November 7, 1905, Chamberlain Papers.

was that Chamberlain's representative left Ottawa satisfied that if Great Britain reciprocated and gave Canada a preference on her primary products, British manufactured goods would receive quite favourable advantages on the Canadian market. However, Hewins also realized that Canada would not increase the British preference or include an alternative tariff in the next budget in anticipation of Chamberlain's success until England definitely moved in the same direction toward imperial preferences.¹⁹ Thus, Laurier wanted an imperial preference and was willing to give fiscal reciprocation, but only after the government in Great Britain, representing the British people, expressed a desire for a similar policy.

It is clear that Chamberlain and his followers misunderstood the Canadian political scene. It was this lack of comprehension that allowed Chamberlain to suppose so readily that Laurier would and could support his imperial preferential policies publicly during the campaign in England. Similarly, it resulted in Chamberlain's mistrust of the Prime Minister when his basic assumption of Laurier's assistance proved incorrect. The specific point which Tariff Reformers misunderstood about Canadian politics was that Laurier could not have ventured public support without grave political repercussions. Chamberlain realized that there would have been some trouble if Canadian help was given to him. However, he failed to appreciate the real extent of the

19) Hewins to Chamberlain, November 7, 1905, ibid.

political difficulty which Laurier would have encountered. For example, Chamberlain wrote that he had previously thought that the Canadian ministers "...were most anxious for a preferential arrangement and would do anything to help it, even if they had to take some little risk of offending some of their supporters...."²⁰ Furthermore, Chamberlain considered that the French-Canadians were the main source of difficulty for Laurier. He was sure that the Prime Minister would have little problem holding them in line:

I recognize all his difficulties consequent upon his dependence on French support but a strong and patriotic minister with his influence with his countrymen might persuade them to take a wiser and more generous view of their position towards the country which has so fully respected their religion, their customs and even their prejudices.²¹

However, an examination of the Liberal Party of Canada, specifically the Liberal Party of Ontario and the sources of pressure upon Laurier during the controversy in England, indicates that the political ramifications of public support would have been different from Chamberlain's expectations. Laurier would have run more than "...a little risk of offending some of his supporters...."²² In fact, he would have met great difficulty in persuading, not only his French following, but also a large part of his English supporters, to approve Canadian assistance to Chamberlain.

20) Chamberlain to Minto, December 28, 1903, Minto Papers.

21) Loc. cit.

22) Loc. cit.

The main point which a study of the Ontario Liberal Party's attitude toward Chamberlain reveals is that those who accepted or rejected his proposals did not really fit into neat Conservative or Liberal categories of partisanship. Despite the essentially pro-Tariff Reform character of the provincial party, there was a large and vocal segment which held a different opinion of the Tariff Reformer. This situation developed from dissimilar views of members towards imperial and fiscal beliefs. Thus, in the fall of 1903, when Chamberlain questioned the significance of certain prevailing concepts dealing with the Empire and tariffs, and suggested alternatives, the various divergent attitudes within the party began to crystallize into opposing factions.

This difference of opinion about Chamberlain's programme existed at various levels of the provincial Liberal Party's hierarchy. In the provincial cabinet, the Premier, Sir G. W. Ross, and his Minister of Education, R. L. Harcourt,²³ held different views on the subject. Ross, an ardent supporter of imperial unity actively involved himself in the support of Chamberlain. Not only did he speak publicly in the Tariff Reformer's favour, and also encouraged the British Empire League to adopt pro-Chamberlain resolutions,²⁴ but he actually twice planned to participate in the English

23) Richard L. Harcourt; Liberal, member of Ontario Legislative Assembly, 1878-1905; served in cabinet after 1888.

24) G. W. Ross to Colonel G. T. Denison, September 22, 1903, Denison Papers.

campaign. However, at a University of Toronto undergraduate banquet, Harcourt was rather dubious of Chamberlain's policies. He questioned whether the proposal of imperial preferential tariffs would strongly bind the Empire together, and thought that Chamberlain's attitudes were a little too "...kaleidoscopic, changing from day-to-day."²⁵

The disparity of attitudes within the provincial cabinet was representative of a similar division at the constituency level of the party. Writing to Laurier from Toronto, J. B. Perry, who described himself as a "...life-long liberal not known to Laurier,"²⁶ told the Prime Minister that the country was a unit in favour of Chamberlain's programme. He proposed that the Canadian tariff be raised by 100 per cent, while the British preference be doubled as well -- a proposal not unlike that of the Canadian Manufacturers' Association.²⁷ Henry S. Dickinson's thoughts went in the same direction, although they probably did not go quite as far as those of J. B. Perry. Dickinson, a wallpaper and window shades manufacturer and the retiring President of the North Ontario Liberal Party, at a public meeting of the party in the riding, hoped that the party would drop "...its hankering after free trade...,"²⁸

25) Montreal Daily Star, December 11, 1903, p. 4.

26) J. B. Perry to Laurier, November 13, 1903, Laurier Papers.

27) Perry's letter could very well have been a hoax sent by a mischievous Conservative or manufacturer. However, he could have been a sincere Liberal manufacturer.

28) Daily Mail & Empire, November 6, 1903, p. 2.

and said that the Dominion government was "...lacking in its plain duty in not putting itself on record favouring such a preferential policy (as that of Chamberlain) in England."²⁹ However, the first Vice-President of the North Ontario Party, John Donaldson, said at the same meeting that he had no faith in Chamberlain and that his policies would never be implemented.³⁰ It would appear that pro-Chamberlain members dominated this constituency's Liberal Party, however. At a Liberal convention in the same constituency, Dr. Bingham and J. C. Sproule respectively moved and seconded a subsequently-adopted resolution which subtly pronounced in favour of Chamberlain's efforts, long after some Liberal ministers of the federal government had voiced strong opinions that no such activity should be undertaken by Canadians.³¹

An examination of the Laurier Club of Toronto reveals this difference of opinion within the Ontario Party more clearly. During the fall of 1903, the Laurier Club, a Liberal organization, held several meetings to discuss Chamberlain's policies. Like the Liberal Party of Northern Ontario, the executive and membership of the club were split on the issue. During the discussion, two Vice-Presidents, C. Hill and Dr. John Ferguson who was later a President of the Club; the Secretary, J. S. Dewar; a Counsellor, George Anderson; and two members, W. D. Rogers and George E. Gibbard,

29) Loc. cit.

30) Loc. cit.

31) Globe, December 15, 1903, p. 11.

a druggest, took up the torch and defended Chamberlain. On the other hand, one Vice-President, G. Ritchie; two Counsellors, D. G. Milne and G. R. Hamilton; and two members, George Evans and Walter H. Rosebuck, vehemently opposed the Tariff Reformer.³² Initially, the Laurier Club seemed to have generally approved Chamberlain's scheme with only one or two dissenting voices.³³ However, the anti-Chamberlain members of the club must have hotly resented the ascendancy of Chamberlain's views. After the meeting of October 29th, they strove to have their opinions dominate. At the next meeting, two weeks later, the issue was so acrimoniously debated that when G. R. Hamilton characterized as Tories those who supported Chamberlain, Dr. John Ferguson, the foremost proponent of Chamberlain at the meeting, got up and walked out.³⁴

This lack of unity also existed among the Ontario representatives within the federal cabinet. For example, Sir William Mulock, a Member of Parliament from Toronto, took an active interest in the achievement of imperial preferences and imperial unity. In 1897, for instance, when a Conservative attempt was made to have the Canadian House of Commons adopt a resolution favouring imperial preferences as a tool for the consolidation of the Empire, Mulock acted as an

32) The reports for the three meetings were in Daily Mail & Empire, October 30, November 13, 1903, p. 2, and in the same paper for November 27, 1903, p. 6. There was no mention of these meetings in any other newspapers.

33) Ibid., October 30, 1903, p. 2.

34) Ibid., November 13, 1903, p. 2.

important intermediary between Laurier and the Conservative Party.³⁵ As a result of his efforts, he helped to achieve a successful compromise on the resolution which was passed. This attempt indicates the degree of Mulock's concern for the policies which Chamberlain later advocated, and explains the minister's attempt to help realize their success in 1905. Thus, when he visited Chamberlain in the summer of 1905 in order to explain the new Canadian tariff proposals, Mulock suggested on his own initiative that W. A. S. Hewins, one of Chamberlain's most important aides, visit Laurier to discuss details of future preferential arrangements. Mulock's devotion to imperial unity is evident from the fact that he went beyond his instructions in proposing that Hewins visit Laurier in order to help Chamberlain.³⁶ Another indication of Mulock's support of Chamberlain were the activities of his personal secretary. Despite the fact that Mulock resigned from the cabinet in the fall of 1905 over the issue of public ownership of railways, his secretary acted as a go-between for Hewins and Laurier, and as a guide for Chamberlain's personal representative as well.³⁷

However, another federal minister, the well-known free trader, Sir Richard Cartwright from Oxford South, was of a persuasion different from that of Mulock. Cartwright's attitudes toward Chamberlain are brought out in a controversial

35) Hewins, op. cit., p. 116.

36) Hewins to Chamberlain, November 7, 1905, Chamberlain Papers.

37) Mulock to Chamberlain, August 25, 1905, ibid.

speech he gave in Toronto during December of 1903.³⁸ The whole tone of Cartwright's speech was one of hesitation, if not opposition, to Chamberlain's policies. Cartwright declined to analyze them outright, but in appraising the British Prime Minister who had said that some sort of fiscal change would have to take place, Cartwright said he was "...like a closet naturalist-he had never met the beast in the jungle."³⁹ The only reason why Cartwright said that he was in favour of the general idea of imperial preferential tariffs was that they would force the United States to reduce her own tariffs, which would result in an Anglo-Saxon Zollverein with the United States included - a statement which probably did not endear Cartwright to the zealously pro-Empire faction in the party.

Despite divergent opinions, however, unity was maintained because the disparate elements at the senior party level were willing to suppress their individual views when the situation demanded it. An example of such an occurrence was at the Canadian Manufacturers' Association Annual Convention in September, 1903, which was attended by Sir G. W. Ross, and several federal cabinet ministers: Sir Clifford Sifton, Sir William Paterson, and Sir William Mulock. Ross's speech to the convention was greatly diluted in contrast to his usual pro-Chamberlain and imperial statements. The reason for this dilution is evident in

38) See Globe, December 11, 1903, p. 5; and Daily Mail & Empire; December 11, 1903, p. 1 and 2.

39) Daily Mail & Empire, December 11, 1903, p. 2.

a letter to Denison, in which Ross wrote, "Owing to the presence of Dominion ministers, I had to speak under some restraint."⁴⁰

However, the Canadian Manufacturers' Association's convention was not the only occasion when Ross had to limit his activities in aid of Chamberlain. The need for harmony at the provincial level made this a necessity. The provincial party had steadily been losing support to the point when in 1902 it maintained power only with a majority of four seats. No risks could be taken to weaken its position further. As a result, a pro-Chamberlain resolution was not introduced into the Legislative Assembly. The Conservatives could far too easily drive a wedge between the factions among government supporters, as did Lloyd George with Chamberlain and the free traders in the British House of Commons during 1903.⁴¹ Although Ross could lend his reputation to the Tariff Reform campaign through speeches, pamphlets and letters, he could not afford to alienate a minority within his party who held different views through a divisive legislative debate.

Just as Premier Ross had to consider the disparate opinions of his followers, so Laurier had to make allowances for a similar difficulty within the federal party as a whole. A party which is divided on a significant issue is bound to be more difficult for the leader to keep together as a single political entity. An examination of the sources of pressure

40) Ross to Denison, September 22, 1903, Denison Papers. For a report of the speeches, see Industrial Canada, October, 1903, pp. 155-162.

41) See Chapter II, p.

upon Laurier over Chamberlain's proposals and the divergent views within the federal cabinet, make this point apparent.

Representing what Ross considered to be Ontario and Canadian sentiment, the Premier wrote a lengthy letter to Laurier in the fall of 1903. In the letter, Ross suggested that the House of Commons co-operate with Chamberlain by the adoption of a resolution of sympathy.⁴² Laurier obviously considered Ross's letter to be quite important, since a reply was dispatched immediately upon its receipt. In his reply, Laurier wondered whether it would be wise for Canada to interfere in the formation of the British public opinion.⁴³ Three days later, after having considered Laurier's reply, Ross again wrote Laurier, and re-asserted his suggestion.

I am still of the opinion that it would greatly aid Mr. Chamberlain's cause if the House of Commons would pass a resolution approving of his proposal... What I fear is that without a recognition of his efforts...Mr. Chamberlain may become disheartened.⁴⁴

The letter went on to list all the supposed-advantages which Ross thought would accrue to Canada as the result of Chamberlain's success. Ross's efforts and those of others, must have influenced Laurier. Lord Minto, the Governor General, wrote to his brother that Laurier had told him "...great pressure had been put upon him here to take up the cudgels for Chamberlain...."⁴⁵ Because of the pressure

42) G. W. Ross to Laurier, October 5, 1903, Laurier Papers.

43) Laurier to Ross, October 6, 1903, ibid.

44) Ross to Laurier, October 9, 1903, ibid.

45) Minto to Sir William Elliot, October 13, 1903, Minto Papers.

from within the party, Laurier had to acknowledge it to some extent. Ross wrote Denison that although Laurier could not be persuaded to introduce a resolution into the House of Commons, Laurier promised him "...that as soon as the House arose he would refer to Mr. Chamberlain's position in a way that would be helpful...."⁴⁶ Similarly, Laurier had to humour an influential Liberal from Woodstock, Andrew Pattullo. When Pattullo was making arrangements to go over to England to help Chamberlain, a letter of introduction to Lord Strathcona,⁴⁷ the High Commissioner in London, was obtained from Laurier. In the letter, Laurier took 'pleasure' to introduce his 'friend' who was going to England "...to look over the ground, with regard to Mr. Chamberlain's campaign."⁴⁸

However, Laurier was not only being influenced by the Ontario Liberals. Conflicting pressure arose from the Quebec Nationalists as well. These individuals were always on guard to see that Laurier and his government did not go too far in submitting to or aiding people who were dedicated to the successful achievement of imperial

46) Ross to Denison, October 14, 1903, Denison Papers.

47) ~~Sir~~ Donald A. Smith, 1st Baron Strathcona and Mount Royal (1820-1914); Director, later governor, of Hudson's Bay Co., interests in banking and the C.P.R.; a Member of Parliament; appointed Canadian High Commissioner in 1896.

48) Laurier to Lord Strathcona, October 26, 1903, Laurier Papers.

consolidation. The most difficult issue of Laurier's prime ministership, when immense influence was brought to bear upon him, occurred over the decision to send troops to the South African War in 1899. Despite his promise that the decision did not represent a precedent, his use of a parliamentary vote, and the employment of volunteers, the Nationalists felt defeated. One of them, Henri Bourassa, resigned his seat in protest, and was later re-elected.⁴⁹ From this point, the Nationalists were more than ready to exert pressure when the occasion demanded.

Such an occasion arose over the activities in England of the Canadian High Commissioner in London, Lord Strathcona. Like most Canadians resident in England, Strathcona believed in Chamberlain's idea of a consolidated Empire as a viable unit. Despite his government's position, Strathcona took a lively interest in Chamberlain's proposals after May 15th, 1903. It seems that when in Canada, he carefully abided by the Liberal policy of non-interference in the English political issue, as indicated by his speech before the Third Congress of Chambers of Commerce of the Empire.⁵⁰ However, when safely resident in 'far-away' England, Strathcona subtly endorsed Chamberlain's campaign.⁵¹ This is

49) Penlington, op. cit., p. 257.

50) Official Report of the Third Congress of Chambers of Commerce of the Empire, Montreal, Thomas P. Owen, 1903, pp. 139-140.

51) See for example, London Times, December 11, 1903, p. 10; Ottawa Evening Journal, February 1, 1904, editorial; Glasgow Herald, December 5, 1903, p. 5.

particularly true at the London Chamber of Commerce where he said that Great Britain should be able to give a little preference to the colonies.⁵² His speeches found wide, although not always accurate, coverage in Canadian newspapers. Strathcona's activities irked Bourassa who brought the matter to Laurier's attention on several occasions. Each time, Laurier promised that the High Commissioner would terminate his public support. But by February, 1904, with the continuation of Strathcona's speeches, Bourassa asked Laurier why he did not apply the same rules to the High Commissioner as had been applied to a Mr. Devlin who had become involved in the Irish Nationalist movement while a Canadian government employee in Great Britain. Bourassa stated that if Strathcona had been told by Laurier to remain quiet and had not agreed to discontinue his activities, then the demise of responsible government had arrived.⁵³ As usual, Laurier tried to sooth the anxiety of his colleague and wrote simply, "Je crois que vous exagèrez beaucoup l'importance du langage de La Strathcona."⁵⁴ It was an attempt on the part of Laurier to play down a potential irksome situation. A month later, Laurier confided to Denison that he was being bothered by

52) London Times, December 11, 1903, p. 10.

53) Henri Bourassa to Laurier, February 4, 1904, Laurier Papers.

54) Laurier to Bourassa, February 5, 1904, Laurier Papers. The fact that Laurier answered Bourassa's letter immediately upon its receipt would seem to indicate the sense of urgency with which the matter was dealt by Laurier.

"...some hot-heads in his French following."⁵⁵

A similar potentially irksome situation occurred as a result of Governor General Minto's speech before the Congress of Chambers of Commerce of the Empire on August, 20, 1903. Minto and his successor, Lord Grey, were very active in the use of their office to help the Tariff Reform campaign. In fact, Minto had consistently used his influence to benefit imperial unity. His most notable success was the role he played leading to Canadian participation in the South African War.⁵⁶ Both men pressured Laurier to support Chamberlain. Minto spent more time securing information about the Canadian attitude on the proposed imperial and fiscal policies, though, whereas Grey devoted his efforts to spreading propaganda both in Great Britain and Canada.⁵⁷ However, Minto used the occasion in Montreal as an attempt to stimulate Canadian support for the Colonial Secretary. In a very emotional talk, he concluded:

Gentlemen, it is impossible to foretell the issue of the coming struggle, but in my firm belief we stand very near the parting of the ways. Our opportunity is before us, it may never come again. What is to be our choice - a mighty empire, a brilliant constellation of nations, united in common interest, disseminating

55) Denison to Chamberlain, March 19, 1904, Denison Papers.

56) Penlington, op. cit., p. 221, 227.

57) See Minto to Chamberlain, July 17, 1903 and July 16, 1904; Minto to J. S. Willison, July 5, 1903, Minto Papers; as well as Grey to Chamberlain, March 10, 1905, May 5, 1905, and November 20, 1905, Grey Papers.

throughout the world the spirit of free institutions and Liberal idea; proud of a glorious history, and confident in the promises of its future - or the gradual estrangement of that empire's component parts and its ultimate disintegration?

This is not the time to sit down and fold one's hands. It is time for those who believe in the future of our empire to speak about it.⁵⁸

Minto's personal involvement in the public campaign delighted and encouraged pro-Chamberlain Canadians, but infuriated the Nationalists for whom the speech was an example of British interference in Canadian domestic affairs. To many Canadian Nationalists, especially to the element in the Liberal Party led by Bourassa, Minto's speech made Laurier's position more doubtful. Since the Governor General constitutionally was supposed to represent in public the views of his ministerial advisors, Bourassa wondered whether Laurier had reneged on the previous Liberal policy of silence and non-interference. As soon as was possible in the House of Commons, Bourassa asked the government to clarify whether the Governor General's speech represented the government's views or his own. Laurier replied that Minto "...expressed his own personal views."⁵⁹

There is some evidence that members of the federal cabinet exerted subtle pressure upon Laurier. For example, Sir Clifford Sifton, who was in England during the beginning of the Tariff Reform campaign, feared that Laurier would

58) Official Report of Third Congress, pp. 158-9.

59) H. of C. Debates, August 31, 1903, pp. 10101-10102a.

succumb to pro-Chamberlain influence, which he did not want to see happen. Thus, he wrote Laurier asking whether or not it was true that the Prime Minister was going to allow a pro-Chamberlain resolution to be passed in the House of Commons. In answer, Laurier reassured Sifton that there was "...no truth that such a policy or resolution would be passed."⁶⁰ Laurier then took care to state the Canadian policy of non-interference.

The fact that members of Laurier's cabinet differed undoubtedly created additional complications for Laurier during Chamberlain's campaign. This is particularly true of some ministers who could not be relied upon to abide by the policy of silence. For example, Cartwright was a minister who was a source of anxiety to Laurier. An indication of Cartwright's nature is exemplified by his speech in Toronto during December, 1903. Initially, when Cartwright asked for permission to speak at Toronto, there was some doubt as to whether he should be allowed.⁶¹ William Paterson, the Minister of Custom, privately told Laurier that Cartwright would make a fool of himself. However, Cartwright was given permission to speak, but only on the understanding that he would deal with the subject of railways. The excitement of the English campaign proved too much for him and he talked solely about Chamberlain and his campaign.

60) Laurier to Sifton, October 8, 1903, Laurier Papers.

61) Report of Conversation with Sir Wilfrid Laurier, December 13, 1903, Minto Papers.

Consequently, not only did Cartwright discuss a British domestic issue, but in so doing, he provoked unnecessary reaction among Canadians. This was characteristic of Cartwright, a senior minister, prominent in the party before Laurier. Laurier was of course 'furious' with his cabinet minister.⁶² The Cartwright incident, then, is an example of outspokenness and independence of mind within the federal cabinet.

Another indication of differing views within the cabinet can be seen in the positions of R. Prefontaine and Sifton during late 1903 and 1904. Both ministers agreed on the economic advantages of an imperial preference, but they differed in their interpretation of Canada's relationship with Great Britain and the Empire. For example, Prefontaine distributed a pamphlet in French Canada which emphasized "Le Canada d'abord, le Canada toujours, rien que le Canada."⁶³ Sifton, on the other hand, stressed how a preference would bring about close relations with the Mother Country and would make Canada "...a great nation within the Empire...."⁶⁴ Sifton also differed with Muleck, While Muleck tried to help Chamberlain, Sifton established contact with David Lloyd George, presenting him with data on Canada which could be used against the Tariff Reformer.⁶⁵

62) Loc. cit.

63) R. Prefontaine, Discourse Prononcé Par l'Honorable Raymond Préfontaine, 4 Avril, 1904. (privately printed).

64) W. Scott to Sifton, December 11, 1903, Sifton Papers.

65) For example, W. L. Griffith to Sifton, May 29, 1903, Sifton Papers.

An incident which created a good deal of inconvenience for Laurier, since it displayed publicly the variance of opinion within the cabinet, occurred in 1906. The occasion was a speech by the Minister of Agriculture, Sydney Fisher, before the Mackenzie Club in Montreal on January 17, 1906, immediately following the results of the British election. The speech, whose theme was 'Canadians Demand No Trade Preference as the Price of their Loyalty to Great Britain,' caused an unbounded furor in Canada and to a lesser extent in Great Britain because of the implications of several embarrassing statements. The following sentences:

The farmers of Canada want no preference in the British market....
 I am going to say frankly as a farmer and Minister of Agriculture, that I am rather glad that England has decided not to give us a preference....
 England has not adopted a preference for Canada, and I think she did right.⁶⁶

were the most controversial of his widely reported speech.⁶⁷ Almost as provocative, though, were the statements that he did not believe in protection, and that if he was a voter in Great Britain, he would have been a Liberal free trader. These views directly opposed those held by Préfontaine, Mulock, and Fielding. What was particularly irksome about the speech was the use of the phrase 'as a farmer and Minister of Agriculture,' which seemed to imply that Fisher had spoken for the Canadian government. Since the government up to 1906 had maintained its desire for an imperial

66) Montreal Herald, January, 1906, p. 7.

67) Fisher's speech attracted wide attention in the United Kingdom. For example, see London Times, Jan. 28, 1906. p. 2.

preference both during the Colonial Conference of 1902 and on the occasion of Hewins' visit to Ottawa in late 1905, Fisher's speech and the reference to his cabinet position appeared to indicate that the government had changed its mind about imperial preferences. Fisher's forthright utterance must have been a sudden release of pent-up frustration which had developed as a result of Laurier's policy of silence ever since the beginning of the Tariff Reform campaign.

The immediate result of Fisher's speech was a nationwide 'hue and cry' for the Minister of Agriculture's resignation. The Leader of the Opposition commented pointedly when Parliament reconvened in March:

I assume under these circumstances that the Minister of Agriculture has already in his pocket a request from the Prime Minister to give up his portfolio.

There can be no question as to the policy which has been pursued by the government in at least one instance, and under these aggravated circumstances (a reference to Tarte's resignation in 1902).⁶⁸

To Chamberlain's supporters, both in England and Canada, Fisher's speech was a heavy blow coming as it did just after the heavy losses suffered during the election of 1906. To them, the speech seemed to indicate that the Canadian government was about to abrogate the British preference in Canada, thereby making imperial preferences almost impossible

68) Robert Borden, H. of C. Debates, March 12, 1906, p. 40.

to obtain. The tempest remained so steady during February, that the Prime Minister was forced to speak on February 24th, to reiterate that the Canadian policy remained as it was before and that the Minister of Agriculture was expressing his own opinion.⁶⁹

Answering Chamberlain's anxiety about the position of the Canadian government, Fielding wrote that Fisher insisted he had been incorrectly quoted by the newspapers, since the phrase 'and Minister of Agriculture' should have been 'and not as Minister of Agriculture', and that his speech was but a mere expression of his own personal opinion, not that of the Government of Canada. Fielding sought to reassure Chamberlain of Fisher's intentions:

I quite appreciate the fact that even with that correction Mr. Fisher's words to which you have called my attention leave much room for criticism from your point of view and mine. Indeed, I think that by an unhappy choice of words my colleague went further than he really intended. I do not think Mr. Fisher holds the view that the farmers of Canada are opposed to the granting of the preference on their products by the United Kingdom. I do not think that he intended to do more than express his conviction that the farmers do not attach such importance to it as to press it upon the people of the Mother Country against their own wishes.

Until the policy therein, laid-down (during the Colonial Conference of 1902 by Canada) is altered by some official act you have every right to treat as the expression of the views of the Canadian Government.⁷⁰

69) Globe, February 22, 1906, p. 9.

70) Fielding to Chamberlain, February 19, 1906, Laurier Papers.

However, the inexactitude of Fielding's 'I do not think' and 'I think' in explanation of Fisher's intention would seem to indicate a difference of opinion or at least an uncertainty as to the mutual attitudes existing between the Minister of Finance and the Minister of Agriculture. The fact that the Montreal Herald, owned by Fisher himself, reported the phrase 'and Minister of Agriculture' as did every other newspaper, without the 'not as', and the fact that the minister had spoken in a similar vein in 1902,⁷¹ would seem to indicate the veracity of the newspapers' report.

The difficulties which Laurier faced in leading his party can be ascertained from the pressure that was being exerted upon the Canadian government to increase the tariff. Demands for a higher tariff had mounted steadily over the past several years. For example, vociferous complaints were heard from the textile industry, particularly from those concerns which made woollen goods. This was because they had severely felt the effects of the preference on British imports. They insisted that it not only be reduced, but that the general rate of duty be raised as well. It was stated that the cost of production in Canada was thirty eight per cent higher than in Great Britain, causing a decrease in the number of mills in operation between 1897 and 1905 from seventy-five to twenty.⁷² Certainly the preference affected

71) Borden Papers, notes, file 53, 'The Honourable' Sydney Fisher, 1901-1906"

72) Daily Mail & Empire, April 28, 1905, p. 1.

their profits. But the industry was going through a period of readjustment as inefficiency brought about by obsolete machinery and poor location took its toll. The problem of the textile producers had political ramifications since this area of the economy provided a large number of individuals with employment. Other manufacturers had similar experiences. The Department of Finance quickly heard their fiscal recommendations which posed a difficult situation. An increased tariff would raise the cost of living for the consumer. As well, there were many party members who disliked 'high' or 'moderate' duty levels. A reason for not changing the tariff in 1903 was found in the declaration that it would not be worthwhile to change the tariff at that time. Because of the Corn Duty in England and the possibility of an imperial preference, it was felt wise to wait.⁷³

In the fall of 1903, Fielding wrote Chamberlain explaining the intense pressure that the government was under to discourage imports.⁷⁴ However, the former Colonial Secretary thought that the Minister of Finance's explanation amounted almost to a threat that Britain must give a preference or else Canada would raise the tariff against British goods.⁷⁵ This was not the case, though. The Dominion government definitely had received bitter strictures from manufacturers

73) H. of C. Debates, April 16, 1903, p. 1409.

74) Fielding to Chamberlain, November 4, 1903, Minto Papers.

75) Chamberlain to Minto, December 28, 1903, ibid.

who became impatient with the delaying tactics of the cabinet. Feeling was such that Liberals who were adversely affected by imported goods began to leave the party in early 1904. An example is J. M. Fortier, an influential Montrealer who not only made cigars but in his advertisements widely supported the Tariff Reformer. Fortier was perturbed by the influx of foreign cigars, and concluded that the Prime Minister had no intention of protecting Canadian industry.⁷⁶ His defection caused much publicity in newspapers which suggested that the ministry was breaking up. If a confirmed Liberal felt dissatisfied, undoubtedly many uncommitted voters did as well.

Once it appeared that Chamberlain's campaign was to meet failure, fiscal change could no longer be withheld. The result was that in the spring of 1904 attempts were made to answer demands for a higher tariff, while mitigating the anger of the individuals who favoured low tariffs. Thus, the most important feature of the budget was that the fixed rate of preference was not entirely maintained. For example, the textile industry was given partial solace as the preference on cloths, tweeds, overcoats, wearing apparel and other similar items was lowered from twelve and two-thirds per cent to five per cent. As well, the privileged position of British twine and cordage was reduced from eight and one-third

76) Daily Mail & Empire, February 15, 1904, p. 6.

per cent to five per cent.⁷⁷ However, recognition of the political repercussions of the above alterations was revealed by the government's decision to raise the preference on china, porcelain and other clay from one-third to one-half off the general rate. On window glass, an increase from one-third to two-thirds was given.⁷⁸ Also, a number of goods were put on the free list, of which each one was given a separate, short paragraph of explanation in the Debates to make them more clearly noticeable.⁷⁹ In this way, the government sought to prevent a troublesome problem from occurring.

It can be seen from the examination in previous chapters of the pro-Chamberlain and anti-Chamberlain forces in Canada that the country was clearly divided in her response to the Tariff Reformer. Some people supported the former Colonial Secretary because he was advocating either imperial unity or fiscal changes. Others were against him for exactly the same reasons. As Canada as a whole was divided, so was the Liberal Party. Had Laurier agreed to a pro-Tariff Reform resolution passed by the House of Commons, or even spoken publicly for Chamberlain, a nation-wide tempest would have resulted. If it had been decided to give indications of government support, the anti-Chamberlain forces within the Liberal Party and throughout the country

77) E. of C. Debates, June 7, 1904, pp. 4357-8.

78) Ibid., p. 4358.

79) Ibid., pp. 4362-3.

would have reacted sharply against Laurier's action. Those individuals who favoured the Tariff Reformer, in turn, would have acted against the anti-Chamberlain reaction to Laurier. Accusations and exaggerations would have been flung about with little regard for logic or understanding. For a party which was composed of disparate elements often holding contradictory views, the results would have proved dangerously weakening.

Both Laurier and Fielding were aware of the implications of controversial discussion. In April, 1902, when an emotional debate developed in the House of Commons over the relationship between imperial defence and preferential trade, Fielding asked the participants to take into consideration "...not what may commend itself to one section of the people or the other, but what is likely to commend itself to the good judgement of the people of Canada as a whole."⁸⁰ Also, a year later, when Chamberlain requested favourable fiscal legislation or a resolution from the Canadian Parliament, Fielding did not think that it would be wise to challenge discussion on an imperial preferential arrangement.⁸¹ Similarly, in answer to the suggestion that the government should contradict Fisher publicly, Fielding wrote Chamberlain that they did not want to make the subject an issue for quarrel. The nation-wide controversy which resulted from Fisher's outburst in January, 1906, reveals the vehemence of the

80) H. of C. Debates, April 15, 1902, p. 2753.

81) Fielding to Chamberlain, March 11, 1903, copy, Minto Papers.

reaction to any suspicion of government involvement in the campaign, even at this late date. Although Laurier and Fielding were not aware of the fact at the time, Fisher's outburst caused a loss of some Liberal supporters. Denison, who had previously backed Laurier, now felt that the Prime Minister's anti-Chamberlain stance was made apparent by Fisher's speech.⁸²

Laurier was always concerned about the diverse elements within his party, and did his best to bring them closer together. When Ross suggested that it was the French-Canadians who were holding him back from supporting Chamberlain, the Prime Minister quickly explained the point of view of French Canada which favoured the notion of imperial preferences as long as it was based on the economic interests of Canada.⁸³ In trying to dissuade Ross from suggesting that a pro-Chamberlain resolution be passed by the House of Commons, which the French-Canadians would not have accepted, Laurier elaborated upon the policy of non-interference.⁸⁴ The fact that Laurier's policy of non-interference was generally well received is attested to by the demand of Bourassa that Laurier 'rein-in' Strathcona. Undoubtedly, Laurier propounded the principle of non-interference because of his definition of the proper constitutional relationship between Canada and the United Kingdom. However, it was also

82) Denison to Chamberlain, February 8, 1906, Denison Papers.

83) Laurier to Ross, November 6, 1903, Laurier Papers.

84) Loc. cit.

useful as a means of inhibiting potential conflict within the Liberal Party. If Laurier had not seen the principle of non-interference as a useful means to keep his followers together, then he would not have been so careful about restricting discussion among his Liberal colleagues concerning the broad subject of imperial preferences.

Perhaps Laurier identified the unity of the Liberal Party with the unity of Canada as a whole. During January, 1904, when Bourassa was criticizing him over Strathcona, just after there had been pressure exerted upon him from the pro-Chamberlain faction within his party, and following the reaction against the Alaska award, Laurier told the Canadian Club of Ottawa:

...Whenever my eyes shall be closed to the light it is my wish, nay, it is my hope, that they shall close upon a Canada united in all its elements, in every particular element, cherishing the tradition of the past, and all uniting in cherishing still more hope for the future.⁸⁵

However, whatever the case, Laurier's main political concern was to hold together the party which had won office in 1896 after many years in frustrated opposition. Had Laurier attempted to support the Tariff Reformer he would have encountered not just 'a little difficulty' in persuading his supporters to remain in line, nor would he have run just 'a little risk' of offending some of his followers. The result would have been a weakening of the tenuous bond of party cohesion. Thus, Laurier could not have supported

85) Globe, January 19, 1904, p. 1.

Chamberlain publicly. He could not have run the risk.

The Prime Minister rarely spoke on the subject of imperial preferences. When he did, he referred to the British campaign only indirectly. The single Laurier speech which was devoted entirely to the topic of imperial preferences was given at the Banquet of the Congress of Chamber of Commerce of the Empire in Montreal during August, 1903, just before Chamberlain's campaign got under way in earnest. It was a short talk during which Laurier said that introduction of imperial preferences in Great Britain was a matter for the British alone to decide. He reiterated that Canada would like to have an imperial preference, but only if it was mutually advantageous and respectful of Canadian autonomy. On the whole, it was a simple straight forward speech. In commenting upon the speech, the Globe, perhaps best described Laurier's position during Chamberlain's campaign:

...the happy combination of eloquence
and tact in handling a question on
which there were so many diverse opinions. ⁸⁶

In summary, then, it is clear that Chamberlain misinterpreted Canadian attempts to obtain an imperial preference. Laurier never promised him support. Indeed, to Laurier, the risks of party division over the subject were too great to chance assistance in the Tariff Reform campaign. This was a fact of Canadian political life which Chamberlain failed to appreciate.

86) Globe, August 21, 1903, p. 2.

CONCLUSION

To Joseph Chamberlain, the Empire represented a source of strength for Great Britain. Thus, he initiated his controversial campaign in the fall of 1903 to consolidate the imperial entity through preferences. To Laurier, though, the British Empire appeared primarily to be the bulwark of the cherished British principles of tolerance, justice and liberty. For this reason, he was proud to belong to an empire which embodied them. However, Laurier's view of the Empire was influenced by his basic emphasis on the preservation of racial harmony in Canada and the retention of political power by the Liberal Party. Thus, his view of the Empire was a reasoned, intellectual imperialism.

As Prime Minister and leader of a political party, Laurier had to remain aware of the attitudes and disparate opinions among Liberals and within the country. As well, he had to consider the ramifications of his policies. Thus, decisions causing controversies were to be avoided or delayed. When forced to act from pressure or circumstance, the 'ship of state' had to be guided between opposing groups in order to arrive at some common objective. During his term of office, the two issues -- the tariff and imperial relations -- forced him into difficult policy positions.

Passionate feeling always arose over the nature of the tariff. On one hand, manufacturers, industrialists and bankers had advocated and been successful in securing a high rate of duties by the end of the nineteenth century.

However, Canadians involved in primary industries, such as farmers on the prairies or fishermen in the Maritimes, reacted sharply to attempts to increase their cost of living. Laurier was happy with the protective tariff and the preference of 1897. It was a good compromise between the high tariff men in the cabinet such as Raymond Préfontaine, Minister of Marine and Fisheries, and W. S. Fielding, Minister of Finance, and their low tariff colleagues such as Sir Richard Cartwright, Minister of Trade and Commerce, and Sydney Fisher, Minister of Agriculture. As well, it satisfied the general membership of the party which was equally divided on the fiscal question.

As a result, Laurier saw no need to change the tariff. His attitude is shown by the treatment accorded to Israel Tarte, Minister of Public Works, in October, 1902. Because Tarte advocated higher tariffs publicly, Laurier demanded his resignation. At this time, the manufacturers had intensified their efforts for increased industrial protection. However, as Laurier told his minister, there was no reason to force the issue.¹ When the protectionists demanded a reduction of the preference on imports from Britain toward the end of 1902, Laurier stated that the current tariff deliberations of the British government made it expedient for Canada to restrain itself. However, in 1904, when the efforts of the

1) O. D. Skelton, Life and Letters of Sir Wilfrid Laurier, (Carleton Library, No. 22.), Toronto, McClelland and Stewart, Ltd., 1965, Vol. II, p. 77.

Tariff Reform campaign appeared futile, he was forced to reduce the preference on certain items, while placing some products on the free list in order to appease low tariff adherents. With further pressure on the tariff, he again tried to postpone action by appointing a Tariff Commission in 1905. The resulting tariff of 1907 was a familiar attempt to suit both sides. In these ways, Laurier hoped to direct the party between factional demands.

The other issue which caused concern for Laurier was Canada's relations with Great Britain. The main point of controversy was the extent of Canadian involvement in the Empire. Many individuals maintained that the country should only be concerned with affairs that directly affected her. Other Canadians, though, felt that the nation should be active within the Empire. This difference of opinion was reflected among the Liberals. In the cabinet, for example, Sir William Mulock, Postmaster General, and Richard R. Dobell, Minister without Portfolio, were far more enthusiastic about tightening the links of Empire than were Préfontaine or Sir Clifford Sifton, Minister of the Interior.

Consequently, Laurier was not anxious to become closely involved with Great Britain in the areas of defence and foreign policy. He was prepared, in fact, to resist any change that would bring closer political association between the Mother Country and Canada, as is indicated by his behaviour at the Colonial Conferences of 1897 and 1902.

When efforts were made to involve Canada militarily in South Africa or provide contributions for imperial defence, he attempted to avoid them. However, when pressure forced him to act, he was very careful to follow the country's interests and uphold Canadian autonomy. Instead of sending Canadian troops to the Boer War, volunteers outfitted by the government went. The resulting racial and political strife in Canada made participation in South Africa unlikely to be a precedent for future behavior. Thus, Laurier chose the creation of a Canadian navy in 1909 and 1910 rather than financial backing for its counterpart in Britain. By such policies, he attempted to retain the loyalty of as many party members as possible and maintain harmony within the country.

However, the tactics of delay and inaction concerning the imperial connection and tariffs were useful only for a certain period of time. This was because impatience increased when expectations remained unfulfilled for too long. For example, some Liberal supporters left the party in early 1904 because of the government's failure to increase the tariff to a 'meaningful' extent. Denison's tolerance of Laurier's apparent lack of imperial enthusiasm was all too easily terminated as a result of the Minister of Agriculture's criticism of Chamberlain in January, 1906. Thus, the vociferous President of the British Empire League refused to support the Liberals any longer. Even 'half-way' measures could not maintain support after a while. Party strength began to wane noticeably after the tariff of 1907 was

introduced, because both protectionists and low tariff proponents were dissatisfied with it. Despite the fact that the above strategies eventually lost Laurier some support from among the extremists in the party, they were not as detrimental as those situations where he was forced to make a decision definitely favouring one side. The inability to find a compromise solution over the Alberta and Saskatchewan school question in 1904 and 1905, for example, caused widespread dissension within the party. But Laurier was not confronted frequently by such difficulties. However, he undoubtedly did not enjoy being placed in positions which could affect harmony not only among Liberals but between French and English-speaking Canadians as well.

Clearly the Tariff Reform campaign presented Laurier with a particularly sensitive situation. This was because Chamberlain's efforts to introduce tariff protection in Great Britain touched upon both the fiscal and imperial issues which were being hotly debated in Canada at the time. Thus, Chamberlain's endeavours could be politically dangerous, even disastrous, for Laurier. One disadvantage of the former Colonial Secretary's proposals lay in their commercial aspect. Chamberlain's fiscal expectations implied a reduction of protection in the Canadian tariff. This alteration was bound to upset the manufacturers in Canada who were strong opponents of imperial free trade and even freer trade within the Empire, just as they were to less restricted commercial

connections with the United States. When business groups sent resolutions supporting Tariff Reform, for example, their desire for a high Canadian tariff was always clearly stated. It would not be politically wise to antagonize the manufacturers, industrialists and financiers. The Liberals had been courting them and had come to depend upon them for political survival. This is why the preference on textiles was decreased in 1904, as demanded by the manufacturers. The consequence of disregarding interests of these groups is revealed by their disavowal of the Liberals and the party's defeat in 1911 over reciprocity with the United States.. Another difficulty with Chamberlain's scheme was that it would affect Canada's economic growth, reducing her industrial prospects while promoting mainly primary industries. The industrialists could not countenance this prospect. Yet Liberal supporters of Chamberlain were divided over the nature of the tariff. Many members of the party looked to the proposed preferential arrangement as a means of lowering their cost of living. This point had to be considered by Laurier. As well, another factor that had to be taken into account was the possibility of American retaliation against Canadian primary exports to the United States, highly dangerous for a country which depended upon only two export markets.

A second major disadvantage with Chamberlain's plan was that an imperial preference scheme leading to an increased imperial involvement might give Canadian imperialists more

influence over the government -- a situation which was likely to create a counter-reaction from nationalistes. The result would be a vehement clash. French-Canadians, in particular, were always on guard to see that Canada did not become closely enmeshed in the concerns of the Empire. They feared that their language, religion and race, which were protected by Canadian autonomy, would be submerged by a more consolidated imperial entity. Henri Bourassa's consistent attempts to halt the pro-Tariff Reform activities of Lord Minto and Lord Starthcona indicate the sensitivities of the French-Canadians. The seriousness of their fears is revealed by French Canada's rejection of Laurier in 1911 on the issue of naval aid to Great Britain. Thus, conflict over Chamberlain's proposals would surely imperil the stability of the government and threaten Canadian unity.

In the light of the above examination of the ramifications of Tariff Reform, Laurier's reponse to the British campaign can be better understood. Because the party was divided over Chamberlain's proposals, Laurier could not oppose or support them without alienating a portion of his followers. Thus, the Prime Minister chose the safest course possible, and adhered to a stand of non-interference in the British domestic issue. He was understandably furious with Cartwright and Fisher, then, when they spoke out against Chamberlain, causing an uproar both in the country and party. When Laurier had taken a similar stance in 1899, regarding a resolution backing the Uitlanders, English-Canadian feeling

was such that he had to agree to its introduction into the House of Commons and subsequent adoption. However, in 1903, there was no emergency or economic crisis. The country was prosperous and developing along lines that were generally approved by Canadians. There was every reason for not changing the status quo in Canadian commercial policy or in the imperial connection. The devastating repercussions of the proposal to alter Canada's commercial policy in 1911, with its uncertain implications for the Empire relationship, is indicative of this point. Furthermore, division among the ranks of Canadians who favoured Chamberlain allowed Laurier to remain inactive in 1903. Enthusiasts among members of the British Empire League such as Colonel Denison, who wanted to give as much aid to the Tariff Reformers as possible, were not as influential as their vocal remonstrances indicated. The protectionists, who dominated the attempts to help Chamberlain because of their economic importance, financial resources, control of the media, and sheer organizational ability, insisted that their direct interests be upheld at all times. As a consequence, most Canadians accepted or tolerated Laurier's position during the fall campaign. After all, they too wanted to decide for themselves what was in their own national interests without outside influence. The fact that Laurier was re-elected with a strong majority after the Dundonald incident in 1904 is an indication of the weight of this observation. The Prime Minister, then, was able to survive the lack of public support for Chamberlain.

Laurier was never faced with the result of Chamberlain's success. The situation in 1903 was not conducive for the implementation of the Tariff Reform scheme. While the colonies were anxious to acquire a preference on the British market, they were not willing to lower their protective tariffs. On the other hand, the British manufacturers did not take kindly to prospects of sacrificing their highly lucrative trading positions in Europe and the United States for a less suitable imperial economic arrangement which might only become as profitable at a later date. The preferential system which Chamberlain desired was only possible when England was forced to create a wall of tariffs as a result of the depression of the 1930's. Unlike preferences, though, efforts to secure formal political links to establish imperial policy were never realizable. No political arrangement could be effectively devised to safeguard the separate interests of both the Mother Country and the colonies. Only the flexibility of the Colonial and later the Imperial and Commonwealth Conferences allowed individual aspirations and particular problems to be respected.

It is ironic that the main impetus behind the Tariff Reform campaign was a fear of the future for Great Britain. This anxiety led Chamberlain to suggest that security could be found in tariffs and the Empire. However, time has shown that close economic and political ties were not necessary for imperial defence. Rather, connections of blood

and sentiment have proved to be more powerful forces. After all, the self-governing colonies did stand by Britain in South Africa, and during the First and Second World Wars. When the Empire, specifically Great Britain, was in danger, they knew where their self-appointed duty lay. But in any imperial arrangement, though, the colonies understandably had to consider their own interests first. The validity of this point is substantiated by the political difficulties which would have faced Laurier had he publicly supported Chamberlain during the autumn of 1903. Thus, Laurier's effective pragmatic approach to the Tariff Reform campaign was best suited to the needs of Canadians and the Liberal Party.

A study of the Canadian response to Chamberlain's efforts in Great Britain indicates what may be a general principle for politics. Because of the divergence of opinion within the country and among Liberals, Laurier had to take a position which would maintain national and party harmony. Thus, for the Prime Minister, politics was supremely the art of the possible. In his response to Chamberlain and Tariff Reform, Laurier showed the political and mental dexterity which marked his long tenure as the leader of the Canadian government.

NOTE ON SOURCES

Because of the nature of the topic, a wealth of information was available for examination. The greatest emphasis in research was placed upon newspaper reports of the activities and views of economic, political and imperial groups and spokesmen who provided the Canadian response to Tariff Reform. Quebec papers contained very little material presenting French-Canadian opinion toward Chamberlain and his proposals. Consequently, a few editorials and reports of speeches had to suffice. The newspapers used for research were selected mainly as a result of their availability in the National Library of Canada. However, an attempt was made to cover the newspapers in a fashion as representative of Canadian opinion as possible. All newspapers were covered for the period of May and June of 1903, from October of the same year to January, 1904, as well as during the British election of January, 1906. Where some newspapers were read for a longer period of time, this point is noted in the Bibliography. The press of major urban centres was examined but rural areas, because of their poor rate of newspaper survival, were not. However, it is felt that the rural attitudes were adequately represented by some metropolitan papers and other sources of information.

Personal manuscript collections were equally, if not more, important than newspapers for this study. In this

regard, the most valuable collections were the papers of Wilfrid Laurier, Lord Minto, Joseph Chamberlain, G. T. Denison, and William Kirby. The Public Archives of Canada's holdings of Chamberlain's letters, though, only contained copies of his correspondence with Canadians. However, it was noted that this collection did not have letters sent by a number of Canadians, which were published in Canadian newspapers. Unfortunately, the W. S. Fielding Papers were unavailable. Most of the correspondence consulted, emanated from political figures. It did not represent the business or farming sector of Canadian society, for example. Some sources of this nature, such as the letters of the financier, B. E. Walker, were examined, but they did not contain much information.

Contemporary pamphlets were valuable for the individual opinions of Canadians who were provoked enough to write or speak on the issue of Chamberlain and Tariff Reform. All items of this source were from the Public Archives of Canada. Where the dates and places of publication and publishers were known, they were included in the Bibliography. Many of the Canadian pamphlets known to have been distributed during the campaign have either been lost or else were unattainable. For example, John W. Daffoe's reply to the protectionists' attempts to use Tariff Reform for their own ends could not be located. This was the case for much of the propaganda of the business community. However, although there

are deficiencies among the newspapers, personal manuscript and pamphlet collections, this was realized in the collation of the source material. Thus, during the writing of the thesis, an attempt was made to balance the opinions of groups and individuals in terms of their importance and significance, rather than on the basis of the availability of information.

The secondary material provided insights which helped to give proper emphasis to the variety of views. Perhaps the most important book was Norman Penlington, Canada and Imperialism, 1896-1899 (Toronto, 1965). This was because it offered an opportunity to compare the Canadian response to Tariff Reform with the controversial political issue of participation in the South African War. The result was a more satisfactory understanding of the period from 1903 to 1906. Other useful books touching on the subject were D. R. Annett, British Preference in Canadian Commercial Policy (Toronto, 1948), O. J. McDiarmid, Commercial Policy in the Canadian Economy (Cambridge, Mass., 1946), and Carl Berger, The Sense of Power: Studies in the Ideas of Canadian Imperialists, 1867-1914 (Toronto, 1970). Without these books and others, as well as some articles, the collation of primary material could not have been undertaken with any degree of assurance.

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