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R E C I P R O C I T Y
IN CANADIAN POLITICS
FROM THE
COMMERCIAL UNION MOVEMENT TO 1910.

JOAN M. V. FOSTER.

INTRODUCTION

The political, economic and constitutional history of Canada has been in large measure the sum of the struggle of those forces tending for unity with the North American continent with those which emphasized her position as a component part of the British Empire. This is true of her trade relations, which in turn impinge upon almost every aspect of her development as a continental or as a British nation.

The geographical formation of the continent was always used as a factor by those who wished to show that the determining influence in Canadian development must be the American.¹ Divided from the rest of Canada by the Appalachian Range, the Maritime Provinces, similar in their conditions, seem to find their natural affinity and outlet in the New England states. In western Ontario the Laurentian Plateau, extending almost to the political border, cut off the western plains, and, until the completion of the Canadian Pacific Railway in 1885, the regular method of entry to the Canadian west was via St. Paul, Minnesota, and thence by the successive means of the Red River cart, the steam-boat on the Red

1. i.e. Goldwin Smith, cf. Canada and the Canadian Question. (Toronto, 1891) passim; Canada's Future! Political Union with the U.S. Desirable, published by the Continental Union Club, 1891.

and the railway to Winnipeg. Further west the Rocky Mountains formed a natural barrier separating British Columbia and the northern Pacific states from the rest of the continent and emphasizing their community of interest.

"Here then are about 4,250,000 people, not only living in the utmost nearness of neighbourhood with us, but with such interjection of territory and such an interlacing of natural communications and connections between their country and ours that the geographical unity of the two is a more conspicuous fact than their political separation." 1

wrote J. N. Larned, appointed by Congress in June 1870 to report on the state of trade between British North America and the United States. And Sir Wilfrid Laurier, at the Colonial Conference of 1907, only made the same point when he said,

"If we were to follow the laws of nature and geography between Canada and the United States, the whole trade would flow from south to north and from north south." 2

This close geographical connection has given to the trade between the two countries almost a domestic character.

Larned notes:

"To a remarkable extent our present trade with the provinces is what might be characterized as a pure commerce of convenience, incident merely to the economical distribution of products which are common to both countries." 3.

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1. 41st Cong., 3rd sess., House Executive Doc., No. 94; reprinted 62nd Cong., 1st sess., Senate Doc. No. 80, p.1285.
 2. Minutes of the Proceedings of the Colonial Conference 1907, Parliamentary Papers, Cd. 3523 (London, 1907), p. 410.
 3. Op. cit. p. 1298.

Half a century later the United States Tariff Commission remarked on the same condition.

"The economic character of the trade between Canada and the United States is in part simply that of a border trade of convenience. It is a domestic trade, rather than a foreign trade, of the kind that springs up between any two adjoining regions, like New Hampshire and Vermont, or Indiana and Ohio." 1

The United States Department of Commerce followed suit in 1924 by declaring,

"Economically and socially Canada may be considered as a northern extension of the United States and our trade with Canada is in many respects more like domestic trade than our foreign trade with other countries." 2

The last quotation introduces another factor which has not been without result in determining the bulk and character of Canadian-American trade. It was inevitable that, surrounded by the same conditions and with such close relations, Canadian and American society should develop along similar lines. Osborne Howes, a New England advocate of reciprocity of trade between the two countries, giving evidence before the United States Industrial Commission in 1901, said:

"The Canadians are more nearly like ourselves, though they would deny it, than they are like

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1. United States Tariff Commission, Reciprocity with Canada, Washington, 1920, p.14.
 2. United States Department of Commerce, Report, Nov. 3, 1924, quoted by Sir Robert Falconer, The United States as a Neighbour (Cambridge, 1925, p.163); see also the statement of F. W. Taussig, "Reciprocity with Canada", Journal of Political Economy, XIX, July, 1911, p. 542.

the English and they favour our styles more generally than they do the English." 1

Once again this view is echoed by the United States Tariff Commission in its special study of the reciprocity arrangement of 1911.

"Careful observers find, "they write, "strikingly enough, that Canadians and Americans on general questions hold the same point of view more closely than either people shares that of any third country, as, for example, Great Britain. In spite of their political separation, in spite of the misunderstandings and distrust that have occasionally colored their attitude towards each other, parallel development has brought the two nations to resemble each other much more nearly than either resembles a third." 2

There may possibly, be some dispute with regard to the complete acceptance of these views; but Canadians, generally, have found assimilation in the country to the south as easy, if not easier, than in Great Britain.

In spite of this close geographical relationship and social resemblance there have also been factors leading to repulsion and a degree of dislike which often finds expression in language so exaggerated that the reader can only marvel at the fact that the two countries have managed

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1. Reciprocity with Canada, United States Industrial Commission Report, Vol. IX, (Washington, 1901), p. 716.
 2. United States Tariff Commission, Reciprocity with Canada, a Study of the arrangement of 1911, (Washington, 1920), p. 7; see also Porritt, Edward, Sixty Years of Protection in Canada, 1846 - 1907, (London, 1908), p. 365.

to live as neighbours in generally amicable relations. On the American side this often proceeds from ignorance, or from the desire of American politicians to appeal to certain sections of the American vote. On the Canadian side it is rather an obscure resentment at the power of an ever present neighbour, for the Canadian population, roughly maintaining a ratio of one to ten to that of the American, has been spread out along the border and has been always conscious of the impingement of the large, restless, ambitious country to the south. Then, though seldom acknowledged, even those who most valued the British connection, must have realized that it was indeed a fight against nature and therefore resisted, with more strength than courtesy, the slightest movement which might impair the imperial position. Later a sense of Canada's independent destiny contributed a certain jealousy that "the Greater Half of the Continent," as Erastus Wiman described the territorial position of Canada,¹ should yet be inferior in wealth and power. These considerations must be borne in mind if we are to understand the emotion with which the apparently prosaic question of the trade relations of the two countries has been discussed.

Reciprocity between Canada and the United States,

1. Cf. his article in The North American Review, "The Greater Half of the Continent," Jan. 1889, Vol. CXLVIII, pp. 54 - 71.

i.e. mutual tariff concessions, first became important on the repeal of the Corn Laws by Great Britain. After long and protracted negotiations, Lord Elgin, the Canadian Governor-General, who saw in a reciprocity treaty the only hope of escape from "violent agitation ending in convulsion or annexation,"¹ was able to achieve his aim, and **A** treaty, the only reciprocity agreement to be consummated until that of November 15th, 1935, was signed on June 6th, 1854, successfully weathered the United States Senate and received the President's approval on August 5th. ~~This~~ treaty provided for a free exchange of the natural products of the two countries, manufactured goods ~~were not~~ ^{not being} mentioned, and it included also admission of American vessels to the St. Lawrence **R**iver and the Canadian canals, as well as the concession to American fishing vessels of the right to ply their trade on the same terms as Canadians. It was abrogated by a Senate vote of January 12th, 1865, concurred in by the House of Representatives on the 16th of the same month and came to an end on March 17th, 1866.

Several points in connection with this treaty should be noted for they either influenced future feeling in the two countries on the subject or were repeated in future negotiations.

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1. Laughlin & Willis, Reciprocity (New York 1903) p. 31. The negotiations leading to this treaty have been very fully dealt with by Chalfant Robinson, Two Reciprocity Treaties (New Haven, 1904) and by C.C. Tansill, The Canadian Reciprocity Treaty of 1854 (Baltimore, 1922).

First, it should be emphasized that the most important reason for Lord Elgin's desire for a reciprocity treaty was the economic condition of Canada. Over and over again this is stressed in his letters to Lord Grey. As Tansill writes, "To the colonial officials it appeared as the means of escaping impending economic ruin;"¹ and the higher prices and increased trade of the Canadian farmer, following the conclusion of the treaty, seemed to justify the efficacy of the remedy. It was not so easily seen that many other influences had also helped to bring about the result:- as for example the Crimean War, increasing the price level and the demand in Europe; the American Civil War in the United States, producing the same effect in America; and in Canada itself the beginning of the era of railway building. Thus, reciprocity with the United States became in the minds of many in Canada an economic panacea.

Then the treaty ~~dealt~~ only with natural products and thus antagonized the mining, lumbering and agricultural interests of the United States. Nor were American manufactures given any advantage; indeed Galt, the Canadian Finance Minister, had, in 1858, imposed increased duties and this was regarded as a moral infringement of the spirit of the treaty if not an actual breach of its terms. Both Israel T. Hatch and James

1. Op. cit. p. 9.

W. Taylor, who reported on the operation of the treaty found the transportation interests opposed.¹ It is unnecessary here to endeavour to compute the balance of commercial benefit accruing to the two countries, but it is interesting to note that Chalfant Robinson, writing half a century after the initiation of the treaty and from the point of view of a scholar, concludes that it gave a "manifestly greater advantage,"² to Canada. In the phrase that was to be used so frequently, from the American point of view it was a "jug-handled" treaty.

Though this might be its common reputation, the reasons for its abrogation were almost openly admitted to be chiefly political. The attitude of Great Britain during the Civil War had angered the triumphant North and the urge for territorial expansion, which is a characteristic of the period in American history, fathered the hope that the British North American provinces, deprived of a profitable outlet for their commerce, might be led to seek incorporation in the United States. To a delegation asking for a renewal of the treaty, Mr. Morrill, Chairman of the Ways and Means Committee, is reported to have said,

"That will have to be postponed until
you, gentlemen, assume your seats here." 3

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1. Laughlin & Willis, op. cit. pp. 44 - 54.
 2. Robinson, op. cit. p. 65.
 3. Ibid., p. 74.

Whether this was rather in the nature of a pious hope than something whose realization was considered probable, the desire for annexation as a motive for the abrogation of the treaty was generally believed in Canada,¹ and had considerable influence on the attitude later adopted by that country.

As has been noted the treaty of 1854 dealt also with the question of the Atlantic fisheries, with which reciprocity in trade was later also frequently to be mingled, both in negotiation and discussion. This vexed matter cannot here be discussed in detail. It was governed by the Convention of 1818, made when the British, after the war of 1812, refused to extend to American ships the same rights as were enjoyed by those under the British flag, which they had been given by the Treaty of Versailles of 1783. By the later convention Americans were not allowed to fish

"Within three marine miles of any of the Coasts, Bays, Creeks or Harbours of His Britannic Majesty's Dominions in America,"

with the exception of a section of the Labrador and Newfoundland coasts and the Magdalene Islands, and were permitted

"to enter such bays and harbours for the purpose of shelter and repairing damages therein, of purchasing wood, and of obtaining water, and for no other purpose whatever." 2

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1. Cf. the extracts given by Robinson, op. cit. pp. 70-73 from the Debates at Quebec, February 3, March 14, 1865.
 2. W. M. Malloy, Treaties and Conventions between the United States and Other Powers, 1776-1906 (Washington, 1910) Vol. 1 pp. 631 - 2.

In practice considerable difficulty developed with regard to the interpretation of the provision for exclusion from "Bays" and "Harbours". Did this mean that all "Bays" and "Harbours", even those wider than six miles at the entrance, were closed to American ships? By a strict enforcement also, at times of difficulty, Americans might be refused permission to land for the purpose of buying bait or supplies. In 1852 the situation had become so critical that both Great Britain and the United States sent armed vessels to the Atlantic coast and in July, 1853, the British minister at Washington visited the British admiral to urge him to caution.¹ The desire to find some solution for this question was therefore a powerful factor in bringing about the conclusion of the treaty of 1854, and the full significance of this was not lost on the Canadians.

As we have seen there were various Canadian deputations immediately before and after the abrogation of the Reciprocity Treaty and in 1869 Sir John Rose, the Canadian Minister of Finance, again went to Washington on the same mission, but was unsuccessful in obtaining any result. At the time of the negotiation of the Treaty of Washington in 1871, Sir John Macdonald, the Canadian Prime Minister, and one of the British Commissioners, brought up the question of

1. Tansill, op. cit. p. 54.

commercial reciprocity in return for the right of inshore fishing for the Americans; but again the wider measure was shelved. The Canadians obtained only free entry for their fish and fish products, together with a monetary payment, while conceding to the Americans the rights they had demanded.¹ In 1874, George Brown, acting as the British plenipotentiary in collaboration with Sir Edward Thornton, then British minister at Washington, drafted a treaty providing that the United States should be given inshore fishing privileges and arranging for tariff concessions in these schedules. Schedule A dealt with natural products, schedule B with agricultural implements and schedule C with a limited number of manufactures under thirty-seven classifications, including such articles as shoes, carriages, machinery, etc. The goods in all schedules were, from July 1st. 1875 to June 30th 1897, to pay two-thirds of the rate of duty payable in either country at the date of the treaty, then, for a further year, one-third of the rate, after which there would be free admission. The treaty was to last for twenty-one years. The Canadians, it may be noted, had suggested twenty-five. The treaty, sent by the President to the Senate in June 1874, was, however, held over until the next session, when it suffered defeat.

1. Cf. Sir Joseph Pope, Memoirs of the Right Honourable Sir John Alexander Macdonald (London and Ottawa, 1904) Ch. XX

This was the situation when the period under more detailed consideration opened. Once more the fisheries difficulty had loomed on the horizon. Public opinion in the United States had always felt resentment at the \$5,500,000¹ compensation awarded to Canada by the Halifax tribunal under the terms of the Treaty of Washington and in December, 1884, a meeting of fishermen at Gloucester, representative of almost the whole of the New England industry, urged the government to repudiate the fishery clauses of the treaty. As a result, Congress voted on March 3rd, 1883, not to renew them when they should expire on July 1st, 1885.

In order to understand fully the importance of the period about to be discussed we must glance into the future as well as into the past. The most dramatic incident in the history of reciprocity between Canada and the United States is the fate of the agreement of 1911, concluded between President Taft's administration on the one hand and that of Sir Wilfrid Laurier, the great Liberal leader in Canada, on the other. Hitherto Canada had been the suppliant, now the United States not only was the initiator, but the measure secured the assent of Congress, while the Canadian government, forced into an election on the issue, suffered defeat after fifteen years of power. A detailed study of public opinion in both countries on the question is in process of

1. Keenleyside, H. L., Canada and the United States, (New York, 1929), p. 269.

preparation,¹ but a complete understanding can only be arrived at by a knowledge of the Canadian attitude and its changes in the twenty preceding years. The election of 1891, which will be discussed in detail, for example, presents many startling similarities with that of 1911 and the controversy there grew out of the situation which was precipitated by the refusal of the United States to renew the fisheries clauses of the Treaty of 1871.

The story of reciprocity negotiations from 1866 to 1911 has already been written and this study aims, therefore, to present the matter as it appeared as an issue in Canada during the years in question. That reciprocity has been of great importance in Canadian politics ~~could~~^{can} not be denied. In 1904 George Foster, a prominent Conservative, Finance Minister of the Dominion from 1888 to 1896, and destined to be an important figure in Canada until his death, speaking at the American Economic Association meeting said,

"From 1867 till 1904 no election has taken place for the Federal Parliament in which

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1. By Professor L. Ethan Ellis of Rutgers University in connection with the series on Canadian-American relations in course of preparation under the auspices of the Carnegie Endowment for International Peace.
 2. By Eleanor Poland in a thesis entitled Reciprocity Negotiations Between Canada and the United States: 1866-1911 presented at Radcliffe College in 1932.

reciprocity in some form was not a dominant factor." 1.

As will appear there is some exaggeration in this statement, but that it could be made by one personally familiar with Canadian politics during the whole of the period mentioned shows clearly the importance of the question. The adoption of a protective tariff by Canada, "the National Policy" as it is called, was advocated by Sir John Macdonald in 1878, as he was frequently to be reminded, on the ground that

"moving (as it ought to do) in the direction of reciprocity of Tariffs with our neighbours so far as the varied interests of Canada may demand, [it] will greatly tend to procure for this country, eventually, a reciprocity of trade." 2

Thus the study of the Canadian attitude towards reciprocity becomes at once a study in international relations and also that of an important thread in Canadian political history.

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1. American Economic Association Publications, Vol. VI, 1905, p. 102. This speech also appears as a separate pamphlet, a copy of which is to be found in the collection at the Dominion Archives.
 2. Journals, House of Commons, Mar. 12, 1878, p. 78. For hostile reference to this part of Sir John's argument in favour of his policy see the Victoria (B.C.), Daily Times, Nov. 22, 1887.

FISHERIES NEGOTIATIONS AND COMMERCIAL
UNION.

CHAPTER 1. The agitation for reciprocity was not, of course, wholly quiescent in the years immediately preceding 1885, when the abrogation of the fisheries clauses in the Treaty of Washington brought matters to a crisis. In the Congressional session of 1880, a joint resolution was introduced into the House of Representatives for the appointment of Commissioners

"to ascertain and report a basis for a reciprocity treaty between the United States and the British provinces."

Referred to the Committee of Foreign Affairs it was reported back favourably by the majority; but a minority dissented, basing their views on the impossibility of negotiating a treaty which would be "just and equitable" to the United States and in the belief that a "union of English-speaking people on this continent "would come about "in a time not far distant."¹ In January of the following year a petition was presented from "500 leading mercantile houses of New York" and "1,029 firms and business men of Boston" asking that this joint resolution should be proceeded with; but

1. 46th Cong., 2nd Sess., H. Res., No. 149, House Report No. 1127, pts. 1 and 2.

the British minister, by whom it was sent to the Foreign Secretary, remarked sadly that he saw little prospect of its being considered in that session.¹ In 1884 another resolution was introduced requesting the President to negotiate for the renewal of the reciprocity treaty of 1854. Referred again to the Committee on Foreign Affairs it was amended to read as follows:

"That in the opinion of the House, closer commercial relations with the other states on the American Continent would be of mutual advantage, and that, should the Executive see fit to consider propositions for freer commerce with the Dominion of Canada, such negotiations would be viewed with favor."

The report declared, however, that the treaty of 1854 had been found to be unsatisfactory to the United States and that there was no reason to believe that this would not again prove to be the case.²

In the Canadian Parliament a debate took place in the session of 1883, which foreshadowed the wider future division between the Government and the Opposition. The latter, the members of the Liberal party, declared that trade

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1. Canadian Sessional Papers 1883, No. 55, p. 2; quoted also Hopkins, John C., Canada: an encyclopaedia of the country, (Toronto, 1898 - 99), Vol. I, p. 397.
 2. 48th Cong., 1st Sess, House Report, No. 2149.

figures showed clearly "where our real market is to be found" that is to say in the United States, - that this was borne out by the experience of the treaty of 1854; but that, since that treaty had worked "exclusively" to the benefit of Canada, it was idle to expect its renewal. The last point was made in answer to the contention of the Government speakers that the Tariff Act already contained an invitation to the United States to institute a measure of reciprocity. The reference here was to article six of the act inaugurating the National Policy by which it was provided that natural products might be imported into Canada free, or at a less rate of duty, upon proclamation of the Governor-General,

"whenever it appears to his satisfaction that similar articles from Canada may be imported into the United States free of duty, or at a rate of duty not exceeding that payable on the same under such proclamation when imported into Canada." 1

The chief speaker for the Government further contended that the humiliation of the Brown negotiations of 1874 was still fresh in everyone's mind, and concluded,

"During the past three or four years, the course of our trade has been in the direction of showing that we are opening up new markets of greater value to us than those of the United States ... If the opportunity occurs to have reciprocity

1. Statutes of Canada, 42 Vic., Cha. 15, 1879, p. 119.

with the United States on fair terms we will accept that reciprocity; but nothing but evil will occur to this country if we go hat in hand to our neighbors to tell them our prosperity depends on their opening their markets to us." 1

The imminence of difficulties over the fisheries in 1884 linked that issue with reciprocity in a resolution introduced by Louis Davies, an important member of the opposition from the province of Prince Edward Island,² which urged,

"That steps should be taken at an early day, by the Government of Canada with the object of bringing about negotiations for a new treaty, providing for the citizens of Canada and the United States the reciprocal privilege of fishing and freedom from duties now enjoyed, together with additional reciprocal freedom in the trade relations of the two countries; and that in any such negotiations Canada should be directly represented by some one nominated by its government." 3

The last clause is of interest. Over and over again reciprocity negotiations were to be made the occasion of a demand for more direct communication between Washington and Ottawa and for a greater Canadian responsibility in the conduct of her own foreign relations than obtained under the diplomatic procedure of the time.

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1. Debates of the House of Commons, Mar. 19, 1883 (Vol. XIII), pp. 270-71. For the whole debate cf. ibid, pp. 267 - 272.
 2. Davies' name will frequently appear as one of the strong advocates of reciprocity. He had been one of the British counsel before the International Fisheries Commission at Halifax, in 1896 became Minister of Marine and Fisheries, was knighted in 1897 and in 1901, resigning as minister, was appointed to the Supreme Court of Canada.
 3. Commons' Debates, Mar. 28, 1884, (Vol. XVI) p. 1182.

Davies declared in support of his resolution that never was there a period of greater prosperity in the history of the Maritime Provinces than under the old reciprocity treaty and suggested that the fisheries,

"should be made use of by us as a lever by which to obtain in return for them commercial privileges, advantages and rights from the United States." 1

He was supported by John Charlton, another figure prominent in the agitation for reciprocity, whose speech shows that as yet it was reciprocity in natural products only which the Opposition was at this time urging. 2 Sir John Macdonald, the Prime Minister, himself replied,

"I do not know any reason why the hon. gentleman who moved this, or the seconder," he said, "laid before the House these elaborate statements to show the value of reciprocal trade, or trade of any kind with the United States. That is admitted. That goes without saying." He then went on to ask, "What sign is there that there would be any use in our going again, for the fifth or sixth or tenth time on our knees to Washington, and asking them again, for heaven's sake to enter into a Treaty with us?"

The resolution would hamper the government in its negotiations and therefore must be opposed. 3

Davies repeated his resolution in the session of 1885 and, in addition to the arguments already used, pointed

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1. Ibid, p. 1176-7. 1182.
 2. Ibid, p. 1184-5. 1186.
 3. Ibid, p. 1186.

to the report of the House Committee on Foreign Affairs, already noted, and the advent of a Democratic administration, as additional arguments that the time was now favourable for broaching the question.¹ He also referred to the action of the St. John, New Brunswick, Board of Trade and the Halifax, Nova Scotia, Chamber of Commerce which, in November and December, 1884, had passed resolutions asking,

"that in consideration of the fishery treaty about expiring the question of reciprocity with the United States be re-opened." 2

The debate then fell into the hands of the Maritime Province members on both sides of the House. The supporters of the government maintained that, though the question was of the utmost importance to this section of the country, the people knew that this was realized by the government and they were therefore content to leave the matter in their hands. The Liberal members replied that the whole policy of the administration was to try to build up inter-provincial trade, which was valueless to the Maritime Provinces, and that,

"it is well known, by the statements in the organs of the Government, and by their own inactivity in the matter that they are individually and collectively opposed to reciprocity." 3

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1. Commons' Debates, Apr. 10, 1885, (Vol. XVIII) pp. 95 - 1001.
 2. Halifax Chronicle, Dec. 5, 1884.
 3. Commons' Debates, Apr. 10, 1885, (Vol. XVIII) pp. 1001 - 1021.

The Liberal newspapers echoed this point of view. The Halifax Chronicle declared,

"The present government will do nothing if it can help it. It is under the control of Ontario manufacturers, who are opposed to reciprocity," 1

and the Toronto Globe said,

"It has never made the slightest attempt to obtain reciprocity with the United States further than the placing on the Statute Book of that provision which they knew well would be inoperative." 2

With these criticisms in mind ~~we must now turn to~~ ^{must now be traced.} trace the progress of the fisheries negotiations. In December, 1884, the British government asked for an expression of the views of the Canadian government. A dispatch from Lord Lansdowne, the Governor-General, in reply, stated that in view of the circumstances of the abrogation of the fisheries clauses by the United States,

"without any specific disclosure of the reasons which have induced them to adopt such a course, beyond general and unofficial expressions of dissatisfaction with the result of the award ... my Government does not consider that it would be consistent with the respect which it owes to itself to appear as a suitor for concessions at the hands of the Government of the United States."

[They intend to take steps]

"to protect from trespassers those [fishing waters] of the Dominion which are admitted to be of far greater value than those of the United States."

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1. Dec. 10, 1884.
 2. Apr. 14, 1884.

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*See
p. 10
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[In view of the fact, however, that much inconvenience would be caused to American fishermen and ill-feeling arise between the two countries,]

"If these vessels were, upon the day following that upon which the articles ceased to operate, either captured for trespass or compelled on pain of seizure to desist from fishing in Canadian waters ... I am able to inform your Lordship that should such a course be acceptable to the Government of the United States we shall be prepared to agree to an extension of the operation of the clauses in regard both to 'free fishing' and 'free fish', until the 1st of January, 1886. If this were done, their expiration would take place between the fishing season of 1885 and that of 1886 instead of in the middle of that of 1885, with the result of avoiding those complications of which I have already spoken.

The delay thus gained would, if the United States were to show any desire for the discussion of the commercial relations of the two countries, give time for such a discussion, and the Government of the Dominion would have no object in restricting its scope to the subject of the fisheries. It is indeed a matter of notoriety that the Dominion has constantly expressed its readiness to become a party to an arrangement which might have the effect of affording increased facilities for international Commerce between itself and the United States." 1

When this was communicated to the American Government, Bayard, Secretary of State in President Cleveland's Cabinet, replied that, though it was beyond the power of the executive to extend the reciprocal provisions of the treaty, the President was prepared, in return for the concession suggested, to recommend

1. Lansdowne to Derby, Dec. 26, 1884, Canadian Sessional Papers 1885, No. 1011, pp. 1 - 3.

to Congress the appointment of a commission to discuss,

"the entire question of the fishing rights of the two Governments and their respective citizens" 1

Lansdowne expressed the desire of Canada to co-operate, but once more urged the extension of the scope of the proposed negotiations,

"so as to include the consideration of commercial relations, other than those arising out of the fish trade between the Dominion and the United States." 2

"If it were to become known here," he added, "that such proposals had been made and were entertained it is probable that the suspicion with which, as I have already pointed out to your Lordship, the arrangement now under discussion will, in some quarters be regarded, might be to some extent removed." 3

After some further discussion between Bayard and the British minister at Washington, Sir Lionel Sackville-West, the agreement arrived at was embodied in two letters from the former. The Dominion and the British American coast provinces accepted the proposal in Bayard's memorandum,

"on the understanding expressed on their side that the agreement has been arrived at under circumstances affording prospect of negotiation for development and extension of trade between the United States and British North America."

The **P**resident promised to recommend to Congress the appointment

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1. Memorandum of Bayard, Apr. 21, 1885, sent to Lansdowne by Sackville-West, ibid, p. 3.
 2. Lansdowne to Derby, Apr. 28, 1885, ibid, p. 5.
 3. Same to Same, May 18, 1885, ibid, p.6.

of a commission.

"to deal with the whole subject in the interests of good neighbourhood and intercourse and that the recommendation of any measure which the commission might deem necessary to attain these ends would seem to fall within its province and such recommendations could not fail to have attentive consideration." 1

Lansdowne was correct in his prophecy that there would be criticism of this arrangement. This was voiced in the Canadian House of Commons on June 23rd and 26th, and on July 16th Davies objected to an agreement by which,

"We get nothing in return Had the arrangement included the refunding or non-imposition of this duty, there would be some ground for it, though I would prefer, as I frequently said, that the whole subject of these fisheries should be made a special matter of discussion, so as to arrange all the trade relations between the two countries. But to admit American fishermen to our waters without compensation, while the United States exact \$2, per barrel on our fish going to the United States would be to handicap our fishermen that they may as well give up their occupation." 2

Peter Mitchell, an independent supporter of the opposition, deprecated, 3

"The complication of the fishery question by the introduction of reciprocity," but he

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1. Bayard to Sackville-West, June 19 and 22, ibid, p. 9 and p. 11; cf. also Canadian Sessional Papers, 1887, No. 16a p. 3 and p. 4, and Foreign Relations of the United States, 1885, No. 325 and 326, pp. 462 - 3.
 2. Commons' Debates, June 26, 1885 (Vol. XX) p. 2898.
 3. He had been Minister of Marine and Fisheries in Macdonald's Ministry from 1867 to 1874 and controlled the Montreal Herald.

also said, "We do not want a monetary compensation from the Americans for our fisheries - at least that is my own opinion. What we want is community of trade, is a general and free intercourse between this country and that country, whose peoples, institutions and spirit and everything that tends to make up the great Anglo-Saxon race are akin and between whom friendly relations should exist." 1.

The charge that the government was generally opposed to "more intimate trade relations" with the United States was also
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voiced. To this Sir John Macdonald replied,

"We have succeeded, almost hoping against hope, in getting the American Government to agree in the first place, to have a joint committee to settle the fisheries question and then to go into negotiations for a reciprocity treaty ... I never thought we would have got so far; I never really thought we would have got the Americans to take a step towards what we all reasonably desired - although we did not pray for it: we will not pray for it: we will not say it is essential to our prosperity ... We cannot expect and we do not expect, that in any reciprocity treaty there will be an exact return to the lines of 1854, but I believe there will be, and that there may be, unless it is thwarted by our own ambitions, or by violent factions, an arrangement by which there will be reciprocal trade in very many articles, the growth of the Provinces on the one hand, and of the United States on the other." 3

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1. Commons' Debates, June 26, 1885, (Vol. XX) pp. 2900 - 2901.
 2. Ibid, p. 2902.
 3. Ibid, July 13, pp. 3330 - 3333.

The prospect of the fishery negotiations involving reciprocity led to a series of articles in the organ of Canadian manufacturers, the Canadian Manufacturer and Industrial World. As might be expected these ~~deprecated~~ ^{opposed} any wide measure which would include manufactures. Though willing to concede that a treaty touching natural products only would be "possible and practicable enough" the writer doubted whether this would be accepted by the United States and, therefore, fell back on Maritime reciprocity,

"including fish and the fisheries, but no more, which we think, will very probably be the result of the commission's labours." 1

Macdonald's own correspondents, in confidential memoranda asked for by the Premier, expressed the same view with regard to manufactures, though they agreed on the advantages of a treaty giving free access to the American market to Canadian natural products, mentioning especially coal, pig iron and steel, lumber, barley, potatoes, hay, fish and fish products.²

In his annual message of December 8th, 1885, President Cleveland fulfilled his part of the arrangement made by recommending the appointment of a commission, in which

"the fullest latitude of expression on both sides should be permitted," to deal

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1. Articles, May 1, May 15, June 19, July 3, and Sept. 4, 1885; Macdonald Papers, Treaty of Washington 1888, (Vol. II) p. 219.
 2. Joseph D. Trutch to Macdonald, Dec. 24, 1885, Macdonald Papers, Treaty of Washington 1888, (Vol. I) p. 135; Wm. Smithe to Macdonald, Dec. 28, 1885, ibid, p. 139; Sir S. L. Tilley to Macdonald, Jan. 12, 1886, ibid, p. 149.

with the fisheries, and "other general questions dependent upon contiguity and intercourse," and, "intimately related." 1

On January 18th, however, a resolution was introduced into the Senate,

"that in the opinion of the Senate the appointment of a commission clothed with such powers ought not to be provided for by Congress." 2

and on April 13th, this was passed. 3

Thus in the spring of 1886 matters were in the same position as they had been in 1885 and the exchange of views is chiefly interesting as showing the attitude of the Canadian government and its efforts to follow the advice given by its political opponents that the fisheries

"should be made use of by us as a lever by which to obtain for them commercial privileges, advantages and rights from the United States."

The Canadian

Its temper had now, however, changed. In May 1886, an amendment to the Act dealing with fishing by foreign vessels, designed to strengthen the hands of Canada in enforcing strictly the Convention of 1818, was introduced into Parliament. 4 Several interviews on the subject took place in

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1. Messages and Papers of the President, Washington 1898 (Vol. VIII) pp. 331 - 2.
 2. Congressional Record, 49th Cong., 1 Sess., p. 752.
 3. Ibid, p. 3440.
 4. Commons' Debates, May 17, 1886, (Vol. XXII) p. 1310. This bill was reserved for consideration in Great Britain, see Lansdowne to Granville, June 6, 1886, Sessional Papers 1887, No. 16b, p. 72, though later assented to, Stanhope to Lansdowne, Nov. 4, 1886, ibid, p. 143.

London between the American minister and Lord Rosebery; but the latter replied to remonstrances,

"that while desirous of maintaining most friendly relations Her Majesty's Government could hardly ask Canada to suspend her legal rights without adequate equivalent." 1 "That, as regards the strict interpretation of the Treaty of 1818, I was in the unfortunate position, that there were not two opinions in this country on the matter and that the Canadian view was held by all authorities to be legally correct." 2

The correspondence of the governments in the spring and summer of 1886 therefore becomes full of complaints of illegal seizure³ by Canadian cruisers enforcing the regulations.

In November Bayard suggested that in the period of comparative calm which had then ~~set in~~^{ensued} some effort should be made to reach an agreement. He ~~set~~^{set} forth, at considerable length, the views of the United States on the various points in dispute.⁴ With the details of these the Canadian Government, naturally enough, did not agree, but it expressed itself as willing for a commission, whose duty it should be to mark

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1. Granville to Lansdowne, May 25, 1886, ibid, p. 61, reporting the interview between Rosebery and the American minister for the information of the Canadian Government.
 2. Rosebery to West, May 29, 1886, ibid, p. 74.
 3. Sessional Papers 1887, No. 16a and Foreign Relations of the United States 1887, p. 424 et seq. This was apparently in spite of Lansdowne's unofficial statement to Granville that Canadian officials had been given a "Hint ... that we do not want any more seizures for insignificant contravention of the law or of the treaty." Newton, Lord Lansdowne, (London 1929) p. 42.
 4. Sessional Papers 1887, No. 16b, p. 177, and Foreign Relations of the United States 1887, p. 427.

off territorial from non-territorial waters.¹ In his reply acknowledging the receipt of this report and stating his agreement with it, the Secretary of State for the Colonies also expressed the opinion,

"that the best and simplest settlement might be arrived at if both parties would agree so to permit the discussion of the more extended commercial arrangements to revive, for a time at least, if not permanently, the condition of things which existed under the Treaty of Washington, fish and fish products being once more thrown open," without, however, any "pecuniary indemnification," to Canada. 2.

The Canadian Government accepted this basis also³ and on March 29th, a reply was sent to Bayard's note which embodied the objections of the British and Canadian Governments to the details of his proposals, but agreed to a commission for determining the limits of territorial waters, at the same time making the suggestion which had already been made to Canada, i.e. that there should be a return to the provisions of the Treaty of Washington without any monetary payment.⁴

Meanwhile, however, action by Congress had had a

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1. Report of Committee of Privy Council, Feb. 1, 1887, ibid, p. 214.
 2. Sir Henry Holland to Lansdowne, Feb. 24, 1887, ibid, p. 222.
 3. Lansdowne to Sir Henry Holland, Feb. 26, 1887, ibid, p. 223.
 4. Salisbury to Bayard, ibid, p. 248. This proposal was bitterly criticized by the Halifax (Nova Scotia) Chronicle, a Liberal newspaper, which declared that it was "historically inconsistent, financially one-sided and prospectively ephemeral ... From a Canadian point of view it is no improvement on former arrangements, but the reverse. We cannot congratulate the country on progress-backward." June 1, 1887; see also June 8, 1887, and Montreal Herald, May 5, 1887.

powerful effect on the public opinion of the two countries. A Retaliatory Bill, introduced into both houses of Congress on January 17th and 18th, 1887, empowered the President

"whenever it shall appear to him that there is an insistence on the part of the Canadian authorities on the obstructions, indignities and annoyances recited in the preamble, to issue his proclamation prohibiting the transit through the United States or the territorial waters thereof from point to point in Canada, or from Canada to the Ocean, of any engines, cars, goods or vessels proceeding from Canada." 1

Passed by the House on February 23rd, it was thrown out by the Senate, where a bill sponsored by a Republican Senator was substituted and ultimately prevailed. This simply authorized the President to exclude Canadian vessels from United States waters and stop importation of Canadian fish or other goods. The ostensible ground for the change was that the action contemplated by the first bill would constitute too severe an injury to the border cities and northern states,² but it was in reality motivated largely by partisan opposition to Cleveland, who felt that all interests should share in the effects of retaliation. This Republican effort to embarrass the President suggests that possibly the next move for the solution of the fishery question³ may also have had a party bias.

This was the introduction on February 14th, by Benjamin

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1. H. R. 10786, Congressional Record, 49th Cong., 2nd Sess., p. 737.
 2. Sen. Bill, 3173, Cong., Rec., 49th Cong., 2nd Sess., pp. 2387 - 2390.
 3. Allan Nevins, Grover Cleveland (New York, 1932) pp. 410 - 411.

Butterworth, a Republican Congressman from Ohio, of a bill which forms the basis of the Commercial Union movement of this decade. The preamble of this bill¹ stated that it was the desire of the United States

"to remove all existing controversies such as the fisheries question, then pending, [which is also referred to in the preamble] and all causes of controversy in the future and to promote and encourage business and commercial intercourse between the people of both countries, and to promote harmony between the two governments, and to enable the citizens of each to trade with the citizens of the other without restriction and irrespective of boundaries."

The body of the bill provided that as soon as Canada should admit free all articles which were the produce of the United States, that country would do likewise with articles which were the produce of Canada,

"it being the intention of this Act to provide for absolute reciprocity of trade between the two countries as to all articles ... grown or produced in the said countries." 2

As Butterworth later explained his plan, it proposed,

"Full and complete reciprocal trade and commerce between the United States and Canada, by the terms of which, for all purposes of trade, barter and exchange, the two countries shall be as one; the arrangement having nothing to do with the form of government or political connections, there being no necessary connection or relation between the political institutions of a country and its trade and commerce ... The adoption of

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1. H. R. 11158.
 2. The Butterworth Bill is reproduced in full in Commercial Union in North America, (New York, Erastus Wiman, 1887) p. 5. There is a copy in the Macdonald Papers, Commercial Union, p. 225.

the system proposed would involve an assimilation of tariff rates and internal revenue taxes, and possibly an arrangement for pooling receipts, all of which," he adds optimistically, "as has been fully demonstrated, present no serious difficulty or embarrassing problems."

A shorter definition is that given to the West Peterborough Farmers' Institute -

"the obliteration of the Customs line between the two countries, - in fact, the abolition of all tariff and customs dues." 1

Such a plan was not wholly new in the discussion of Canadian - American trade relations. In 1870 in the House of Commons a resolution had been moved in favour of

"a Continental system of commercial intercourse ... bringing into one general custom union with this Dominion the countries chiefly interested in its trade." 2

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It was suggested again in the Larned Report and Wharton Barker tells of a letter he wrote in 1879 to Garfield, soon to become

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1. Butterworth to the Canadian Club of New York, (New York, Erastus Wiman, 1887) p. 3; Wm. Claxton to West Peterborough Farmers' Institute, Commercial Union Handbook (Toronto 1888) p. 147, cf. also Letter of Goldwin Smith to New York Independent, Jan. 24, 1888, reprinted Commercial Union Handbook, p. 243; Thomas Shaw, Plain Talks on Commercial Union, (Hamilton 1887), p. 7; Wharton Barker, Surplus Revenue and Canadian Relations, p. 3. The Halifax Herald, July 11, 1887, contended that because the Butterworth Bill provided machinery to prevent importation of foreign goods into either country through the other and therefore customs houses would be retained, that it did not contemplate full Commercial Union as understood in the definitions given above. This does not seem to be well founded.
 2. Parliamentary Debates, (published by Ottawa Times) 1870, p. 450.
 3. Op. cit. p. 1308.

President, advocating the abolition of the tariff barrier¹ as the only solution of Canadian questions. An article by Goldwin Smith, who was to be one of the chief protagonists of the later movement, which appeared in the North American Review in July, 1880, predicted that commercial retaliation or commercial union would be the outcome of the impending² difficulty over the fisheries.

The movement originating in 1887 was, however, the first time this plan had assumed any proportions. The name "Commercial Union", ~~we are told by~~ its advocates, ^{stated,} was adopted "in direct contra-distinction to political union, and for the special purpose of guarding against any such idea."³

It becomes easy soon to distinguish the small groups of men who were the chief agitators of the plan, but it is more difficult to assign responsibility for its origination. Sir John Willison, who was closely associated with him in the editorial offices of the Toronto Globe from 1890-1892, inclined to

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1. Op. cit. p. 2. The Halifax Herald, May 21, 1887, speaks of the movement as "Wharton Barker's aged and infirm Commercial Union fad." See also Manitoba Free Press, March 5, 1887. Barker was a Philadelphia banker and founder of the Philadelphia American Dictionary of American Biography, I, p. 606
 2. Canada and the United States, North American Review (vol. CXXXI) pp. 14.-25.
 3. Goldwin Smith, "Letters to the Mail", Commercial Union Handbook, p. 2539, Canada and the Canadian Question, p. 281; see also, W. L. Lockhart Gordon, "Commercial Union in Relation to Great Britain", Commercial Union Handbook, p. 100.

the belief that it was Edward Farrer.¹ The latter was a brilliant Irishman, who came to Canada in 1870, leaving four years later to spend several years in the United States and Ireland, returning, however, in 1882, to become editor of the Toronto Mail. His connections seem to have been many and varied. He maintained, as will appear, considerable correspondence with American politicians and had personal and political relations with Canadians of all parties. He was a close friend of Goldwin Smith, the Oxford history professor, who, living for some years in the United States, became on his removal to Canada the foremost exponent of the doctrine that Canada's future lay in union with the neighbouring republic. Smith and Farrer were the most prominent and tireless Canadian advocates of Commercial Union. Both were brilliant writers, publicists of no mean order; but the record of neither was such as to inspire much confidence in Canada. Smith's views came perilously near to those of the annexationists and he was, therefore, a dangerous figure in the eyes of many Canadians; of Farrer, Smith himself once said that he doubted if he was sincere on any subject except his dislike and distrust of the Roman Catholic hierarchy.² Whatever may have been

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1. Reminiscences, Political and Personal, (Toronto 1919) p. 166. Willison's testimony is the more valuable since this association with Farrer covered the period of the election of 1891, the issue in which grew out of the Commercial Union movement.
 2. Stewart Wallace, Dictionary of Canadian biography (Toronto 1926) p. 136, p. 373; Willison, Reminiscences, pp. 165 - 214; The Halifax Herald, Apr. 13, 1887, declared "Goldwin Smith represents Canada about as much as Jeff Davis represents New England. Goldwin Smith's sentiments are and have been the very antipodes of the sentiments and aspirations of the Canadian people." See also Toronto Globe, Jan. 18, 1888.

Farrer's secret part in the origination of Commercial Union the Mail's first public advocacy was in the issue of February 7th, 1887, in a comment on the Butterworth Bill.

Erastus Wiman, the generally reputed "father" of the movement had a mind quite as erratic as that of Farrer.¹ A "self-made man," he had by 1887 become president of the Great North Western Telegraph Company of Canada and general manager of the mercantile agency of R. S. Dun and Co., with his head-quarters at New York. In 1885 he became first president of the Canadian Club of New York. These connections gave him remarkable opportunities for propaganda. A large number of the pamphlets appearing in support of the proposal were printed for him privately and were published in New York bearing his name and address. One of the earliest public meetings at which Commercial Union was advocated was that of the Canadian Club of New York, in April, at which both he and Butterworth spoke.² Once, when the Toronto Globe had turned down one of Wiman's speeches, Farrer dedared that Wiman would read it to the coloured porter on the Pullman and then have the superintendent of his

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1. See for a striking illustration of this his book Chances of Success, episodes and observations in the Life of a Busy Man (New York 1893)
 2. Sir John Macdonald wrote letters to two members regretting this use of the Club, but advised that they should not withdraw, but "remain and use your influence with the other members to prevent Mr. Wiman making a political machine of the Club to further his own interests." Macdonald to Simyard and W. B. Ellis, both of New York, May 3 and 10, 1887, Macdonald: Letter-book, No. 24, p.177, p. 181.

telegraph company send it out for publication.¹ Wiman, undoubtedly, was the man, more than any other, who brought the movement before the public. It should be noted, however, that in a speech at a banquet in Toronto on February 16th, 1887, on the subject of "international relations", although referring at some length to the fishery question, he did not mention the Butterworth Bill or Commercial Union, in spite of the fact that the Mail had already begun its advocacy, even on the very day of Wiman's speech, appearing with an editorial in its favour.²

Wiman seems to have had some tenuous connection with the Conservative government in Ottawa. In 1884, he was used by Macdonald as a confidential agent to find out the plans of some Americans, who were allegedly scheming to secure the Canadian north-west territories for the United States,³ and in 1890, Sir John wrote as a marginal note on a clipping telling of Wiman's activities in favour of his pet scheme,

"This is the man who is sore because he was not knighted at the Queen's Jubilee." 4

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1. Willison, Reminiscences, p. 213.
 2. See Toronto Mail, Feb. 16 and 17, 1887.
 3. Pope, Sir Joseph, Correspondence of Sir John Macdonald (Toronto 1921), pp. 321 - 25.
 4. Macdonald Papers, Elections (IV) p. 19.

In the spring of 1887 he was sufficiently persona grata, as ~~we shall~~ ^{will be} see to give the government a hint that a personal interview with Bayard might open the way for negotiations on the fisheries. In July we find him sending Macdonald clippings which were evidently designed to convert him to Wiman's views.¹

Samuel J. Ritchie, an American capitalist interested in Canadian development, and a legal client of Butterworth, who also had semi-confidential relations with the Macdonald ministry,² seems, if not so open or active an advocate as Wiman, to have worked behind the scenes. A further Congressional supporter was Robert R. Hitt of Illinois, who in April 1887, announced his position in an article in Barker's magazine, the Philadelphia American.³

In the spring of 1887 the movement gained apace. Hitt's was only one of a series of favourable articles in the American;⁴ Wiman spoke to the New York Board of Trade, and Wiman and Butterworth to the Canadian Club of New York, strongly advocating Commercial Union. On May 2nd., J. W. Longley

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1. Ibid, Commercial Union, p. 53.
 2. See Ritchie to Tupper, Aug. 18, 1885; to Macdonald, Dec. 9 and 12, 1886; Macdonald Papers, Washington Treaty, 1888 (I) p. 85, and Commercial Union p. 7, p. 21. Ritchie's part in the reciprocity negotiations of 1887 - 8, and those of 1890 - 92 will be noticed later.
 3. Vol. ~~XXI~~, April 16, 1887, p. 408.
 4. Editorial Apr. 12, 1887; from Goldwin Smith, Apr. 9, 1887; from J. W. Longley, Attorney-General of Nova Scotia, Apr. 16, 1887; from R. W. Townshend, Congressman from Illinois, May 14, 1887; (Vol. XIII), pp. 393-394, pp. 407-409, pp. 56-57, pp. 74-75.

Attorney-General of Nova Scotia, whose support had already been given to the plan in the American articles, introduced into the Nova Scotia House of Assembly a resolution approving of the Butterworth Bill

"as promoting the commercial advantage of the people of this province, and tending, if approved by the Government and Parliament of Great Britain, to cement friendly relations between English-speaking people of the British empire and the United States." 1

The resolution was a private one and, as the session closed on the following day, Longley declared that it was not his intention to press it to a division. The government to which Longley belonged had been elected only a year previously, at an election at which the question of repeal of Confederation had been the main issue, and his supporting speech declared that "the difficulties with regard to Confederation were difficulties entirely of a commercial character." The "natural and lucrative trade" for the Maritime Provinces was with the United States, without which as a market "the province would be helpless and hopeless." It would necessarily involve the imposition of the United States duties on British goods, but Canada must be considered first, and, in all probability, Great Britain would give her consent. He hoped Commercial Union would not become a party

1. Halifax Chronicle, May 3 and 31, 1887; Journals of the House of Assembly of Nova Scotia, 1887, p. 145.

matter in Canada, but he feared opposition from "that party which draws its skirts about it and proclaims itself to be the 'national party'," and, also, from Canadian manufacturers.

The points raised by Longley were some of those urged over and over again in the discussion of Commercial Union. The Toronto Mail declared that commercial relations between the provinces "scarcely exist

"The system cannot last, Manitoba and British Columbia being as hostile to it as the Maritime people; and the question is whether to precipitate a crash by upholding the restrictions or to relieve the strain by giving the provinces complete freedom."

"The provinces, linked together by no commercial interest", said Goldwin Smith, "and drawn each of them naturally to trade with the United States, can be held in forced union among themselves and forced severance from the States towards which they are drawn only by a vast system of bribery." 1

The "no-party" aspect of the Commercial Union movement was also emphasized by its adherents; ² while its opponents countered by declaring that it

"lacks the element of spontaneity

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1. Toronto Mail, July 2, Oct. 17, 1887; Goldwin Smith's letters to the Mail; Commercial Union Handbook, pp. 211, ~~7~~, 212; see also Mail, June 15 and Aug. 4, 1887; Manitoba Free Press, Oct. 15, 1887; Thomas Shaw, Plain Talks on Commercial Union, p. 22.
 2. Goldwin Smith's Letters to the Mail; Commercial Union Handbook, p. 190; Toronto Mail, June 29, 1887; Toronto Globe, June 4, 1887.

beyond everything else. It has been purely artificial, a carefully nursed, cultivated affair, having its headquarters in New York, with Mr. Goldwin Smith as one of the joints in the tail of the Wiman-Butterworth ring." 1

Some attention to the argument that discrimination against British goods was involved, appeared in almost every discussion of the subject intended for Canadian consumption.

"Loyalty cannot stand commercial starvation", said the Toronto Mail; 2
"No Englishman expects or desires that our loyalty shall utterly dwarf our patriotism, or should lead us to sacrifice the interests of our children and sell our birthright." 3

As a matter of fact it would remove the only temptation to annexation.

"Commercial Union is the substance that the people of both countries want; political union is a shadow." 4

And how can it be argued that commercial intercourse will strengthen the tendency to annexation more than

"railway intercourse, social intercourse, religious intercourse,

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1. Toronto Empire, Mar. 17 and 30, 1888.
 2. Nov. 5, 1887.
 3. Article by Janes, Commercial Union Handbook, p. 99.
 4. Toronto Globe, Apr. 27, 1887; Halifax Chronicle, Sept. 20, 1887; Open letter from Erastus Wiman to J. Redpath Dougall, Commercial Union in North America, p. 37; Goldwin Smith, Letters to the Mail, Commercial Union Handbook, p. 218.

philanthropic intercourse or any of the other kinds of intercourse which are being daily extended and which not even the most high-flying Loyalists think it possible to interdict." 1

Besides, would not the increased prosperity of Canada more than compensate the British investor, and might not Canadian purchases of British goods even increase? Does not the present tariff discriminate against Great Britain? The claim to independent regulation of Canadian fiscal policy is implicit in the National Policy. "It is clear that it is only a question of degree;" and the tariff actually imposes a higher rate of duty on British goods for the last year

"if the American goods had been taxed as high as the British goods were, they would have paid nearly two million dollars more duty than they did." 3

Longley's resolution stimulated discussion in Nova Scotia. The Halifax Chronicle, the chief Liberal organ, had supported the proposal of the Bitterworth Bill in a mild editorial of March 15th, and the Herald, its opponent, had even milder comment, pointing out that the reciprocal clause

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1. Goldwin Smith, Letters to the Mail, Commercial Union Handbook, p. 224.
 2. W. H. Lockhart Gordon, "Commercial Union in Relation to Great Britain", Commercial Union Handbook, p. 105; Toronto Globe, June 17, 1887.
 3. Halifax Chronicle, June 8, Oct. 31, 1887.

in the Tariff Act met Butterworth half-way;¹ but, from the time of the Longley resolution, constant and bitter editorials attacking each other on the subject make their appearance. It should be noted, however, that the Herald's arguments were confined chiefly to criticisms of the statements of Longley and the Chronicle, and to allegations that the Americans would never consent to the² plan.

Meanwhile adherents had also been found in Ontario. The Globe, the great Liberal newspaper, championed³ the Butterworth Bill in an editorial of March 1st., and continued its advocacy throughout the spring and summer of 1887. Discussion and support were both immensely stimulated by the action of the Central Farmers' Institute, meeting in an organizing Convention at Toronto on April 28th.⁴ To its president, Valancey E. Fuller, Wiman

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1. Halifax Herald, Mar. 22, 1887.
 2. For examples see Chronicle, May 20, July 23, Aug. 4, Aug. 12, Sept. 16, Sept. 17, Sept. 19, Sept. 20, Oct. 8, and the Herald, May 3, May 23, June 2.
 3. Skelton's Statement, Life and Letters of Sir Wilfrid Laurier (Toronto 1921), I, p. 373, that the Globe "first rebuked its contemporary [i.e. the Mail] for assuming that sentimental considerations could be ignored" is not strictly accurate. The Globe ignored the movement altogether till this editorial of March 1st.
 4. Goldwin Smith even went so far as to state that the whole movement originated with this convention, Canada and the Canadian Question, p. 282.

addressed an open letter, which was published in both the Mail and the Globe on the day of the meeting.¹ The purpose of this meeting being the discussion of the depressed condition of the Ontario farmers, he is moved to write, he says, from the sight of communities in the United States,

"without one-half the natural advantages which Canada possesses in the highest degree prosperous." The cause of this prosperity is not in "any difference in form of government, or any advantages from political organic policy", but from lack of commercial barriers between the various commonwealths. Canadians need not, however, forever remain excluded. The time is favorable for action which will bring about free admission of all Canadian products to the American market. "All the advantages of an open market with sixty millions of people are within their grasp. All the advantages of contiguity, of extreme prosperity among liberal buyers, without the payment of duty, without the sacrifice of a single political principle - all this within a year is possible to the Canadian farmer, if he chooses to exert his influence on his representative in Ottawa."

Fuller, in a telegraphic reply, declared his full concurrence with Wiman's views and the convention unanimously, though after some discussion, adopted a resolution,

"That in the opinion of this institute a removal of all restrictions on

1. See also Commercial Union in North America, p. 21.

trade between the Dominion of Canada and the United States is desirable either by reciprocity treaty or otherwise as may be agreed upon by the Governments of the respective countries; and that in the event of fair reciprocity being unattainable, this institute memorialize the Dominion Government to suggest to the Government of Great Britain the expedience of entering into a commercial union with her colonies in regard to food supply and of imposing a protective tariff against all foreign countries." 1

Wiman's letter and the action of the Central Farmers' Institute was commended by the Toronto Mail, and Globe, and the Halifax Chronicle, though the last admitted that Wiman's views "were probably a great deal in advance of public opinion on this subject in either country." The Montreal Herald, however, refused to believe that the country was in such a state of depression as Wiman described and, with regard to the prospects under Commercial Union, declared,

"He paints a picture so dazzling that the common eye fails to see what his eagle eye alone can gaze upon." 2

From then on the Ontario Farmers' Institute proved an important centre for agitation. Fuller wrote a letter to the officers in the different localities, explaining the resolution and urging action. ³ Thomas Shaw, the secretary of the central body, wrote letters, which were published

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1. Toronto Mail and Globe, Apr. 29, 1887.
 2. Ibid; Halifax Chronicle, May 17, 1887; Montreal Herald, Apr. 28, 1887.
 3. Commercial Union in North America, p. 31.

in the Mail,¹ and also a long pamphlet, Plain Talks on Commercial Union, with arguments especially addressed to the farmers. A meeting of the executive of the Central Institute on August 4th, passed a resolution urging the Farmers' Institutes in every county to organize to promote the movement and to make a canvass of all farmers within their district. This was accompanied by a circular couched in the exaggerated style in which so much of the agitation was conducted. As an example it bears quotation.

"When they say to you," it ran, "that you are disloyal because you are seeking to better your own condition, point them to the magnificent country that your hands, more than theirs, have helped to make the brightest gem in the coronet of Victoria. When they declare the United States will swamp our markets tell them the farmers of this country are not afraid to compete in an open field with those of the neighbouring country ... By the remembrance of the long years of past disadvantage, we ask you to take possession of this your lawful heritage. By the thought of recent years of toil, with only an annual advance of .028 per cent per annum on your investment, including all your improvements, we ask you to try to better your material condition. By the remembrance of the old homestead, soon to pass, it may be, into strangers' hands, the sons or daughters thereof gone or going to live and die in another country, we ask you to try and keep it in the family. By the thought of nearly 1,000,000 of the best of our citizens gone to help to make the neighbouring republic great, we plead with you to arise in your might and say with one voice that you want unrestricted trade with the United States, and

1. See May 31, June 4, and June 18, 1887.

that not a man of you will cease to work until your wants in this matter have received that attention at the hands of your representatives which their importance deserves." 1

The farmers were told that their interest in the country was as 9 - 1 to that of all other classes, that they owned two-thirds of its wealth, that hitherto too much attention had been paid by governments to "the lesser interests" and that in promoting their own prosperity they would be only advancing "the greatest good of the greatest number."² The prosperity enjoyed under the treaty of 1854 would surely prove the advantages to "any man with a head less thick than a Douglas pine."³ A glowing picture was painted of the market awaiting the Canadian farmer.

"The unprotected egg," he was told, had "done more for Canada than the manufacturers have done ... If Canada went into the chicken business and did nothing else but produce 'broilers', turkeys, and ducks, and if every farm in Canada was covered with this class of food, it is believed that they would all be absorbed by the United States at prices that would pay a high profit ... It never enters into the calculation of the average New Yorker what his living costs him. There is not a merchant in Broadway, or Church Street, or Fourteenth Street, or in Brooklyn, or Boston, or Buffalo

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1. Commercial Union Handbook, p. 165; Toronto Mail, Aug. 5, 1887.
 2. Shaw to the Mail, May 31 and June 18; Circular of Executive of Central Farmers' Institute, Toronto Mail, Nov. 29, What Commercial Union will do for the Farmer in Ontario, C. U. Club Pamphlet.
 3. Halifax Chronicle, July 13, 1887; Manitoba Free Press, Oct. 3, 1887; Thomas Shaw, Plain Talks, p. 25.

that ever thinks for an instant of such a trivial matter as the price of living." 1

The opponents of the movement replied that the natural market for Canada lay not in the United States, where products were similar, but in Great Britain. The one exception here was the case of perishable products.

"To the United States Canada should be willing to make certain concessions to secure a reciprocal free trade in such products; but the concession should not be to the extent of making a 75 per cent advance in the rate of duty on our dutiable imports from all countries excepting the United States; nor to the extent of placing the imposition, collection and payment of our customs taxation in the hands of a board consisting of nine Americans for each Canadian." 2

The propaganda was, however, highly successful in the Ontario institutes. In its circular the executive reported twenty-five out of twenty-seven heard from as having declared themselves in favour of Commercial Union "by overwhelming majorities." 3 The Montreal Gazette charged that this apparent approval should not be taken too seriously for the meetings had not been largely attended and they had been

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1. Erastus Wiman, Speech at Lake Dufferin, July 1, 1887, p. 8. See also Shaw, Plain Talks, pp. 25 - 28.
 2. Halifax Herald, Oct. 25, 1887.
 3. Commercial Union Handbook, p. 166. Some of these were: East Lambton, Peel and Mayborough, North Grey, South Renfrew, North Brant, East Huron, East York, Prince Edward; Mail, June 3, 13, 14, 15, 16, and Aug. 27.

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"carefully engineered."

The discussion was also stimulated by a tour in Ontario, made by Wiman and Butterworth in the summer, the most important speech of which was that made at Lake Dufferin on July 1st. (Dominion Day). Here the appeal was not only to the farmers but to all those engaged in natural products. Development of Canada's deposit of iron, not to mention other minerals of which she had a good supply, was retarded by lack of markets. ² Lumbering and fishing would also be greatly benefited. To his American audiences the reverse side was presented and Canada was pictured as

"an Eldorado, the extent of whose riches have never yet been dreamed of, and whose accessibility to American skill and American capital needs only the magic touch of freedom from commercial restraint which now renders it unavailable."

The United States, it was urged, had now,

"without the drawing of a sword, without the shedding of a single drop of blood, or the cost of a single dollar" the opportunity "to more than double" the area for "a profitable development and profitable trade." ³

Americans engaged in the natural products industries have nothing to fear. Farm prices have not risen under protection; competition in the European wheat market comes not from

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1. July 2, 1887.
 2. Cf. also Ledyard, T. D., Commercial Union and the Mining Interests of Canada.
 3. Commercial Union from a United States Point of View, Wiman to the commercial bodies of Detroit and Buffalo, p. 12, 15; see also speech to the Boston Merchants' Association, Dec. 28, 1887; Boston Daily Globe, Dec. 29, 1887; "The Greater Half of the Continent," North American Review, Jan. 1889, (CXLVIII), p. 54; and letter of Butterworth to members of Congress, Toronto Globe, Aug. 8, 1887.

Canada, but from India and Russia, the fishing industry would benefit from better conditions and the lumbering industry cannot increase in the United States.¹

The manufacturers were given scant attention by the ardent crusaders for Commercial Union and it is not surprising to find the meeting of the Canadian Manufacturers' Association in the spring of 1887 adopting a resolution declaring themselves

"unanimously opposed to any treaty between this country and the United States which would admit American manufactures into Canada free of duty."

Not content with speaking for themselves, they declared that it

"would result disastrously to our manufacturing and farming industries, and to our financial and commercial interests." 2

The newspapers favouring the plan countered by publishing letters from manufacturers which commended it.³ A discussion from their particular point of view took place when Henry W. Darling, who was one of the early promoters in Canada, moved a resolution at the Toronto Board of Trade asking for Commercial Union. Such a lively expression of views ensued that there had to be two adjournments. One stalwart opponent declared that the capital invested in Canadian manufactures would not be worth more than 33 cents on the dollar if the

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1. Butterworth to the Canadian Club of New York, p. 26, p. 27.
 2. Toronto Mail, May 5, 1887.
 3. Toronto Mail, Mar. 6, 1888, and Halifax Chronicle, Feb. 7, 1888.

plan were put into effect. Further arguments were the discrimination against Great Britain involved, the danger to Canadian transportation interests, and the necessity of the resort to direct taxation to make up the deficiency in revenue. Finally a compromise resolution was adopted at the suggestion of Senator John A. Macdonald, a Liberal, but appointed to the Senate by his namesake. This expressed approval of

"the largest possible intercourse between our own country and the United States,....."

but that no measure would be entertained which would place Great Britain at any disadvantage as compared with the United States, or which would tend in any measure however small, to weaken the bonds which bind us to the Empire." 1

It is interesting to note that the Globe expressed complete satisfaction with the resolution,² though Goldwin Smith declared that the debate showed that "it is between this interest [i.e. the manufacturers] and the great natural industries of the country,-agriculture, mining, lumbering, shipping and fishing - that the coming contest will be. That contest can only end, it would seem, in one way; unless indeed the protected manufacturers, with the aid of a political party, succeed in prolonging it till it assumes, perforce, the character of a movement for political union with the United

1. Toronto Mail, May 20, June 15 and 17, 1887.
2. June 15 and 17, 1887.

States."¹

The not unnatural fear evinced by Canadian manufacturers was answered by declaring that all the soundly established industries had nothing to fear, and by calling attention to the growth of manufactures in the southern and western states, in spite of the fact that they were unprotected against² the older factories of the east.

During the summer of 1887, the newspapers of central Canada and the Maritime Provinces were full of the subject. On November 3rd a Commercial Union Club was founded in Toronto,³ and it became the centre of much propaganda. Sir John Macdonald was inundated with pamphlets and letters on the subject and it is not surprising to find the newspaper correspondents declaring,

"Commercial Union or Reciprocity with the United States, in one form or another, is the chief subject now occupying the public mind here".⁴

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1. Toronto Mail, June 18, 1887. A long discussion, adjourned many times, also took place in the St. John, N.B., Board of Trade. See Halifax Chronicle, Oct. 31, Nov. 5, Nov. 12, Nov. 19, 1887.
 2. Toronto Globe, Apr. 28, June 2, 1887; Halifax Chronicle, Sept. 8, 1887.
 3. Toronto Globe, Nov. 4, 1887.
 4. Toronto Globe, Dec. 9, 1887, Quotation from Canadian correspondent of the Edinburgh Scotsman; see also Toronto correspondent of the Victoria Daily Times, Dec. 3, 1887.

Further west there does not seem to have been so much agitation and discussion. Manitoba was more concerned with its struggle with the Dominion Government over the right to authorize railway construction and it was not till April 2nd, 1887, that an editorial dealing with the subject appeared in the Manitoba Free Press, the chief opponent of the Ottawa government. Then there was a long gap until May 26th, 1887, when an enthusiastic support was given to the policy. During the summer comments and references became much more numerous, though they were still not as frequent as in the Globe, the Mail, or the Chronicle. Even by November, the Victoria Daily Times, the strongest Opposition paper in British Columbia, was not convinced of the wisdom of the policy, and editorials on the subject were very infrequent.

An interesting dispatch of Lord Lansdowne of October 31st, 1887, sums up the arguments for and against Commercial Union from a detached point of view, and shows the progress of the movement in the very fact that he felt impelled to send such a detailed analysis to the home government. "I would observe in the first place," he writes,

"that if the question be considered in its strictly commercial aspect and with reference to the probable effects of unrestricted reciprocity with the United States upon the material condition of this country, there appears to be no room for doubt that Commercial Union would be greatly to the advantage of the people of the Dominion or, at all events, to that of a large majority of it.

A glance at the position occupied in

reference to each other by the Maritime Provinces and the New England States, by Manitoba and the adjoining States of the Union, by the most populous districts of Ontario and the States of New York and Pennsylvania, by British Columbia and the western sea-board of the American Republic is sufficient to show that reciprocal commerce between these would be more to their mutual convenience and advantage than a system which has for its object to compel the people of Nova Scotia and New Brunswick - the bulk of whose products in spite of the high tariff find a market in the United States - to purchase commodities in Montreal and Quebec, and which drives the settlers of Manitoba and the North West to deal with the manufacturers of Ontario, from whom they are separated by more than a thousand miles of railroad, instead of with the American cities upon the other side of the frontier line."

The Maritime Provinces have been particularly restless under these conditions.

"That the change would be beneficial to the agricultural portion of the Canadian community from one end of the Dominion to the other may I think also be predicted without hesitation ... [But] it is upon the other hand idle to deny that the adoption of Commercial Union would deal a heavy and probably fatal blow to a large number of those manufacturing industries which have sprung up during the last few years under the influence of the high protective tariff which has been in force in this country since 1878

There seems, however, to be no reason why the more vigorous of them, where the natural conditions are favourable to their existence, should not survive and prosper even after the withdrawal of the protection which they have hitherto received."

He recognizes, however, the full force of the objection that it would deprive Canada of the power of regulating her fiscal policy.

"It is difficult to conceive", he writes, "that a periodical revision of any common Tariff adopted by the two countries would not be made in the interests of the more powerful partner in the association. Under such circumstances the centre of political activity in regard to all commercial questions affecting the North American Continent would inevitably be at Washington. Congress would be the arbiter of the commercial destinies of the Dominion and the Canadian Parliament would find itself comparatively impotent to affect any changes which it might desire in the interests of its own country."

The plan must necessarily include discrimination against Great Britain, as Canada could not afford to do without the revenue of customs duties on goods coming from both countries, and the United States would insist on an identical tariff against "all other nations including Great Britain." But in this connection the argument that Canada has already been given

"almost unlimited control over her own finance, that she has already been permitted to use this liberty for the purpose of adopting a Tariff highly injurious to British interests is one to which it is not easy to reply ... Injury to British commerce having been again and again submitted to without complaint, it will be for Her Majesty's Government to consider whether it can formulate a Colonial policy founded upon the principle that Great Britain is to tolerate any caprice of her Colonies in regard to the taxation of her exports, however, injurious to

herself such taxation may be, provided only that the injury is shared by others. Whether such a position can be defended or is worth defending appears to be at least open to question ... A large section of the Canadian community would no doubt be averse to the change both for sentimental and patriotic reasons, and from dread of its ultimate results; it is however in my opinion by no means certain that these feelings will prevail in the end, or that should the constituencies become convinced that Commercial Union is within their reach and discrimination would enrich their country and relieve them from disagreeable complications with their neighbours, they will have the courage to oppose it." 1

Lansdowne also touches briefly on the attitude of both political parties, giving it as his opinion that the

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1. Macdonald Papers, Commercial Union, pp. 189-204. This dispatch had a very interesting history. Sent by the Colonial Office to Chamberlain during the fisheries negotiations of 1887-8, it was shown by him to his colleague, Sir Charles Tupper, the Canadian Finance Minister. Tupper became very much annoyed and wrote to Lansdowne, Jan. 10th, criticizing it, objecting particularly to the Governor-General's estimate of the advantage it would be to Canada and to his remarks on Canadian tariff policy. He sent this letter, with a covering one, to Sir John Macdonald. (see Tupper Papers, III, p. 378, and Macdonald Papers, Washington Treaty III, p. 294). Macdonald, however, did not forward the letter to Lansdowne, holding that it might later be embarrassing for Tupper. (Macdonald Papers, Commercial Union, p. 187). The whole incident is mentioned by Saunders, E. M., Life and Letters of the Rt. Hon. Sir Charles Tupper, Bart., (London and New York, 1916), vol. II, p. 107, where it is stated that Lansdowne's dispatch advocated Commercial Union. As this, of course, is not correct it may be conjectured that Saunders had not seen it.

On his departure from Canada, Lansdowne in his farewell speech, expressed his doubts whether Great Britain would be able to stand the strain of the adoption of such a policy by the Dominion, emphasizing particularly the moral affront, which he thought more serious than the actual injury. (Newton, Lansdowne, p. 53).

subject will soon become an issue between them, and to *attention must*
now be directed to that aspect.
~~that aspect we must now turn.~~ A careful examination of

the newspaper editorials and pamphlets on both sides shows that it was not, in spite of a statement of Sir Charles Tupper, ~~an~~ issue in the election of February 22nd, 1887¹. The Halifax Chronicle rallied strongly to the support of reciprocity as distinct from Commercial Union, and Sir Charles Tupper, Nova Scotia's representative in the Dominion cabinet and Finance Minister, and the Herald replied by declaring that the Conservative government was as favourable and as likely to achieve reciprocity as were the Liberals.² With the exception of the Maritimes, however, the references even to reciprocity are few and scattered.³ As we have seen, after the election, the Globe espoused the new policy and the tendency was for the opposition papers to support it, though this was by no means unanimous. This, however, as was pointed out by the Globe, is very different from an adoption by the responsible political leaders.⁴ The Toronto Mail predicted a break-up of the old parties and a re-alignment on the question.⁵

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1. Recollections (London, 1914) p. 212. This is also stated by Lansdowne in the dispatch just mentioned and by the Montreal Gazette, Apr. 6, 1888.
 2. Halifax Chronicle, Jan. 20, 25, 26, Feb. 2, 15 and 16; Halifax Herald, Jan 22, 26, Feb. 21.
 3. For instances see Toronto Globe, Feb. 17, 1887; Montreal Gazette, Jan 18, 1887, and Victoria Daily Times, Jan. 29, 1887.
 4. June 4, 1887.
 5. Toronto Mail, June 29, 1887.

The Liberals were, however, undoubtedly looking for a new policy.

"Have you any particular line of attack in view," wrote Sydney Fisher, afterwards Minister of Agriculture in the Laurier administration, to Laurier, "I don't quite see my way clear in any new one while the old are so old and apparently unacceptable to the people as to be useless." 1

Laurier had been chosen Liberal leader at the close of the 1887 session. In July he sent out a circular letter to members of Parliament on that side asking their advice on the matter, not only on the principle but also with regard to the tactics to be followed - that is, should it be adopted as a policy now or deferred for some future time? In the English version of this letter there is no suggestion of his own point of view; but in the French he says,

"Mon impression est que le principe de la plus entière union commerciale avec nos voisins, est un principe juste et qui ne peut que

1. Laurier Papers, Correspondence, 1870 - 91, p. 656.

produire d'excellents résultats." 1

The replies received were inconclusive; even Sir Richard Cartwright, who was to be the most important Liberal to come close to an advocacy of Commercial Union, declared in a letter written July 26th, that he thought Laurier had better not as yet espouse the subject.²

On August 2nd, Laurier made at Somerset his first speech to the country as Liberal leader. It was, as might be expected, a general survey of a number of topics. With regard to Commercial Union he commented upon the exodus from Canada to the United States and upon the low prices received for farm

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1. This is substituted for a paragraph in the English version which reads, "As to the principles of closer commercial relations with our neighbours, the opinion of reformers, so far as it has been expressed, seems to be largely in favor of it, and indeed there can be no sounder liberal principle than freedom of trade, wherever freedom of trade is available." The English version also contained a paragraph, which is not in the French version, in which Laurier asked for detailed views, as "I have accepted a position for which, more than any body else, I am convinced of my deficiencies and shortcomings and I all the more rely upon the help and assistance of every individual member of the party." Photostat copies of these letters are in the Laurier Papers, Dominion Archives. Willison says (Reminiscences, p. 225) that Blake, Laurier's predecessor as leader of the Liberal party, was not consulted about the adoption of the policy of Commercial Union. There is a letter from Blake to Laurier written at this time, which, while couched in terms too indefinite to furnish any basis for argument, is at least interesting. The former here says that he cannot discuss a "certain important subject referred to in your letter" on paper, but he suggests that Laurier come to stay with him at Murray Bay, when they will discuss it. Laurier Papers, (Blake to Laurier, July 18, 1887) Correspondence 1870 - 1891, p. 678.
 2. Laurier Papers, Correspondence, 1870 - 1891, p. 680 ~~771~~ 684.

products, and said,

"At this very hour, the great majority of the farmers of Ontario are clamouring for commercial union with the United States, that is to say, the suppression of all customs duties between the two countries ... We know that there is to-day in the United States a group of men determined upon giving us commercial union ... If I am asked at present for my own opinion, I may say that for my part I am not ready to state that commercial union should be adopted at the present moment ... At the bottom of the commercial union idea, badly defined, was the conviction of the Canadian people that any kind of reciprocity with the United States would be to the advantage of the people of Canada."

He condemned the government's attitude of bluster and retaliation on both the tariff and fisheries, and then turned to the project of an Imperial Zollverein, which had some advocates. Of this he said the same thing as he had said of Commercial Union; that it was as yet "hazy and indefinite"; but he added,

"certainly if it were realizable and all our interests were protected, I would accept a commercial treaty of that nature." 1

Conservative newspapers commented upon the "scant courtesy" with which this speech was treated by the Liberal

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1. The report in the Toronto Globe (Aug. 4) of Laurier's speech is inadequate. The Mail is somewhat fuller, but under the circumstances it has been considered best to use the version in Skelton's Life of Laurier, I, pp. 374, ~~p.~~ 376, as this must be considered the "official" life.

press,¹ and there was a good deal of truth in their contention. The Toronto Globe gave only a very inadequate report and contented itself editorially with commending his attitude on the race question.² The Halifax Chronicle made no reference to it at all, and the Montreal Herald, controlled by Peter Mitchell, an independent Liberal, called it a "colorless speech", "a sort of wet blanket cast over party action".³

From then on there seems to have been a certain amount of pressure exerted on Laurier. Cartwright, who was regarded by many as a more logical candidate for the position of leader than Laurier, and who had a personal relationship with Farrer,⁴ wrote two letters, in which, while declaring that he still thought the matter should be treated individually rather than as a party matter, he argues generally in favour of its adoption.

"We must expect a certain percentage of loss from our own ranks," he writes, "but I think this will be very fully compensated even in Ontario and much more than made up in the Maritime Provinces and elsewhere. Then after all if we were in [power] what other policy offers any adequate results? We cannot go on multiplying taxes and granting subsidies ad infinitum and we cannot simply stand still."

Laurier must evidently have replied to the first letter by

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1. Montreal Gazette, Aug. 4 and 11, 1887; Halifax Herald, Aug. 12, 1887.
 2. Aug. 4 and Aug. 29.
 3. Aug. 5.
 4. Willison, Reminiscences, p. 166.

alleging the opposition of the provincial government, headed by the veteran Oliver Mowat, and of various other friends in Ontario. To this Cartwright replied,

"In my judgment this is a case in which the instincts of the rank and file are much more likely to be right than the prudential objections of average politicians. I find almost all our local Reform press besides the big Toronto dailies are in favour of the movement and as it is now only too certain that we will have a poor harvest in Ontario we will find the farmers in a more receptive mood than they have ever yet been."

He does not think that there should be further delay

"on account of the section of hesitators from Ontario ... I believe the real explanation is that several of our friends are under obligations to individual manufacturers in their respective constituencies and are merely echoing the sentiments of a very few of that class. The utmost they ought to ask is that the question be not treated as a party one as yet and this for obvious reasons is the best course anyway." 1

There is also a certain amount of correspondence with William McDougall, an old time Liberal and a cousin of Wiman, asking

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1. Cartwright to Laurier, Aug. 13 and 22, 1887, Laurier Papers, Correspondence 1870 - 1891, pp. 686, 700. Two addenda to these letters are worthy of notice. Cartwright and Blake were notoriously not on good terms, yet he asks Laurier if he has heard of Blake's views on the subject. In view of the stand taken by the Grand Trunk Railway, it is also interesting to note that Cartwright inquires of Laurier's relations with its General Manager, adding that as it is probable it will be "solid for free intercourse", he "might be able to give or procure important information".

for permission to state in a speech that Laurier was not "opposed to the idea of free trade with the U. S." and adding

"The time is near at hand when the 'party' must confer, and decide, and authorize you to speak in its name." 1

Other Ontario Liberals wrote, declaring that they personally favoured the policy, but that they wished to act in concert with the Liberal party and its leader.²

Then began the expression of personal views in public, as urged by Cartwright. The first of these was the advocacy of Commercial Union by Sydney Fisher, in Shefford County, in the Eastern Townships - that is to say, the English speaking section of Quebec near the American border. Fisher said that he was primarily a free-trader, but "if they could not get free trade with the world, he believed in getting continental free trade with sixty millions of people." He declared that it would overcome many of the dangers with which Confederation was now threatened, and would give all the material advantages of annexation, thus probably preventing its consummation. He answered the objection that it meant discrimination against Great Britain by the familiar argument that this had already been inaugurated by the National Policy.³

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1. McDougall to Laurier, Aug. 17 and Aug. 29, 1887, ibid, p. 692, p. 707.
 2. A. P. Cockburn, John Platt, Thomas P. Gorman to Laurier, ibid, p. 661, p. 709, p. 717.
 3. Toronto Mail, Aug. 28, 1887.

Far more important, however, was the speech made by Cartwright himself, which he had warned Laurier to expect. This was made at Ingersoll on October 12th, and avowedly prompted Lansdowne's important dispatch, for, he said, he saw the probability of Commercial Union being adopted "as a permanent feature of the policy of the Opposition." Cartwright did live up to his pledge and at the beginning emphasized most clearly that he spoke for himself alone. He then went on to speak of the geographical conditions, which inevitably led to the conclusion

"that there never was an instance in which the intention of nature and Providence that two countries should trade on the freest possible terms with each other was more clearly manifested than in the case of Canada and the United States."

The attempt to foster inter-provincial trade had failed and, "in spite of everything the two governments could do" nearly one-half of Canada's trade was with that country.

"I am inclined to think," he said, "that those who have been advocating Unrestricted Reciprocity have not exaggerated, indeed that they could hardly exaggerate, the benefits which will flow from the perfect freedom of intercourse with the United States."

There were, however, undoubtedly, great "difficulties and obstacles." One of these was the necessity of discrimination against British products; but here again, he brought up the argument that

"our present tariff is almost as hostile to the interests of British manufacturers as ever the American tariff was."

Nor can we

"overlook the risk that does undoubtedly arise, that increased commercial intercourse with the United States may strengthen the hands of those who desire to see our political system absorbed into theirs;" but "the acts of the British Government speak louder than their words and their acts, as shown by many a proof from the time of the Washington capitulation down to Lord Salisbury's last dispatch anent the fisheries, all go to show that the British Government practically have told the people of Canada that in all matters of dispute between Canada and the United States they expect the Canadians to make the best bargain they can for themselves without counting too much on the assistance of Great Britain ... It is not a pleasant thing for me to say, but at this moment under existing circumstances the position of Canada is little better than the position of a hostage given by Great Britain to the United States. That is not a situation which I like - that is not a situation which I think it is desirable to continue either in the interests of Great Britain or of ourselves.

Therefore, I say that, looking at the question in the largest possible way, it is for the interest of the whole Empire that we should, if we could, enter into such close and friendly relations with the United States as may remove all possible causes of quarrel between them and ourselves or between them and the British Empire."

This is a course which should be approved by every English statesman "worthy of the name."

Then the present dissatisfaction in the provinces is much more likely to produce a movement favourable to annexation "than even the very closest commercial union that

can be conceived". The extravagance of the Government had left no other means of satisfying "their just demands".

"We stand between two dangers, and my counsel is to choose the lesser of the two.... Looking at the whole position I am bound to record my conviction that if, in the approaching negotiations between ourselves and the United States, our agents, whoever they may be, venture to refuse any reasonable proposition in this direction which may be made by the United States, they will not merely assume a great responsibility, but they will commit a great crime against the well being of the community which has entrusted its interests to their care." 1

As was justly noted by the Toronto Globe, this speech "neither conceals nor minimizes any difficulty". The Globe differed from Cartwright in refusing to believe that the dangers of political union from the movement were as great as he had painted them.² The Montreal Herald, in an editorial which can only be regarded as a deliberate contrast to that on Laurier's Somerset speech, praised his courage in thus "frankly and fearlessly" giving his opinion, "without waiting a twelve-month to make up his mind."³

Of the Government papers, the Montreal Gazette

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1. Toronto Globe, Oct. 14, 1887. A clipping appears in the Macdonald Papers, Commercial Union, p. 185; see also Cartwright, Reminiscences, (Toronto 1912), pp. 283 - 285, and his article in the North American Review, May 1890, (vol. CL), pp. 638 - 646, for expression of similar views.
 2. Oct. 14.
 3. Oct. 18.

declared

"that if the conciliation of the American people is to be a principal motive of commercial union, we had much better become incorporated in that republic at once;" 1

while the Halifax Herald said that since Cartwright's remedy was admittedly only a choice of evils,

"the people of Canada will prefer to bear the ills we have than fly to others which we know not of." 2

It is interesting to contrast the buoyant optimism of Wiman with the prevailing note of pessimism in Cartwright's advocacy of the scheme.

The bye-election held in Haldimand county in early November gave a further opportunity for the expression of the views of the Liberal leaders. A new champion for "unrestricted reciprocity," the term now coming to be used by the Liberals, appeared in the person of John Charlton, a lumber merchant who had been born in the United States, the representative in the Dominion Parliament, since 1872, of the constituency of North Norfolk, and long to be prominent in the movement for closer trade relations between Canada and the United States. Charlton covered the usual ground, giving a glowing account of benefits to be derived from "free untrammelled access to our natural markets," which

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1. Oct. 19.
 2. Oct. 21.

"would put a new face upon our affairs."
"Give us this and the tide will turn, prosperity will come, the exodus of our citizens will cease, some of the million Canadians now in the United States will return, immigration will pour in to our prairies, develop our mines and fell our forests; and we shall be well on the road to the realization of our natural and honourable destiny of building up a great and prosperous commonwealth."

Touching on the question of discrimination against Great Britain, and the argument that it would hurt Canadian manufacturers, he gave the familiar answers to these objections. With regard to a possible revenue deficiency he maintained that many economies could be made and that if direct taxation should be necessary, the increased prosperity of the country would prevent it being burdensome.¹ Cartwright also spoke again on the benefits of "unrestricted reciprocity;"² but Laurier once more refused to make a pronouncement. He said,

"There is no doubt in my mind that Free Trade with our neighbours would be a great advantage to our country, but in the position which I occupy I do not feel warranted in taking any course without the most mature deliberation with my friends ... I feel the time has not come for me to discuss this question." 3

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1. Commercial Union Handbook, pp. 131 - 137; a brief summary appears in the Toronto Globe, Nov. 7, 1887, and a fuller report in the Toronto Mail (same date).
 2. Toronto Globe, Nov. 10, 1887.
 3. Ibid, Nov. 9, 1887.

William Paterson, another prominent Liberal, who was to become Minister of Customs in Laurier's cabinet and to play a prominent part in the negotiations for reciprocity in 1911, also refrained from discussing the issue.¹ The election resulted in a Liberal defeat which was hailed by the Montreal Gazette and the Halifax Herald as a proof that

"there is not much hope for Mr. Wiman's scheme anywhere else in Canada,"²

and by the Montreal Herald as illustrating the necessity of a more positive Liberal programme.³

There was not only a refusal of some Liberals to commit themselves on the subject, but from some quarters came active opposition, as, for example, from James Young, an ex-member of Mowat's cabinet in Ontario, a series of letters from whose pen appeared in the Toronto Globe. He distinguished between "reciprocity as it existed under the treaty of 1854" and the present proposal for Commercial Union. That

"reciprocity in all raw products, and even some branches of manufactures would benefit both countries immensely," he wrote, "no unprejudiced person acquainted with our international commerce can for a moment doubt." This is simply "a commercial question," but the other "is, in addition, a national and political question of the most vital character," "not only irreconcilable with our continued connexion with Great Britain, but a sort of half-way house on the road to annexation. I regard Political

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1. Ibid, Nov. 8
 2. Halifax Herald, Nov. 14; Montreal Gazette, Nov. 14.
 3. Nov. 16.

Union as the natural corollary of
Commercial Union."

In spite of his views that reciprocity per se would be beneficial, Young did not believe that

"in the most favored parts of the Union
the masses of the people are wealthier,
healthier or happier than in our own
Province of Ontario,"

and declared that the best markets for the Canadian farmer were the home market and the British market, both of which Commercial Union would jeopardize. He felt the revenue difficulty was a serious one and dwelt on the loss of fiscal independence involved in tariff fixing by a mixed commission, since it was inevitable that the predominant control would be in the United States.

"A century ago our neighbors began the Revolutionary War rather than submit to 'taxation without representation', and I cannot understand how any Canadian who desires the continuance of the present independent position of Canada could ever consent to hand over the tremendous power of taxation, not only without representation, but into the hands of a nation with which we are not even politically connected."

In his view the project was not a solution for the difficulties between Great Britain and the United States originating in Canadian problems, but rather offered the prospect of further complications.

"We would no sooner get there, to use a current phrase, than it would be apparent to every one that, united with Britain politically but with the States commercially, Canada had become a sort of national Hermaphrodite, half

British and half Yankee; and that we must either go forward to annexation or try to retrace our steps regretting the folly of which we had been guilty ... But that we could either go backwards or forwards without embroiling Great Britain and the United States or creating serious civil disorder in Canada, and possibly bloodshed, is open to the gravest doubts." 1

Young's views found complete approval and acceptance by the
Victoria Daily Times² and the Globe's editorial notice represents the beginning of a change in its attitude. The writer here declared that the letters only illustrated "how little can be said against the scheme", but went on to say,

"We have again and again pointed out that our prime object is to secure Reciprocity, and that we favor Commercial Union simply because it appears that otherwise Reciprocity cannot be obtained ... While the Globe is committed to a Commercial Union scheme consistent with the honor and independence of Canada, it is no less committed, by its own definitions, to oppose any arrangement likely to have such consequences as Mr. Young describes." 3

In a private letter to Laurier, Young commended his attitude on the matter and, from a party stand-point, called

"the Com-Union agitation one of the stupidest mistakes ever made by

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1. Toronto Globe, Apr. 2, Apr. 30, Sept. 14, Sept. 19, 1887. These letters were also published as a separate pamphlet at Toronto in 1887.
 2. Nov. 10, 1887.
 3. Sept. 20, 1887.

any section of our party. It hasn't the poor excuse of embarrassing the Govt. in any way. If it had I could tolerate a great deal to get rid of Sir John and his rascally crew; but it is simply embarrassing and injuring ourselves ... This agitation has completely distracted attention from the vulnerable points of the Tories, put the Liberal party (as far as some could) on what will in the end be generally seen to be anti-Canadian and Americanizing policy, and thus is helping to keep Sir John in his place." 1

A resolution adopted by the Inter-provincial Conference held at Quebec from the 20th to the 28th of October, was hailed by the Mail and the Government press as an endorsement of Commercial Union, but it was in reality far more indicative of the Liberal tendency to compromise on the subject. Sir John Macdonald was, of course, definitely opposed to the Conference, which was composed of representatives from the Liberal governments of Ontario, Quebec, Nova Scotia and Prince Edward Island, the coalition government of New Brunswick and the Conservative government of Manitoba. The conference chose as its Chairman Mowat, Premier of Ontario, whose hostile attitude towards Commercial Union has already been hinted at, and it is altogether likely that, as his biographer asserts, he had an important influence in the framing of the resolution,

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1. Nov. 19, 1887, Laurier Papers, Correspondence 1870-1891, p. 721.
 2. Toronto Mail, Nov. 11, Nov. 12; Montreal Gazette, Nov. 14, 1887.
 3. Biggar, C. R. W., Sir Oliver Mowat, (Toronto 1905) p. 508 and pp. 572 - 573.

which reads,

"That, having reference to the agitation on the subject of the trade relations between the Dominion and the United States, this Inter-provincial Conference, consisting of representatives of all political parties, desires to record its opinion that unrestricted reciprocity would be of advantage to all the provinces of the Dominion; that this Conference and the people it represents cherish fervent loyalty to Her Majesty the Queen, and warm attachment to British connection; and that this Conference is of opinion that a fair measure, providing, under proper conditions, for unrestricted reciprocal trade relations between the Dominion and the United States, would not lessen these sentiments on the part of our people, and on the contrary may even serve to increase them, and would at the same time, in connection with an adjustment of the Fishery Dispute, tend to settle grave difficulties which have from time to time arisen between the Mother Country and the United States." 1

It cannot, of course, be denied that this resolution comes very close to an endorsement of Commercial Union, but the expression of attachment to the British throne and, above all, the use of the term "unrestricted reciprocity", show some desire to temporize.

~~We must now give some attention to~~ The meaning
must now be studied.
and use of these two terms, At first their use was practically

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1. Toronto Globe and other newspapers, Nov. 10, 1887, quoted by Biggar, op. cit. p. 508.

synonymous and interchangeable and it was to continue to be
1
so for some time. In its issue of August 1st, the Toronto
Globe even flaunted the fact.

"The opponents of Unrestricted Reciprocity," says its editorial, "sometimes ask what that term means. Having obtained the information they hold up horrified hands and groan, 'Why, that is just Commercial Union!' There is a story that Douglas Jerrold was once asked by a very dirty man for a cure for cold in the head. 'You take a pail of warm water,' said the joker, 'then bury your legs, put your feet in the water, and rub them with soap and a scrubbing brush.' 'Why, that is washing your feet!' cried the other. 'I admit it is open to that objection,' replied Jerrold. Just such is the answer to the cry that Unrestricted Reciprocity is Commercial Union. 'It is open to that objection.' But what of that?"

From the beginning of its advocacy of freer commercial relations, the Montreal Herald always used the term "unrestricted reciprocity", but it is not clear that this was done
2
with the later implication in mind.

~~We have already seen~~ *The tendency of Liberal advocates*
has already been noticed,
to use this phrase rather than Commercial Union, but here again
it is doubtful if it was with absolute consciousness of the

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1. Examples of this are numerous, e.g. Butterworth in his speech to the New York Canadian Club, Wiman's letter to J. Redpath Dougall, Commercial Union in North America, p. 37; Thomas Shaw Plain Talks on Commercial Union; Wm. Cluxton to West Peterborough Farmers' Institute, Commercial Union Handbook, p. 147; the circular sent out by the Executive of the Central Farmers' Institute, ibid, p. 168; The Toronto Mail, Nov. 11, 1887; the Toronto Globe, Apr. 29 and June 4, 1887.
 2. See June 25, July 4, Oct. 18.

later distinction.

Three letters from J. D. Edgar, a prominent Toronto Liberal, later to be Speaker of the House of Commons, contributed greatly to the definition of the terms and to the adoption by the Liberal party of the policy of Unrestricted Reciprocity. He admits the force of the objection that a common tariff could hardly prove satisfactory for any length of time and therefore evolves the plan of an

"increase of the free list between the
two countries to an unlimited extent".

Precedent for this exists in both the treaties of 1854 and 1874, "it is only a question of degree". In other words, both Canada and the United States are to retain their own tariffs against other countries and collect their own customs but admit all products of the other free of duty. Even this plan, Edgar allows, would involve "a certain amount of discrimination against Britain", and also cause a difficulty over revenue. Thus the application of the plan should be gradual, as was contemplated in the treaty of 1874, and "after ample notice", in order to obviate the injury to manufacturers.

Wiman was willing to agree to the possibility of such a plan and that it might be accepted by the United States, but pointed out that the American proposal was that of Commercial

1. Open letters of Edgar to Wiman, Toronto Globe, Nov. 15, 22 and 29.

Union, and that in anything else Canada must take the initiative, which, in the case of the present government, was an improbable¹ eventuality.

The Liberal attitude on the question cannot be said, however, to have become consolidated by the end of the year, and there is a good deal of truth in the Conservative jibes to this effect.² Edgar followed his public letters by a private one to Laurier reiterating his view that

"Unrestricted Reciprocity, as distinguished from Commercial Union with uniform tariffs, will be as far as we can go as a party unless events march very fast;"³

but Charlton tended to confuse the issue here by correctly describing the essentials of the two proposals and then adding

"the two plans are different modes proposed of arriving substantially at the same thing."⁴

Mills, another important Ontario member, declared that he preferred Commercial Union to Unrestricted Reciprocity,⁵ while the Montreal Herald and its proprietor declared for the latter

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1. Open letter of Wiman to Edgar, Toronto Mail, Nov. 29.
 2. See Toronto Empire, Dec. 27 and 29, 1887.
 3. Edgar to Laurier, Nov. 30, 1887, Laurier Papers, Correspondence 1870-1891, p. 748.
 4. Toronto Globe, Dec. 2, 1887.
 5. Mills to Laurier, Dec. 30, 1887, Laurier Papers, Correspondence 1870-1891, p. 758.

instead of the former on grounds of distrust of Wiman and
the general vagueness of the scheme. ¹ A banquet held at
Boston on December 28th, at which Wiman and Hitt spoke in
favour of their favourite plan, was not attended by any
member of the official Liberal party prominent in the federal
field. ² J. W. Longley, Attorney-General of Nova Scotia, whose
early advocacy of Commercial Union ~~we have~~ ^{has} ^{been} already noted,
spoke strongly in its favour, and declared,

"I am loyal to Great Britain for her
merits. I am not loyal to Great
Britain one single step beyond
that which promotes the best interests
of North America."

He was rebuked by Senator Macdonald of Toronto, whose part
in the Board of Trade discussions of that city has already
been described, who said,

"I know something of the Canadian
people and while there is not a
Canadian who will not lift up both
of his hands for the largest measure
of reciprocity, yet he will tell you

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1. Montreal Herald, Dec. 30, 1887. Interview with Mitchell reported in Toronto Empire, Dec. 31, 1887.
 2. Davies and W. S. Fielding, Prime Minister of Nova Scotia, later to be Liberal Finance Minister under both Laurier and W. L. Mackenzie King, both sent very similar letters of regret. In these they expressed their approval of "a liberal arrangement for closer trade relations, always provided that such settlement can be effected in a manner honourable to both parties. Whether the arrangement shall be called free trade, reciprocity, unrestricted reciprocity or commercial union, is of little consequence. The name is but the shadow. It is the substance with which we have to deal and the substance is the largest measure of freedom of exchange for the products of the two countries." This was accompanied by a strong declaration that annexationist sentiment was wholly lacking in Canada, Canada: an encyclopaedia, I, p. 407 and p. 408.

that any system that points to a discrimination against Great Britain will surely fail. We will not let in anything that will bring about a separation from the Mother country, and while we want to be friendly with you to the largest possible measure we hesitate to take any step that will interfere or in the slightest way savor of injustice to the Mother country." 1

To add to the confusion the Toronto Globe was no longer so unequivocal as it had been. Sir John Macdonald declared that it had abandoned Commercial Union "in despair and taken up the harmless cry of free trade." 2 Certainly many of its editorials almost bear that construction. There is a greater insistence on the necessity of reasonable terms which will not compromise the honour of Canada. Commercial Union has been supported only "as a step toward free trade with the world;" if it cannot be obtained we can always turn to a customs union with Great Britain or to free trade.

"Free traders have a programme beyond Unrestricted Reciprocity. They cannot come to grief whatever happens. But those who have no idea beyond Commercial Union must find themselves in a hole if it be unattainable." 3

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1. Boston Daily Globe, Dec. 29, 1887. Clipping in Macdonald Papers, Commercial Union, p. 222.
 2. To Tupper, Jan. 15, 1888, Macdonald Papers, Commercial Union, p. 187.
 3. See Dec. 28, 30 and 31, 1887, and Jan. 20 and 25, 1888.

Cartwright was still pressing for the adoption of "Unrestricted Reciprocity" as one of the main subjects for the approaching Parliamentary session;¹ but a long letter from Davies to Laurier outlined the objections to a premature decision on the point as well as his own attitude on the whole subject. The chief difficulty at the moment lay in the possibility of the Fisheries Commission obtaining reciprocity in natural products.²

"The strength of the agitation for Commercial Union lies in the belief on the part of our people that the Yankees will never grant Reciprocity in natural products alone, but that they will grant Unrestricted Reciprocity. To obtain what they really want they go in for the latter or Unrestricted Reciprocity. If however, Tupper succeeds in getting partial Reciprocity the Com-Union agitation will collapse like a pierced wind bag."

His own views rather coincided with this.

- 1st. That freer trade relations with the United States is for us a necessity.
- 2nd. That a renewal of the old Reciprocity treaty would give us 3/4ths of what we want.
- 3rd. That George Brown's treaty giving us the coasting trade and right to sell and register in U. S. Colonial built ships with a large increase in the articles to be exchanged would give us all we want in the Maritime Provinces at least.

1. Cartwright to Laurier, Jan. 2, 1888, Laurier Papers, Correspondence 1871-1890, p. 760.
2. The necessity for caution in view of this possibility was urged also by Paterson, Dec. 15, 1887, ibid, p. 751.

- 4th. That if we cannot get the benefits we desire without accepting Unrestricted Reciprocity, then we ought to be ready to jump at that because notwithstanding the loss in revenue [we] would sustain and the apparent unfairness of discriminating against Great Britain still the necessity for and the benefits to be derived from Unrestricted Reciprocity would be so great as to altogether outweigh the objections.
- 5th. That if Unrestricted Reciprocity cannot be obtained without Commercial Union I am prepared to accept that believing in the ability of the leading men of both countries and that they will be able to solve difficulties which at first sight appear very, very difficult."

The most important of these was the re-adjustment of the tariff. Congress would never agree to bind itself to make no changes and for Canada to consent to having changes made by Congress alone

"would be a pretty hard proposition for a Canadian statesman to present to a constituency."

This objection was, however, eliminated in the Edgar plan for
1
Unrestricted Reciprocity.

Thus, with the difficulties becoming clearer, the majority of Liberals were inclined to be more cautious in their acceptance of the new policy and it was decided at least to wait on events.

1. Davies to Laurier, Nov. 26, 1887, ibid, p. 727.

"My policy ... of allowing the cry of Commercial Union to blaze, crackle and go out with a stink, without giving it undue importance, was a wise one," wrote Sir John Macdonald to Tupper. 1

A policy of reserve was, therefore, that adopted publicly and officially by the Conservative party, though as we have seen, its supporters of the press tended to oppose the movement and, in their controversies with their rivals during the summer of 1887, to become more and more involved, even in some instances to the extent of expressing a doubt as to the efficacy of reciprocity in natural products. 2 Not all Sir John's followers, however, were able to adopt his attitude of equanimity.

"In my opinion," wrote Sir Leonard Tilley from New Brunswick, "this international trade movement by Wiman, is the most dangerous organisation to our national and British connection that has been made during the last fifty years and it will require all your tact and ability to resist it." 3

and letters from a Lindsay, Ontario, follower also expressed much concern. 4

There were also some members of the party, though not those of the first rank, who declared in favour of the

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1. Jan. 15, 1888, Macdonald Papers, Commercial Union, p. 188.
 2. E. g. Montreal Gazette, June 1, 1887.
 3. Tilley to Macdonald, June 22, 1887, Macdonald Papers, Tilley Correspondence, 1882 - 1891, p. 611.
 4. Sam Hughes to Macdonald, May 25 and Aug. 2, 1887, Macdonald Papers, Commercial Union, p. 37 and p. 43.

new proposal.¹ Sir John privately stated his opposition,² but in his speeches in New Brunswick that summer did not touch upon the issue.³ Sir Charles Tupper followed suit and maintained silence during his election campaign in Nova Scotia.⁴ The only member of the government who definitely declared against it was the Secretary of State, Chapleau, who, in a speech at Montreal, coupled his dissent with a belief in the practicability of reciprocity in natural products which, he⁵ thought, would be considered by the fisheries commission.

The attitude of the government party towards reciprocity is best revealed by a study of the negotiations with regard to the fisheries, the crisis in which was the occasion⁶ of the birth of the Commercial Union agitation, as affording

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1. Wm. Crichton to Macdonald, July 28, 1887, enclosing clippings from the Chicago Tribune and Detroit Evening News, where some Conservatives had been incautious enough to express their views; two letters of J. W. Johnson to the Belleville, Daily Intelligencer, June 27 and Aug. 4, 1887, Macdonald Papers, Commercial Union, p. 54, p. 155, p. 157.
 2. Macdonald Letter-book No. 24, p. 177, p. 181.
 3. Cf. report of speech at St. John, Halifax Herald, Aug. 19, 1887.
 4. Cf. report of speech at Amherst, N.S., ibid, Oct. 26, 1887.
 5. Toronto Mail, Oct. 11, 1887.
 6. The practice of authors of treating these subjects in separate chapters has tended to obscure this point; but that it was the case is proved in almost every speech or article on the subject. Cf. Butterworth to the Canadian Club of New York, p. 8; J. W. Longley, "Objections to Commercial Union Considered", Commercial Union Handbook, p. 120; Letters from Goldwin Smith, Robert Hitt and R. W. Townshend to the American, Apr. 9, 16 and May 14, 1887; open letter of Erastus Wiman to Valancey E. Fuller, Commercial Union in North America, p. 21; Toronto Mail, Feb. 7, 16 and Mar. 1, 1887; Toronto Globe, Mar. 1, Apr. 18 and 20, 1887.

the only means of settling the question, and preventing the commercial warfare foreshadowed in the Retaliatory Act. The latter had, of course, aroused criticism from the opposition press, who complained of the "drifting" policy of the government.¹ A foundation for negotiation had been laid in the correspondence initiated by Bayard in November, 1886, and the final agreement to a commission expressed in the British note of March 24th, 1887.² Apparently before the latter had been received, Erastus Wiman wrote in April to Tupper stating that Bayard would be glad to receive him or Sir John Macdonald for the purpose of discussing improved relations between the two countries. Tupper, availing himself of this opening, visited Washington in the latter part of May.³ The results of their conversation were embodied in two letters; Bayard writing to Tupper on May 31st advocated,

"A straightforward treatment on a liberal and statesmanlike plan of the entire commercial relations of the two countries. I say commercial because I do not propose to include, however directly or by intentment, however partial or oblique, the political relations of Canada and the United States, nor to affect the legislative independence of either country ... The gravity of the present

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1. Toronto Globe, Jan. 20, Mar. 1, 1887; Montreal Herald, Jan. 21, 1887; Manitoba Free Press, Mar. 14, 1887.
 2. See above p. 28 and p. 29.
 3. Saunders, Life and Letters of Tupper, II, p. 96.

position of affairs between our two countries demands entire frankness. I feel we stand at the 'parting of the way'. In one direction I can see a well assured, steady, healthful relationship, devoid of petty jealousies, and filled with the fruits of a prosperity arising out of a friendship cemented by mutual interests, and enduring because based upon justice; on the other, a career of embittered rivalry, staining our long frontier with the hues of hostility, in which victory means the destruction of an adjacent prosperity without gain to the prevalent party - a mutual physical and moral deterioration which ought to be abhorrent to patriots on both sides, and which I am sure, no two men will exert themselves more to prevent than the parties to this unofficial correspondence."

Tupper replied on June 6th,

" I entirely concur in your statement that 'we both seek to attain a just and permanent settlement, and that there is but one way to procure it - and that is by a straightforward treatment, on a liberal and statesmanlike plan, of the entire commercial relations of the two countries.'" 1

The correspondence between the three governments then proceeded with plans for the forthcoming commission. The Canadians were all along fearful that the terms of reference would not definitely include the discussion of commercial relations and first urged that they should be submitted for approval to Ottawa, and then protested at their vagueness.

1. Sessional Papers 1888, No. 36b, p. 1, p. 3; also No. 36c, p. 59, p. 61; Tupper Recollections, pp. 177 - 181.

"Congress will never again agree to a money compensation being given to Canada, for our inshore fisheries, and the only basis of adjustment satisfactory to Canada must be the admission free of duty of some of her natural products in addition to 'free fish' ... The whole thing seems to be a snare laid by the U. S. govt. to entrap England into a commission to consider the expediency of relaxing the Convention of 1818. This has long been their aim, and as it is the Magna Charta of the Maritime Provinces must be resisted." 1

The instructions as drawn up for the commissioners authorised them

"to consider and adjust all or any questions relating to the rights of the fishery in the seas adjacent to British North America and Newfoundland which are in dispute between the Government of Her Britannic Majesty and that of the United States of America and any other question which may arise and which the respective plenipotentiaries may be authorised by their Governments to consider and adjust."

The Atlantic coastal fisheries are the most important and they are therefore discussed at considerable length, but

"it is not the wish of Her Majesty's Government that the discussions of the plenipotentiaries should necessarily be confined to that point alone, but full liberty is given you to enter upon the consideration of any questions which may bear upon the issues involved, and to discuss and treat for any equivalent, whether by means of tariff concessions

1. Macdonald to Lansdowne, Sept. 1, 12, 24, 1887, Letter-book No. 24, p. 214, p. 219, p. 241; Lansdowne to Macdonald, Sept. 26, 1887, Macdonald Papers, Washington Treaty I p. 337; Tupper, Recollections, p. 185.

or otherwise, which the United States' plenipotentiaries may be authorised to consider as a means of settlement." 1

Sir Charles Tupper was chosen as the Canadian representative on the Commission to act with Sir Lionel Sackville-West and Joseph Chamberlain. Tupper's appointment was approved, even by the Opposition press, as it was considered that he was far more favourable to reciprocity than Sir John.² As a matter of fact, a letter written by him to his leader giving an account of a conversation with his fellow-commissioner, Chamberlain, is not very consistent with this view.

"I told him," he says, "that reciprocal trade was not of so much consequence to us as formerly, as it was now evident that the United States could not compete with us without entering upon our fishing grounds, and our coal interest preferred the existing state of things to reciprocity." 3

Chamberlain's appointment was not at first viewed with favour by Sir John, though he later changed his mind,⁴ and a reference in a speech made by him at Belfast to Commercial Union brought down all the ire of the Canadian Opposition press on his head. The remarks criticized were in a speech

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1. Sessional Papers 1888, No. 36c, p. 25; Tupper, Recollections, p. 187.
 2. Extract from Cleveland Leader, Macdonald Papers, Misc. 1888 - 1889, p. 258; Cartwright, Reminiscences, p. 277, p. 288; Montreal Herald, Oct. 15, 1887; Halifax Chronicle, Oct. 15, 1887.
 3. Saunders, Life and Letters of Tupper, II, p. 99.
 4. Macdonald to Lansdowne, Sept. 1 and 12, 1887, Letter-book No. 24, p. 214, p. 219.

the object of which was to show that Irish self-government meant separation from the Empire and were as follows:-

"The arrangement between the Colonies and ourselves is essentially a temporary one. It cannot remain as it is. Either, as I hope will be the case, it will be strengthened by ties of federation - (Cheers) - or be loosened altogether. Already you have in Canada, the greatest of all colonies, an agitation for what is called Commercial Union with the United States. Commercial Union with the United States means free trade between America and the Dominion, and a protective tariff against the Mother Country. If Canada desires that, Canada can have it. But Canada knows perfectly well, that Commercial Union with the United States means political separation from Great Britain, for it is quite impossible that Great Britain should retain all the responsibilities and obligations of Colonial connections when all the advantages are taken away." 1

The Toronto Globe was so severe in its criticism that even its more or less sympathetic contemporary, the Montreal Herald, said that it was "suffering under an anti-British craze" comparable only to the "rabies".² One editorial was headed "Jonah Chamberlain"; another said that this

"hot headed English politician, nominated in an evil hour to the British commissionership ... has borne himself so insolently to a powerful section of the American people that it is almost impossible to believe that the United States

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1. Toronto Globe, Oct. 20, 1887, the text of the full speech which was cabled for.
 2. Oct. 18, 1887.

Senate, an elective body, would dare to ratify any agreement in which he bore a part."

His recall was urged "in the interests of all parties concerned"¹. Chamberlain, however, reiterated practically the same sentiments in a later speech at Islington,² and in a press interview on landing in New York.³ At Washington he declared that the subject of Commercial Union would not be brought up except on the initiative of the United States.⁴

In view of the criticisms of Chamberlain's appointment special interest attaches to a letter from Cartwright to Laurier urging that Chamberlain should be told of the attitude of Canadian political parties, as

"Sir John will try to use this to block full trade with this country."

He suggested Blake as the best man to perform this delicate mission.⁵

A resolution of the New York Chamber of Commerce shows that Chamberlain's statements could be used also in support of the movement. This provided for the appointment

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1. Oct. 25; Nov. 4 and 7, 1887; cf. also Halifax Chronicle, Oct. 30, 1887; Toronto Mail, Oct. 17, 1887.
 2. Montreal Gazette, Nov. 8, 1887.
 3. Toronto Globe, Nov. 8, 1887; Maycock, Sir Willoughby, With Mr. Chamberlain in the United States and Canada, (Toronto 1914) p. 20.
 4. Toronto Globe, Nov. 19, 1887; Maycock, op. cit., p. 39.
 5. Laurier Papers, Correspondence 1870 - 1891, p. 658.

of a committee to investigate the possibility of expansion of trade with Canada, the question of Commercial Union and to make recommendations on these subjects as well as on the fisheries. The preamble gives as a reason for this action Chamberlain's remarks, which it quotes, as showing that England will not put any obstacles in the way of independent Canadian action.¹

The fisheries commission naturally proved an opportunity for the reiteration of the view that the only possible settlement was one on the basis of a wide extension of trade relations. According to the Mail and the Globe there were only two other possibilities - sacrifice of the Canadian case

"to such a degree that the United States Senate cannot refuse to ratify the basis of settlement; or the Senate will reject the basis of settlement because it is not altogether in favor of American fishermen. In the latter event the conflict will be resumed and retaliation may be the result. In the former, Sir Charles must buy the Maritime people once more, or they will probably attempt to secede." 2

It is worth noting that while the two papers unite on these views, which are also those of the Halifax Chronicle,³ the

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1. Commercial Union Between the United States and Canada, Letters of Edward Atkinson, p. 3; a copy of this resolution was sent to Sir John Macdonald, with a request for an expression of opinion. He endorsed it "file, not ack'd". Macdonald Papers, Commercial Union, p. 208.
 2. Toronto Mail, Dec. 1, 1887; see also Sept. 2, Oct. 13, and 15, 1887; Toronto Globe, Nov. 8 and 15, Dec. 9, 1887.
 3. Halifax Chronicle, Oct. 8 and 15, 1887.

Mail still calls the suggested panacea Commercial Union, while the Globe consistently advocates Unrestricted Reciprocity. The Globe also differed with Goldwin Smith when he suggested the surrender of the fisheries

"to placate our neighbors so that they might perhaps incline their hearts to give us reciprocity";

nor could it accept the proposal any more now than in March that free fish and fish products might be considered adequate compensation.¹ Some American opinion also favoured the settle-² ment of the fisheries question by wide commercial concessions.

The advocates of Commercial Union also tried to press their views on the commissioners at Washington. "Mr. Wiman has been very effusive to Chamberlain", wrote one of the Canadian ministers who had accompanied Tupper, "who told him, however, that the British Government would not listen to the proposal, ... while Canada remained in the British Empire."³ At a meeting of the Commercial Union Club of Toronto on November 24th, it was resolved to send a deputation to Washington to interview Chamberlain and Tupper; but the latter, noti-⁴ fied of this, declared that it could not be received. He also

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1. Dec. 22 and 28, 1887.
 2. Bradstreet's, New York, Sept. 10, 1887, clipping in Macdonald Papers, Commercial Union, p. 171.
 3. Macdonald Papers, Treaty of Washington III, p. 4.
 4. Toronto Globe, Nov. 25, 1887; Macdonald Papers, Treaty of Washington III, p. 184, p. 185.

wrote to Sir John Macdonald,

"I have discussed the unrestricted commercial union question with Mr. Carlisle [the Speaker of the House of Representatives] and Bayard (with whom Mr. Chamberlain and I had our Thanksgiving dinner last night) and they both agree that it is utterly impracticable. I think I have convinced Mr. Ritchie that its being brought forward now will endanger the policy of making the raw products free." 1

Tupper apparently considered, however, that his exchange of letters with Bayard in the previous spring had paved the way for some treatment of the latter. Accordingly at the first formal meeting on November 22nd., he and Chamberlain pressed for full discussion along these lines; but Bayard urged in return that Tupper's visit had been incident on the Retaliatory Act, the origin of which was the fisheries and, since it seemed obvious that commercial relations had only become involved in connection with the fisheries, consideration of the question should be limited to the strict terms of reference, which he quoted.² After some further comment on Tupper's visit and the circumstances which had given rise to it, Chamberlain asked if the United States plenipotentiaries would discuss a proposal for the renewal of the treaty of 1854, should the British plenipotentiaries submit it. To this Bayard replied that they would ascertain if their powers were sufficient to allow them to do so.³

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1. Macdonald Papers, Treaty of Washington, III, p. 120.
 2. See above, p. 84.
 3. Macdonald Papers, Treaty of Washington, V, pp. 6 - 35.

In the meanwhile Tupper's letters to Macdonald show that other tactics were being tried. On November 24th, 25th and 30th, he reports conversations with the American plenipotentiaries and with Carlisle in which it was intimated

"that while the Senate will reject any treaty providing tariff concessions, large tariff changes in the direction we wish will be spontaneously made as a matter of public policy providing these causes of irritation are removed."

Tupper was told that the decision had already been made to put coal, lumber, fish, iron and copper ores, salt, wool and farm products on the free list.

"I did not suggest", he writes, "that we should accept as compensation anything done by the U. S. as a matter of public policy, but the action of Congress depended upon these causes of irritation connected with the Fisheries being removed and if we could retain our inshore Fisheries while we obtained all the consideration given for them in 1854, we might afford to be less exacting in the compensation for allowing commercial privileges to deep sea fishing vessels." 1

Macdonald wrote, however, that the proposal

"cannot be considered as compensation to us ... I fancy that this determination has been come to without reference to your negotiations, as

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1. Tupper to Macdonald, Nov. 24, 25 and 30, 1887, Macdonald Papers, Treaty of Washington III, p. 95, p. 116, p. 133.

part of a scheme to reduce their enormous revenue, and that it would have been submitted to Congress had no negotiations between the two nations even been thought of." 1

The second meeting of the Commission was occupied with the discussion of the interpretation of the Convention of 1818; but at the third meeting, when this matter seemed once more to be about to form the whole subject of discussion, Chamberlain brusquely intervened by stating that the British plenipotentiaries had

"entered the Conference on the hope and expectation that proposals would be made for extending commercial intercourse as a mode of settlement. ... The British view is that Canada has privileges to grant for which an equivalent is asked. If that equivalent cannot take the shape of reciprocity can the U. S. offer anything else?"

Bayard answered this by saying,

" The question has now grown into a question of national sentiment. If the difference of opinion could first be removed it might be possible even to negotiate a commercial treaty - or to arrange for tariff concessions by mutual legislation. But the fishery disputes now prevented the question of tariff exchanges being approached. If the proposal on the British side is that some sort of commercial treaty is desirable, could not the object be attained as readily by mutual legislation?"

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1. Macdonald to Tupper, Macdonald Letter-book No. 24, p. 295, Nov. 25, 1887.

If it was a matter of equivalents, what was wanted? Tupper's brief and succinct reply was,

"We want a reciprocity treaty."

Bayard then said that he, personally, was in favour of a

"freer system of trade" but his "personal views would not suffice to carry such a policy." 1

The British commissioners evidently determined to bring the matter to a head and at the next meeting, held on December 3rd, after considerable conversation on the interpretation of the Convention of 1818 and of losses sustained by American shipping since 1835, Tupper said

"that this prolonged discussion was only straying from the real point at issue, and that it must eventually only lead to the conclusion that the only reasonable mode of settlement lay in reverting to a settlement along the lines of the Reciprocity Treaty of 1854 as indicated in Mr. Bayard's correspondence with himself. ... He thought we ought now to consider seriously whether there was still any possibility of reaching such a settlement."

He therefore handed in the following proposal from the British plenipotentiaries;

"That with a view of removing all causes of difference in connection with the fisheries, it is proposed by H. M's PP. that the fishermen of both countries shall enjoy all the privileges formerly conferred by the Treaty of Washington in consideration of a mutual arrangement providing for a greater freedom of

1. Macdonald Papers, Treaty of Washington V, p. 64, p. 95.

commercial intercourse between the U.
S. and Canada." 1

He was supported by Chamberlain who declared that

"if it were found to be impossible for the U. S. to entertain any proposal in the shape of commercial reciprocity we should have reached a very critical stage in the negotiations, but the question would still remain whether any other alternative course could be found."

In spite of this warning, at the next meeting Bayard, for the American plenipotentiaries, handed in a written answer, in which it was stated that they

"are constrained, after careful consideration, to decline to ask from the President authority requisite to consider the proposal conveyed to them on the 3rd. inst ... because the greater freedom of commercial intercourse so proposed would necessitate an adjustment of the present tariff of the United States by Congressional action, which adjustment the American plenipotentiaries consider to be manifestly impracticable of accomplishment through the medium of a treaty under the circumstances now existing."

To this Chamberlain replied that

"we had now reached a position which he could not but regard as very critical." 2

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1. Macdonald Papers, Treaty of Washington V, pp. 96 - 124. For British proposals see also Sessional Papers 1888, No. 36b, p. 10 and Saunders, Life and Letters of Tupper II, p. 102.
 2. Macdonald Papers, Treaty of Washington V, pp. 125, p. 154; Sessional Papers 1888, No. 36b, p. 10 and Saunders, Life and Letters of Tupper II, p. 103. ~~gives American reply.~~

In the effort to avert a collapse of the conference Chamberlain now, at Tupper's suggestion, had a confidential interview with Bayard. There was some discussion on the points to be considered in treating the fisheries question apart from commercial concessions. The Secretary of State

"added that personally he had always been and now was in favour of a Reciprocity Treaty, but the action of the Senate had made it impossible. He continued to believe that all Canada asked for in this respect was likely to come about by the voluntary action of the United States rendered necessary by the state of the revenue, and in accordance with the President's message." 1

The interview with Bayard was followed, at his suggestion, by one with President Cleveland. Here, when asked by the latter what the Canadians wanted in return for concession in the fisheries, Chamberlain replied, as had Tupper, "the Reciprocity Treaty of 1854". But to this Cleveland, too, said

"that that was impossible as a matter of bargain at the present state of feeling. They might get that, and more, by voluntary changes in United States tariff."

I [Chamberlain] said

"yes and this would satisfy the serious part of the difficulty, but it was possible that in that case Canadian Protectionists might take the boon and make

1. Cleveland's famous message recommending tariff reduction had been delivered on Dec. 6. This interview was held on Dec. 10.

no concession in return. Besides what was to happen in the interval." 1

However, the gap was bridged over and at the next meeting Chamberlain proposed an adjournment for a visit to Canada to consult the Canadian government, or, as Tupper expressed it,

"in order to show the difficulty of obtaining our concurrence." 2

This was granted and the adjournment lasted till January 9th. When the Commission re-assembled the discussion was wholly on the fisheries and it therefore becomes unnecessary further to follow its fate, except to note that a treaty dealing with this subject alone, but settling many points of controversy, was signed on February 15th, 1888. 3

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1. Report of confidential interview of Chamberlain with Bayard, Macdonald Papers, Treaty of Washington III, p. 398; see also Tupper to Macdonald, Dec. 10, 1887, ibid, p. 266.
 2. Macdonald Papers, Treaty of Washington V, p. 164; Tupper to Macdonald, Dec. 9, 1887, ibid, III, p. 258.
 3. Chamberlain used the adjournment to pay a visit to Canada, in the course of which he met Cartwright at a dinner at Government House in Ottawa. (Maycock, op. cit., p. 96) and made a speech to the Toronto Board of Trade which, his biographers modestly state, practically killed the idea of Commercial Union in Canada [Maycock, op. cit. p. 112; Garvin, J. L., Life of Joseph Chamberlain (London 1932)II, p. 334]. This was one of those speeches, of which he was afterwards to make several, which declared the essential unity of the Anglo-Saxon race. His statements on Commercial Union caused the Globe to declare (Jan. 2, 1888), "Excellent! Perfectly in accord with the teachings of Commercial Unionists ... Let the Liberal chiefs look to it. There is set forth the policy on which they should uncompromisingly fight the bye-elections and the next general campaign." It was as follows: "I am in favor of the widest possible Commercial Union and intercourse not only with the United States, but with all the world. That is the true Unrestricted Reciprocity. There is, however, a restricted reciprocity which would make you dependent for your financial freedom upon the Government of another state and perhaps pave the way for the surrender of something which is still more important. I mean your political independence." (Toronto Globe, Dec. 31, 1887; Maycock, op. cit., p. 101).

It is impossible not to regard the disappointment and annoyance of Sir John Macdonald at the shelving of commercial negotiations as sincere. On November 30th, he wrote to Lansdowne,

"All our prognostications as to the course of the U. S. Govt. are more than verified and Mr. Bayard does not come out of it in a very creditable manner. It is a pity that H. M. Govt. wouldn't listen to our request to have the question of commercial intercourse specially mentioned as a subject of reference in the agreement for a conference. At present it will appear that we have fallen into a trap set for us by the U. S. " 1

And to Tupper he also expressed the same sentiments,

"Bayard must feel humiliated at being compelled to take such a disingenuous course as he has done. I have little doubt that both he and the President were sincere at first in their desire to extend trade relations with Canada, but that they feel that Congress is not with them and they wish now to avoid a second snub from the Senate." 2

Tupper appeared more reconciled.

"We expected our first proposition to be rejected and were very glad that the refusal was couched in such categorical terms, as it will settle a good deal of nonsense of the Canadian press",

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he wrote to his chief on December 9th. Later, apparently believing in the prospects of tariff revision for the benefit

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1. Macdonald Letter-book No. 24, p. 302.
 2. Dec. 7, 1887, ibid., p. 310.
 3. Macdonald Papers, Treaty of Washington, III, p. 258.

of Canadian products held out to him by Bayard and Carlisle, he declared that one of the chief advantages of a treaty was the removal of

"all causes of irritation between the two countries which, in my judgment, alone is necessary to give us free access, at an early day, for all our fish on the Atlantic and Pacific coast and the Inland Lakes to the markets of the United States while we keep our fisheries to ourselves ... Under the influence of this Treaty I expect not only to see the duty removed from fish certainly within two years but also the bulk of the articles made free by the Reciprocity Treaty of 1854." 1

Thus, as the Parliamentary session of 1888 approached, both Canadian political parties had been forced by the critical emergence of the fisheries question and the consequent Commercial Union agitation to adopt a more positive attitude towards the trade relations with the United States than in the immediately preceding years. The position of neither was, however, absolutely defined. The Liberals, after some coquetting with the newscheme, seemed inclined to favour a modification, with a change of name, the exact meaning of which was still uncertain. The Conservatives had made an effort, not yet revealed in detail to the country, to secure a measure of reciprocity by a proposal couched in such vague terms that it was susceptible of varied interpretation. For both clarification was still necessary.

1. Tupper to Macdonald, Feb. 3, 1888, ibid, IV, p. 75; see also same to same, Dec. 10, 1887, ibid, III, p. 266.

CHAPTER II

UNRESTRICTED RECIPROCITY AND
THE ELECTIONS OF 1891.

On January 23rd, 1888, Cartwright wrote to Laurier signifying his willingness "to tackle the question" and outlining tactics for the debate.

"The form of the resolution will need some thought. At present I am inclined to a rather brief resolution simply offering the great desirability of the thing ... Also I think we had better act promptly very early in the session". 1

Parliament met on February 23rd and on March 14th Cartwright introduced the resolution suggested. This resolution gave rise to a very long debate, which, with that on the Fishery Treaty makes this session an important one in the declaration of policies which were finally to culminate in the heated election of 1891.

Before, however, discussing the debate, reference should be made to some prior resolutions and bills introduced into Congress, for these were constantly alluded to by the Canadian Parliamentarians. On January 4th, Congressman Townshend of Illinois introduced a bill, which was referred

1. Laurier Papers, Correspondence 1870 - 1891, p. 773.

to the Committee on Foreign Affairs,

"to promote the establishment of free commercial intercourse between the nations of America and the Dominion of Canada by the creation of an American customs union, or Zollverein." 1

A joint resolution presented by Senator Hale was not designed to commend the movement to Canadians for it provided for admission duty free of products

"of certain North American provinces which may have applied for admission into the Union." 2

Butterworth once more returned to the charge with a re-introduction of his bill. It was referred to the Committee on Ways and Means.³ His ally Hitt, on March 5th, also introduced a joint resolution providing that the President should be empowered to appoint three commissioners to meet a like number of Canadians to discuss plans for Commercial Union, which was defined as

"having a uniform revenue system, like internal taxes to be collected, and also import duties to be imposed on articles brought into either country from other nations, with no

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1. Cong. Rec., 50th Cong., 1st. sess., p. 209, H. R. 1284.
 2. Ibid, p. 474, S. R. 37.
 3. Cong. Rec., 50th Cong., 1st. sess., p. 984, H. R. 6668.

duties upon trade between the United States and Canada."

Hitt was Chairman of the Committee on Foreign Affairs, to which this resolution was referred, and he was able to secure a favourable report which he himself presented on March 16th.¹ These incidents in Congress enabled the supporters of Cartwright's resolution to maintain that the time was favourable for such a move, that with very little initiative and concession on the part of Canada its object might be attained.²

Interest was also stimulated in the west, where the movement had not been as active, by a visit of Wiman to Winnipeg. En route he spoke at St. Paul, where, as usual in speaking to American audiences, he dwelt upon the vast resources of Canada and the impossibility of securing political union. His reference to the right of Canada to act independently was rather unfortunate in its expression.

"If she is to remain in swaddling clothes for the benefit of several

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1. Cong. Rec. 50th Cong., 1st sess., p. 1746, p. 2157, H. Res. 129, House Rep. 1183. The Manitoba Free Press Mar 21, 1888, contains a report from its Ottawa correspondent that on a visit of S. J. Ritchie to Ottawa, he was approached by J. D. Edgar who solicited him to urge Hitt to modify his bill so that it would declare simply for Unrestricted Reciprocity between the two countries. Edgar represented that there was "a sentimental objection" to Commercial Union in Canada and that Cartwright's resolution would be greatly helped if Congress took up reciprocity rather than Commercial Union.
 2. E. g. Cartwright, Commons' Debates, Mar. 14, 1888, (vol. XXV) p. 157.

thousand manufacturers in Birmingham and Glasgow and elsewhere, I say it is an outrage, and if England does not take care, Canada will act for herself, and there will be another revolution and another declaration of independence." 1

The speech at Winnipeg, which the Free Press said was "a magnificent success" and delivered to an "immense audience" also followed the familiar lines. Canada had not developed as she should have, said the speaker, because she was isolated and divided from her natural markets; the extent to which trade would develop if unimpeded by duties was illustrated by the \$2,000,000 export of eggs, which were not protected in the United States.

"If Canada should ever have a bird as an emblem, it should have the unobtrusive, unprotected hen."

Commercial Union might not benefit the farmer who grew only wheat as much as those who dealt in small articles, but he would advise the farmer to turn his attention to producing the things Americans wanted

"rather than attempting to compete in Liverpool with the ryots of India."

His answer to the objections which had been raised was again similar to what had been given before. Commercial Union

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1. Manitoba Free Press, Mar. 21, 1888, for reference to this speech in the debate on Cartwright's resolution, see Commons' Debates, 1888 (vol. XXV) p. 584.

would not encourage but discourage annexation, as it gives all the advantages

"without the necessity of annexation
... Under the National Policy we
discriminate in favor of the manu-
facturers, under Commercial Union we
are going to discriminate in favor
of the farmers."

There was no need to fear American control of the tariff for the different parts of Canada were so similar to the opposite districts in the United States that what benefitted one would benefit the other. As a result of Wiman's speech, a brisk controversy on the subject developed between the Manitoba Free Press and its rival in Winnipeg, the former particularly attacking the National Policy.¹

Cartwright's resolution of March 19th, described by the new government organ, the Toronto Empire, as

"craftily and trickily drawn to appeal
to real free traders and also those
who favor Commercial Union,"²

can hardly be described as "brief", as he had suggested. It reads as follows:

"That it is highly desirable that the largest possible freedom of commercial intercourse should obtain between the Dominion of Canada and the United States, and that it is expedient that all articles manufactured in, or the natural products of either of the said

1. Manitoba Free Press, Mar. 9, 16, 17, 20, Apr. 16, and 17, 1888.
2. Mar. 1, 1888.

countries should be admitted free of duty into the ports of the other (articles subject to duties of excise or of internal revenue alone excepted).

That it is further expedient that the Government of the Dominion should take steps at an early date to ascertain on what terms and conditions arrangements can be effected with the United States for the purpose of securing full and Unrestricted Reciprocity of trade therewith."

In his speech introducing the resolution, Cartwright spoke in a similar vein as at Ingersoll in October, but there is a significant difference in his opening remarks.

"I am fortified and encouraged", he said, "by the knowledge that ... I only voice the opinion of the representatives of the Liberal party in this Parliament, and furthermore, that I have every reason a man can have for believing that when I give utterance to their opinions I also give utterance to the opinions of the vast majority of those who support us."

He then went on to speak of the drain of population from Canada -

"one in every four of the native born population has been compelled to seek a home in a foreign country",

and of the immigrants "whom we have imported at great cost", three out of four have left. This, with the reduction in price of farm lands and farm produce and of the volume of trade

"is proof positive that we are in a state of retrogression ... There is an old saying and, I think, a true saying in part, that trade follows

the flag: but I tell this House that it is still more true that trade follows the people and we have unhappily already sent out about two millions of missionaries to cultivate friendly trade relations with the United States ... I contend that for almost everything which our farmers have to sell, the United States, if only we had free and unrestricted trade with them, would afford us absolutely the best market; and I contend further that, besides being the best market, it is literally the only market for a great many important articles which we produce."

The chief objection has been the necessity of the customs revenue. Economies might be possible which would close the gap entirely, or the greater prosperity of the people would increase the import of goods from other countries. Even direct taxation is a fairer means of raising the necessary revenue for the state. The proposal does necessitate discrimination against British goods, but the National Policy advocates showed little concern for the English manufacturer.

"I must say that I have not much respect for 35% tariff loyalty, or for 35% tariff protection loyalty. To tell you a profound secret, Mr. Speaker, which I trust will not go outside the walls of this House, I have never been able exactly to understand the very deep obligation under which the people of Canada lay to England. In point of fact, I rather think that the obligation is the other way. I do not think, Sir, that although we have cherished, and I hope will continue to cherish, the most friendly feeling toward the parent State, I do not think for my part, that we are under any deep debt of gratitude to

English Statesmen, that we owe them much, unless, perchance, it may be the duty of Christian men to forgive them for the atrocious blunders which have marked every treaty, or transaction, or negotiation that they have ever had with the United States where the interest of Canada were concerned [sic], from the days of Benjamin Franklin to this hour, not excepting the first and second Treaty of Washington."

At the same time, however, Great Britain is to-day in a "state of almost dangerous isolation", and her best ally would be the United States.

"If you remember that the interest of England in maintaining friendly relations with the United States is so vast and so great that it outweighs very many times the comparatively trifling profit which she can derive from our trade, then you see there is good ground for the position which I take, and that is that, by entering into close commercial relations with the United States, by establishing a close and friendly intercourse with them, we will render the Empire the greatest service that any colony or dependency ever rendered to the parent State." 1

The Liberal press hailed this speech as

"a model of candour", "a great speech" and "a masterly exposition"; 2

while the newspapers supporting the Government, describing Cartwright as "the actual leader of the Opposition" said it

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1. Commons' Debates, Mar. 14, 1888, (Vol. XXV) pp. 144 - 160.
 2. Halifax Chronicle, Mar. 27 and 28, 1888; Toronto Globe, Mar. 20, 1888; Montreal Herald, Mar. 15, 1888; Victoria Daily Times, Apr. 2, 1888.

was a "four hour's insult on the Canadian people".¹ One of the Conservative members of Parliament declared, he

"begins with Exodus and ends with the lamentations of Jeremiah."²

Davies, who spoke next to Cartwright on the Liberal side, coming as he did from the Maritime Provinces, dwelt chiefly on the advantages to that section of Canada of the old treaty of 1854 and the inability of the government to overcome the forces of nature and develop trade between the provinces. This was a favourite theme of members from that part of the country.

"There is only one issue before us down there, and that is either reciprocity or repeal",

declared two members; whilst others maintained,

"The national policy is simply making the people of Nova Scotia hewers of wood and drawers of water for the Upper Provinces", a "footstool for Ontario".³

George E. Foster, himself coming from the Maritime Provinces and at that time Minister of Marine and Fisheries, attempted to answer these critics and to define the policy of the Government. He and the Secretary of State were the only

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1. Montreal Gazette, Mar. 16, 1888; Toronto Empire, Mar. 16, 1888.
 2. Commons' Debates, Mar. 15, 1888 (vol. XXV), p. 201.
 3. Ibid, pp. 174 - 182, p. 378, p. 487, p. 509, p. 596.

ministers to speak, a fact which was commented upon, and interpreted as showing the usual lack of respect for the House or as a measure of caution lest they might change their minds.¹

"It is the triumph of man to overcome the disabilities which nature throws in his way", said Foster. "It is the triumph of modern science, than which nothing has been more wonderful in the history of the world, to overcome geographical difficulties, to overcome the disabilities of distance, to overcome physical obstructions, and to overcome them in the interest of the unity of countries, and in the interest of the spread of commerce ... The trade of this country has improved and is increasing daily; not only the foreign trade but the inter-provincial trade as well, and after all, the true prosperity of the country depends more upon the variety and extent of this inter-provincial trade than it does on its foreign trade."

The Government's position, unlike that of the Opposition,

"has been stable and has been proved. It has been this: To cultivate the most friendly relations between this country and the kindred people who live to the south of us, to seek in every way to have as fair and as free commercial relations as it is possible for the two peoples honourably to agree upon. There has not been a time since 1848 till to-day when the proposition has not stood out freely and fairly before the people of the United States something like this: Come and let us

1. Ibid, p. 606, p. 627; Montreal Herald, Apr. 9, 1888.

reason together and place our commercial and reciprocal relations on a fair and honourable basis for both of us."

He moved as an amendment to the resolution:

"That Canada in the future as in the past is desirous of cultivating and extending trade relations with the United States in so far as they may not conflict with the policy of fostering the various industries and interests of the Dominion which was adopted in 1879 and which has since received in so marked a manner the sanction and approval of the people." 1

Davies had been careful to state that the policy advocated by the Cartwright resolution was not that of Wiman. Charlton, in his speech, embarked on a long definition of the two. Unrestricted Reciprocity, in contrast to Commercial Union, was

"an arrangement that would admit into the United States all the natural productions of Canada, all the manufactured productions of Canada of any nature, character or name whatever, free of duty: an arrangement which would reciprocally admit into Canada all the productions of the United States of the same character; that we leave the United States free to impose such duties as they choose upon the productions of other countries imported in that country; that

1. Commons' Debates, Mar. 15, 1888 (Vol. XXV) pp. 183 - 194.

they leave Canada free to do the same thing, and raise its revenues from import duties in such a way as it may choose."

Cartwright, in reply to an interruption during this speech, emphatically declared that there was a real differentiation between the two and that his resolution contemplated Unrestricted Reciprocity, not Commercial Union.¹ But this was not allowed by all their opponents. Over and over again it was stated,

"Unrestricted Reciprocity is only an underhand name for Commercial Union." 2

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Even the Manitoba Free Press considered both to be possible under the Cartwright resolution, though the Halifax Herald took pains to point out to the Americans that the plan advocated by the Liberals was not that of the Hitt resolution, which

"was so ruthlessly assailed by the Canadian press that even the grit party were forced to repudiate it." 4

Others declared that while there might be a theoretical distinction, practically it was not worthy of regard, for the United States would not be "such arrant fools" as to give Canada free admission to their markets and at the same time

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1. Ibid, p. 176, p. 211; see also Toronto Globe's review of the Commercial Union Handbook, May 29, 1888.
 2. Commons' Debates, 1888, (Vol. XXV) p. 311, p. 354, p. 365, p. 434, p. 458, p. 525.
 3. Mar. 13, 1888.
 4. Apr. 13, 1888.

permit the retention of her liberty to reduce duties on goods coming from foreign countries, as that would mean the possibility of a "back-door" entrance of products into the United States.¹ It must be admitted that there was a good deal of force in the last argument and it was one which the Liberals were never to answer satisfactorily.

Laurier spoke late in the debate, summing up the arguments which had gone before and endeavouring especially to answer those which dealt with the injury to Canadian manufacturers, and the danger to the British connection. Confederation and the National Policy had both failed to develop trade and commerce, therefore the solution

"is to revert to the only means which in the past have not failed."

If Unrestricted Reciprocity will benefit the farmers but hurt the industrialists and

"if it comes to this; that we are forced to choose between the growers of natural products and the manufacturers, for my part my choice is made, I stand by the industry which numbers 70% of our population."

But he will not accept the premise.

"Sir, it is a peculiarity of these infants called industries, that they never grow."

1. Commons' Debates, 1888 (Vol. XXV) p. 613; Montreal Gazette, Mar. 17, 1888.

It is the monopolist, not the genuine manufacturer, who is opposed to Unrestricted Reciprocity. The objection on the grounds of loyalty

"if it means anything, simply means that if we find it to be to our advantage to adopt reciprocal free trade with the United States we should forego that advantage because we are a colony of England ... I denounce such a proposition: I repudiate it: I denounce it as unmanly, as anti-Canadian, and even anti-British. To pretend, Sir, that our colonial allegiance demands from us that we should be deterred from our spirit of enterprise, that we should refuse to extend our trade and to increase our prosperity according to the best methods which commend themselves to our judgment, to pretend that this is loyalty, I deny; and if I were to characterise this sentiment in the only language in which it ought to be characterised, I would say this is not loyalty, but that it is mere flunkeyism ... If I have to choose between the duty I owe to England and the duty I owe to my native land, I stand by my native land ... It is quite possible that John Bull may grumble, but in his grumbling there will be as much pride as anger, and John Bull will feel flattered if there is an offspring of his so much like the old gentleman that he will not lose any occasion to turn an honest penny." 1

This question of loyalty and the British connection was the one on which most changes were rung, and there are many purple patches and much ~~quoting of~~ bad poetry *is quoted*.

1. Commons' Debates, 1888, (vol. XXV).pp. 554 - 563.

"Are you prepared", declared one eloquent member, "to join hands with those whose high policy it is to build up a Canadian nationality in North America, and at the same time to preserve, and if possible, consolidate the worldwide Empire to which we are heirs? Are you prepared, in the future as in the past, to take your stand in sunshine and through storm, by the old land and the old flag, or, on the other hand, are you prepared to cast in your lot with those who, in the columns of their newspaper press, are, day by day, writing down British institutions and deliberately and scandalously misrepresenting all that England does? ... Are you prepared, at the instance of these men and by their advice to lend a helping hand in the dismemberment of your own Empire?"

And he concluded by reciting the little used verse of the National Anthem

"Confound their politics
Frustrate their knavish tricks
On her our hopes we fix
God save the Queen." 1

To the Liberal argument that

"we in Canada should stand up like men for our own country and say, although we admire the mother land, our policy shall be Canada first, Canada last, Canada in the middle and Canada always",

the Conservatives replied that the policy meant annexation, which would also be the end of a development of a Canadian

1. Ibid, pp. 241 - 244.

nationality.¹ The Liberals, of course, denied this, some of them following Cartwright in his assertion that nothing was owed to Great Britain for she had consistently sacrificed Canadian interests;² others in his statement that the removal of differences with the United States was the best way in which Canadians could serve the Empire.³ Still others declared that in the adoption of the National Policy, the members of the Government

"and the leader of the present Government were the first to indicate to the people of this Country at large that we had made up our minds to adopt a new nationality, which meant severance from the old country."⁴

The old argument that the present tariff discriminated against British goods was, of course, again advanced.⁵

Laurier received support in his argument that the other interests were more important than the manufacturers and therefore should receive more attention; but the former contributed more readily to "the sinews of war" and therefore received prior consideration of the Government.⁶ And would the injury be so great as the manufacturers believed? Did not they

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1. Ibid, p. 605, p. 288, p. 483, p. 530, p. 626; see also Halifax Herald, Mar. 21, and Apr. 3, 1888.
 2. Commons' Debates, 1888, (vol. XXV), p. 536.
 3. Ibid, p. 414; see also Toronto Mail, Mar. 16, 1888.
 4. Commons' Debates, 1888, p. 247, p. 627; see also Toronto Mail, Mar. 19, and 20, 1888.
 5. Commons' Debates, 1888, p. 182.
 6. Ibid, p. 215, p. 591, p. 620.

too need the blessings of continental free trade, a point which seemed to be proved by the experience of the western and southern states. As far as the operatives and mechanics and certain sections of the country were considered, the National Policy had now¹ proved a benefit.

With regard to the exodus of Canadians, it was claimed that this had always gone on, at the time of the old reciprocity treaty² as well as at other times.

"You might as well try to keep Scotchmen out of London as Canadians out of New York."

It was only part of a general movement towards the south and west.² The Toronto Empire, however, tried to produce statistics to prove that the tide had turned and many emigrants were returning.³ Battles over statistics occurred, also, when the Government side endeavoured to prove that farm prices and the value of farm lands were higher in Canada than in the United States, while the per capita debt was lower.⁴

A certain amount of attention, especially in the speeches of the members from the Maritime Provinces, was deflected from the main question, by an amendment from one of their number providing for reciprocity in the coasting trade.

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1. Ibid, p. 216, p. 362, p. 571, p. 620.
 2. Ibid, p. 469, p. 547, p. 565, p. 610.
 3. Apr. 4 and 12, and Aug. 1, 1888.
 4. Commons' Debates, 1888, (vol. XXV), p. 207, p. 491, p. 548, p. 583; see also Toronto Empire, Apr. 4 and 5, 1888.

There were many descriptions of the decline in shipbuilding, which the Liberal members attributed to the loss of trade with the United States, the Conservative to the replacement¹ of wooden by iron ships.

One of the most important aspects of the debate was the development of government policy which was involved, and which was to carry over into the debate on the Fishery Treaty begun immediately after the conclusion of that on Cartwright's resolution. The Montreal Gazette declared that as a result of Foster's amendment "the issue is clear and distinct",² but this hardly seems to be the case. Over and over again, the government supporters declared, not only that they were not opposed to reciprocity, but that their party was the only one which had ever obtained any measure of it from the United States.³ At the same time, however, they were almost inevitably drawn to decry its advantages. The best markets for the farmers, it was stated, were not in the United States, which produced and exported the very articles of Canadian commerce, but in the cities, which depended upon industrial growth, and in Great Britain. One member even

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1. Commons' Debates, 1888, (vol.XXV),p.257, p.335, p.348, p. 605.
 2. Mar. 16th, 1888.
 3. Commons' Debates, 1888, p. 199, p. 267, p. 382, p. 393; see also the Toronto Empire, Apr. 7, 1888.

went so far as to say that

"the duty on our natural products is necessary and important in the interests of the farmers of Ontario." 1

Thus there was considerable ground for the Liberal contention that their argument was inconsistent, and that it was simply a declaration that

"reciprocity with the United States ought only be sought for upon conditions that we are certain would be refused." 2

A further complication was introduced by the receipt of a protest from the United States that though they had placed on their free list some of the articles mentioned in the clause of the Canadian tariff providing for reciprocal free entry, the Canadian Government had not taken the action promised. The matter found its way into the press and was brought up in the House on the 28th of March, the Government contending that the clause in question was permissive, not obligatory, and that in any case, there was no promise to allow the selection of a few articles on which the Americans would gain the advantage. 3 A few days later, however, when the question was again raised, Tupper declared that steps

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1. Commons' Debates, 1888, (vpl. XXV), p. 165, p. 228, p. 274, p. 301, p. 399, p. 542; see also Montreal Gazette, Mar. 20 and 21, 1888, and Toronto Empire, Mar. 15, 1888.
 2. Commons' Debates, 1888, p. 203, p. 206, p. 317, p. 464, p. 599, p. 607.
 3. Ibid, pp. 489 - 494; see also Toronto Empire, Mar. 30, 1888, Tupper Papers, III, p. 388.

had been taken to remove the duties on the articles mentioned. At the same time he said:

"The policy of both sides of this House and of both parties in the country has been steadily directed to obtaining a free interchange of the natural products of the two countries; that from the date of the abrogation of the Reciprocity Treaty both sides in this House, whether in Government or in Opposition, have always been prepared to do everything that it was possible to do to obtain, if we could not obtain a reciprocity treaty, a reciprocity tariff, and as far and as fast as we could, to obtain the free interchange of the various natural products of the two countries that were indicated in the Treaty of 1854. I can only say that is the policy of the Government to-day, and that any measure we can take to carry that forward will be taken."

Davies replied:

"It will not be contended now that it is treason or disloyalty to admit into this country some of the natural products of the United States; and the hon. gentleman, who leads this Government, or some of his very close supporters will have to state to the people of this country exactly where they draw the line, and what are the articles in regard to which it becomes treason to admit them reciprocally, and those in regard to which it is not treason." 1

The press did not altogether divide on party lines on the issue. The Halifax Herald approved the action of the

1. Commons' Debates, 1888, (vol. XXV), pp. 516 - 523.

Government as an

"evidence of their willingness to concede to the United States reciprocal trade in natural products of the two countries." 1

The Toronto Mail approved also though they spoke of it as a "volte face" on the part of the Government: but the Liberal Victoria Daily Times supported the contention that there was no obligation to grand "piecemeal" concessions, and the Montreal Herald called the action "craven submission" while the Conservative Montreal Gazette was most outspoken, declaring

"the Government in our opinion has perverted the spirit at least of the standing offer in the action it has taken ... We can well afford to display as much regard for Canadian interests as Congress does for American interests, and a notice to that effect in the shape of the repeal of the standing offer clause would be commendable." 5

This interjection, therefore, served to underline the fact that the Government was trying, at imminent peril, to ride two horses, a feat which they were to attempt to continue.

Foster's amendment, implying the defeat of the

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1. Apr. 5, 1888.
 2. Apr. 9, 1888.
 3. Mar. 23, 1888.
 4. Apr. 11, 1888.
 5. Apr. 11, 1888.

Cartwright resolution, was carried by a straight party vote on April 9th, and this was hailed as a definition of party policy on both sides.¹ The long debate, the longest on the question of reciprocity which was ever to be indulged in by the House of Commons until 1911, was, of course, of considerable importance in its clarification of the issues and in the provocation of discussion throughout the country; but that it did not quite achieve a clear differentiation was only too evident in the debate on the Fishery Treaty, which followed on the next day. During the course of the negotiations it had been charged that the Canadian Commissioners had suggested a settlement on the lines of the treaty of 1854, and that though this had been refused by Bayard, it would still have been possible to secure Unrestricted Reciprocity.² Tupper sought to dispel this illusion by producing the proposal made by the British plenipotentiaries on December 3rd, of which he said:

"It has been suggested that this is very vague ... I was bound to ascertain if the Government of the United States were prepared to accept any greater freedom of commercial intercourse, to ascertain to what extent they were prepared to meet Canada in order to secure for their fishermen

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1. Toronto Globe, Montreal Herald, Halifax Herald, Toronto Empire, Apr. 9, 1888.
 2. Toronto Globe, Dec. 13, 1887; Halifax Chronicle, Jan. 16, 1888; Montreal Herald, Feb. 7, 1887.

the enjoyment of the advantages which they had under the Treaty of 1854, and under the Treaty of 1871. If that proposal does not formulate as broad and as general an invitation to the Government of the United States as could be made, provided they were willing to deal upon a commercial basis at all, I should be very happy if any hon. gentleman will point out to me wherein the proposition is wanting."

An Opposition member then declared "the offer is unrestricted", to which Tupper replied:

"The hon. gentleman says the offer is unrestricted, and I intended it should be so. I intended to give the Government of the United States the fullest opportunity of stating just how far they were prepared to go in reciprocal trade with Canada. I knew, Sir, that the air was full of theories of commercial union, full of proposals of unrestricted intercourse, and I thought I could not do a better service to Canada under these circumstances, than to ascertain at the outset what was the position of the United States as to that question." 1

Ever since the documents had been published, earlier in the session, the Liberal papers had maintained that Tupper's offer showed

"at least an approximation to Unrestricted Reciprocity." 2

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1. Commons' Debates, Apr. 10, 1888, p. 681.
 2. Toronto Globe, Mar. 9, 13, 17 and 27, 1888; Halifax Chronicle, Mar. 19, 1888.

Both the Opposition speakers and the Opposition press there-
fore seized avidly on this admission.

"The speech of the Minister of Finance shows", said Sir Richard Cartwright, "in the clearest possible manner the insincerity, to say the least of it, of the attacks that were made from that side of the House on the gentlemen on this side with respect to this question of unrestricted reciprocity. If it was disloyal, if it was so unreasonable, and it was treasonable, how was it, in the name of wonder, that the hon. gentlemen could have come into these negotiations with Mr. Bayard, or to make a proposition which he himself says amounted to unrestricted reciprocity?"

"The speech was in the main a contradiction of much that has previously been said from the Government benches", commented the Montreal Herald, "but was, of course, cheered in the usual way". 1

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1. Commons' Debates, 1888, (Vol. XXV), p. 780, p. 848; Montreal Herald, Apr. 11 and 12, 1888; Toronto Globe, Apr. 10, 1888. This tradition of Tupper's offer of Unrestricted Reciprocity was to persist for some time. In 1899, Laurier said in the House of Commons

"Sir, if unrestricted reciprocity was a crime, the first criminal was the hon. gentleman himself. If there was any merit in it, he is entitled first of all to the merit, because he is the man, the only Canadian so far as I know, who, in negotiations with the Americans, actually offered to barter away certain privileges on the basis of unrestricted reciprocity."

Tupper denied this, and when pressed by Laurier, admitted that he made "an unrestricted offer of reciprocity," but

"an offer of unrestricted reciprocity and an unrestricted offer of reciprocity are two things as dissimilar as night and day. The term 'unrestricted reciprocity' covers what it states, but an offer of reciprocity that was not restricted is as different from it as night is from day."

To this Laurier replied:

"It was tweedle dum and dweedle dee, or six of one and half a dozen of the other."

(Commons' Debates, (Vol. XLVIII), p. 102; see also Paterson, Commons' Debates, 1900, (Vol. LI) , pp. 2941 - 2942.)

The Conservative contention was, of course, that the offer at the time of the fisheries negotiations, had proved the complete impracticability of the Liberal programme; and Tupper reinforced this by declaring:

"You may go to Washington as I did; you may mingle for three months, as I did, with the leading men of all parties and all classes; you may go through the House of Representatives from beginning to end and canvas every man and you may go to the Senate of the United States and canvas every man, and I say you will not find a single man who will talk to you on the subject of unrestricted reciprocity ... Talk to them, Sir, of commercial union - I tell you that I did not meet a man of any party, I did not meet an American statesman who would not hold up both hands for commercial union with Canada. Why, Sir? Because he knows that it would give Canada to the United States, he knows that you would never occupy the degrading position of having a neighbouring country make your tariff and impose taxes upon you." 1

The Liberal newspapers replied that a refusal to discuss commercial relations in conjunction with the fisheries, and after

"Sir Charles had in the meantime induced Mr. Chamberlain to blurt against Unrestricted Reciprocity",

did not prove that in other circumstances the Americans might

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not be willing.

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1. Commons' Debates, 1888, (Vol. XXV)p.681; see also Montreal Gazette, Mar. 20, Apr. 11, 1888; Halifax Herald, Apr. 14, 1888.
 2. Toronto Globe, Mar. 10, Apr. 11, 1888.

The Fishery Treaty was passed without a division in the Canadian Parliament, but the case was far different in Congress. After a long debate, lasting from May 30th to August 21st, it was rejected by the Senate. This was followed, on the 24th, by a message from the President, which, while expressing approval of the terms of the treaty, asked for authority

"to suspend by proclamation the operation of all laws and regulations permitting the transit of goods, wares and merchandise in bond across or over the territory of the United States to or from Canada." 1

The fact that this message was acted upon by the House of Representatives, but not by the Senate, did not allay Canadian resentment at the whole incident. Both the rejection of the treaty and Cleveland's retaliation message were rightly attributed to the desire to make political capital on the eve of a Presidential election and the language used in the Canadian press on this aspect was, in some cases, far from polite. The whole matter, wrote the Toronto Empire, must be considered in the light of the fact that the United States

"are to be judged by a lower standard of honour in matters of international good faith and are to be allowed to prefer considerations of partisan expediency, especially in Presidential election contests, to the dictates of

1. Cong. Rec. 50th Cong., 1st. sess., p. 7902.

national honour". 1

The Globe called the retaliation message

"electioneering clap-trap designed to outbid the Blaine-Harrison combination for the anti-British vote." 2

The Liberal press also declared:

"If the Canadian Parliament had refused to ratify the treaty, we should not have been surprised, but it does seem a little strange that the Senate of the United States should object." 3

Both Liberal and Conservative newspapers united in the belief that, though some interests in Canada would suffer, retaliation would not be an unmixed evil and in any case, Canadians could not afford to be cowed by the threat. 4 A staunch supporter wrote to Macdonald that he felt

"somewhat anxious about relations between us and the Americans", 5

but the latter declared retaliation "would have done Canada unmixed good". 6

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1. Aug. 23, 1888.
 2. Aug. 24, 1888; see also Halifax Chronicle, Aug. 23, 1888; Halifax Herald, Aug. 22 and 25, 1888; Montreal Gazette, Aug. 25, 1888.
 3. Halifax Chronicle, Aug. 23, 1888; see also Toronto Globe, Aug. 17, 1888.
 4. Montreal Herald, Aug. 27, 1888; Montreal Gazette, Aug. 24, 1888; Toronto Globe, Aug. 25, 1888; Halifax Herald, Aug. 25, 1888. The Halifax Chronicle dissented saying that retaliation "would be most disastrous to us". Aug. 27, 1888.
 5. Tilley to Macdonald, Aug. 30, 1888; Macdonald Papers, Tilley Correspondence, 1882-1891, p. 638.
 6. Macdonald to Tupper, Oct. 4, 1888, Macdonald Letter-book No. 25, p. 167.

Wiman took the opportunity to issue once more, both in Canada and the United States, a call to rally round Commercial Union.¹

The situation was not improved by a resolution and speech made on September 18th by Senator Sherman of Ohio, afterwards to become Secretary of State, for a brief period, under McKinley. The resolution was innocuous enough in itself, simply instructing the Committee on Foreign Relations, to enquire into the relations between the United States, Great Britain and Canada, and to report at the next session

"such measures as are expedient to promote friendly commercial and political intercourse between these countries and the United States."

But his supporting speech was as follows:

" And now I submit, if the time has not come when the people of the United States and Canada should take a broader view of their relations to each other than has heretofore seemed practicable. Our whole history since the conquest of Canada by Great Britain in 1763, has been a continuous warning that we cannot be at peace with each other except by political as well as commercial union. The fate of Canada should have followed the fortunes of the colonies in the American Revolution. It would have been better for all, for the mother country as well, if all this continent north of Mexico had participated in the formation and shared in common the blessings and prosperity of the American Union

1. Montreal Herald, Aug. 25, 1888, statement issued in the United States; Toronto Mail, Sept. 5, 1888, speech at East Elgin Farmers' Institute picnic.

The commercial conditions have vastly changed within twenty five years. Railroads have been built across the continent in our country and in Canada. The seaboard is of such a character, and its geographical situation is such on both oceans, that perfect freedom as to transportation is absolutely essential, not only to the prosperity of the two countries, but to the entire commerce of the world; and as far as the interests of the two people are concerned, they are divided by an imaginary line. They live next door neighbours to each other, and there should be a perfect freedom of intercourse between them.

A denial of that intercourse, or the withholding of it from them, rests simply and wholly upon the accident that a European power, one hundred years ago, was able to hold that territory against us; but her interest has practically passed away and Canada has become an independent Government to all intents and purposes, as much so as Texas was after she separated herself from Mexico. So that all the considerations that entered into the acquisitions of Florida, Louisiana and the Pacific coast and Texas, apply to Canada, greatly strengthened by the changed conditions of commercial relations and matters of transportation. These intensify not only the propriety, but the absolute necessity, of both a commercial and a political Union between Canada and the United States." 1

In an interview with the New York Sun, Sherman reiterated these views, declaring that political union was the "inevitable destiny"

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1. Cong. Rec. 50th Cong., 1st. sess., pp. 8666 - 8671; Sherman, John, Recollections, (2 vols. New York and Chicago 1895) II, pp. 1017 - 1020; Toronto Empire, Sept. 19, 1888.

of the two countries, that Commercial Union would promote "points of difference, not points of union", and that

"a Reciprocity Treaty with Canada would be acceptable to the Dominion, but would never be tolerated by our people. The bargain would be too one-sided."

This interview and his speech in the Senate were given considerable attention by the Canadian press.¹ An interview of Wiman, endeavouring to combat these views by the statement that

"commercial union is a probability within a very short time; a political union is a possibility remote and uncertain in its results",

drew from the Empire the declaration that he differed little from Sherman

"not as to the desired object, but as to the means of securing it ... Evidently in the 'Americanizing' combination to which it belongs, the Globe favors the Wiman-Smith, or two bites-at-the-cherry faction, rather than the Sherman or one-swallow faction." 2

Butterworth was also not very felicitous in his choice of means to promote an object he had previously supported with such zeal. On the 13th of December, he introduced a resolution authorizing the President to negotiate for

"the assimilation and unity of the people of the Dominion of Canada and the United

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1. Toronto Empire, Sept. 20, Oct. 6, 1888; Toronto Globe, Oct. 6, and Dec. 3, 1888.
 2. Oct. 6, 8 and 15, 1888.

States under one government." 1

This "insulting overture" as it was termed by the Empire,² was indignantly repudiated by Wiman, but it provided an excellent opportunity for Conservative jeers.

"Goldwin Smith and Erastus Wiman call it commercial union; Liberal papers in Canada advocate it as unrestricted reciprocity; Congressman Butterworth alludes to it as 'assimilation'; The average United States paper discusses it as annexation. There are highways that are locally known by different names, but following them brings the traveller to one destination. The end of all these political roads is Washington." 3

Another suggestion of Butterworth - that money should be voted for the entertainment of members of the Canadian Parliament and the Provincial Governments who should be invited by the President to visit the United States - was not favourably received by Wiman or the Canadian Press. Macdonald wrote to his confidential American advisor, S. J. Ritchie:

"I fear that invitation will not be readily responded to by our legislators." 4

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1. Cong. Rec. 50th Cong., 2nd sess., p. 234, H. Res. 240; Toronto Mail, Dec. 14, 1888.
 2. Dec. 14, 1888.
 3. Montreal Gazette, Dec. 14 and 15, 1888; cf. for repudiation of this proposal by a paper previously favouring Commercial Union, Manitoba Free Press, Dec. 17, 1888.
 4. Cong. Rec. 50th Cong., 2nd sess., p. 2055, H. Res. 265; Toronto Mail, Feb. 20, 1888; Toronto Empire, Feb. 20, and 25, 1888; Montreal Gazette, Mar. 1, 1888; Macdonald Letter-book, No. 25, p. 332.

The Hitt resolution, introduced, it will be remembered, the previous session, and providing for negotiations for Commercial Union, was passed by the House of Representatives on March 1st,¹ but though Charlton waved the telegraphic announcement from Hitt in the House of Commons, the news was not received with unmixed rejoicing in Canada. The Liberal attitude is more accurately summed up in the cautious statement of the Halifax Chronicle:

"We do not say that the Liberal party will or ought to accept the scheme proposed by Mr. Hitt in its entirety, but it shuts the mouths of the Tory party on the question of possibility." 2

To the Conservatives it was one more evidence of the

"avowed desire on the part of our neighbours to place us under bondage to them"; "it will show plainly to Canadians the fate prepared for them by these tutors of Mr. Laurier and Sir Richard Cartwright." 3

All this seems to have encouraged the members of the Canadian Government to take a stronger stand. Macdonald at the moment was angling for the support of a prominent New Brunswick politician, who complained:

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1. Cong. Rec. 50th Cong., 2nd sess., p. 2539.
 2. Commons' Debates 1889 (vol. XXVII.), p. 384; Halifax Chronicle, Mar. 4, 1889; see also ibid, Mar. 9; Manitoba Free Press, Mar. 5, 8 and 15, 1889; Toronto Globe, Mar. 4, 1889.
 3. Montreal Gazette, Mar. 2, 1889; Toronto Empire, Mar. 2, 1889; Halifax Herald, Mar. 4, 1889.

"that his constituency was strongly in favor of unrestricted reciprocity with the U. S. and he hoped that you would see your way clear to evolve some sliding scale that would keep us here from taking issue squarely on that question." 1

The Prime Minister replied:

"He need not trouble himself about 'unrestricted reciprocity'. Before 1892 [when, he had intimated, the next elections would probably be held] it will be as dead as Julius Caesar." 2

This opinion was more firmly reiterated to Tupper in a letter in December, where he says:

"The Presidential election and all its incidents have greatly disgusted our people and just now Commercial Union and Unrestricted Reciprocity are quite dead." 3

His first definite public pronouncement against "Commercial Union or Unrestricted Reciprocity and Annexation", as he said it was, was made at a banquet in honour of a colleague at Sherbrooke, Quebec, on the 30th of October. The arguments used foreshadow, even in their wording, the famous manifesto, which he was to issue in the election, which was to be the culmination of the agitation.

"He was a British subject", the report of his speech says, " ... He would

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1. Macdonald Papers, Miscellaneous 1888, (vol. IV), p. 8.
 2. Macdonald Letter-book No. 25, p. 62; Pope, Correspondence of Macdonald, p. 415.
 3. Ibid, p. 276.

speak for himself and his colleagues.
They were born British subjects, and
they expected to die British subjects."

Direct taxation and taxation without representation would be
the results of either Commercial Union or Unrestricted Recipro-
city.

"This fad was got up by the Opposition
in a feeling of despair. The Opposi-
tion were preaching annexation in
every form, whether in its own name or
disguised under the name of commercial
union or unrestricted reciprocity, as
a cure for all ills." 1

From New Brunswick itself, and from a correspondent who had
written him in 1887 expressing some fear as to future develop-
ments, he received in the early part of the session confirma-
tion of his views.

"The Commercial Union or Anti-British
movement which you will remember
alarmed me so much 18 months ago, has
taken the turn you predicted ... The
people begin to see annexation and
direct taxation in it and are giving
it the cold shoulder. This view of
the case, we are endeavouring to keep
before the people, and are educating
them accordingly in that direction." 2

It is not surprising, therefore, that the period
before the opening of the 1889 session should be one of some
reconsideration and difficulty for the Liberal party. The
Halton bye-election campaign, held on August 15th, was waged

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1. Ibid, p. 264; Montreal Gazette, Oct. 31, Nov. 1, 1888.
 2. Macdonald Papers, Tilley Correspondence 1882-1891, p. 651.

on the strict ground of Unrestricted Reciprocity, enunciated in several strong speeches by Laurier himself,¹ and resulted in a Liberal victory; but after the rejection of the Fishery Treaty their leaders became disturbed.

"It seems to me that this last move of Mr. Cleveland's", wrote Cartwright to Laurier, "will force us to keep silent on the question of reciprocity till the Presidential elections are over and the U. S. policy is more clearly defined. It is probably a mere electioneering dodge but it may be very mischievous for all that even if good does ultimately come of it. Meantime, at a convenient season you or I will have to emphasise the folly of the Govt. in delaying settlement of the fishery question to such a very inauspicious period. They have all along been playing with edged tools and the country will rue it. Glad Halton was over in time." 2

When Laurier attempted to follow this advice in a speech at St. Thomas, declaring that the impasse was due

"to the vicious policy of the Canadian Government in the administration of the rights secured to us by the Treaty of 1818",

a minor tempest arose. The Globe took issue with this statement and a good deal of correspondence passed on the subject between its editors, Laurier, and the other leaders of the Liberal party. Apparently Laurier, as he was so frequently to do, considered the possibility of resigning, but he was soothed by his

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1. See Toronto Globe, Aug. 14, 1888.
 2. Aug. 27, 1888, Laurier Papers, Correspondence 1870-1891, p. 838.

Parliamentary followers, who stigmatized the Globe's "attack" as "unpardonable" and declared

"it was as annoying to the rest of the party as it was to yourself". 1

The Government speakers and press, of course, did everything possible to widen the breach. Two of the Ministers speaking on August 30th, said that the "voice of St. Thomas" was the only one in Canada to state:

"that Canada is all wrong and that the United States Government is all right. ... The President's message is the interruption that puts a fatal mark across the page of unrestricted reciprocity."

Foster and Sir Charles Tupper's son, now Minister of Marine and Fisheries, declared that the Globe was "fighting the battle of the Canadian administration".² The Empire maintained that the insults offered to Canada in "annexation resolutions" and "annexation speeches" were due in large measure to

"Opposition speeches and Opposition editorials" which "decry their country", make "unwarranted comparisons with the United States", "represent the people of Canada as fleeing in terror from their homes to the United States". "There must be many thousands of Liberals in Canada who are

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1. Toronto Globe, Aug. 28 and 29, 1888; J. D. Edgar, E. W. Thomson, J. W. Willison, L. R. Davies to Laurier, Sept. 1, Nov. 25, Sept. 5, Sept. 6, Nov., Laurier Papers, Correspondence 1870-1891, p. 841, p. 843, p. 846, p. 896, p. 917.
 2. Toronto Globe, Aug. 30 and Sept. 7, 1888.

perplexed by the action of their party leaders and mortified because of the character of their bed-fellows. There must be thousands asking themselves at this moment how it happens that every movement looking to the humiliation of the Canadian Government, and the disintegration of the country proceeds from persons professing sympathy with the Liberal Party." 1

From Laurier's correspondence it becomes evident that he circularized his Parliamentary followers as to the advisability of continuing the Unrestricted Reciprocity agitation in view of the statements made in the United States and the protests of "a number of members of our party in Ontario". All letters received urged that the policy should be adhered to:

"Surely we are not a parcel of children", wrote Davies, "solemnly to adopt as the chief plank in our platform an important policy such as Unrestricted Reciprocity and then drop it because some of those we hoped were with us on the other side choose to adopt a most damaging course for us."

At the same time, however, he said:

"I don't advocate the latter policy because I believe it to be the best possible one for us but simply because I believe it to be the best possible attainable one. I would prefer Geo. Brown's treaty of 1874 and would be satisfied with the old treaty of '54."

One member declared, however, that

"we should ... at the same time announce in the same resolution that

1. Sept. 18, Oct. 13, and 18, Dec. 14, 1888; see also Halifax Herald, Aug. 23, 1888.

annexation is not a condition we would agree to, in order to bring such a policy about;"

and another that, though he favoured a continued support of the Unrestricted Reciprocity programme,

"I never was in favour of making this the sole issue of the next election." 1

As a result of the difficulties which had arisen between Canada and the United States, the Globe had suggested² the advocacy of the right for the Dominion to negotiate her own commercial treaties. Generally approved in the correspondence alluded to above, it made its appearance in a resolution presented by Cartwright in the House of Commons on February 18th, which provoked the first discussion of the session bearing upon the question of reciprocity. In his speech supporting this resolution, the text was, of course, the fisheries negotiations which, in Cartwright's view, proved clearly the clumsiness of the present mode of procedure. Davies, who supported him, declared that there must be further negotiations between the Canadian Government and the United States

"and in order to negotiate as reasonable men, they ought to have, and should have, a duly accredited agent there, keeping them acquainted with

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1. Davies, John A. Barron, H. H. Cook, George E. Casey, John V. Ellis to Laurier, Nov. 8, 1888, and Jan. 10, 1889, Dec. 29, Dec. 31 and Jan 14, 1889, Laurier Papers, Correspondence 1870-1891, p. 901, 940, p. 925, p. 927, p. 933 and p. 954.
 2. Aug. 22nd, 1888.

the facts as they exist with the trend of public opinion, with the wishes of the people of the United States, which, I believe, all tend towards closer connection with the Dominion of Canada."

Foster's reply for the Government was that no different method of procedure could have prevented the impasse over the fisheries and that the resolution was only a disguise.

"Just so surely as the old worshipper in Palestine turned his face towards Jerusalem when he worshipped, just so surely as the old Mussulman had his journeys pointed towards Mecca, just so whatever changes, whatever modes, forms or fashions of political garments these gentlemen don or take off, they always turn in the end towards the United States of America;" 1

or as the Empire phrased it:

"a mere variation of the same unpopular tune. The resolution as to treaty making, moved by Sir Richard Cartwright on behalf of the official Grits, is nothing but an attempt, to use Mr. Wiman's words, to repair the blunder made a hundred years to, by making, if tardily, a declaration of independence." 2

On February 26th, Laurier moved an omnibus resolution for the re-opening of negotiations on the fisheries, the securing of Unrestricted Reciprocity and the direct representation of

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1. Commons' Debates, Feb. 18, 1889 (vol. XXVII), p. 172, p. 193.
 2. Toronto Empire, Feb. 19 and 26, 1889; for further hostile comment see Montreal Gazette, Feb. 20 and Halifax Herald, Feb. 27, 1889; for supporting comment, Toronto Globe, Feb. 11 and 20, 1889; Halifax Chronicle, Feb. 21, 1889, and Victoria Daily Times, Mar. 9, 1889. The Toronto Mail was rather luke-warm, see Feb. 20 and 25, 1889.

Canada in such negotiations. His speech was a further elaboration of the unnecessary irritation to the United States consequent on the government's method of dealing with the fisheries, and a statement of the policy of the Liberal party as "not merely a restoration but an enlargement" of the Treaty of 1854.¹ Sir John Macdonald, in replying, called Laurier

"a friend, like other cosmopolitans,
to every country but his own".

He too, made a significant pronouncement of policy.

" I need not tell the hon. gentleman opposite", he said, "that, on the first intimation of a desire on the part of the United States to enter into enlarged trade relations with us, we shall be only too happy to enter upon them as well as on the more burning question of the fisheries ... We are anxious, yes, we are more than anxious to enter into the most free relations with the United States but ... only so far as the interests of Canada will allow." 2

This was commented upon by Edgar, from the Liberal side, who called it a

" most distinctly educational speech
... that there is something good in
reciprocity after all." 3

Davies contended that had the government adopted his resolution of 1884⁴ and tried to negotiate a settlement of the fisheries

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1. Commons' Debates 1889 (vol. XXVII), pp. 323 - 328.
 2. Ibid, pp. 329 - 332.
 3. Ibid, p. 342.
 4. See above, p. 18.

question together with reciprocity, before the minds of the people of the United States had been inflamed, they could have obtained a proper ¹ treaty. To this the Minister of Justice, who had accompanied Tupper to Washington in 1887-8, replied:

"The one supreme difficulty which the negotiators had to meet with in Washington, as everybody knows now, was the conviction which has gained ground in the United States, and which has gained ground more than anything else by reason of the persistence with which this question of reciprocity has been projected into the discussion by the Opposition in this House ... was the conviction that we did not care so much about our fishing rights, but that we were persisting for reciprocity and that we were raising the fishery question in order to compel reciprocity." 2

Cartwright's contribution was a renewed insistence that the Government's object in behaving in a manner so admirably calculated to irritate the United States was because

"they dreaded the rising tide of public opinion in favor of freer commercial relations ... They do not dare to say they dread reciprocity in open terms."

Once more, also, he maintained that Canada's real service to the Empire lay in cultivating good relations with the United ³ States.

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1. Commons' Debates 1889, (vol. XXVII), p. 406.
 2. Ibid, p. 412.
 3. Ibid, pp. 419 - 422.

On March 5th, Cartwright introduced a resolution, identical with that of the previous session, urging an inquiry into the "conditions and terms" on which Unrestricted Reciprocity with the United States could be obtained.¹ The debate was again a comparatively long one, though not so long as in 1888 and, in the words of the Montreal Gazette it

"added little that was new to the literature of the question." 2

Cartwright began with statistics to show the depressed state of the country, - an exodus of 700,000, a fall in the volume of trade from \$217,000,000, in 1874 to \$193,000,000, an increase in the debt from \$75,000,000 to \$236,000,000, and a consequent increase in taxation. Some of the members of the Government party tried to deny these evidences of a lack of prosperity and a Manitoba representative gave a glowing account of conditions in the North West. Others, more candid, admitted the depression in the country, but declared,

"We are not suffering under any evils that we are not competent ourselves to remedy." 3

"At the very moment", said Cartwright, "when they were occupied in this House belittling our trade with the United States last year ... talking grandiloquently of how well Canada could do

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1. Ibid, p. 468.
 2. March 10th, 1889.
 3. Commons' Debates 1889 (vol. XXVII), p. 456, p. 512, p. 559, p. 570, p. 580, p. 732; see also Toronto Empire, Mar. 17 and 18, 1889, and Montreal Gazette, Mar. 20, 1889.

without the trade of the United States, the United States trade with us was growing by leaps and bounds."

It increased by about \$10,000,000 last year alone. The same point was made by other Liberal speakers and an effort made on the part of the Conservatives to combat it by pointing out that a considerable part of the exports to the United States were for transshipment, and the imports, also, were the re-exported goods of other countries.

"The history of the United States", said one member, "proves conclusively that the effect of free commercial intercourse between adjoining states and adjoining countries is not to distribute equally among them all the advantages of free trade. It proves conclusively that all do not participate equally in the growth and prosperity of the whole - but just the reverse. It proves that the favored portions of the country grow at the expense of the less favored. It proves that the strong absorb the weak, that the result of extending free trade over a large area is to create great centres of manufacturing industry, that these centres of manufacturing industry grow and prosper with the growth of the nation, while the weaker interests languish and die. So far as the commerce of the country is concerned, the effect of extending this free trade principle is to develop the commerce of those parts which are most favorably situated in regard to geographical position or which have other advantages. Had the Canadian provinces been part of the American republic, they would have been 'a mere insignificant fringe on the outskirts of the Republic, without a history and without a name', and that is the position to

which they will be rapidly reduced if this policy is adopted at the present time." 1

Cartwright, in his speech, made an unfortunate allusion to the Hitt resolution as showing that the time was opportune for negotiations for freer trade relations. This was, of course, seized upon by the Conservatives who were thus given another opportunity of identifying Unrestricted Reciprocity and Commercial Union.

"The difference", said the Toronto Empire, "is about the same as that between the distance from the earth to the moon and the distance from the moon to the earth. In terms there is a difference between these two measurements, but the result would be the same in both cases." 2

Sir John Macdonald's statement in the fisheries debate, that the government was willing and anxious to make a fair trade arrangement with the United States, was reiterated by his Minister of Marine and Fisheries; but again, as in the previous year, the effort to combat the Liberal arguments led to a disparagement of the value of the treaty of 1854, and even, in one case, to a definite statement that reciprocity would be harmful to the farmers. Thus at the conclusion the Opposition members were

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1. Commons' Debates 1889, (vol. XXVII), p. 466, p. 486, p. 505, p. 624, p. 651, p. 702; see also Halifax Chronicle, Feb. 2 and Mar. 23, 1889, and Toronto Empire, Mar. 7, 1889.
 2. Commons' Debates 1889, (vol. XXVII) p. 467, p. 478, p. 704, p. 713; see Toronto Empire, Mar. 8, 11, 19 and 21, 1889.

left pointedly declaring that it was impossible to discover the real policy of the Government. Some of the speakers for the latter indulged in invective against the United States beside which Congressional annexation resolutions seem insignificant as insults.

"Why should we wish to extend trade relations", asked one member, "with a people who, 'in all fairness' have overreached us in almost every transaction, who cheated us by false maps out of the State of Maine, dishonestly pocketed millions of dollars in connection with the Alabama award, and who recently applauded the infamous threat of the Retaliation Bill by a President who had, only a few days before, declared publicly that Canada had done everything that was fair, just and honorable." 1

During this debate the strict party newspapers in the East were most assiduous in their comment. The Toronto Mail, however, had fallen away almost entirely from its advocacy of Commercial Union and was devoting its attention chiefly to the expression of the ultra-Protestant view in the controversy over the Jesuits' Estates in the province of Quebec. Only one editorial appears during the whole course of the debate on the Cartwright resolution and this only argues in favour of less restriction of trade, without mentioning either Commercial Union of Unrestricted Reciprocity. The Manitoba Free Press has two editorials, criticizing the attitude of the Western members

1. Commons' Debates 1889, (vol. XXVII), p. 478, p. 621, p. 637, p. 704, p. 711, p. 713, p. 723, p. 735.

supporting the Government, and the Victoria Daily Times has no
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editorial comment.

This is symptomatic of a slackening of interest generally. Laurier, it is true, made a speech at Toronto on September 30th, which is one of the strongest assertions of his and his party's adherence to the policy, and which was often later quoted as
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such.

"Every reform", he said, "has caused to the reformer years of labor and those years of labor I for one am prepared to give, and though Democrats may be defeated in the States, and though Canadians may grow fainthearted in Canada, the Liberal party, as long as I have anything to do with it, will remain true to the cause until that cause is successful. I will not expect to win in a day, but I am prepared to remain in the cool shades of opposition until the cause has triumphed and you shall never hear a complaint from me ... But, gentlemen, others of you will say, is that the only question? Are there no other questions pending for solution? Yes, gentlemen, there are other questions, and important questions too, that will soon come into the arena of active politics, but as I read history, as I read Canadian history, one great reform at a time is as much as a party can effect; and if we fix our eyes steadily on one reform and devote all our energies to its accomplishment, success will certainly crown our efforts at no distant day; fixing our eyes steadily upon the

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1. Toronto Mail, Mar. 19, 1889; Manitoba Free Press, Mar. 14 and 21, 1889.
 2. E. G. Halifax Herald, June 12 and 22, 1896.

goal, we shall go on steadily till we reach it - Unrestricted Continental Reciprocity. Mr. Baldwin devoted his life to one single reform, that of Responsible Government; Mr. Brown gave his life to one single reform, Representation by Population; and if the Liberals of to-day can achieve what they now have in view, and proclaim the great principles of Continental Free Trade, they will have conferred a boon on the British race, and they will have benefited mankind; they will have performed a service of which they will have every reason to be proud." 1

A speech of Cartwright's at Ingersoll on November 14th, however, though still proclaiming his adherence to the policy of Unrestricted Reciprocity, dwelt at great length on the corruption of the Government. While no doubt the object of the speech was to link these two great cries of the Liberal party, its effect may well have been to deflect attention to the latter.²

The pamphlets and magazine articles which appeared at this time were not calculated to gain support for the project in Canada. J. W. Longley discussed "The Future of Canada" in a way which, while not proclaiming his own views with any definiteness, still let it be inferred that he was not completely averse to a political union. An article by an American writer failed to make any clear distinction between commercial and political union and declared:

"No foreign flag on this continent is the

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1. Toronto Globe, Oct. 1, 1889.
 2. This speech is published as a separate pamphlet.

sentiment of the progressive American heart to-day."

Wiman's articles, now appearing in magazines and newspapers rather than in privately printed pamphlets, while still maintaining that a political union was impossible, describe the resources of Canada and the geographical advantages to the United States in a way which the Toronto Globe said was calculated

"to increase the desire of Americans to possess it and the determination of Canadians to hold it for the home of a great nation." 1

Commercial Union, he wrote, was favoured in the United States by merchants, bankers and manufacturers,

"and especially among the intelligent class of artisans in New England industrial centres, who see in it a hopeful sign for cheapened food and a supply of raw material, on the one hand, and an enlarged market for the product of their industry on the other. Nova Scotia to the New England States is a new Alabama, within easy reach, with resources equally important, especially to the regeneration of her iron industries."

Even a Canadian publicist, while advocating Unrestricted Reciprocity did not make a clear distinction between it and Commercial Union. The latter was now definitely opposed by the Toronto Globe, which declared in a review of one of Wiman's

1. Jan. 11, 1889.

articles:

"Mr. Wiman is over sanguine in sup-
posing that a commercial union - by
which we understand him to mean a
Custom's Union - is among the earliest
attainable possibilities. He and his
friends, whether intentionally or not,
ignore the difficulty of establishing a
Zollverein that would consist with the
legislative independence of Canada." 1

Before the opening of the Canadian Parliament, two of the local
legislatures had, however, taken steps favourable to reciprocity.
The Manitoba house, on March 19th, passed a resolution asking
the Dominion Government to take steps

"to negotiate with the Government of
the United States of America with a
view of arriving at some arrangement
by which there should be Unrestricted
Reciprocity in trade between the two
countries." 2

In British Columbia, the Conservative premier introduced a
resolution for the free admission of mining machinery. 3

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1. J. W. Longley, The Future of Canada; L. E. Munson "A Commercial Union with Canada", New Englander and Yale Review, July 1890 (vol. LIII), pp. 1 -13; Erastus Wiman, "The Greater Half of the Continent", North American Review, Jan. 1889, (vol. CXLVIII) pp. 54 - 71; "What is the Destiny of Canada", ibid, June 1889, pp. 665 - 675; The Feasibility of a Commercial Union Between the United States and Canada (pamphlet); interview with reporter of the Chicago Tribune, Oct. 5, 1889; Thomas P. Gorman, "Why not have Reciprocity?", Toronto Globe, Jan. 11, 1889.
 2. Journals of the Legislative Assembly of Manitoba, 1890, p. 109; Manitoba Free Press and Toronto Globe, Mar. 20, 1890.
 3. Victoria Daily Times, Mar. 19, 1890; Journals of the Legislative Assembly of British Columbia, 1890, p. 69.

By the time the Federal Parliament met, however, the whole issue was over-shadowed by the McKinley tariff revision in the United States. Hitt had, it is true, re-introduced his resolution providing for Commercial Union and had induced the Committee on Foreign Affairs to change it to provide for the appointment of three Commissioners to meet with three Commissioners from Canada

"whenever it shall be duly certified ..
.. that the Government of the Dominion of Canada has declared a desire to enter into such commercial relations with the United States as would result in the complete removal of all duties upon trade between Canada and the United States." 1

This, the Halifax Chronicle declared, brought it

"exactly in line with the resolutions submitted from year to year by the Liberal party in the House of Commons", 2

though the Toronto Empire pointed out that Canada "must be the suppliant" and state her readiness

"to enter into relations with the United States which she has persistently refused to enter into with Great Britain." 3

This resolution was also referred to in the Parliamentary debates as showing an evidence of the same division in the United

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1. Cong. Rec. 51st Cong., 1st. sess., p. 323, p. 4172.
 2. Mar. 28, 1890.
 3. Apr. 2, 1890.

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States as existed in Canada; but it was the McKinley resolutions which, practically, shaped Canadian policy.

Providing for greatly increased duties on agricultural products, they naturally threatened to curtail Canadian exports. The Liberal newspapers maintained that the change

"has been brought about almost entirely by the policy pursued by the present Dominion Government. They have deliberately, year after year, in spite of warning, pursued a policy towards the United States which could not fail to provoke retaliation and the bitter hour has at last come." 2

The Conservative journals replied by maintaining that the new tariff was proposed

"not as a measure of retaliation but in furtherance of what is believed to be sound policy in the interest of American farmers."

The consequences, it was admitted, were likely to be deleterious to the Canadian export trade.

"That, however, is a contingency we are powerless to avert. The Americans will legislate as seems to them best, irrespective both of the wishes or welfare of other countries, and the Canadian Government cannot too soon take a leaf out of the same book. Not as a measure of retaliation but as a meed of justice to the farmers of the Dominion,

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1. Commons' Debates 1890 (vol. XXX), p. 2569, p. 2612, p. 2635, p. 2925.
 2. Halifax Chronicle, Mar. 22, 1890; Toronto Globe, Mar. 27, 1890.

our Government ought to secure them to the utmost extent the home market." 1

In introducing a revision of the tariff in this session, Foster, the Finance Minister, announced concessions to these views by raising the duty on meats and fruits of various kinds, increasing that on flour, and by replacing on the dutiable list those articles which had been removed in 1888 in accordance with the action of the United States in regard to the reciprocity clause in the tariff. Before alluding to these changes, Foster had painted a glowing picture of the condition of the country. With this, of course, the Opposition took issue, otherwise arguing chiefly along the lines already indicated; - that is, that the policy of the United States as far as it affected Canada could be attributed to the irritating action of the Government and that it should have been their policy to encourage the Hitt, rather than the McKinley, faction, as they were doing by thus following their example. Cartwright's amendment to the resolution to go into Committee of Supply was simply a long indictment of the fiscal policy of the Government, but without any mention of reciprocity.²

A certain amount of discussion of the subject did, of

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1. Montreal Gazette, Mar. 21, 1890. The Halifax Chronicle later in the year (Oct. 21, 1890) admitted that the McKinley Act was not a retaliatory measure directed against Canada.
 2. Commons' Debates 1890, (Vol. XXX) pp. 2532-3069; see especially the speeches of Foster, Cartwright, Paterson, Charlton and Mitchell.

course, occur, largely provoked, however, by a statement by a Cabinet minister, not of the first rank, that

"free trade between Canada and the United States in all agricultural products, would be the worst possible thing that could happen to the farmers of Canada at the present time."

As we have seen, this is not very far removed from some of the statements made in the Unrestricted Reciprocity debates, but it was, of course, seized upon by the Opposition for special ex-¹ecration and declared to be a new departure. It found some echo in the House and in editorials decrying the advantages of the old treaty and maintaining that conditions had so changed that² it would not now be as advantageous as formerly.

During the progress of the McKinley bill, Sir John Macdonald had some interesting confidential correspondence with S. J. Ritchie, who, like Hitt and Butterworth, was a Republican, and with whose influence Tupper had been impressed while in³ Washington in 1887 and 1888. On March 12th, he wrote to Macdonald giving him, in confidence, the provisions of the new tariff and three days later told him that he thought he could arrange for a reduction of duty on lumber if Macdonald would authorize

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1. Ibid, p. 2591, p. 2609, p. 2970; See also Toronto Globe, Apr. 9, 1890; Halifax Chronicle, Apr. 11, 1890.
 2. Toronto Empire, July 23, 1890; Montreal Gazette, Mar. 31, 1890.
 3. Tupper to Macdonald, Nov. 13, 1889, Tupper Papers III, p. 45, and Saunders, Life and Letters of Tupper II, p. 135, Macdonald to Tupper, Nov. 16, 1888, and to Van Horne, Nov. 11, 1890, Macdonald Letter-books No. 25, p. 231, and No. 27, p. 228.

the statement that the export duty on logs would be removed. Macdonald agreed to this and, apparently, used the British Ambassador to make the communication to the American Government. The McKinley tariff did decrease the lumber duties and Macdonald carried out his part of the bargain by an order-in-council of October 15th, 1891.¹ In April, Ritchie tried to arrange an interview between Butterworth and Macdonald, and, in May, wrote excitedly that he had secured McKinley's promise to

"agree upon a bill for the free exchange of all or a certain number of articles between the two countries."

He urged that Tupper, whom he considered the only man for the mission, be sent for immediately to enter into negotiations.² These communications might be regarded as some of the erratic communications addressed to Prime ministers had not a letter from Ritchie of July 30th, elicited a prompt and important reply. In this letter the latter stated that he believed it might be possible to secure an amendment to the tariff bill admitting Canadian coal, lumber and ores free, if Canada would reciprocate by admitting American coal and lumber on the same basis, and if he might have a statement from Sir John to that effect. Macdonald replied at once giving this undertaking, but stipulating that,

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1. Ritchie to Macdonald, Mar. 12 and 15, 1890, Macdonald Papers, Commercial Relations with the United States, p. 15, p. 17; Macdonald to Ritchie, July 30, 1890, Macdonald Letter-book No. 27, p. 99; S. J. McLean, Tariff History of Canada (Toronto, 1895) p. 35.
 2. Ritchie to Macdonald, Apr. 21 and 28, May 4, 1890, Macdonald Papers, Commercial Relations with the United States, p. 19, p. 21, p. 23.

though the letter might be shown to members of Congress, "It should not, for obvious reasons, be published in the press or quoted in Congress". It did, however, get on file with the Senate Finance Committee and was to make its appearance in the exciting election of 1891. It is possibly because of this that Macdonald warned Tupper to be cautious in his relations with Ritchie, adding

"He is a clever fellow ... but if I am correctly informed he has lately made a mess of it at Washington." 1

During the discussion of the McKinley tariff in the Senate, Senator Sherman again introduced a resolution, similar to that of Hitt as it had been returned from the Committee on Foreign Affairs, except that Sherman's resolution now provided for the appointment of Commissioners to discuss "complete or partial removal of duties upon trade between the United States and Canada." 2 This change was, of course, very important in deciding the attitude of the Canadian Government. Macdonald wrote to the managing editor of the Empire to ask him to be "non-committal", as, "if this should go through both Houses of Congress, which is very doubtful, Canada will, I presume, at once agree". 3 The Halifax Chronicle, quoting recent editorials from Conservative newspapers, declared that the party had been "scared into a change of front". 4 J. W. Longley, who had been called

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1. Ritchie to Macdonald, July 30, 1890, Macdonald Papers, Commercial Relations with the United States, p. 27; Macdonald to Ritchie, July 30, 1890, Macdonald Letter-book No. 27, p. 99; Macdonald to Tupper, Nov. 22, 1890, Macdonald Letter-book No. 27, p. 244.
 2. Cong. Rec. 51st Cong., 1st. sess., p. 9454.
 3. Macdonald Letter-book No. 27, p. 174.
 4. Oct. 1 and 2, 1890.

to Washington by Wiman to help in the effort to get a resolution favourable to reciprocity with Canada, in a jubilant letter to Laurier, claimed the credit of having induced Sherman to act as he did and declared, over optimistically,

"I have the assurance of all the leaders on both sides and in both Houses that Sherman's resolution will get through and if it does it is queer if the Liberal party has not an issue ready made ... Let us, in the name of heaven, make one great sustained effort for the next few months and you will be Premier of Canada before you know it." 1

As a matter of fact, there was never any chance of the success of the Sherman resolution. The debate brought out clearly the principles of what some of the speakers called "Republican Reciprocity":- that is, that the products to be admitted to the United States must not compete with those produced there, and that the countries with whom reciprocity arrangements were to be made must be those which would take in return the United States surplus of farm products and manufactures. It is interesting to note, also, several references to "the policy of aggression towards the United States" steadily pursued by the Dominion Government.²

In a tour of the Maritime Provinces in the autumn,

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1. J. W. Longley to Laurier, Sept. 2, 1890, Laurier Papers, cf. also interview with him in Halifax Chronicle, Sept. 10, 1890.
 2. Cong. Rec. 51st Cong., 1st. sess., pp. 9870 - 1, pp. 9878 - 9; Laughlin and Willis, Reciprocity, pp. 196 - 201.

Sir John Macdonald and the ministers accompanying him, still tried to ride the two horses - that is to declare that the Liberal plan for reciprocity meant eventual annexation to the United States, but that the Government stood and had always stood for any arrangement for "fair trade between the two countries". In proof of the latter statement, Macdonald adduced the negotiations entered into by the Governments of which he had been at the head, including Tupper's offer of 1887, which was

"so wide that any reciprocity could be discussed under it, reciprocity in natural products or unrestricted reciprocity or even commercial union."

There is also in his speeches an undercurrent of fear of the effect of the McKinley bill, indeed one of his own ministerial colleagues declared that he believed it was "a veritable calamity" for Canada. Against this, Sir John appealed to the pride of the Canadian people.

"I have no doubt", he said, "that our neighbours thought that these additional duties would be injurious to Canada; but they will not be much of an injury to Canada if, as I believe, in consequence of their closing the gates on our products and preventing this entrance into the United States, the energy of our people will be directed more earnestly than ever to the finding of other markets both within the Dominion and beyond it."

As one Liberal supporter in the Maritime Provinces put it:

"Sir John evidently feels uneasy about this legislation [the McKinley Bill] and is endeavouring to work up a loyalty cry and also to appeal to the sentiment that we should not allow ourselves to be

bullied by the Americans. There is no doubt the cry could be worked to advantage and it seems to me, were it not for the situation in Quebec and the party not ready in Ontario, Sir John would rush an election this autumn before the effect of the United States legislation is felt." 1

The Prime Minister himself acknowledged in later correspondence that the probable effects of the McKinley tariff led him to desire an early election; 2 but he had other reasons as well. There was the threat of an open quarrel among the French members of his Cabinet and he expected motions at the next Parliamentary session for inquiries into certain scandals in which some of his ministers might be involved. 3 It was a favourable moment in which to call on the Canadian Pacific Railway for help, which, as we shall see, was to be an important factor in the campaign and he also expected, if there were time, that the Liberals would be able to collect a good deal of money in the United States to be used against him. 4 5 Though the campaign was to become so violent and

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1. See reports of speeches of Sir John Macdonald, Sir John Thompson and C. H. Tupper at Halifax, Halifax Herald, Oct. 2 and 3, 1890; report of Chapleau's speech at Napierville, Montreal Herald, Dec. 3, 1890; C. W. Weldon to Laurier, Oct. 5, 1890, Laurier Papers. The Toronto Empire echoed Macdonald's views in editorials endeavouring to combat the fear that the McKinley duties would ruin Canadian trade and emphasizing again that Unrestricted Reciprocity meant annexation, see Nov. 12 and Dec. 8, 1890.
 2. Macdonald to Sir George Stephen, Mar. 31, 1891, Pope, Correspondence of Macdonald, p. 485.
 3. Macdonald to Chapleau and Angers, Dec. 24 and 26, 1890, Macdonald Letter-book No. 27, p. 343, p. 352.
 4. Skelton, Laurier I, p. 411.
 5. Macdonald to Stephen, Pope, Correspondence of Macdonald, p. 478; to George Drummond, Macdonald Letter-book No. 27, p. 426; to Van Horne, ibid, p. 89.

exaggerated on this score as to cause doubts of the sincerity of a feeling which was so hysterical in its manifestations, some credence may be given to his statements and those of Tupper that he felt he must fight for the independence of Canada and her position as part of the British Empire.¹

The Liberals, too, had recently been reviving the active campaign for Unrestricted Reciprocity, playing up the disadvantages of the McKinley Bill and declaring that the Conservatives were unalterably opposed to any reciprocity;² but in spite of this, the recent bye-elections had been favourable to the Government. On January 12th, 1891, however, the decision of Laurier to call an Ontario Provincial Liberal Convention was announced, and the Toronto Mail, which at this time did not support the policy of either party, was definitely of the opinion that delay would strengthen the Opposition and weaken Macdonald. The correspondence of Laurier shows clearly that as early as October many Liberals believed that the reasons for the immediate calling of an election were so strong that one would soon be held,

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1. Macdonald to McCallum and Roome, Macdonald Letter-book No. 27, p. 463, p. 418; Tupper to Macdonald, Pope, Correspondence of Macdonald, p. 432; Tupper, Recollections, p. 212; Saunders, Life and Letters of Tupper II, p. 144; interview of Tupper with Toronto Mail reporter, issue of Feb. 7, 1891.
 2. See Cartwright at Pembroke, Toronto Globe, Oct. 24, 1890, at Wroxeter; ibid, Jan. 14, 1891, at Aylmer, Jan. 16, 1891; Charlton at Waterford, ibid, Nov. 28, 1890; Mills at Collingwood, ibid, Feb. 2, 1891.

probably either in January or February. On November 6th, the Toronto Reform Club sent out a notice, at the request of Cartwright and Laurier, stating this view and urging that organization should, therefore, be perfected.¹

With all these factors pointing to the desirability of an early election, Macdonald must have rejoiced when an opportunity presented itself to hold one on exactly the terms he wished. The Newfoundland Government had been negotiating with the United States on the perennial question of the fisheries and a convention had been agreed upon by which Newfoundland would allow the privileges of free fishing in return for which the United States was to permit the free importation of Newfoundland fish.² In October, Tupper, who was now Canadian High Commissioner in London, on the instruction of his Government, protested against this arrangement on the ground, as was stated in a Canadian Privy Council Minute of December 12th, that it would take from Canada any fishing privileges which she enjoyed, while compensating only Newfoundland.

"While this would, perhaps be the most effective method of impressing on the minds of the Canadian people", the Minute went on to say, "the lesson that they cannot be British subjects and enjoy American markets,

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1. Beausoleil, Emmerson, Cartwright to Laurier, Oct. 1, 2 and 10, and Nov. 10, 1890, Laurier Papers; Toronto Mail, Feb. 4, 1891; Toronto Globe, Jan. 12, 1891.
 2. Canadian Sessional Papers 1891, No. 38, p. 14.

Her Majesty's Government can hardly, on reflection, feel surprised that Your Excellency's Government have not for a moment believed that Her Majesty's Ministers would co-operate with the authorities of the United States in inculcating such a lesson at the present time." 1

The Imperial Government, though emphasizing the "unfortunate feeling" which would be excited in the other colony by Canadian opposition,

"agreed to delay the Newfoundland Convention if Canadian negotiations can be entered upon at once on the lines proposed by your ministers so that both may proceed pari passu. Any reciprocity treaty between Canada and the United States would, as previously, be framed so as not to place imports from this country at a disadvantage, and it is presumed that Canada would wish to retain control over her tariff with a view to possible extension of her trade with the Colonies and England." 2

The Canadian Government declared that they were ready to open negotiations immediately, but stipulated that their "representatives at Washington" must be "commissioners associated with the British minister and empowered to negotiate directly instead of being merely delegates." 3 They then proceeded to draw up the bases of negotiations in a Privy Council Minute of December 18th. These were as follows:

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1. Ibid, p. 3, p. 4, p. 11.
 2. Knutsford to Stanley, Nov. 25, 1890, ibid, p. 76.
 3. Stanley to Knutsford, Nov. 26, 1890, (tel.) ibid, p. 76.

1. Renewal of the Reciprocity treaty of 1854

"subject to such modifications as the altered circumstances of both countries require, and to such extensions as the Commissioners may deem to be in the interest of the United States and Canada."

2. A reconsideration of the treaty of 1888 dealing with the fisheries.

3. Relaxation of the coasting laws.

4. Mutual salvage of wrecked vessels.

5. Arrangements for settling the Alaska boundary.

The preamble stated that the Canadian Government, having learned that the Secretary of State of the United States, now James G. Blaine, had expressed to the British Minister at Washington his

"readiness to negotiate for a Reciprocity treaty on a wide basis, and particularly for the protection of the mackerel fisheries and for the fisheries on inland waters, and had subsequently stated to Her Majesty's Minister his great desire to conclude a Reciprocity Treaty, they desire to take the opportunity afforded by these intimations from Mr. Blaine of suggesting the expediency of taking early steps to adjust the various matters that have arisen and now exist affecting the relations of Canada with the United States." 1

Blaine's reply, as communicated by the Colonial Secretary, was,

1. Ibid, p. 13.

"That to endeavour to obtain the appointment of the formal commission to arrive at the Reciprocity Treaty would be useless, but that the United States Government was willing to discuss the question in private with Sir Julian Pauncefote [the British Minister] and one of more delegates from Canada and to consider every subject as to which there was hope of agreement on the ground of mutual interest." 1

Ritchie still seems to have been busy at Washington and on the 16th of December, wrote to Macdonald that he had had two interviews with Blaine, in which he had urged the latter to agree to the appointment of a commission and that the Secretary had "expressed himself as quite in favor of such a commission" and was to talk to the President.² It is important to note, however, in view of future developments, that this was not the agreement reached.

These negotiations were, undoubtedly, a deciding factor in the calling of an election. In November, Macdonald had written:

"We have not at all settled when Parliament is to be summoned. I think that something will depend on the

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1. Knutsford to Stanley, Jan. 2, 1891, ibid, p. 78.
 2. Ritchie to Macdonald, Dec. 16, 1890, Macdonald Papers, Commercial Relations with the United States, p. 29. Laurier was told by one of his correspondents: "The offer of reciprocity from the United States to Canada, which the Tory papers are now discussing, was, so I understand, conveyed to Sir John Macdonald from Mr. Blaine by our old friend S. J. Ritchie of Ohio". Thomas P. Gorman to Laurier, Jan. 19, 1891, Laurier Papers.

action of Congress which meets on the
4th December. This entre nous." 1

By the latter part of January, he was in the midst of preparations. On the 14th, a report appeared in the Toronto Mail stating that the government was being pressed by the Imperial authorities to enter into an arrangement with the United States "on the basis of a wide measure of reciprocity". On the 16th, all the important Conservative newspapers contained reports denying this, and declaring:

"On the contrary, it is learned that the Canadian Government has recently been approached by the United States government with a view to the development of trade relations between the two countries." 2

On January 21st, Macdonald cabled to Tupper in cypher, telling him that an immediate dissolution was almost certain, and asking him to return to Canada to assist in the campaign. 3 A few days later the newspapers contained reports of the imminence of a dissolution, 4 and on the 27th, Macdonald followed up the newspaper kite of the 16th by a definite statement of his policy to the Albany Club of Toronto. This was an attack on the Liberal policy of Unrestricted Reciprocity, which he called "annexation" and "treason", and a statement that he intended to stand by the

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1. To G. W. Allan, Nov. 22, 1890, Macdonald Letter-book No. 27, p. 242.
 2. See Toronto Empire, Montreal Gazette, Halifax Herald.
 3. Macdonald Letter-book No. 27, p. 403; Tupper Papers IV, p. 480; Saunders, Life and Letters of Tupper II, p. 144.
 4. Toronto Mail, Jan. 26 and 28, 1891; Toronto Globe, Jan. 24, 1891.

National Policy; but in conclusion he said:

"It is the fact that every measure of reciprocal trade we have got from our neighbours has been got by the Conservatives", [instancing particularly the treaties of 1854, 1871 and 1888] ... "there was room for extending our trade on a fair basis, there were things in which we could enlarge its bounds without in any way infringing on the national policy." 1

On February 3rd, the dissolution of Parliament was announced, the elections to be held on March 5th;² the reason given was that on entering on negotiations with the United States, it was advisable that the government should have the backing of a "Parliament fresh from the people rather than a moribund house". This was followed, the next day, by the publication of a telegram to the Colonial Secretary which summarized the Privy Council Minute of December 18th, and by a statement of the progress of negotiations, which, however, did not make clear that Blaine's expressed willingness to discuss the situation implied some more informal meeting than the elaborate bases proposed would seem to intimate, or that it had been obtained, in the first place, as a result of a protest from Canada in regard to the Newfoundland convention.³ However, the stage had been set along the lines of Sir John Macdonald's Maritime Province speeches of the

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1. Toronto Empire, Jan 28, 1891.
 2. Toronto Empire, Montreal Gazette, Halifax Herald.
 3. Ibid, Feb. 4.

autumn, and the later one to the Albany Club, and the "most vigorous and most bitter campaign since confederation", as the Mail¹ called it, was about to begin.

"In all my experience of him", wrote Cartwright of Sir John Macdonald in this election, "I never knew him take so much pains to perfect his organization at all points (war chest included) as he did in these years. ... In fact he, single-handed, saved the situation for his party."²

Though the latter part of the statement may be exaggerated, a perusal of the newspapers and of Sir John's correspondence shows the very great influence of his personality. The slogan used by the Empire in announcing the election date, and frequently afterwards, was "The Old Flag - The Old Leader". Sir John appealed to those he wished to become candidates "on patriotic grounds ... to set aside all other considerations but the good of the Country" and "defeat the desperate attempt made at this moment to carry the country for Unrestricted Reciprocity and for Annexation"³. To the manufacturers, from whom he wished campaign contributions, he added to the patriotic appeal the argument that "our defeat means every Canadian industry crushed by American tariffs and American rings", and made suggestions for the distribution of funds and for subjects for newspaper articles.⁴

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1. Mar. 6, 1891.
 2. Reminiscences, p. 291.
 3. Macdonald to Roome and Baird, Jan. 31, 1891, Macdonald Letter-book No. 27, p. 418, p. 420.
 4. Ibid, p. 216, p. 426, p. 428, p. 429, p. 472.

Following Sir John's speech at Toronto the earlier Conservative editorials and speeches of the leaders laid considerable emphasis on the prospect of negotiations with the United States. Over and over again it was repeated that the Government had always favoured reciprocity of a limited character. The terms might not be exactly the same as those of the treaty of 1854. Conditions had changed; but the Government's policy was in reality still far more feasible than that of the Opposition. It represented the same general outlook of the Liberal past Prime Ministers and of Sir Richard Cartwright himself before he adopted "the Wimanite fad".

"The Government of Canada has vindicated itself from the utterly foundationless charges made by the Grit press, of unwillingness to treat with its neighbour", said the Empire.

The success of the negotiations between Brazil and the United States augured well for those of Canada, it was argued.¹

To this the Liberals replied by alleging that the conversion was not meant sincerely and, that if it were, it was "an appropriation of the main features of the Liberal Policy", "a death-bed repentance". In proof of their contentions the

1. See Sir John Thompson at Toronto and Antigonish, N.S., Toronto Empire, Feb. 7, 1891, and Halifax Chronicle, Feb. 14, 1891; Tupper at Kingston and Halifax, Toronto Empire, Feb. 9, 1891 and Halifax Herald, Feb. 16, 1891; Foster to the electors of King's Co., N.B., Canada: an encyclopaedia I, p. 409; Sir Donald Smith at Montreal, Montreal Gazette, Feb. 13, 1891; Toronto Empire, Feb. 4, 13 and 14, 1891; Montreal Gazette, Feb. 3 and 18, 1891; Halifax Herald, Feb. 4, 1891.

Liberals pointed to a letter written by Blaine to a certain Congressman Baker, which appeared as an associated press dispatch in the Liberal and independent newspapers on the 30th of January. In this letter, the American Secretary of State denied that there were any "negotiations on foot for a reciprocity treaty with Canada", and declared, "you may rest assured that no scheme for reciprocity with the Dominion confined to natural products will be entertained by this Government".¹ "Thus", said the Liberals, "the dispatch to the Colonial Secretary ... if it means anything, is a surrender to the demands of the advocates of unrestricted reciprocity".²

Other arguments were much along the lines already produced in the Unrestricted Reciprocity debates. The Conservatives claimed that the Liberal policy must mean a surrender of tariff making to Washington, which implied in turn the adoption of the high McKinley tariff. If the United States would really consent to the Liberal policy "Mr. Laurier's followers would not long have to abuse the Canadian Manufacturer", as under that arrangement he could get his raw materials at the lower rate of the Canadian tariff and yet have free access to the American market.

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1. Willison, Reminiscences, p. 234, states that Farrer, who was in Washington at the time, with the knowledge of Cartwright, induced Blaine to write this letter.
 2. Halifax Chronicle, Feb. 3, 6, 9, 10 and 14; Montreal Herald, Feb. 5; Toronto Globe, Jan. 30, Feb. 3, 4, 5, 7 and 10; Victoria Daily Times, Feb. 4, 5, and 6, 1891.

"Canada would crowd the United States producers out of their own ground, and the Canadian provinces would enter on a period of industrial activity unexampled in the history of the world. They would have all the advantages of free trade and protection combined in the fight for industrial supremacy. Their rivals would have all the disadvantages of both. Does anyone imagine the United States will consent to such a state of affairs?"

Far otherwise would be the situation under a common tariff, which must be the condition of American acceptance of the plan. It meant the development of Canadian natural resources by "foreigners", the ruin of all industries, and imperilled "every dollar" paid to wage-earners in workshops and factories.¹

To this the Liberals could only reiterate that their policy was not that of a customs union. "Unrestricted Reciprocity is simply a wider application of the principle of the Treaty of 1854"; "the Brown-Fish draft Treaty of 1874 was a long step in the direction of the policy now advocated by the Liberals". It was an agreement from which Canada could always withdraw and did not, in any way, mean the adoption of the McKinley tariff. Canadians, going to the United States and having "to start from the foot of the ladder", now occupy "a front place". "This being the case, why should any of us, except certain spoon-fed manufacturers dread American competition on fair and equal terms?"²

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1. Tupper at Kingston and Halifax, Toronto Empire, Feb. 9, and Halifax Herald, Feb. 16, 1891; Montreal Gazette, Jan 27, Feb. 5, 6, 18, 24, 26 and 27, 1891.
 2. Toronto Globe, Feb. 13, 14, 18 and 19, and Mar. 3, 1891; Montreal Herald, Feb. 5, 1891; Victoria Daily Times, Feb. 19, 1891.

The old cry that the Liberal policy meant discrimination against Great Britain, was also well to the fore, with the usual Liberal reply that "the Tories themselves were the first to discriminate against English goods". The Conservatives argued that the British market was in any case "our natural market", for Great Britain did not produce, as did the United States, the same articles as Canada. Where was the vaunted prosperity of the border states? A map of Vermont, showing the abandoned farms, was circulated as a campaign pamphlet, conditions in Maine, New Hampshire and Northern New York being declared to be similar.¹ The hoary argument that direct taxation was involved also made its appearance, being especially emphasized in a pamphlet addressed to French-Canadian voters. The Liberals usually denied this, declaring:

"Just how the loss of revenue would be made up, it is not pertinent to enquire at present, nor does it matter much, since, as is obvious, the tax-paying ability of the people would, under any circumstances, be greater than to-day."

A seductive pamphlet for the French combated the Conservative argument by its title, "Le Moyen de S'enricher". The Toronto Globe, while stating that the Liberals would have no occasion

1. Tompson, Foster, Bowell and Carling at Toronto, Toronto Empire, Feb. 7, 1891; Toronto Empire Jan. 29 and Mar. 2, 1891; Halifax Herald, Feb. 18, 1891; Montreal Gazette, Feb. 19, 1891; Halifax Chronicle, Feb. 10, 1891; Victoria Daily Times, Feb. 21 and 25, 1891.

to introduce direct taxation said, nevertheless, that it would "prefer to see direct taxation carried to the utmost limit possible". The Liberals also made much of the heavy taxation imposed by Conservative extravagance and maladministration.¹

Macdonald's letter to Ritchie of July 30th, 1890, made its appearance as Liberal propaganda and was evidence that he "has been toying with the question of closer trade relations". It was referred to by the Toronto Globe on January 17th, but only indefinitely. Wired to Fielding by a man named Crosskill, it made its appearance in complete form in the Toronto Globe of February 26th, and the Halifax Chronicle of February 28th. Apparently, also, mimeographed copies, in Sir John's own handwriting, were circulated, as two of these are to be found in the Fielding papers.

The campaign took on a somewhat different character from the appearance of Sir John Macdonald's famous manifesto, published in the Conservative press on February 9th.² Acclaimed for many years and achieving a kind of sanctity from Sir John's death so soon afterwards, it appears now as an unnecessary dramatization of a sentiment, which, if it was sincere, gained

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1. Toronto Empire, Jan. 29, Feb. 13 and Mar. 4, 1891; Halifax Herald, Jan. 16, 1891; Chapleau at Montreal, Montreal Gazette, Feb. 13, 1891; La Politique Federale; Toronto Globe, Jan. 28, Feb. 18, 19 and 25, 1891; Jones' address to the Nova Scotia electors, Halifax Chronicle, Feb. 9 and 10, 1891; Liberal pamphlets, Le Moyen de S'enrichir; The Revenue Question.
 2. The original is on exhibition in the Canadian Archives. Proof sheets are to be found in the Macdonald Papers, Elections IV, pp. 51 - 55. It is published in Canada; an encyclopaedia I, p. 401.

nothing from this form of expression. He begins by a statement of his determination to adhere to the National Policy, which had wrought such benefits for Canada, and lifted Canadians from the position they occupied in 1818 as "mere hewers of wood and drawers of water for the great nation dwelling to the south of us". He then goes on to declare that Unrestricted Reciprocity involves direct taxation and discrimination against Great Britain.

"It would in my opinion inevitably result in the annexation of this Dominion to the United States ... The great question which you will shortly be called upon to determine resolves itself into this: Shall we endanger the possession of the great heritage bequeathed to us by our fathers, and submit ourselves to direct taxation for the privilege of having our tariff fixed at Washington, with a prospect of ultimately becoming a portion of the American Union? I commend these issues to the judgment of the whole people of Canada, with an unclouded confidence that you will proclaim to the world your resolve to show yourselves not unworthy of the proud distinction you enjoy of being numbered amongst the most dutiful and loyal subjects of our beloved Queen. As for myself, my course is clear.

A British subject I was born - a British subject I will die. With my utmost strength, with my latest breath, will I oppose the 'veiled treason' which attempts, by sordid means and mercenary proffers to lure our people from their allegiance. During my long public service of nearly half a century, I have been true to my country and its best interests, and I appeal with equal confidence to the men who have trusted me in the past, and to the young hope of the country, with whom rests its destinies for the future, to give me their united and strenuous aid in this my last effort for the unity of the Empire and the preservation of our commercial and political freedom."

The Toronto Mail, studiously neutral in this campaign as well as the party journals of the Opposition, condemned this "turgid and bombastic" appeal to patriotism. The treason cry, said the former, should have been "left to the screaming sisterhood of partisan organs". Note was taken also of the omission of any reference to the negotiations with the United States, which showed clearly "that limited reciprocity is no part of the Government's programme ... The National Policy is the ministerial policy."¹

It is certainly true that, dated from this manifesto, the reciprocity treaty about to be made, fades into the background, except possibly in the Maritimes,² and the loyalty cry has greatest prominence, becoming, as the Mail had predicted as early as February 4th, the issue upon which the result was to turn.

Laurier replied by a manifesto dated February 12th. He began by censuring the government for having brought on an election before the revision of the voters' lists which would have followed the census of 1891. He then went on to answer, with the usual Liberal arguments, the objections that it involved discrimination against Great Britain, direct taxation

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1. Montreal Herald, Feb. 10, 1891; Toronto Globe, Feb. 10, 1891; Toronto Mail, Feb. 10 and 14, 1891; Manitoba Free Press, Feb. 10, 1891; Victoria Daily Times, Feb. 9, 1891.
 2. See Halifax Herald, Feb. 23 and 26, and Mar. 5, 1891.

and an assimilation of tariffs. Indeed if

"concessions demanded from the people of Canada involve consequences injurious to themselves or the Motherland, the people of Canada would not have reciprocity at such a price."

At the same time

"it cannot be expected, it were folly to expect, that the interests of a Colony should always be identical with the interests of the Motherland. The day must come when from no other cause than the development of national life in the Colony there must be a clashing of interests with the Motherland, and in any such case, much as I would regret the necessity, I would stand by my native land."

The advantages of the Liberal policy

"we place upon this one consideration: that the producing power of the community is vastly in excess of its consuming power; that, as a consequence, new markets have to be found abroad; and that our geographical position makes the great neighbouring nation of 63,000,000 people of kindred origin our best market."

Sir John's "strong appeal to the loyalty of the Canadian people"

is

"a totally uncalled for appeal, for in the present contest nothing is involved which in one way or another can affect the existing status of Canada ... The charge that Unrestricted Reciprocity is 'veiled treason' is a direct and unworthy appeal to passions and prejudice. It is an unworthy appeal even when presented with the great authority of Sir John Macdonald's name. As to the consequent charge that Unrestricted Reciprocity would lead to annexation, if it means anything, it means that Unrestricted Reciprocity would make the people so prosperous

that, not satisfied with a commercial alliance, they would forthwith vote for political absorption in the American Republic." 1

The Conservative papers said that Laurier's manifesto was "a weak shuffling out of the details and consequences of his proposals", "a complaint and a defence ... An Opposition leader may complain, when he is forced to defend himself, he is losing ground." 2 It did not, of course, answer the two fundamental difficulties, for which no adequate solution could really be found in the state of feeling at the time, - the problem of the revenue, and the greater obstruction, that the United States, for their own self-protection, were sure to insist on an assimilation of tariffs, against which Laurier's party had pledged itself.

The Liberals had also other difficulties, of a practical nature, to face. Not the least of these were some defections from their own ranks. Among this number, the Conservatives placed the two ex-leaders of the party, Alexander Mackenzie and Edward Blake. 3 In reply to a delegation from his constituency, which waited on him in January, and therefore, of course, before the announcement of the election, the former had said:

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1. Toronto Globe, Montreal Herald, Feb. 13, 1891. A summary, not the full text, is to be found in the Halifax Chronicle, Feb. 14. The full text is also published in Canada: an encyclopaedia I, p. 404.
 2. Montreal Gazette and Toronto Empire, Feb. 14, 1891.
 3. See Montreal Gazette, Feb. '91, 1891.

"I could never consent to the Zollverein policy for obvious reasons, but I cannot conceive why anyone should object to reciprocal free trade secured by treaty and not inimical to the interests of Great Britain as the heart of the Empire."

In spite of Liberal declarations to the contrary, the Conservative press interpreted this as opposition to the policy of Unrestricted Reciprocity. The Montreal Gazette noted that reference to the subject by name had been studiously avoided and continued:

"Those who are familiar with the way in which such addresses are prepared will see the significance of this fact. Mackenzie's declaration against a Zollverein is, however, an adequate condemnation of unrestricted reciprocity, since a Zollverein must be the necessary result of unrestricted reciprocity." 1

Blake's attitude both during, and immediately after, the election was to occasion much more concern. In the autumn of 1888, Cartwright had expressed to Laurier some anxiety on this score. During the Parliamentary session of 1890 difficulties arose between the three men and it was rumoured that Blake was trying to regain the leadership, though he himself denied² it. In two letters written immediately after that session, Blake outlined to Laurier his views on the official policy of his party.

"There is one subject about which I am

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1. Toronto Globe, Jan. 9 and 12, 1891; Halifax Chronicle, Jan. 15, 1891; Montreal Gazette, Jan. 16 and Feb. 13, 1891; Toronto Mail, Jan. 29, 1891
 2. Cartwright to Laurier, Sept. 22, Oct. 16 and 22, 1888, Laurier Papers, Correspondence 1870 - 91, p. 875, p. 879, p. 885. Skelton, Laurier I, pp. 400 - 404; Willison, Reminiscences, p. 225; Daffoe, Laurier, p. 35, who considers Blake's attitude in this election the result of this disappointed attempt to regain the leadership; Cartwright to Laurier, Mar. 18, 1890, and Laurier to Cartwright, same date, Laurier Papers.

very anxious to talk with you", he wrote on June 20th, 1890, "and that is the tendency and end of the C. U. and U. R. projects. On this you know I hold views not shared by our leading friends so far as I can judge; and my extreme anxiety not to say anything indicating divergence in any respect leads me to long for an interview, and for some solution of my difficulties, failing which I can only hope that I may be allowed to keep silence."

In a later letter he said,

"I will not attempt to enter in any detail on the political question you suggest. Indeed I am not sufficiently informed of even the surface, still less of the undercurrents of Congressional action to enable me to form a judgment ... Nor have I seen any resolution of the difficulties I have talked to you on [on] our own side of the border. These stare me in the face very persistently and prevent me from being able to conceive of a plan which we can present to the people on the general lines as to the future of Canada which are avowed by our party. But I still keep groping for some light." 1

After the announcement of the date of the elections, Blake wrote a letter declining to run and criticizing the Liberal policy. This he sent to his riding of West Durham and to the Toronto Globe for publication. After a good deal of difficulty and a personal interview between him and Laurier, he was induced not to insist on its publication until after the election; but

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1. Blake to Laurier, June 20-and Sept. 13, 1890, Laurier Papers.
 2. Skelton, Laurier I, p. 419; Willison, Reminiscences, pp. 228 - 236; Laurier II, p. 172.

it was, of course, impossible to keep some rumours of the situation from appearing in the Government press.¹ The contents of the letter, with its trenchant, if somewhat pessimistic, summing up of Canadian conditions will be considered later. Blake's attitude occasioned a good deal of bitterness, but, in view of the two letters to Laurier, quoted above, it seems impossible to justify the characterization of the letter that it was "a stab in the back".²

Less important defections, but still noteworthy, were those of E. W. Thomson, erstwhile editorial writer of the Globe, who resigned definitely because of the adoption of Unrestricted Reciprocity as the policy of the Liberal party, and of William McDougall, whose earlier enthusiasm on Commercial Union has already been noted. Both contributed articles and interviews to the press, which aroused a certain amount of comment, and apparently Macdonald even suggested to the latter that he should run as a Conservative candidate.³ There were also some other, less important, changes of allegiance. The Toronto Empire published an "honor roll" containing the names of "loyal Reformers who cannot see their country drifting towards absorption and annihilation".

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1. Toronto Empire, Feb. 16 and 24, 1891; Halifax Herald, Feb. 9, 1891; Toronto Mail, same date.
 2. Skelton, Laurier I, p. 421; Cartwright, Reminiscences, p. 297.
 3. Toronto Empire, Feb. 7, 18 and 28, 1891; Montreal Gazette, Feb. 6 and 14, 1891; Halifax Herald, Feb. 9, 1891; Toronto Mail, Feb. 6, 1891; Manitoba Free Press, Feb. 6, 1891; McDougall to Macdonald, Feb. 10, 1891, Macdonald Papers, Commercial Relations with the United States, p. 33.

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It was headed by Edward Blake.

Another difficulty of a serious nature was the active support given to the Government by the Canadian Pacific Railway. One way in which this help was used to good effect was in securing the neutrality, if not the definite endorsement, of the Manitoba Free Press. Apparently some members of the Conservative party wished to establish a new paper in Winnipeg, but Macdonald preferred to use the influence of the C. P. R. on the editor of the Free Press. Van Horne, the president, wrote several letters to the railway's solicitor in Winnipeg and, after various interviews, the latter was able to report that the Free Press "is taking and will take a fairly satisfactory course". Unable to attack a policy which it had previously enthusiastically supported, this paper contented itself with finding some signs of grace in the proposed government negotiations, attacking the Opposition candidates personally, and declaring that there were other issues, for example, the building of a railway to Hudson's Bay, which were of more importance to Manitoba than Unrestricted Reciprocity. In the closing days of the campaign, the Free Press went so far as to publish an editorial pointing out the defections from the Liberal party which had taken place because of the fear of the

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1. Toronto Mail, Feb. 17, 1891; Toronto Empire, Feb. 20 and 24, 1891.
 2. Macdonald to Van Horne, Dec. 5, 1890, Macdonald Letter-book No. 27, p. 303; Van Horne to Macdonald, Dec. 11, 1890, Feb. 3, 24 and 25, 1891, enclosing letters from the C. P. R. solicitor, Macdonald Papers, Van Horne, p. 323, p. 348, p. 378.

annexationist tendencies of their policy, and, inferentially, supporting this attitude.¹ A supporter of the Opposition party later commented to Laurier on the "sudden and peculiar turn" of the Free Press, "just before the Election", which he was unable² to explain.

On February 27th, a letter of Van Horne opposed to Unrestricted Reciprocity was published in the Conservative press. This letter, as the commentators said, treated the question purely from a business point of view. Regarded in this way, the outcome could only be "Prostration and Ruin" for Canada:

"Unrestricted Reciprocity with the United States and a joint protective tariff against the rest of the world would make New York the chief distributing point for the Dominion, instead of Montreal and Toronto; would localize the business of the ports of Montreal and Quebec and destroy all hope of the future of the ports of Halifax and St. John; would ruin three fourths of our manufactories; would fill our streets with the unemployed; would make eastern Canada the dumping ground for the grain and flour of the western states to the injury of our own north-west and would make Canada generally the slaughter market for the manufactures of the United States, all of which would be bad for the Canadian Pacific Railway, as well as for the country at large, and this is my excuse for saying so much." 3

"Inasmuch as the policy which he condemns is not the Liberal policy", said the Opposition newspapers, "and as the same objections do not exist to the real policy of the party;

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1. Manitoba Free Press, Feb. 4, 13, 14, 16, 17, 18, 19, 21, 23, 24 and 27, and Mar. 2, 1891.
 2. Nov. 1, 1893, Laurier Correspondence.
 3. Toronto Empire, Montreal Gazette, Feb. 24, 1891. A second letter appeared Feb. 28.

his letter seems rather pointless." "Mr. Van Horne as a patriot is, of course, a trade restrictionist. Having done his best for the last ten years to restrict trade to his railway, he now, as a patriot, proposes to restrict the entire trade of Canada ... Mr. Van Horne seems to have in his mind's eye the interests of the red parlor [i.e. the manufacturers] exclusively." 1

"My letter was intended chiefly to show our men on which side their interests lie", wrote Van Horne to Macdonald, "and it has had the intended effect with them."

But this was not the only means used to influence employees. In the same letter, Van Horne also wrote "our canvass is nearly complete and the C. P. R. vote will be practically unanimous - not one in one hundred even doubtful", and he enclosed a letter from the manager of the subsidiary express company in which the latter stated:

"I have all hands at work, two men I sent west of Toronto changed thirteen votes yesterday. I have no fear of our men and think they will all work for the company's interest when they have the way pointed out to them." 2

To such good effect was this type of influence used that in only one constituency through which the main line of the railway ran was the Government defeated.

Sir John had tried hard to keep on good terms with the rival of the C. P. R., the Grand Trunk Railway, but by the summer

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1. Halifax Chronicle, Victoria Daily Times, Toronto Globe, Feb. 25, 1891. A second editorial appears in the last named on Mar. 2.
 2. Van Horne to Macdonald, Feb. 28, 1891, Macdonald Papers, Van Horne Correspondence, p. 385.

of 1890 was forced to admit that the latter had "declared war
against us".¹ Apparently Macdonald and some of the candidates
running in his interest still hoped to get some assistance here
as well as from the C. P. R. They were, however, unsuccessful.

"As far as the company is concerned", wrote
the Assistant General Manager, "I may
say that whilst the policy to be pur-
sued isn't in my keeping, there is a
feeling that the present government has
been anything but friendly in the past,
and therefore has no reason to expect
any active interest to be taken in their
behalf ... The staff, I presume, knows
what the interests of the company are." 2

As far as they were able, apparently, the Grand Trunk supported
the Opposition candidates. Sir John was very angry, and collec-
ted evidence to prove the extent of their complicity. They
were accused of forcing their employees to vote Liberal on pain
of dismissal, and of providing transportation, or transportation
at a nominal rate, for voters against the Government. Whatever
may have been the extent of the support given, it certainly could
have been no stronger than that given the Conservatives by the
C. P. R. and was not so effective.³

As we have seen, the Liberals constantly denied that
their policy was that of Commercial Union; but they were con-
siderably embarrassed by the activities of the propagators of

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1. Macdonald to Van Horne, Letter-book No. 27, p. 40, p. 89.
 2. Wainwright to Macdonald and H. Corby, Feb. 4, 14 and Mar. 4, 1891,
Macdonald Papers, Elections IV, p. 97, p. 104.
 3. Macdonald Papers, Elections IV, p. 102, p. 107, p. 110, Pope,
Correspondence of Macdonald, p. 485.

this movement. On February 2nd, Goldwin Smith addressed the Young Liberal Club in Toronto, stating that he supported the Liberals in this campaign, though he was personally in favour of political union and not a member of the party.¹ On the 5th,² he published a letter, giving them his public approval. On the 13th, the Commercial Union Club of Toronto issued an address, stating that both parties had in part adopted the Club's policy, but that Unrestricted Reciprocity was practically its complete programme.³ Still more compromising, however, was the support of Erastus Wiman, which was proclaimed indiscriminately in speeches and magazine articles,⁴ and often in language very damaging to those he wished to help. Wiman also circularized members of Congress and businessmen in the United States asking for support for the Commercial Union resolution on the ground that the "Liberal party should be encouraged by some intimation of favor on the part of Congress".⁵ The day before the election the

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1. Toronto Mail, Feb. 3, 1891.
 2. Ibid.
 3. Ibid., Feb. 14, 1891.
 4. See report of his speech to Boston Boot and Shoe Club, Manitoba Free Press, Jan. 22, 1891; at Louisville, Kentucky, Halifax Herald, Feb. 9, 1891; "Can We Coerce Canada?", North American Review, Jan. 1891, (vol. CLII) pp. 91 - 102; "The Struggle in Canada", Ibid., March 1891, pp. 339 - 348; "The Conflict in Canada", New York Independent, Feb. 1891, also published as a separate pamphlet.
 5. Toronto Empire, Feb. 12 and Mar. 2, 1891.

Manitoba Free Press and the Toronto Empire, published a letter giving the substance of an alleged interview of a Winnipeg business man with him the previous year. When Wiman was asked if he was now advocating Unrestricted Reciprocity, he replied:

"That it had been agreed that the name should be changed, as it had been found that Commercial Union was not taking with the Canadian public, and that they had accordingly agreed to call it Unrestricted Reciprocity, but that it had the same object as he had contended for under the name of Commercial Union."

Cartwright had visited Butterworth and Hitt and they had together agreed on this change.

"So long as Mr. Wiman", said the Montreal Gazette, "with such a record behind him, continues to act and speak for the Liberal party, and so long as he is not repudiated by the Liberal leaders in Canada so long will they be under the suspicion of not being sincere in their professions of loyalty to this country." 1

Thus the stage was set for the most dramatic incident of the campaign - the effort to prove the disloyalty of the Liberals and their complicity with the American Commercial Unionists by means of the famous Farrer pamphlet. The author, whom we have already met as editor of the Toronto Mail, had left that paper, which may, in part, account for its lukewarmness on the subject which it had at first espoused so vigorously, and in the summer of 1890 became chief editorial writer for the Toronto Globe. The pamphlet in question was nearly all written while

1. Montreal Gazette, Feb. 28, Mar. 3, 1891; Toronto Empire, Feb. 7 and 12, 1891; Halifax Herald, Feb. 4, 1891.

Farrer was with the Mail and only twelve copies were printed.¹ It contains an analysis of the fisheries situation for American readers and the greater part is merely an historical statement with a study of the different interpretations of the convention of 1818. There are, however, some inflammatory sections. He suggests the use of coercion by the United States by the imposition of a tonnage tax on Nova Scotia fishing vessels putting into United States ports, abolition of the bonding privilege, "or to cut the connection of the Canadian Pacific Railway with United States territory at Sault St. Marie".

"Whatever course the United States may see fit to adopt", wrote Farrer, "it is plain that Sir John's disappearance from the stage is to be the signal for a movement toward annexation. The enormous debt of the Dominion (\$50 per head) the virtual bankruptcy of all the Provinces except Ontario, the pressure of the American tariff upon trade and industry, the incurable issue of race, and the action of natural forces making for the consolidation of the lesser country with the greater, have already prepared the minds of the most intelligent Canadians for the destiny that awaits them; and a leader will be forthcoming when the hour arrives." 2

Proof-sheets of this pamphlet were stolen from the printer and given to Sir John Macdonald, who used it to telling effect in a

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1. Affidavit of Christopher Clark, Macdonald Papers, Elections IV, p. 34. Farrer's letter to the Globe, Feb. 18, 1891. It is impossible to find a complete copy of the pamphlet. Proof-sheets of a part are to be found in Macdonald Papers, Elections IV, pp. 37 - 50.
 2. The similarity of this last paragraph to an editorial appearing in the Mail of Aug. 27, 1887, - that is while Farrer was editor - is interesting. It is as follows: "Sir John has contrived to keep the two races in a state of armed neutrality; but when he is gone, where shall we look for an intermediary capable of performing that miracle? These and other facts, which it would be criminal to conceal if concealment were possible, leave no room for doubt in the minds of intelligent men that, whatever his own opinion of the matter, the work of Sir John's hands cannot long endure under existing conditions when he has vanished from the scene".

speech at Toronto on February 17th.¹ He was preceded by Sir Charles Tupper, who prepared the way by dwelling on Wiman's activities on behalf of the Liberals, whose "greatest lights have refused to be a party to that treason". Sir John, received tumultuously, began with a defence of the National Policy, and went on to an assertion of the willingness of his government

"to enter into negotiations for trade [with the United States], without limitation as to the subjects which such negotiations would reach, without limitation in any way",

but with two reservations only; first, that Canada must retain control of her tariff and second, that there must be no discrimination against British goods. These negotiations were, however, impeded by the action of "Canadian traitors", whose effort it had been to show the United States that if they made no concessions, annexation must eventually follow.

"I say that there is a deliberate conspiracy in which some of the leaders of the Opposition are more or less compromised; I say that there is a deliberate conspiracy, by force, by fraud, or by both, to force Canada into the American union".

Charlton, Cartwright and Farrer, "now editor, philosopher and friend of Sir Richard Cartwright, and the controlling influence over that great, that glorious and consistent newspaper the Globe" had all been to Washington on this mission, and their views were expressed in his pamphlet. Sir John then read the inflammatory

1. It had been mentioned by Sir John Thompson in his speech at Halifax on Feb. 4, but drew no editorial comment. Halifax Herald, Feb. 17, 1891.

passages, declaring that it was evident that the intended leader for the annexation movement, whose coming Farrer expected, was Cartwright.

"I think you will agree with me", he continued when he had finished reading passages from the pamphlet, "that there is somewhere and among some people a conspiracy to drive Canada into the arms of the United States, by inducing the United States to be as obstructive as possible and as annoying as possible to this country".

"All I can say is", he concluded, "that not by me or not by the action of my friends, or not by the action of the people of Canada, will such a disaster come upon us. I believe that this election, which is a great crisis and upon which so much depends, will show to the Americans that we prize our country as much as they do, that we would fight for our existence as much as they fought for the preservation of their independence. That the spirit of our Fathers which fought and won battle after battle, still exists in their sons, and if I thought it was otherwise I would say the sooner the grass was growing over my grave the better, rather than that I should see the degradation of the country which I love so much and which I have served so long".

The report of this speech in the Empire next morning appeared under very large head-lines,

"The Treason Unveiled

Sir John Unmasks a Traitorous Conspiracy

It was an Atrocious Plot".

and the Halifax Herald, equally luridly proclaimed:

"A Vile Grit Conspiracy

To Compel Canada by Fraud or Force

To Enter into the American Union

Exposed by Sir John Macdonald".

"Who shall say where the guilt of the tool ends and the responsibilities of his associates and partners begin?" asked the Empire editorially.¹

Farrer and the editor of the Globe, Willison, attempted to answer this question. Farrer's letter appeared in the Globe next morning, - that is to say at the same time as the report of Macdonald's speech in the Empire. He declared that he had written the pamphlet and

"I should not hesitate, under like circumstances, to write another, or a dozen more, on that or any other subject, and to state my views, if they are worth anything to anybody, in print or out of it, about the fisheries or even about Sir John himself. This is a free country, and I purpose living up to the rights of the individual so far as I can."

The pamphlet was not circulated in Washington and was

"not intended for the eye of any person in Congress, nor had I the remotest intention of prejudicing the case of Canada in respect of the North American fisheries. I wrote freely and privately concerning what I regard as the illogical, unfair and wholly out of date policy which the Government of the Dominion has pursued towards the vessels of a friendly neighbour and, having been asked, proffered my view of the mode which I should favor, were I an American, of bringing about a more rational state of affairs for both countries ... This is the whole story. I deny the assumption that the Globe or the Liberal party is bound or affected by anything written, said, or done by a mere writer for the Globe in his private hours or private

1. Toronto Empire, Feb. 18, 1891; see also editorials in very strong language in the Halifax Herald and Montreal Gazette, Feb. 19, 1891.

capacity. It would be a monstrous thing for Mr. Laurier to apply that code to any of the writers on the Empire, or for Mr. Gladstone, let us say, to employ it against somebody connected with the Standard. A newspaper is to be judged by its printed utterance, and is no more responsible for the acts or opinions of its staff outside of its columns than for what they choose to have for dinner. Any other understanding would make the pursuit of journalism extremely difficult, if not impossible, both for employers and employed."

Willison, also, in more temperate language, stated that, in common with all newspapers, the Globe exercised no control over the private opinions of the members of its staff, nor was it a subsidized organ of the Liberal party, and therefore "it is not responsible to the Liberal leaders, nor are the Liberal leaders responsible for its opinions."¹

On the evening of the 18th, Oliver Mowat, Premier of the Province of Ontario and not an enthusiast for the policy of Unrestricted Reciprocity, spoke in the effort to stem the rising tide of the Conservative appeal to loyalty. He began by declaring his adherence to the policy of his party, and his doubt of the seriousness of the Government in their announced intention of entering into negotiations with the United States. He then went on to deal with the Farrer pamphlet, pointing out that not only was it written

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1. Toronto Globe, Feb. 19, 1891. J. W. Dafoe (Laurier, p. 35.) considers that the loss of the election was caused by the Farrer incident. Willison, more cautious, says (Reminiscences, p. 209.) that it is difficult to tell how much it had to do with Macdonald's victory. "It is hard to think that Sir John Macdonald could have been defeated in any event".

before Farrer came to the Globe, but that he had spent most of his life as a Conservative. "If he is an annexationist, he learned to be an annexationist in the Tory camp." The peroration was an answer to Sir John's manifesto.

"There is but a fragment of our people", he said, "either Conservatives or Reformers who do not love the British connection. There is but a fragment of our people who take any other view and there are as many of that fragment on the Conservative side as on the Reform side. For myself, I am a true Briton. I love the old land very dearly. I am glad I was born a British subject. A British subject I have lived for three-score years - and something more - I hope to live my life a British subject and as a British subject die. I trust and I hope that my children and my grandchildren, who have also been born British subjects, will live their lives as British subjects and as British subjects die. As loving my country in this way I rejoice that there is so much loyalty among the people. I rejoice at it even though sometimes it is perverted by those who have some base object to serve by the perversion of it ... Let us take care that we shall not be drawn into the absurdity of considering that reciprocity to a certain extent may be for our advantage, may confirm the loyalty of our people, may put down all thought of annexation, but that if that is extended a little further it brings on annexation, brings on anti-British feeling amongst us. I utterly repudiate that ... Our opponents are afraid of being Yankeeified if they get unrestricted reciprocity. We are not afraid of being Yankeeified by any such thing. I am quite sure that the Reformers will not be Yankeeified by unrestricted reciprocity, and I hope the Conservatives will not be Yankeeified by any such means." 1

1. Toronto Globe, Feb. 19, 1891; Biggar, Mowat II, p. 577 sqq. Part of the speech appears in Willison, Laurier II, pp. 169 - 171.

"The loyalty cry", said the Globe, "has been used from time immemorial in this country to cover up exploded fallacies, gross misdeeds, the incompetence of men in power, outrages on popular liberties and every form of evil. 'What does the old flag stand for?' asked the school-teacher of the boy, and the urchin's reply was 'Please, Sir, it is there to hide the dirt'. Its folds have been used many a time by Sir John Macdonald for a similar purposes." 1

All such efforts to answer what had, in effect, become the chief Conservative argument were in vain. Further "revelations" were to follow. On the 24th the Government newspapers, under flaring headlines proclaiming

Treason

Of the Rankest Kind

published two letters, one from Farrer to Wiman and the other from Hitt to Wiman. The fact that these were written in April, 1889, and by persons in no way officially connected with the Liberal party, did not prevent their use as "proving conclusively" that "Cartwright, Laurier, Longley et al ... have been in alliance with the enemies of Canada to wreck the ruin of their country". 2

Even the letters themselves seem fairly innocuous. That of Farrer is primarily an explanation of the decreasing interest in Commercial Union in Canada at that time, and an

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1. Toronto Globe, Feb. 19, 1891; see also Feb. 27 and Halifax Chronicle, Feb. 26, 1891.
 2. Toronto Empire, Montreal Gazette, Halifax Herald, Feb. 24, 1891. Typewritten copies of the two letters are to be found in Macdonald Papers, Elections. IV, pp. 68 - 71.

advocacy of proceeding, therefore, rather with the agitation for annexation. The only reference to the Liberal party is simply to regret its "littleness and half heartedness". Hitt, in his letter to Wiman, expresses surprise at Farrer's sentiments and endeavours to hearten the former in his own fight for Commercial Union.

The Globe once more disclaimed any connection with Farrer's "private views or with the letters he may have written two years ago ... The Globe has been thoroughly loyal ... It does not hesitate to condemn the sentiments expressed in Mr. Farrer's correspondence"¹. The Mail was moved to protest against this use of material "stolen from printing offices and desks";² but both were alike useless. The loyalty cry gained force day by day and the campaign ended with a veritable scream of patriotic sentiments from the Conservative press.

"Canadians, will you help to pull down the Union Jack and hoist the Stars and Stripes?" asked the Empire. "We are engaged in an awful and eventful contest"³ "With, therefore, the eyes of friends and foes alike on us, and with the full consciousness that we are deciding the fate of our common country 'for half a century to come' (as admitted by Wiman) let every good citizen go to the polls to-morrow and deposit his ballot."⁴

Government and Opposition were about equally successful in Ontario and Quebec, the former having a very small

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1. Feb. 25, 1891.
 2. Feb. 26, 1891.
 3. Mar. 3 and 5, 1891.
 4. Halifax Herald, Mar. 5, 1891.

majority in Ontario, which was more than counterbalanced by the latter's victories in Quebec; but in the Maritime Provinces and the West, the Government was returned overwhelmingly. Cartwright said, in one of those trenchant phrases which were so often his undoing, that the Government's majority was "a thing of shreds and patches, made up of ragged remnants from half a dozen minor Provinces"¹; and the Toronto Globe declared that the Maritimes and British Columbia had "been seduced by bribes", while "Mr. Van Horne took Manitoba by the throat ... and made it utter a lie"². The Empire maintained that the Government had been "royally sustained" by "a decisive majority", but the Montreal Gazette was more in accord with Macdonald's own views in expressing disappointment that the result had not been more favourable.³

On the morning following the election, Blake's letter to the West Durham electors appeared in a form somewhat changed from the original version, in the press of both political persuasions. Couched in the logical language of a lawyer, it is, probably, the best summary of the weaknesses of the Liberal policy from one, who, in spite of the bitter criticism his action evoked from his earlier associates, still undoubtedly regarded himself as their friend; - for it seems impossible to doubt both the sincerity and deep feeling of the last sentences.

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1. Toronto Globe, Mar. 9, 1891.
 2. Ibid
 3. Montreal Gazette, Mar. 6, 1891; Macdonald to Stephen, Mar. 31, 1891, Pope, Correspondence of Macdonald, p. 485.

"It has caused me deep distress", he writes, "to differ from my political friends. Gravely distrusting my judgment as to opinions unshared, difficulties unfelt and consequences unforeseen by them, I sincerely wish to be found - as I have earnestly striven to find myself - in error."

Blake begins with a scathing indictment of the Conservative policy.

"It has left us with a small population and a North-West empty still; with enormous additions to our public debt and yearly charge, an extravagant system of expenditure, and an unjust and oppressive tariff ... and with unfriendly relations and frowning tariff walls ever more and more estranging us from the mighty English-speaking nation to the south, our neighbours and relations, with whom we ought to be, as it was promised that we should be, living in generous amity and liberal intercourse. Worse, far worse! It has left us with lowered standards of public virtue and a death-like apathy in public opinion; with racial, religious, and provincial animosities rather inflamed than soothed; with a subservient parliament, an autocratic executive, debauched constituencies and corrupting classes; with lessened self-reliance and increased dependence on the public chest and on legislative aids and possessed withal by a boastful jingo spirit far removed from true manliness, loudly proclaiming unreal conditions and exaggerated sentiments, while actual facts and genuine opinions are suppressed. It has left us with our hands tied, our future compromised, and in such a plight that, whether we stand or move, we must run some risks which else we might have declined or encountered with greater promise of

success. ... In our present condition, a moderate revenue tariff, approximating to free trade with all the world, and coupled with liberal provision for reciprocal free trade with the States, would be, if practicable, our best arrangement ... but the result of our policy for the last thirteen years is that we shall be compelled, for an indefinite time, to raise the bulk of an enormous revenue by high duties on imports.

On the other side, it seems to be the settled policy of the States to decline a limited reciprocity.

So that what would be best is now unobtainable."

Various propositions have been suggested. Imperial free trade is not practicable because of the point of view of the British public. Unrestricted free trade would greatly advance the material interests of Canada; but it involved differential duties against Great Britain and promised a serious revenue difficulty,

"incapable of being filled by a tea and coffee tax, a bill tax and other available taxes of a like nature and by practicable economies.

Direct taxation, even in its most promising form, a succession tax, is, I regret to say, at present out of the question."

The practical difficulties of any other arrangement meant that an assimilation of tariffs was inevitable,

"And whatever shape the arrangement might take, it would be necessary to concede to the States, if not a formal, at any rate a practical control in respect of changes ... And I can readily conceive conditions under which, notwithstanding her right to threaten a withdrawal, Canada

would have much less influence in procuring or preventing changes than she would enjoy did she compose several states of the Union."

Cordial relations between Canada and the United States would be to the advantage of Great Britain and the British investor would benefit,

"But after all, it would be taken in very bad part on economic grounds by the British manufacturing interests, and on Imperial grounds by other important elements of the population; and it would seriously affect the present tone and feelings in regard to the Colonies ...

Assuming that absolute free trade with the States, best described as Commercial Union, may and ought to come, I believe that it can and should come only as an incident, or at any rate as a well understood precursor of Political Union; for which indeed we should be able to make better terms before than after the surrender of our Commercial independence.

Then so believing - believing that the decision of the Trade question involves that of the Constitutional issue for which you are unprepared, and with which you do not conceive yourselves to be dealing - how can I properly recommend you now to decide on Commercial Union?" I

This letter, of course, had a very mixed reception.

The Liberal papers contended, wrongly, that:

"Mr. Blake, instead of being unwilling to go as far as his party on the question of our commercial relations with

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1. This letter is also published as a separate pamphlet, a copy of which is in the Dominion Archives; see also Skelton, Laurier I, p. 421, and Willison, Laurier II, p. 173.

the United States ... proposes to go further, or perhaps, we should rather say, claims that there is no choice left us but to go the length of political Union." 1

Blake then wrote a further letter to the Globe, which appeared in its issue of March 12th, in which he said,

"I think political union with the States, though becoming our probable, is by no means our ideal, or as yet our inevitable future."

In a later confidential letter to Laurier, Blake reiterated his view that Unrestricted Reciprocity meant eventual political Union, which might be indeed the ultimate destiny of Canada, though "my feelings are in favor of an effort to secure Canadian independence"².

The Conservative papers, as was to be expected, were jubilant over Blake's letter, which they said, "endorses every argument which the Government has urged against the Unrestricted Reciprocity Scheme"³. While some of them were very fair in their reviews and comments, even admitting the justice of some of his criticisms of the Conservative policy and its results,⁴ others, in the spirit which they had displayed during

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1. Montreal Herald, Mar. 9, 1891; Halifax Chronicle, Mar. 7, 1891; Toronto Globe, Mar. 6, 1891.
 2. Blake to Laurier, April 23, 1892, Laurier Papers.
 3. Halifax Herald, Mar. 8, 1891.
 4. Montreal Gazette, Mar. 9, 1891.

the campaign, declared,

"He played the part of a craven, and set an example which every man of stable and patriotic principle must despise and condemn." 1

While not, perhaps, concurring in all the details of Blake's argument, it is impossible not to admit its force. The Liberal policy of Unrestricted Reciprocity was highly impractical, both from the point of view of the actual difficulties involved and because of its implications with regard to the political future of Canada. On the other hand, the Conservatives, with a better case, fought in a way which it is equally impossible not to condemn. The election of 1891 wrote "finis" to the agitation for both Unrestricted Reciprocity and Commercial Union which, indeed, had been at its height several years before the actual test at the polls came and which, it is possible to argue, the Liberals might have abandoned had it not been for the revival of their hopes, brought about by the pressure of the McKinley tariff, and the surprise campaign, announced at a time of re-organization and, on an issue, - that of the Government's promise to negotiate a treaty of limited reciprocity, - which gave them no opportunity of retreat.

1. Toronto Empire, Mar. 6, 1891.

CONSERVATIVE NEGOTIATIONS AND THE RE-ORIENTATION
OF LIBERAL POLICY.

CHAPTER III

Unrestricted Reciprocity and Commercial Union had, in reality, been killed by the election of 1891, but this fact was, of course, not immediately apparent, except to the partisan view of the Conservative press and it was not until two years later that the Liberals at their great Convention, held in June, 1893, formulated a new policy with any definiteness. From then to the next general election of 1896 was a period of consolidation, of taking advantage of Conservative weaknesses and quarrels and thus preparing the ground for the victory which was to come in the latter year. The first few years, therefore, are, for the Liberals, a period of confusion and indecision, with the fortunes of the party apparently sinking to new depths.

For the Government, newly returned to power in 1891, there remained still the implementation of their promise, however much neglected in the latter part of the campaign, to enter into negotiations for a reciprocity treaty with the United States. At the end of March, Sir Charles Tupper went to Washington, although Blaine, apparently, was not too anxious to see him. Indeed Blaine disapproved of limited reciprocity and was convinced that the United States had had

the worst of the bargain in the treaty of 1854-66. The conclusion of Adee, the veteran second assistant Secretary of State, was that he had merely entered into negotiations with Newfoundland with the purpose of keeping up tension between that country and the Dominion, and in the hope of bringing about a movement in the former for annexation to the United States.¹ Macdonald, too, was not very sanguine of the possibilities of achieving any result and he, also, stated that the negotiations had another object.

"We want to drive him [i.e. Blaine] into a statement that he won't deal with us unless we adopt the United States tariff and discriminate against England, which we won't do." 2

The prospects of success had not been improved, either, by the tone of the Conservative campaign. Before receiving Tupper, Blaine sent a very caustic note to the British minister setting forth his view of the initiation of negotiations. Here he emphasized his insistence on the necessity of secrecy, so that if no agreement were reached there might be no public discussion, and intimated, by implication, that the Canadian Government had violated his confidence in this respect. He then went on to say,

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1. Sessional Papers, 1891, No. 38, p. 67. Tyler, Alice Felt, The Foreign Policy of James G. Blaine (Minneapolis 1927), p. 350; Dennett, Tyler, John Hay (New York 1933), p. 423; Foster, John W., Diplomatic Memoirs II, p. 178.
 2. Macdonald to Stephen, Mar. 31, 1891, Pope, Correspondence of Macdonald, p. 487; Macdonald to Dr. Helmchen, Mar. 30, 1891, Letter-book No. 28, p. 11.

"In view of the fact that you had come to the State Department with the proposals [i.e. the Canadian] and that the subject was then for the first time mentioned between us, and in view of the further fact that I agreed to a private conference as explained in my Minute, I confess that it was a surprise to me when several weeks later, during the Canadian canvass, Sir John Macdonald and Sir Charles Tupper, both stated before public assemblages that an informal discussion of a reciprocity treaty would take place at Washington after the 4th of March, by invitation of the Secretary of State.

I detail these facts because I deem it important, since the matter has been for some weeks open to public remark, to have it settled that the conference was not 'initiated' by me, but on the contrary that the private arrangement of which I spoke was but a modification of your proposal and in no sense an original suggestion from the Government of the United States." 1

At the beginning of his interview with Blaine, which took place on April 2nd, Tupper was obliged to acknowledge the truth of this statement and then tried to disabuse Blaine's mind of any idea,

"which had been promulgated in Canada and the United States" that "the present government of the Dominion was not warmly in favour of the most friendly relations with the United States."

Blaine replied, with official correctness, that

"outside of individual expressions of opinion, there was no interest taken

1. Blaine to Pauncefote, Apr. 1, 1891, Sessional Papers 1891, No. 38, p. 83.

by the Administration or Congress of the United States in the recent Canadian elections."

Some discussion of the general situation followed, Tupper throwing in the remark that he would

"regret very much if Canada and the large number of Canadians in the United States were driven to the conclusion that they could only look to one party in the United States for freer commercial intercourse between the two countries."

An appointment was made for a further interview on April 6th.¹

In the meantime, however, Blaine told the British minister that it was necessary to postpone the meeting on account of arrangements made by the President for a trip to the west. A telegram to this effect did not arrive in time to prevent Tupper and his two colleagues from leaving Ottawa. They, therefore, arrived in Washington, but only saw Blaine socially. The date² of the postponed meeting was then set for October 12th.

Tupper's "three minute conference" provided excellent material for Liberal jibes both in the press and in Parliament, which opened on April 30th. Charlton said that "General Harrison practically told them they might go to Hades, and he would go off on a visit"; Laurier called it "the officious, not the official delegation"; Cartwright told the Government that they had "succeeded in making themselves the laughing stock of the

1. Tupper to Macdonald, Apr. 21, 1891, ibid, pp. 67 - 70.
2. Same to same, Apr. 25, 1891, ibid, pp. 70 - 72.

United States"; and Davies boomed,

"In that humiliating confession and withdrawal the High Commissioner placed Canada in a position more humiliating than she ever occupied in any negotiation in which she was previously concerned with the United States."

The Halifax Chronicle declared that Tupper's mission

"recalls the feat of that noble French general who 'with twenty thousand men, marched up the hill one day and then marched down again'". 1

The Government press found all kinds of ingenious excuses. It was an evidence of the importance attached by the President to the Canadian negotiations; it was due to the intervention of McKinley; it was intended as a snub for Blaine from Harrison. The favourite explanation, however, was that it was "probably the direct result of representations made by Canadians of the Farrer type". In proof of this contention they printed two letters, one from Farrer and the other from Fielding, which had been published in the Detroit Evening News, and which declared the impossibility of securing a limited reciprocity treaty, even if Macdonald were sincere in his efforts, which they doubted. To this new revelation of the type which had become familiar during the election campaign, the Toronto Globe replied that it proved nothing except

"the excellence of the system adopted ... for laying their hands on the correspondence of their opponents." 2.

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1. Toronto Globe, Apr. 7, 1891; Halifax Chronicle, Apr. 16, 1891; Commons' Debates 1891 (vol. XXXI & XXXII), p. 23, p. 43, p. 3359; 1893, (vol. XXXVI), p. 1068.
 2. Toronto Empire, Apr. 1 and 7, 1891; Montreal Gazette, Apr. 6 and 7, 1891; Halifax Herald, Apr. 10, 1891.

The Liberals also attacked the sincerity of their opponents in these negotiations, - and with good reason, as Macdonald's letters show.¹ The speech from the throne, however, alluded to the prospective meeting in October between representatives of the two countries, and the mover of the address declared the Government's action was in harmony with their traditional policy. Macdonald and Foster also emphasized this point and the latter went on to say,

"If the negotiations have not progressed so far as to show tangible results, the Government is not at fault ... If hon. gentlemen opposite want to know what the Government will not or will do, I can tell them in a few words. The Government will not negotiate a reciprocity treaty with any country, which treaty would shut us out from every other country in the world, Great Britain included. The Government will not negotiate a treaty which would place the framing of its tariff in the hands of a more powerful and greater country, and would enable that country to place upon us a tariff entirely inordinate and entirely unfitted to our needs." 2

Smarting from their defeat, the Liberals were naturally drawn to a re-assertion of a policy, which, on the eve of the election, it is possible they were on the point of abandoning; and this in spite of the fact that the course of the campaign had intensified misgivings.

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1. Commons' Debates 1891, (vol. XXXI & XXXII), p. 75, p. 1227, p. 1475, p. 2291; Halifax Chronicle, Aug. 7, 1891; Toronto Globe, Apr. 13, 1891; Victoria Daily Times, Apr. 6, June 26, 1891.
 2. Commons' Debates 1891, (vol. XXI), p. 10, p. 32, p. 59, p. 64.

In 1901 Clifford Sifton, then Minister of the Interior in Laurier's Cabinet, said of his part in the 1891 struggle,

"I had at that time no views of my own on reciprocity. I accepted and advocated the party policy but, as the discussions proceeded, I became more and more doubtful as to the soundness of my position. By the time the campaign was over I was pretty well converted to the view I was supposed to oppose." 1

The Manitoba Legislature passed a resolution interpreting their previous resolution of March 20th, 1890. They did not wish the latter in any way to be understood as endorsing

"suggestions which have been made in certain high quarters that some of the leading advocates of Unrestricted Reciprocity are aiming at a dissolution of the tie that binds this country to the Motherland and to link us politically with the American Republic."

They state further,

"that no treaty will be satisfactory which will not place it beyond the power of American legislation to fix, or American influence to change, the Canadian tariff against other lands, or which will in any way place Canada at the mercy of the United States." 2

Blake, in a letter to Laurier, even declares that the latter, in their interview before the election, expressed the opinion that the party policy must be revised,

"and that, from that point of view, you dreaded success at the election." 3

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1. Dafoe, J. W., Clifford Sifton in Relation to his times, (Toronto 1931), p. 356.
 2. Journals of the Legislative Assembly of Manitoba 1891, pp. 10 - 11; Manitoba Free Press, Mar. 14, 1891; Canada: an encyclopaedia I, p.390.
 3. Blake to Laurier, Apr. 23, 1892, Laurier Papers.

Thus it is not surprising that, as their opponents asserted,¹ the re-statement of the Liberal policy was accompanied by more qualifications than previously.

Cartwright's resolution, moved as an amendment in the Budget debate, was in itself somewhat indefinite. It advocated a reduction of

"all duties on articles of prime necessity, and more particularly on those most generally consumed by artisans, miners, fishermen and farmers; and, further, that the negotiations which the House has been informed are to open at Washington in October next should be conducted upon the basis of the most extended reciprocal freedom of trade between Canada and the United States, in manufactured as well as natural products." 2

Cartwright and Charlton were, as might be expected, strongest in their statements of adherence to the policy of Unrestricted Reciprocity; - the only basis, declared the former, on which it would be possible to secure trade concessions from and more amicable relations with the United States.

"The Liberal party of Canada has a mission," said Charlton, "and that mission is to promote more cordial, more friendly relations between the two great branches of the Anglo-Saxon family upon this continent, and that party believes and knows that unrestricted reciprocity is the talisman which will bring peace and amity upon this continent and prove a powerful factor in producing the same results among all the Anglo-Saxon commonwealths upon the face of the globe."

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1. Commons' Debates 1891 (vol. XXXII), p. 3334, p. 3347; Toronto Empire, June 25, 1891; Montreal Gazette, July 11, 1891; Halifax Herald, Apr. 3, 1891.
 2. Commons' Debates 1891 (vol. XXXII), p. 3081.

Laurier said,

"I affirm again on the part of the Liberal party that the true policy to be followed on this question is unrestricted reciprocity";

but he went on to insist on the necessity of a gradual introduction of free trade between the two countries, and on safeguards for the maintenance of Canadian independence. Davies also made the point that the removal of duties must be gradual and said,

"I admit that I would be satisfied with a treaty made on the lines of 1854, but if we cannot get that, as I know we cannot, I would be prepared to go on the lines marked out by the late Hon. George Brown, and if we could not get that ... then if it was necessary to go as far as unrestricted reciprocity, I would go to that length, taking the evils connected with it, knowing that the advantages are ten times as great as the evils, and knowing that nothing will redeem this country so quickly from its depressed condition as a free system of reciprocal trade with our neighbours to the south." 1

This division of opinion appeared also in the press.

The Toronto Globe declared that Cartwright's amendment

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"similar in principle to that which he introduced in 1888 when the Liberal party adopted continental free trade as its platform" and that "the Liberal party stand without wavering for continental free trade as the measure that will be accepted by the Washington Administration and that will best promote

1. Commons' Debates 1891, (vol. XXXI & XXXII), p. 36, p. 51, p. 102, p. 1241, p. 3313, p. 3333, pp. 3354 - 3371. This statement of Davies should be compared with letters from Davies to Laurier of Nov. 6, 1887, see above p. 79; and Nov. 8, 1888, see above, p. 136.

all the substantial interests of Canada." 1

The Halifax Chronicle, however, was far more inclined to dwell on the limitations of the programme and defined Unrestricted Reciprocity

"simply as meaning the broadest basis of negotiation." 2

Laurier made a speech at Boston on November 11th, which drew a certain amount of comment from the press, the newspapers on the Conservative side once more endeavouring to raise the loyalty cry, which had stood them in such good stead in the election. The following statement was particularly quoted,

"The tie which now binds Canada to the motherland is Canada's own will, and, it is with pride I say it, though still a colony Canada is free. Of course, light as is the dependence it cannot last forever."

The speech is throughout an assertion of the attachment of his party to Unrestricted Reciprocity, but even here he says,

"if unrestricted reciprocity were to be had only by the sacrifice, however slight, of Canada's dignity, I would have none of it."

It is really hardly worth the importance attached to it and may be regarded simply as another illustration of the fact that Liberal policy, in view of the results of the 1891 election, was still undetermined.

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1. April 13 and June 25, 1891.
 2. June 24 and Aug. 7, 1891.
 3. For a report of the speech see Toronto Globe, Nov. 18 and 27, 1891; for comment, ibid, Nov. 19, 1891; Halifax Chronicle, Nov. 21, 1891; Toronto Empire, Nov. 18 and 25, 1891; Montreal Gazette, Nov. 23, 1891.

The negotiations between the two governments dragged on in the same unsatisfactory atmosphere in which they began.

"It is of the highest importance in my view that there be no treaty of reciprocity," wrote Blaine to Harrison in September. "They will aim at natural products, to get all the products of the farm on us in exchange for Heaven knows what. They certainly will not give us manufactured articles, as that will interfere with their own and break down their tariff. This might be pushed by their friends against the natural products, but I would not put the subject to risk by saying we will take the tariff off if you will throw in the manufactures, because when the Liberals come into power they will agree to that ... The fact is we do not want any intercourse with Canada except through the medium of a tariff, and she will find she has a hard row to hoe and will ultimately, I believe, seek admission to the Union." 1

This view of Blaine's, i.e. that there must be something approaching political union or nothing, found public expression in an article in the New Englander,² while a Democratic writer, though favourable to "a frank and full discussion", was opposed to reciprocity generally as

"only an international form of protection ... The word is a mongrel and a bastard like the thing." 3

The Canadians seemed hardly more enthusiastic than the Americans. The Canadian Manufacturers' Association passed

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1. Tyler, The Foreign Policy of Blaine, p. 351.
 2. Joseph Sheldon, "Canadian Reciprocity within the Union - Not 'Free Trade' and False Pretences", New Englander, June 1891, (vol. LIV), pp. 543 - 559.
 3. William Henry Hurlbert, "'Reciprocity' and Canada", North American Review, Oct. 1891, (vol. CLIII), pp. 468 - 480.

a resolution against the inclusion of manufactures or discrimination against Great Britain. Sir John Macdonald, affected by the exertions of his strenuous election campaign, had died on the 6th of June, his place as Prime Minister being taken by Sir John Abott. The latter wrote to Tupper in September,

"We shall be very awkwardly placed this autumn with regard to these negotiations ... The original intention of the appointment there was understood to be, in effect, the consideration of the preliminary question whether negotiations could be entered upon with advantage, and we would gladly have the discussion limited to that point for the moment. If it should be concluded that there are grounds upon which negotiations for extended trade relations could rest, we would then endeavour to fix a later day on which these negotiations could take place. If, on the other hand, it appears that no basis for negotiation can be found, of course there will be an end to the whole matter." 1

The remark of the Canadian Governor-General that "one side did not want it at all, and the other was half-hearted", seems substantially accurate.²

The meeting, which had been set for October 12th was postponed at the request of Blaine, and when, on January 10th, the British minister announced that the Secretary of State was now ready to receive "'the Canadian gentlemen'", the latter were unwilling to leave until a month later. Thus the conference did not take place until February 10th and 11th.³ Canada was represented by G. E. Foster, Minister of Finance, and the Ministers

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1. Tupper Papers IV, p. 504.
 2. Stanley to Tupper, Feb. 22, 1892, Tupper Papers IV, p. 515.
 3. Sessional Papers 1892, No. 37, p. 1.

of Justice and Customs;¹ the United States by Blaine and John W. Foster. There was some dispute over the substance of the conversations. The Canadian memorandum stated that Blaine had insisted on the adoption by Canada of a tariff uniform with that of the United States, but the latter's account does not mention this. It is clear, however, that the two chief difficulties were the American insistence that the agreement should include manufactured articles as well as natural products, and that the treaty should apply only to the United States, - that is to say, it should discriminate against British goods. G. E. Foster objected to the latter because

"aside from sentimental considerations, it was well known that the only material return which Great Britain received from the privileges and protection she gave us was the right to enter our markets on even terms with other countries."

With regard to the inclusion of manufactures he said that Canadian

"younger and smaller industries would be exposed to the strong competition of older and well established industries in the United States with their accumulation of skill and immense capacity for output, and that, in the matter of animal and agricultural products, she would only gain access to a market which, in nearly all lines of these products, was supplied to overflowing with like products raised in the United States."

Blaine replied,

"that Canada would then be in much the same position in trade and industrial matters as

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1. Tupper had suggested that he should be sent, because of his experience in the negotiations of 1888 and because he had had the interview with Blaine in April; but Abbott considered it better to "detach some of our colleagues from here". Tupper Papers IV, p. 504, Saunders, Life of Tupper II, p. 162.

1
dispute.

In his budget speech, delivered on March 22nd, Foster gave the first official version of the February interview, stating that Blaine had insisted on preferential treatment for United States products, the inclusion of manufactures and that the tariff agreed upon

"must be practically the tariff of the United States." "Now the matter is settled," he continued, "It is settled in point of clearness and definiteness. I, for my own part, regret that it is settled as it is, and still I am glad that it is settled at all. I regret that no modus can be found by which profitable trade relations could be established between these two countries, without our being called upon to sacrifice too much of Canadian interests and too much of Canadian nationality. I am glad, however, that from this time forward there need be no lack of definiteness, for all parties and all interests in Canada may now know exactly the basis upon which a treaty can be obtained or cannot be obtained." 2

The Liberals, of course, once more declared that the negotiations had not been carried on with any desire to succeed. Foster seemed

"to be suggesting to Mr. Blaine all the difficulties he possibly could suggest."

At the same time, they stated that they were not in favour of accepting the conditions offered or ready to agree to any sacrifice of dignity.³ The Montreal Gazette interpreted these latter statements as meaning that "the U. R. Fad is abandoned."⁴

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1. Ibid, pp. 2 - 5.
 2. Commons' Debates 1892 (vol. XXXIV), pp. 330 - 334; see also Halifax Herald, Mar. 25, 1892; Toronto Empire, Mar. 23, 1892.
 3. Commons' Debates 1892, pp. 350 - 357, pp. 388 - 389; see also Toronto Globe, Mar. 25, 1892.
 4. Mar. 1, 1892.

The Liberals in their attacks on the Government's sincerity declared that the mission to Washington was designed purely as "an election dodge"¹ to influence the result in various bye-elections which were taking place in February. Whether it really had any effect, or whether, as it was reported to Laurier, the farmers were "frightened by direct taxation" and seemed "all to have learned Blake's letter by heart"², the Government was uniformly successful. This result, coupled with the conditions laid down by Blaine, meant logically, as the Conservative press pointed out,³ that the Liberals must either adopt Commercial Union or give up the policy of Unrestricted Reciprocity, as some of their speeches in Parliament showed signs of doing.

The final decision was not to be yet. Laurier declared, after Foster's speech, that

"the Liberal party is to-day as strongly wedded to reciprocity, that is better trade relations between the United States and Canada as ever it was, and we are as confident of being able to secure the same as ever we were in the past."⁴

But it should be noted that he avoids using the term "Unrestricted Reciprocity", and it is evident, from some letters of

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1. Toronto Globe, Feb. 8, 1892; Halifax Chronicle, Feb. 15 and 17, 1892.
 2. J. S. Willison to Laurier, Oct. 11, 1893, Laurier Papers. At the meeting of the Central Farmers' Institute held in this year the president suggested that the subject of Unrestricted Reciprocity should not be discussed.
 3. Halifax Herald, Mar. 24, 1892; Montreal Gazette, Mar. 23, 1892; Toronto Mail, Mar. 23 and 25, 1892.
 4. Manitoba Free Press, Mar. 24, 1892.

Blake that he was considering some change of policy. These letters are interesting, too, as showing some divergence from the views of Cartwright, who, in a much criticized article in the London Economist, had reiterated his belief that in

"a commercial treaty, which will ensure
perfect free trade with the United States"

¹
lay the only hope of Canadian prosperity.

The latter states that after the West Durham letter² he "never spoke" or "held any communication" with Blake; but it is evident that this does not extend to Laurier. Apparently Mills, always regarded as being particularly close to Blake, and Davies, were also concerned in these discussions, which Blake declares he is engaging in

"largely because you had told me last summer that you thought the policy of the party must be revised, and that the occasion of the Washington negotiations, whatever their issue, should be used for that purpose."

He strongly urges the use of this occasion, as

"the best opportunity you are ever likely to have to make a revision ... The other alternative is to accept the view that the policy means an assimilation of our tariff with that of the United States ... and, therefore, Unrestricted Reciprocity on this basis becomes an inferior kind of Commercial Union ... but that plan has been condemned by the action and utterances of

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1. Feb. 13, 1892. This was also published as a separate pamphlet to be found in the Dominion Archives.
 2. Reminiscences, p. 297.

the party during the last five years ... I would say that his [Blaine's] utterance, as to the need of assimilation ... seemed to remove Unrestricted Reciprocity, from the range of practicability, while it left within that range a large and liberal treaty such as I have described; that therefore the party so far modified its policy; that this course had the advantage of leaving details to be the subjects of negotiations; and that you might well exclude from the operation of the treaty certain articles on which you might want to raise a revenue ... To this you can add that a Reciprocity, not unlimited, removes the question of discrimination and also that of revenue, to the time of the negotiations, inasmuch as its necessity and extent would depend upon the character of the articles of the reciprocal arrangement ... Do not understand me as saying that all this will be satisfactory. On the contrary, I see difficulties and weaknesses; but notwithstanding, it seems to me that this is under your circumstances not merely the least objectionable, but also the only practicable plan of action; and I strongly press it on you; and will gladly do what little I can to lessen its difficulties and enhance its advantages ... I think that now, when the fortunes of the party are at the lowest ebb, when the elections have gone against you, when there is yet time before the next general election to reform your ranks on new lines, and to familiarize your friends with the new position, now is the time to act." 1

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Laurier also received other advice along the same lines.

Goldwin Smith, equally with Blake, held that the bye-elections and the Conservative negotiations necessitated some

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1. Blake to Laurier, Apr. 12 and 23, 1892, Laurier Papers. The Toronto Mail, possibly hearing some rumours of these discussions, said that Blake's re-entry into Parliament was being mooted and that his advice was to adhere to Unrestricted Reciprocity. Mar. 31, 1892.
 2. John Crerar to Laurier, Nov. 28, 1892, ibid.

change, but his advice was, of course, in the opposite direction.

"My own conviction, I must confess", he wrote, "grows stronger that Political Union or something avowedly leading to it, will be found at last to be the only solid ground and the only fulcrum by which you can move the people." 1

Possible in pursuance of Blake's advice the approach to reciprocity in this session was not by a resolution favouring Unrestricted Reciprocity, moved by Cartwright, but by an amendment moved by Mills, which, reviving the earlier policy of the Liberals, concentrated on Canada's diplomatic status. This resolution provided for the right of independent negotiation of commercial treaties, which should afterwards be submitted to the Canadian Parliament. As Canadian foreign policy was predominately a question of relations with the United States, these formed the text of the speeches in the succeeding debate, and a later resolution of one of the members on the Government side for diplomatic representation of Canada at Washington, approached very nearly to the Liberal position, though it received some Conservative support.² The old wrongs which Canada had suffered at the hands of British diplomats were, of course, again recited and the different attitudes of Great Britain and her colony towards any dispute with the United States were emphasized.

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1. Goldwin Smith to Laurier, Feb. 15, Feb. [n.d.] and May 23, 1892, *ibid.*
 2. Commons' Debates 1892 (vol. XXXIV&XXXV), pp.1104- 1144, pp. 1950 - 1977, pp. 2463 - 2467.

"What they most want", said the mover of the first resolution, "is the early disposition of a disagreeable dispute ... What we want is a permanent recognition of our rights."

"Is there a Canadian anywhere", said Laurier, "who would not hail with joy the day when we would be deprived of the services of British diplomacy ... British diplomacy so far as Canada is concerned, has been a record of failure, and of surrender and sacrifice ... I would rather have a Canadian Tory than an English Liberal, for the negotiation of a treaty with a foreign country in the interests of Canada." 1

"The Liberal resolution", said Foster, "is the first step in the programme to which Laurier pledged himself at Boston. It is the first step to Unrestricted Reciprocity and Unrestricted Reciprocity is the first step to annexation." 2

In his budget speech Foster, after detailing the failure of negotiations with Washington and his belief that this closed the matter of reciprocity with the United States, concluded by urging the Canadian farmer to turn his attention to

"that almost inexhaustible market which awaits him for all his products in Great Britain, our mother land." 3

This matter was carried still further by a resolution of a private Conservative member providing for mutual preferential trade between Great Britain and the Dominion. The debate is of interest as showing the Liberal attitude on a subject which was to

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1. Ibid, p. 1115, p. 1143, p. 1965, p. 1957.
 2. Ibid, pp. 1131 - 1134. See also Montreal Gazette, Apr. 11, 1892; Toronto Empire, Apr. 9, 1892.
 3. Commons' Debates 1892 (vol. XXXIV), p. 334.

become of great importance during their own regime. The official attitude of the Opposition was expressed by an amendment moved by Davies which proposed to give the benefit of a tariff reduction on British goods in consideration of the free admission of Canadian products.¹ The Government press and party,² of course, criticized this on the ground of inconsistency; and Liberal newspapers, which had replied to Foster's hints of the adoption of preferential duties, by urging very great consideration in view of the possibility of American retaliation,³ were in somewhat of a quandary. Though the Toronto Globe continued to laud the advantages of the American over the British market, the Halifax Chronicle found a solution in declaring,

"The Liberals do not abandon their policy of freer trade relations with the United States, but pending the consummation of such a scheme they believe that their first duty is to Canada and the people of Canada, to lighten taxation and unfetter trade and industry wherever they can, and give Canadian industries and trade the natural stimulus and easier access to foreign markets which must flow from lighter taxation, cheaper living and freer trade." 4

"The last debate and division in our House of Commons on Preferential Trade with Britain, with the Grits practically turning their backs on G. U. and 'going one better' than the Govt. in favour of British Trade marks a great event in our politics," 5

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1. Ibid, p. 1555, p. 1629.
 2. Ibid, p. 1623; Toronto Empire, Apr. 27, 1892.
 3. Toronto Globe, Victoria Daily Times, Mar. 23, 1892.
 4. Toronto Globe, Apr. 26, 1892; Halifax Chronicle, Apr. 27, 1892.
 5. Principal Grant of Queen's University to Tupper, May 7, 1892, Tupper Papers VI, p. 521.

wrote a correspondent to Tupper, but the development of this policy was not to be yet and it is rather along the lines suggested by the Chronicle of generally freer trade that the Liberals were to take their next stand.

In the spring of 1892, a book by Earl Grey appeared advocating the adoption by Canada of free trade

"with the same completeness that it was acted upon here during the first years after the repeal of the old Corn Law."

In the author's view this would be the best means of combating the hostile McKinley tariff. The Toronto Mail declared that it was "the voice of one crying in the wilderness" and the Globe criticized the prescription as coming from one insufficiently acquainted with Canadian conditions, but the Halifax Chronicle once more maintained,

"It is quite clear that if we intend to have a commercial war with the United States, we had better fight with free trade weapons rather [than] with the antiquated weapons of tariff retaliation and trade restriction." 1

Laurier, in a speech to the Young Men's Liberal Club of Hamilton on January 10th, 1893, answered the objections of his opponents to Unrestricted Reciprocity, but in the concluding paragraph he outlined a policy for the future.

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1. Grey, Henry George, 3rd Earl, The Commercial Policy of the British Colonies and the McKinley tariff (London and New York 1892); Toronto Mail, Toronto Globe and Halifax Chronicle, May 4, 1892. Wiman, almost alone, was still maintaining his advocacy of Commercial Union, see "Reciprocity with Canada", and "Benefits of Canadian Reciprocity", Engineering Magazine, Oct. and Dec., 1892, IV, pp. 109 - 114 and pp. 337 - 344.

"When, in the good time which is coming, and which cannot be so far off if I read aright the signs of the times, when we have a Liberal administration installed at Ottawa, the first thing we shall do will be to send our commissioners to Washington, not to obtain objections to a treaty, but, if possible, to obtain a treaty; but if the American government insists that this treaty shall be for less than fifteen or twenty years, we will come back to Canada and say to the Canadian people: It is not possible to obtain reciprocity, let us turn our eyes to something else. By that time I hope the principle of free trade will be so far advanced that we will be able to dispense with commercial treaties and have freedom of trade wherever British institutions and British examples prevail."

To a similar club in Toronto, on the 18th, he spoke of tariff reform

"in the line of absolute free trade, such as it is known in England." 1

When the session opened it was Cartwright who once more moved the Liberal amendment in the budget debate; but though he reiterated his belief that

"As matters stand to-day in Canada ... no great development is possible, unless in some form or shape, either by the voluntary good will of the United States or by a reciprocity treaty, the markets of the rest of the continent are thrown open to us", the resolution asked only for "a thorough reformation of the tariff in the direction of freer trade."

Even Charlton declared that the desideratum of the party was a treaty

1. Toronto Globe, Jan. 11, 12 and 18.

"substantially on the lines laid down in the draft Brown Treaty";

and Davies, while stating it as his belief that if the Liberals were in power they could obtain reciprocity on terms beneficial to both countries, said that until that time arrived

"and until we are in a position to carry out these promises which we made to the people, we will turn our attention to tariff reform." 1

It was now the turn of the Conservatives to make charges of insincerity.

"The Opposition is once again seeking a new name and a more useful mask for an old and detestable policy", said the Toronto Empire, "vague talk about tariff reform or free trade is only engaged in for the deliberate purpose of deceiving the people and throwing dust in their eyes." 2

But the Liberal press was generally content.

"There is a good deal to be said in favor of the Democratic idea that any restricting treaty is a mistake", declared the Manitoba Free Press, "and that trade should be made as free as possible with all the world; in other words that a tariff for revenue only is the proper policy and that treaties are more or less an interference with this plan. It is difficult to depart from sound principles, save in very exceptional cases, without danger of creating complications, and the Liberal party of Canada in making a

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1. Commons' Debates 1893 (vol. XXXVI), pp. 693 - 1492, especially p. 709, p. 719, p. 1071, p. 1163.
 2. Feb. 17, 1893; see also Apr. 14, 1893, and Montreal Gazette, Feb. 9, 1893.

revenue tariff the main plank of their platform are protected by the armor of common-sense." 1

The Halifax Chronicle considered their attitude towards the tariff as the chief differentiation between the two parties.

"The line of demarcation between the Liberal and Conservative parties is clear and distinct", it said. "The former are for tariff reform, for lighter taxation and free trade, on lines which will ultimately lead to free trade on British lines. The latter are for high taxation, monopoly and restricted trade!" 2

In the spring the Liberals prepared for the great convention, which should heal all wounds and prepare a united front and a definitive platform. The Government press became duly excited over the difficulties likely to be experienced in forming a tariff policy to which the diverse elements might be expected to adhere, but, as a matter of fact, these do not appear to have been as great as might have been expected. Even Wiman admitted, in a letter to Laurier, that closer trade relations with political independence were now out of favour in the United States because of

"the powerful influence of a desire for aggrandizement of the country." 4

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1. Apr. 23, 1893.
 2. Feb. 16, 1893.
 3. Toronto Mail, June 7, 1893; Toronto Empire, June 10, 1893; Halifax Herald, June 9, 1893.
 4. May 17, 1893, Laurier Papers.

This, and the factors which had induced the leaders to modify their advocacy of Unrestricted Reciprocity, had their effect on the rank and file. All the letters (which have been preserved) received by Laurier, favour a declaration for tariff reform as the main plank in the platform and generally approve of the adoption of the policy of "tariff for revenue". There is some evidence of a desire for a declaration in favour of a moderate reciprocity treaty. Edgar, in speaking to the West Ontario Convention for the election of representatives to the national meeting, said that he would be "ashamed" if the Liberal party should put reciprocity in the back-ground; but he coupled this with tariff reform as the aim of the Liberal party, and spoke of obtaining

"within six months after the Liberal party comes into power 'a reciprocity treaty' for the agricultural, mining and other interests ... which will not be dishonourable either to us or to the United States."

The Halifax Chronicle declared that the present issue for the Liberals was tariff reform;

"they will deal with reciprocity when the propitious time arrives." 1

Three weeks before the date of the Liberal Convention, a reciprocity convention was held at St. Paul, with

1. John Crerar, Apr. 24, James Young, May 2 and 10, F. S. Jones, May 2, Sydney Fisher, May 15, Thomas P. Gorman, June 2, Alex. Tanach[?] June 15, 1893, to Laurier, Laurier Papers. Toronto Globe, June 2, 1893; Halifax Chronicle, June 8 and 12, 1893.

representatives from both countries. This revived the discussion of a limited reciprocity. The resolution passed favoured removal of tariff restrictions

"so far as can be done consistently with a due regard to the revenue requirements and other interests of the two nations",

which, it was considered would still admit of the inclusion of

"many articles of industrial products as well as the natural products generally."

Springer, Democratic Chairman of the Ways and Means Committee, made an important speech, disclaiming any intention on the part of the United States of attempting to change the Canadian government or the attachment of the Dominion to the Empire. A good deal of discussion in the newspapers followed, particularly in the Manitoba Free Press, which used this occasion to return to a policy favourable to reciprocity, urging the Liberals to make limited reciprocity one of the planks in their platform. It still maintained, however, that this should not be allowed

"to obscure the larger question of tariff reform. We can get along without reciprocity if we have to, but not without tariff reform except at the price of general stagnation." 1

The Liberal Convention met at Ottawa, with an attendance of over 1,000 delegates, on June 20th and 21st, thus walking "into the lion's den", as the Mail declared. The policy adopted marks a definite recession from the party's attitude

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1. Montreal Gazette, June 8, 1893; Toronto Globe, June 7 and 23, 1893; Toronto Mail, June 9, 1893; Manitoba Free Press, June 7, 8, 10, 15, and 16, 1893; Victoria Daily Times, June 12 and 14, 1893.

in 1891 and the arrangement of personnel shows a decline in the influence of Sir Richard Cartwright. One of Laurier's correspondents while the convention was being arranged had written,

"Privately I may say that there are many, very many, who think Sir Richard holds views that do not meet the popular demand for tariff reform. They point out his arbitrary nature as a stumbling block. In fact I may say that the disposition is that too much has been left to his judgment in forming the fiscal policy of the party." 1

Mowat was chosen as general chairman, as the Empire said

"in the hope of pleasing the loyal and respectable elements of the party." 2

Cartwright spoke with Laurier and another member of the Convention at the first evening session, but Fielding, who was to supplant him as Finance Minister when the Liberals returned to power, was given the important position of Chairman of the Committee of Resolutions.

Mowat, at the very beginning of his opening address, took occasion to declare the attachment of the Liberals to the British connection. This was echoed by Davies, who, in moving the reciprocity resolution, said

"If there is an annexationist in Canada he is not in this convention." 3

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1. F. S. Jones to Laurier, May 2, 1893, Laurier Papers.
 2. June 21, 1893.
 3. Official Report of the Liberal Convention (Toronto 1893) p. 7, p. 78.

Tariff reform, he continued, was the most important subject to be discussed.

"Next is reciprocity with our neighbors, if we can obtain such reciprocity on fair and honourable terms. This, there is reason to believe, a Liberal Government could do. Reciprocity restricted to natural products is unattainable, but our neighbors know that Liberals are willing that the reciprocity should not be restricted to the natural products of the two countries, but should include such manufactures also as may be agreed upon. Liberals believe such an arrangement to be practicable, unless our neighbors should be misled into supposing the majority of Canadians want reciprocity so badly that they will consent to any terms, and even to annexation, rather than not have it." 1

Laurier, in the evening session, declared his attitude on the tariff question by calling the protective system of the present Government a

"servile copy of the American system ... Sir, my loyalty, as I stated, does not ooze from the pores of my body, but I do want to go for an example to the Mother Country, and not to the United States, much as I respect and love the people on the other side of the line."

Free trade should be the goal, though it is impossible of immediate achievement. With regard to reciprocity he said that a treaty along the lines of that of 1854 was not practicable. It was for that reason that

1. Ibid, p. 12.

"in 1888 we adopted a policy of untrammelled trade with the United States. This policy was distorted by the most wicked perversion of our opponents. They asserted on the platform and in the press that what we wanted was unrestricted reciprocity and nothing else, and that we would not take anything else, whereas the fact was that we were prepared to negotiate upon a basis of unrestricted reciprocity, but we would have been happy to obtain any possible measures of reciprocity in natural products and manufactures. The Liberal party, when it formulated the policy of unrestricted reciprocity, never disguised that there were difficulties in the way, and that when we came to negotiate the treaty several lines of manufactured goods would have to be eliminated, but what we wanted was to send a commission to Washington to lay down a basis of negotiations for a treaty." 1

Cartwright, as might have been expected, was stronger in his advocacy of reciprocity than any other member of the convention.

"I believe", he said, "that tariff reform is a good thing, but that no rapid development and recovery can be looked for unless in some form and shape you obtain also access to the markets of the United States ... I, for my part, cannot take back one word of what I have said at any time as to the enormous importance to the people of Canada from one end of the Dominion to the other of obtaining access to the markets of America." 2

The resolution on reciprocity was given second place, following that on the tariff generally. Davies was in agreement with Mowat in indicating that the policy of the party was

1. Ibid, pp. 26. — 38.
2. Ibid, pp. 40. — 50.

still a reciprocity treaty including some manufactures, and this¹
interpretation is borne out by the number of manufacturers who²
were brought forward to support the resolution. Charlton, the
second, came close to Cartwright by declaring,

"For many years I have believed that this
is the most important question that has
been presented to the people of Canada." 3

The resolution itself, very long and comprehensive,
was as follows:-

" That, having regard to the prosperity of
Canada and the United States as adjoining
countries, with many mutual interests, it
is desirable that there should be the
most friendly relations and broad and
liberal trade intercourse between them;

That the interests alike of the Dominion
and of the Empire would be materially ad-
vanced by the establishing of such rela-
tions;

That the period of the old reciprocity
treaty was one of marked prosperity to the
British North American colonies;

That the pretext under which the Govern-
ment appealed to the country in 1891 res-
pecting negotiations for a treaty with the
United States was misleading and dishonest
and intended to deceive the electorate;

That no sincere effort has been made by
them to obtain a treaty, but that, on the
contrary, it is manifest that the present
Government, controlled as they are by
monopolies and combines, are not desirous
of securing such a treaty;

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1. Ibid, pp. 78. —. 81.
 2. Ibid, pp. 84 —. 92.
 3. Ibid, pp. 81 —. 84.

That the first step towards obtaining the end in view is to place a party in power who are sincerely desirous of promoting a treaty on terms honorable to both countries;

That a fair and liberal reciprocity treaty would develop the great natural resources of Canada, would enormously increase the trade and commerce between the two countries, would tend to encourage friendly relations between the two peoples, would remove many causes which have in the past provoked irritation and trouble to the Governments of both countries; and would promote those kindly relations between the Empire and the Republic which afford the best guarantee for peace and prosperity;

That the Liberal party is prepared to enter into negotiations with a view to obtaining such a treaty, including a well considered list of manufactured articles and we are satisfied that any treaty so arranged will receive the assent of Her Majesty's Government, without whose approval no treaty can be made." 1

Some years later, Blake expressed his approval of this plank,

"for, indeed, it was that which he had always maintained himself." 2

"There is a platform", said the Halifax Chronicle, "upon which every patriotic well-wisher of his country can stand, Conservative as well as Liberal." 3

The Toronto Globe praised the resolution as making it

"clear that the Liberals do not pedantically insist upon the inclusion of every

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1. Ibid, p. 81.
 2. Speech at Strathroy, Nov. 24, 1897, Toronto Globe, Nov. 25, 1897.
 3. June 23, 1893.

product in a reciprocity treaty", but at the same time, "the representative of Canada ought not to be loaded with a long list of exceptions, objections and stipulations that this article and the other must be held sacred from the operation of the treaty. The guiding principle ought to be - freedom the rule, restriction the exception." "There is the great dividing line between the two parties. Liberals say that reciprocity is a good thing, and the more we can get of it the better; Conservatives regard freedom of trade as a dangerous remedy, which may possibly be good, but must be administered in homeopathic doses and with innumerable precautions. Their method of considering the question is to search diligently for all manner of objections to reciprocity and to magnify them." 1

The Liberals were congratulated by the Manitoba Free Press ² and the Toronto Mail ³ on their "abandonment of unrestricted reciprocity", and the Montreal Gazette sarcastically declared,

"To the essence of the resolution as adopted at the convention, no great objection can be taken. It is, in fact, the embodiment of the policy consistently advocated by the Conservative party since the abrogation of the old treaty." 4

That there had been any change was indignantly denied by the Montreal Herald.

"In reality", it said, "the Liberal party has not varied in its policy for the past twenty years. It believes that a reciprocity treaty with the United States wide enough to embrace not only natural products but a carefully considered list of manufactures would be an incalculable benefit to Canada. It is prepared, given

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1. June 22 and 24, 1893.
 2. June 24, 1893.
 3. June 22 and 23, 1893.
 4. June 26, 1893.

the opportunity, to endeavor to negotiate such a treaty. But to secure it the Liberals would not submit to any conditions limiting in any way the prerogatives of the Canadian Parliament to deal freely with all matters affecting its constituents." 1

The Toronto Empire declared,

"The Resolution on Reciprocity is a compromise in terms so equivocal that each party may legitimately read into it the meaning most preferred. To Sir Richard Cartwright it means Unrestricted Reciprocity, while the Ontario Premier will assure us that it only contemplates 'an honorable arrangement'. To every man of ordinary sense and intelligence it asserts one thing in unmistakable terms - Discrimination against the Mother Country and a fiscal preference to the foreigner. No other explanation is possible, although a pitiful, and, to our mind, a cowardly, expedient is adopted to gloss over this unpopular feature." 2

Perhaps the best comment on these various interpretations is the statement of a correspondent to Laurier,

"We lost a number of friends in 1891. I find that they are all coming back." 3

The session of 1894 afforded further opportunity for the elaboration of the Liberal fiscal policy. Foster had introduced a tariff measure, which was, in effect, a pretty general revision, based on interviews with representatives of the leading industries, and which meant a slight reduction. In

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1. June 23, 1893.
 2. June 22, 1893.
 3. Wm. Mulock to Laurier, June 29, 1893, Laurier Papers.

his budget speech he declared that this was intended chiefly

"to simplify and make clear the Tariff", though he admitted that, "if there is a protective system at all, everybody knows that it must be higher in its inception than as the years gradually pass, when industries have been established and when the industrial development of the country grows apace." 1

The Liberal amendment, once more moved by Cartwright, commended the slight measure of relief afforded, but maintained,

"that the amendments suggested, being based upon the principle of protection and not solely upon the requirements of public service, are inadequate to afford satisfactory relief from the burdens of excessive and unfair taxation ... That ... the tariff should be reduced to the needs of honest, economical and efficient government, should have eliminated from it the principle of protection to particular industries at the expense of the community at large and should be imposed for revenue only; that it should be so adjusted as to make free, or bear as lightly as possible, upon the necessities of life, and to promote free trade with the whole world, particularly with Great Britain and the United States." 2

The debate brought forth some interesting statements of general policy. Laurier emphasized particularly the Liberal adherence to a revenue tariff with free trade. 3 Cartwright and Charlton once more declared their belief,

"that while Canada can maintain herself, perhaps with good government and a wise fiscal

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1. Commons' Debates 1894, (vol. XXXVII), pp. 206 - 290.
 2. Ibid, p. 336.
 3. Ibid, pp. 1224 - 1238.

system, in reasonable comfort, independent of the United States, yet that great prosperity and anything like a full development of our resources can only come to us, and will only come to us, when we obtain, on fair and honourable terms, free access to the markets of North America." 1

The latter said, however,

"The policy of the Liberal party with regard to reciprocity has been in favour of reciprocal trade with the United States. What the extent of that measure of reciprocal trade might be has never been and cannot be defined, because before doing so it would be necessary to enter into communication with the United States in order to ascertain to what extent both countries would agree to such reciprocity. And the Liberal party is not disposed to go further in the way of making concessions to the United States than is absolutely necessary in order to get concessions from the United States beneficial to our interests." 2

Davies, interrupted in the middle of his speech by an inquiry if he was in favour of Unrestricted Reciprocity, replied,

"I was in favour of unrestricted reciprocity."

Q. "And still in favour of it?"

Davies "I am in favour of the broadest and freest trade relations between the two countries that can be obtained consistently with the national dignity of both."

He believed that a treaty along the lines of George Brown's treaty of 1874 could be obtained. 3 Though Cartwright called the British market "a second-rate and second-best market", 4 Davies

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1. Ibid, p. 314, p. 1517.
 2. Ibid, p. 387.
 3. Ibid, p. 881.
 4. Ibid, p. 328.

elaborated the policy of his party with regard to the preference plan, referring particularly to his resolution in 1892.

"We wish to reduce the duties on the class of goods chiefly imported from Great Britain and to remove the discrimination which has existed for many years, unjustly, improperly, vexatiously and ungenerously against the mother country ... We stand, therefore, with the avowal that we do not believe in exclusive trade with either the United States or Great Britain ... We desire to perpetuate, extend and enlarge commerce with both countries." 1

Congress, at the same time, following the Democratic victory, was also engaged in the elaboration of a lower tariff measure, the Wilson-Gorman Bill. In relation to this the Liberals had two criticisms to make of the Government:- first, that their tariff act followed too closely the provisions of that before the United States Congress, and second, that they had failed to use this opportunity to obtain concessions for Canada.

"Of all tariffs that have ever been submitted in Canada", said Cartwright, "this is the tariff which looks straightest and most directly to Washington ... The original tariff was, it is true, a mere plagiarism of the United States; but it was hardly so servile a copy as the hon. gentleman is disposed to make the one he has now introduced ... There is scarcely more than an imaginary line between the amount of taxes levied under the Wilson tariff and the amount levied under his own." 2

The similarity was also noted in the Congressional debates, and it is indeed, quite apparent.³

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1. Ibid, pp. 886 - 887.
 2. Ibid, p. 304.
 3. Congressional Record, 53rd Cong., 2nd sess., p. 3901; Laughlin and Willis, Reciprocity, p. 261; McLean, Tariff History of Canada, p.52.

When the clause in the tariff bill for the reciprocal free entry of certain natural products was being discussed Charlton asked what steps had been taken by the Government to inform the Americans of their willingness to make arrangements of this kind,

"or have they left the American people to find it out as best they might after our tariff bill was submitted to Parliament?"

To this Sir John Thompson, then Prime Minister, replied that his government had entered indirectly into communication with that of the United States to find out if the latter were willing to take any measures for the extension of trade, and to say that Canada would be glad to reciprocate,

"with due regard to the interests and industries of Canada, and with due regard to the revenue which would be necessary to Canada."

Later an official of the Canadian government had been sent to Washington to ascertain if the American government wished to enter into communication with Canada on the tariff.

"The impression derived from his visit there was that it was not considered desirable that communications should take place between the two Governments with regard to the consideration of any tariff in the United States, or with regard to their tariff arrangements; that if communications were to take place with regard to reciprocity, they should take place between the two Governments, that of Great Britain and that of the United States through the medium of the ambassadors of the two countries; and that as regards the tariff arrangement, tariff discussions then in progress, the tariff was being made for the United States and for the United States alone."

Charlton then declared that the Government should at once have sent an accredited agent, not

"some unauthorized agent ... It is my belief that this Government has let a golden opportunity slip through their hands." 1

As a matter of fact Charlton's question was one of those, so often asked in Parliament, where the answer is already known. On October 31st, 1893, he had written to Laurier telling him that, on a recent visit to Washington, he had learned that Wilson, Chairman of the Ways and Means Committee, had been considering the question of using the agricultural schedules in his tariff bill as

"a quid pro quo for securing Canadian concessions in duty upon American manufactures",

and also that the Canadian government had been making overtures, with Farrer as the intermediary.² A hint of this was also given by the Toronto Globe in its issue of September 30th. This action may have been the result of an interview between Tupper and Bayard, now American minister to Great Britain, in August, 1893, at the instance of the former. He said

"that he was authorized, on behalf of the Government of Canada, to say that Canada stood ready to meet half-way any movement on the part of the United States to create freer trade relations with Canada of a reciprocally beneficial nature, and that any steps in that direction would be promptly and efficiently met by Canadian cooperation. He made suggestions as to negotiations for accomplishing these ends by an international Convention."

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1. Ibid, pp. 1506 - 1507; see also p. 1157.
 2. Laurier Papers.

To this Bayard replied that concurrent, but independent, legislation would be preferable to a treaty and suggested that it would be "expedient and proper" for representatives of Canadian interests to suggest to committees in both Houses that the Canadian government was ready to reciprocate for the probable lowering of United States duties "by a corresponding reduction of duties upon Canadian imports". He also said that it would be well to have in Washington

"a discreet person, well acquainted with Canadian interests, but that suggestions of changes in favour of Canada should not be made 'too affirmatively' as this might, as heretofore, arouse jealousies." 1

Wiman wrote later to Laurier expressing his regret that Wilson had seen fit to reduce the duties on many Canadian products without demanding return concessions, since

"while this at first glance seems a great boon, its benefits are offset by the prospect of a continuance of the National Policy."

He still hoped to be able to influence the latter, who has

"no very particular views regarding Canada ... to so amend the tariff as to make [its] operation as far as Canada is concerned effective only when the Gov't of that country yielded as much as the United States yields." 2

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1. Poland, Eleanor, Reciprocity Negotiations, pp. 253 - 254, quoting State Department; Mss Great Britain, Dispatches, Bayard to Gresham, No. 63, Sept. 19, 1893.
 2. Wiman to Laurier, Dec. 22, 1893, Laurier Papers. He expressed similar views in an article in the Engineering Magazine, VI, pp. 125 - 133, "Canada and our New Tariff".

In Foster's new tariff the clause offering reciprocity in certain agricultural products, was much less comprehensive than before and this caused Liberal criticism.

"Nobody who has ever studied the question for one moment", said Cartwright, "can pretend ... that there is anything in that miserable offer which is in the slightest degree likely to draw a response from the people of the United States."

And another member declared that it was simply "another attempt to humbug the people"¹. The Finance Minister maintained, however, that the proposition was a fair one.

"We include some of the articles that they mention and others which they do not mention, but which give a fairer compensatory return so far as they are concerned ... When they look over the items in our tariff, as it shall have passed this House, they will find that line after line, article after article, grade after grade, we have given them a better chance to get into our market than they have given us to get into their market; consequently legislative reciprocity so far as trade is concerned, shines out from the proposition that the Government put before the House to-day, in a far greater degree than it does out of the legislation which they have proposed and which is in progress through their Congress." 2

As before, these discussions brought out some more general expressions of opinion as to the value of reciprocity, even in natural products.

"The events of the last few years", said one Conservative member, "have proved one thing conclusively to my mind and that is

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1. Commons' Debates 1894 (vol. XXXVII), p. 1508, p. 1518, p. 1522, p. 1543, p. 1551, p. 1559.
 2. Ibid, pp. 1557 - 1558.

that it is not for the ultimate good of the Canadian farmer that the raw products of his farm should go freely into the United States markets."

Excluded, he has been forced to look for ways of turning the raw products of the farm into manufactured articles, and also to seek new markets.

"This happy necessity" has forced him to make "a factory of his farm," and thus he has become "a better man and more self-reliant than he was at the time he could sell his raw products in the markets of the United States."

Asked by Davies if he considered the period of the Reciprocity Treaty an "unmixed evil for Canada", he replied,

"I think it was an unmixed evil for Canada. I think that for many years the reciprocity treaty was one that did not do Canada any good." 1

The Montreal Gazette inclined also to this view, pointing out also that it did little good to discuss a project which was not within the realms of practical possibility, since,

"the Democrats scout reciprocity in any shape ... [and] the Republicans are on record as favouring no arrangement for reciprocal trade with the Dominion which does not embrace a customs union with discrimination against all other countries, including Great Britain." 2

The general impression left by a perusal of the editorial comment on the budget debate is, however, that the dividing

1. Ibid, pp. 565 - 569.
2. Apr. 7, 9 and 20, 1894.

line has now become the tariff in general rather than the tariff in its relation to United States trade. To quote the Halifax Chronicle,

"Mr. Foster's new tariff will leave the lines between the two political parties clearly and sharply defined. The bill of the government is protection and combines. The policy of the Liberal party is a revenue tariff with such incidental protection as a revenue tariff may afford and death to all combines and trusts;" 1

or as the Conservative Montreal Gazette phrased it, the choice

"is between a low tariff with direct taxation, and a protective tariff adjusted and modified to meet the conditions of production and competition." 2

This impression is strengthened by the speeches made by Laurier on his tour of the West in the autumn of 1894. The most quoted of these was a speech made at Winnipeg on September 3rd.

"I come before you to-night", said the Liberal leader, "to preach to you this new gospel of freedom," new on this continent "but not new on the other side of the water and in the old land." The Liberal policy is "freedom of trade such as it exists in England ... This is the policy we have to adopt; we cannot have it at the present time, I am sorry to say, but we can advance towards it, and I can tell you that as soon as we shall have a Liberal administration at Ottawa - and I think that we shall have one before very long - although it is not for me to say when - we shall give you free trade and although it will be a hard fight we shall not give in one inch or retrace one

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1. Mar. 30, 1894.
 2. Mar. 31, 1894; see also Toronto Mail, Apr. 2; Toronto Globe, Apr. 9 and Toronto Empire, Mar. 29, 1894.

step until we shall have reached the goal, and that goal is the same policy of free trade as exists in England to-day." 1

The Government, seeing itself losing ground in the country and divided by personal quarrels, did not call the next general election until Parliament was about to expire through the passage of time in 1896. The next two years were occupied by the Liberals in toning down the more extreme expressions of their tariff policy, as represented by the speech of Laurier just quoted; by the Conservatives in endeavouring to keep alive the tradition of Liberal adherence to Unrestricted Reciprocity and to evolve some new tariff policy, which might appeal to the electorate.

In the budget debates of the sessions of 1895 and 1896 the Liberal emphasis is not upon absolute free trade but upon the policy of tariff for revenue. Davies even declared that the latter must be regarded as an ultimate goal, not as an immediate measure to be put into effect. This implied a general freeing of trade from restriction.

"Sir, as I understand the distinction between the two parties," said Laurier's future Minister of Customs, "the Conservative party believe that the way to secure the prosperity of a country is to restrict its trade, while the Liberal party believe that the way to secure the greatest prosperity in the country is to remove restrictions from trade, and let trade and commerce flow through their natural channels". 2

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1. Manitoba Free Press, Sept. 4, 1894. See also another speech at Winnipeg, Oct. 25, 1894, ibid, Oct. 26, 1894. Willison (Reminiscences p.297) says that he was told by Laurier that the phrase "free trade as it is in England" was inserted in the report of the first speech by an eager colleague, who was disappointed that it had not, in fact, been used. It goes, however, very little further than Laurier's speech at the Liberal Convention, see above, p. 225.
 2. Commons' Debates 1895 (vol. XXXIX), p. 655, p. 679, p. 1622, p.1379; 1896 (vol. XLI), p. 2587.

One means of keeping Unrestricted Reciprocity to the fore was by twitting the Liberals with its abandonment. Cartwright was particularly taunted with having made no reference to the "dear departed ones, to commercial union, unrestricted reciprocity, continental free trade;" and one member blamed the Opposition for not showing more sorrow over "the demise of these poor miserable triplets."¹ As the election date approached more nearly, however, the tone became more serious, and the Liberals, especially Sir Richard Cartwright, whose "domination" of the fiscal policy of his party was dwelt on, were represented as still adhering to the programme of 1891, in spite of the fact that

"it means discrimination against the rest of the world, including the mother country." 2

In his Budget speech of 1896 Foster, after declaring the impossibility of any of "those facile political faiths" of the Opposition, continued,

"There is a line which I think is possible, and I believe it is right that the statesmanship of this country as well as of Great Britain and other colonies of the Empire should consider and ponder carefully and well, and that is whether it is not possible for statesmanship in the colonies and Great Britain to bring about between the colonies as amongst themselves and between the colonies and Great Britain

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1. Ibid, 1895, p. 656, p. 1084, p. 1142.
 2. Ibid, 1896, p. 998, p. 1324, p. 1363; Toronto Mail and Empire, Feb. 3, 4, 11, 15 and 20, 1896.

concurrent action which will be conducive to the commercial interests of both and which will result in greater power and strength." 1

To this Cartwright stingingly replied,

"The hon. gentlemen, in their time, have sent the people of Canada on many a wild goose chase." 2

The policy of imperial preferential trade was just another. And Davies produced the old argument of the discrimination of the National Policy against British goods. ³ The Mail and Empire, now the representative of the Conservative party in Toronto, in commenting upon Foster's and Cartwright's speeches said,

"The budget debate, so far as it has gone, brings into relief, let it be repeated, an important phase of the trade question, bearing there can be little doubt, upon our national future. Our people will yet have to decide whether Canada is going to be a weak and writhing commercial annex of the United States, as she would be under free trade or unrestricted reciprocity, or a strong and prosperous ally of Great Britain." 4

The election of 1896 was not a tariff election, in spite of some Conservative efforts to make it so, notably the pronouncements of Sir Charles Tupper himself, now Premier and leader of the Conservative party, who declared that the issue

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1. Commons' Debates 1896 (vol. XLI), pp. 999 - 1000; see also p. 1366.
 2. Ibid, pp. 1294 - 1296.
 3. Ibid, p. 2604; cf. also Toronto Globe, various editorials throughout February.
 4. Feb. 1, 1895.

was sharply defined between support of the National Policy and the Liberal doctrine of free trade.¹ It was fought definitely on the issue of the Manitoba schools, a complicated sectarian quarrel, with charges of Government corruption occupying second place. The Conservative statements did, however, result in a considerable amount of criticism from Liberals of the National Policy,² and in many statements of the necessity of a gradual implementation of the Opposition programme, which was declared to be a tariff for revenue. This was the theme of all Laurier's speeches,³ and was re-stated by him in an open letter to a Toronto manufacturer, which received some attention during the campaign,⁴ by Mowat and others.⁵ Faced with this, the Conservatives could only reply that at best the Liberals promised merely not to do any harm, and that they were so "chameleon-like" in their attitude to the tariff that no reliance could be placed in their pledges.⁶

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1. Tupper's Manifesto, May 5, 1896, Tupper Papers IX, p. 61 and press of May 6, 1896; Tupper at Halifax, Halifax Herald, June 4, 1896; Toronto Mail and Empire, May 6, 1896; Montreal Gazette, June 20 and 23, 1896.
 2. Laurier at Montreal, Quebec and Toronto, Toronto Globe, Apr. 25, May 7, June 13; Cartwright to electors of South Oxford, and at Streetsville, ibid, Feb. 28 and May 30; Fielding at Dartmouth, Halifax Chronicle, June 15; Toronto Globe, May 9, 1896; Federal Elections: The Issues of the Campaign, hand-book for Liberal candidates.
 3. See foot-note 2.
 4. Toronto Globe, June 3, 1896.
 5. Toronto Globe, May 4, 1896, Mowat's letter to Laurier agreeing to take part in the election campaign and to accept a place in the cabinet if the latter were successful; Paterson at Brant, Toronto Globe, May 14, 1896; Toronto Globe, Apr. 30 and May 9 and 23, 1896.
 6. Tupper at Halifax, Halifax Herald, June 4, 1896; Toronto Mail and Empire, May 11 and 19, June 4 and 20, 1896.

Tupper also made an attempt to introduce the question of imperial preference, as hinted at in Foster's speech, as an issue in the campaign.

"We shall take up this question of preferential trade," he said at Halifax, "and we shall succeed, as we have succeeded with the other great measures with which we have grappled, in bringing about a policy within this empire that will give expansion to Canada and to the great colonial possessions of the crown, that will far transcend in the future anything that has happened in the past ... What has been accomplished by the national policy in this country, great as it is, will be comparatively insignificant in comparison with what preferential trade will do for Canada."

In a speech at London, Ontario, Laurier, however, adopted the preferential plan, declaring

"that the English people would expect in return ... that we should adopt the revenue form of tariff, pure and simple; ... you have here the possibility of having the largest market in the world, the market of England ... You may have it on certain conditions. You may have it by renouncing the principle which is to be found in your tariff ... The Canadian people have now to make their choice. What will be their choice? Their choice will be for a revenue tariff, and for preferential trade."

Thus the Conservatives were forced back on the argument that it would be impossible to reconcile reciprocity with the United States and a preference for Great Britain.

The Liberals had not abandoned their policy of freer trade relations on the North American continent; but in comparison with other subjects it received scant attention. In

1. Toronto Globe, June 4, 1896. Tupper's Manifesto of May 5, 1896; speech at Halifax, Halifax Herald, June 4, 1896; at Toronto, Toronto Mail and Empire, June 20, 1896; Toronto Mail and Empire, May 6; Montreal Gazette, June 14, 1896; Halifax Herald, June 16, 1896; Willison, Laurier II, pp. 287 - 288.

Liberal hand-books for candidates discussion of the subject occupies comparatively little space. In one case a general discussion of the tariff occupies forty-two pages, the Government scandals twenty-six and reciprocity only four; in the other, written for the Maritime Provinces, it achieves a slightly better record, filling nine pages of a total of eighty, but is still outstripped by the record of corruption.¹ Nor is there much allusion to this issue in Liberal newspaper editorials or speeches. Cartwright and Charlton, as might be expected, give the subject more prominence than do other speakers,² though Laurier, in a speech at the small town of Valleyfield in Quebec promised that the Liberals would negotiate a treaty with the United States "if we can".³ Even here the statement is simply thrown in and not emphasized in any way; but, proving the insignificance of the subject in Liberal speeches, this is almost the only speech of the campaign which the Conservatives could quote to prove their contention, frequently brought forward in the effort to revive the loyalty cry, that the Liberals still favoured Unrestricted Reciprocity.⁴

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1. Federal Elections, Ontario Liberal Association (Toronto 1895); Platform of the Liberal Party, exemplified by quotation (Charlottetown 1896).
 2. Cartwright to his constituents, Toronto Globe, Feb. 28, 1896; Charlton, Toronto Globe, May 9, 1896.
 3. Montreal Herald, Apr. 13, 1896.
 4. Tupper at Toronto, Toronto Mail and Empire, June 20, 1896; ibid., May 12, June 10, 22 and 23, 1896; Montreal Gazette, June 14 and 17, 1896; Halifax Herald, June 12, 15, 16, 17, 18, 20 and 22, 1896.

Thus, between 1891 and 1896, the wheel had come full circle. Unrestricted Reciprocity had become reciprocity only on conditions which would be agreeable to Canada, and, from being the main issue in the previous campaign, the question of trade relations with the United States occupied a very subsidiary position in the latter. Sustained in an election in which general tariff conditions had themselves taken only a second or third place, and in which they had advocated a revenue tariff, preferential trade within the Empire and reciprocity with the United States, the Liberals were in reality free to choose which ever one of their programmes best suited practical conditions and considerations.

THE LIBERALS IN POWER.

CHAPTER IV.

Though left free to emphasize a revenue tariff, preferential trade with Great Britain, or reciprocity with the United States, all of which had been advocated in their campaign of 1896, the Liberals, now come to power, did not immediately decide which should be the main direction of their tariff policy.

Soon after taking office in July Laurier spoke at St. Johns, Que. Here he once more stated his view of the necessity of a gradual reform of the tariff. With regard to the United States, he said,

"We propose to try and establish amicable relations with them ... If we succeed ... we will revive the reciprocity treaty of 1854-66, the era of good times for the provinces of Quebec and Ontario."

The Toronto Globe commented favourably on this section of his speech, and declared that reciprocity with the United States need not interfere with an arrangement with Great Britain, since there were many commodities imported from the American states in which there was no British competition, and these could be made the subject of a reciprocity treaty.^{1.}

In an interview with a reporter from the Chicago

1. Toronto Globe, July 27 and 29, 1896.

Record the Liberal leader was even more encouraging. The former began by telling Laurier that his assumption of the office of Prime Minister was considered cause for congratulation in the United States, as holding out hope for more friendly relations between the two countries. The latter acknowledged these sentiments gracefully and said that his Government did indeed intend

"to signalize its administration by a renewal of neighbourly relations with our friends across the border."

He then went on to discuss the various matters in which this could be shown. With regard to reciprocity he declared,

"The Liberals have always been in favour of freer trade with the United States, and I am prepared to make an arrangement with your country for the free exchange of such natural products and such manufactured articles as may be mutually agreed upon. This question, together with those of deep waterways and fisheries and the coasting trade of the lakes, should, it appears to me, be all taken up together and dealt with in a broad, serious and comprehensive spirit on one anvil." 1

The Toronto Globe's comment dealt chiefly with Laurier's discussion of the canal and waterway system. The concluding paragraph once more stated that there was scope for a trade treaty in commodities which were not imported from Great Britain and continued:-

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1. Ibid, Aug. 18, 1896. This interview was read in the House of Commons on August 23, 1896, by a Conservative member, and Laurier, in reply to a question, declared it was a "substantially correct" report of the interview. Commons' Debates, 1896, 2nd. sess., (vol. XLIII), pp. 12 - 14.

"However, though a reciprocal arrangement would be desirable, it would not be essential to the maintenance of the most friendly relations, nor to the carrying out of the common waterway project, nor to the settlement of other questions which now occasion trouble and annoyance to the people of both countries. We ought to meet our neighbors in a spirit of friendly independence, intimating that we are quite capable of holding our own under existing circumstances, and yet that we are ready to co-operate with them, upon liberal and honorable terms, in any undertaking for the common benefit." 1

Asked in the House of Commons on September 16th, if, in view of various statements made by him, which were quoted - none of them of a date later than 1894 - he had sent commissioners to Washington for the purpose of negotiating a reciprocity treaty, Laurier replied that the Government was going to enter into such negotiations, but in view of the proximity of the Presidential elections

"the time is not now opportune."
"The Government would not like," he added, "to have the commissioners come back after an interview with the American authorities of three minutes duration." 2

The Government was in fact sounding out the British attitude in preparation for the time when advances could be made to the incoming American administration. Cartwright, now Minister of Trade and Commerce, not Finance Minister, as he must have hoped and expected, met Joseph Chamberlain, British Secretary for the

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1. Toronto Globe, Aug. 18, 1896.
 2. Commons' Debates, 1896, 2nd sess., (vol. XLIII) p. 1305.

Colonies, while the latter was on a visit to the United States. The Canadian Minister told Chamberlain that Laurier wished to enter into communication with the United States for a reciprocity treaty, which seemed the only means of stopping the continuous drain of population from Canada; but it had already been intimated that the Americans would not treat except on the basis of a preference in the Canadian market.

"Mr. Laurier wishes to know if the British Government would take exception to communications on this basis."

To this Chamberlain replied that if the Canadian government were

"to reduce their tariff generally, or at least to allow the mother country to share in any reductions which they might make to the United States, there would be nothing but satisfaction on the part of the British Government and people. But if on the contrary the Canadian Government proposes to put the mother country at a distinct disadvantage, I think that very strong feeling would be excited on the subject. It would be felt that the act was a hostile one, incompatible with the sentiments of Imperial unity which we believe both countries desire to cherish. It seems to me to be a step, and a great one, towards political separation, and you cannot expect any assistance from the mother country to such a policy."

On the other hand, he had no objection to the opening of negotiations, if the principle of discrimination in favour of American¹ products were not posited beforehand.

Immediately after the American elections, the Canadian government made several tentative overtures to the President-elect

1. Garvin, Joseph Chamberlain III, pp. 183 - 184.

and those who were to occupy prominent positions during his regime. Early in 1897, Laurier visited ^{the city of} Cleveland and had an interview with President-elect McKinley. Here the former is reported to have suggested the plan of commercial union, saying that he thought his government was strong enough to carry it through. McKinley, however, demurred, though he did think that it was possible for each country to make concessions so that a reciprocal tariff could be established.¹

Charlton also went in the early part of the year to the United States to sound out Dingley, Chairman of the Ways and Means Committee, and others. Laurier, in a letter to Charlton, took care to emphasize the unofficial character of his visit.

"I wish also," he wrote, "that you would utilize your stay there to obtain information and for nothing else.

We must hold our hands free to deal in any direction which the interests of Canada may demand, and whilst for my part I am strongly impressed with the view that our relations with our neighbours should be friendly, at the same time I am equally strong in the opinion that we may have to take the American tariff - if conceived in hostility to Canada - and make it the Canadian tariff."

Charlton found Farrer, as usual, in Washington and urged that his services be used unofficially. He reported that Olney, the retiring Secretary of State, regretted that the Democratic administration would not have the opportunity of framing a

1. Poland, Reciprocity Negotiations, p. 259, quoting Pepper, C.M., Memorandum for the President, 1909, Knox Papers.

reciprocity treaty. Sherman, who was to be McKinley's Secretary
of State, was friendly, but vague.¹

Another attempt to discuss the question of reciprocity was embarked upon by the more pretentious visit of Cartwright and Davies, both members of the Cabinet, who were definitely

"commissioned to visit Washington and make known the fact that we are willing to negotiate a reciprocity treaty."

Cartwright described the result of the mission as follows:

"We returned from Washington perfectly convinced of two things. We returned from Washington perfectly convinced of the fact that the foolish conduct - I use the word advisedly - perhaps not so much on the part of the leader of the Opposition [Tupper] as of some others of our predecessors, had placed immense difficulties in the way of an immediate and honourable settlement with the United States ... We returned from Washington seeing and feeling the great mistakes that had been committed, but seeing and feeling likewise that it was not impossible, if a more prudent and statesman-like course were adopted, by showing the Americans that we are willing to trade with them on fair terms, by showing that we desired to be good neighbours of theirs, that we had no wish in the slightest degree to irritate and annoy them, to obtain at a little later day and under more favourable circumstances a treaty which would be honourable to both parties." 2

A later memorandum of Fielding, Laurier's Finance Minister, states that this visit was not official, but that the unofficial inquiries of Cartwright and Davies were

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1. Skelton, Laurier II, pp. 123 - 125.
 2. Commons' Debates 1897, (vol. XLIV), p. 1134, p. 1253.

"sufficient to satisfy them that no proposals looking towards a liberal reciprocity treaty between the two countries would be entertained by the United States ... If better trade relations were not established at that time, it was clearly because there was no disposition on the part of the United States towards the making of a treaty." 1

A comment of the Globe on an open letter from a resident of Detroit, which appeared in its issue of March 6th, urging that Laurier view the question of reciprocity with the United States with a mind free from the selfish arguments of Canadian manufacturers and undazzled by British honours, is significant.

"Of necessity," said the Liberal newspaper, "our amended tariff must be brought down long before any negotiations for reciprocity with the United States can be concluded. From this it seems to follow that the reductions to be made must apply in the main to British imports. We could then say to our neighbours 'we are prepared to make similar reductions on goods mainly imported from the United States as soon as you are willing to make concessions of the same kind.'" 2

The famous resolution introduced by Fielding in his first budget, announced on April 22nd, and generally considered as inaugurating the principle of the British preference, is in fact general in its wording and provides for the application of

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1. Memorandum by the Canadian Minister of Finance for the information of His Majesty's Ambassador at Washington, Dec. 1. This is to be found in Fielding Papers, Letter-book, Oct. 13 - Nov. 10, 1909, pp. 619 - 634.
 2. Toronto Globe, Mar. 6.

the reduced tariff to all countries whose tariff rates,

"on the whole, are as favourable to Canada as the terms of the reciprocal tariff herein referred to."

Expressed in this way to avoid the application of the new tariff to Belgium and Germany, with whom Great Britain had trade treaties promising the same treatment in British colonial markets as she herself received, the Liberals claimed that it would in practice affect only products from the mother country.

"We have looked over the whole globe," said Laurier, "and we have found only one country whose tariff, so far as we know, is on a level with ours, and not only a level, but far more favorable than ours; and therefore we believe our minimum tariff, for the present applies to Great Britain, and to no other country." 1

The Conservatives refused to agree with this interpretation and maintained that

"the proposal so far as preferential trade with Great Britain is concerned is a complete delusion. The proposal is simply to return to free trade between Canada and a large portion of the world and will ... result in destroying any prospect of obtaining preferential trade within the Empire." 2

As a matter of fact the Conservatives were correct in their contention that under the conditions then obtaining the preferential tariff would have to be extended, not only to Germany and Belgium,

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1. Commons' Debates 1897, (vol. XLIV and XLV), p. 3099.
 2. Tupper to Sir Howard Vincent, May 13, 1897, Tupper Papers V, p. 675a; see also Commons' Debates 1897, p. 1287.

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but to a number of other countries as well.

As far as relations with the United States were concerned the Conservatives brought forward three arguments. The first, and most obvious, was that this amounted to discrimination against American products, since the goods of so many other countries were admitted at the preferential rate, and therefore must lead to retaliation.² Second, and somewhat more subtle, was the accusation that the preferential tariff was merely a "bluff" to frighten the United States into making a reciprocity treaty.

"The Wiman delusion is still strong upon them".³

An attribution of still more Machiavellian designs was made in the charge that the general wording of the preferential clause was merely a guise

"to give, without consent of Parliament, a preference to the United States ... The reciprocity, or minimum tariff, scheme is, we are inclined to believe, a movement towards that very system of United States discrimination which Sir Richard Cartwright not long ago so vociferously advocated."⁴

To support this contention a portion of Cartwright's speech on the budget, in which he had expressed the Government's "welcome"⁵ to the United States "if they choose to accept our offer" was

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1. See Sessional Papers, 1899, No. 109.
 2. Montreal Gazette, Apr. 26, 1897; Halifax Herald, Apr. 29, 1897.
 3. Halifax Herald, Apr. 26 and 28, 1897.
 4. Toronto Mail and Empire, Apr. 26, 1897; Halifax Herald, Apr. 30, 1897.
 5. Commons' Debates 1897 (vol. XLIV), p. 1254.

quoted. Fielding particularly denied that the reciprocal tariff was applicable to the United States;¹ and, next year, all doubt was set at rest by the restriction of the preference to Great Britain alone, the German and Belgian treaties having been meantime repealed.

It should also be noted that the Fielding tariff did not contain the clause, in all tariff acts since 1879, by which the Governor-General in Council was authorized to admit free certain natural products when the United States should take reciprocal action.

Meanwhile the victorious Republican party had likewise been re-fashioning their tariff, resulting in the Dingley Act, which reproduced the features of the McKinley Bill unfavourable to Canada and was definitely worse with regard to lumber. Thus both countries felt they had a grievance. In the United States the new Canadian tariff arrangements were regarded as a practical discrimination against American trade and the New York Tribune stated:

"This fact may perhaps have some influence when the question arises whether this country should continue the bonded privilege by which Canadian railroads are enabled to haul a great quantity of freight from this country."

With regard to reciprocity with Canada it was said,

"At Washington the whole subject is viewed with comparative indifference. To the

1. Ibid, p. 3130.

United States the Dominion is only one of many countries, with which a reciprocity agreement may for special reasons modify the present policy of protection". 1

The influence of the Dingley Bill is apparent in Fielding's budget speech of 1897. It is now obvious, he says, that conditions have materially changed since 1893 - that is, to say the time of the Liberal Convention and the Wilson-Gorman Bill. While he does not agree with those who believe

"that our neighbours frame their tariff chiefly with reference to how Canada will act and what effect it will have on Canada,"

still the new measure, even if not based on hostility to Canada, will undoubtedly affect the trade relations between the two countries and we must consider this in making our own tariff. There are some in Canada who advocate the principle of retaliation. The Government does not favour this policy, but it does think that, pending negotiations

"and pending the settlement of the American tariff question and a clear understanding of what will be the effect which their policy may have upon the affairs of Canada, it is the part of prudence that we should to-day hold our hands and not extend to that country the measure of tariff reform which we would be anxious to extend if they would meet us on liberal lines."

While we cannot complain of the Dingley Bill, or of the right of the United States

1. Halifax Herald, Apr. 29, 1897, quoting New York Tribune; John W. Russell, "Our Trade Relations with Canada", North American Review (vol. CLXIV), June 1897, pp. 710 - 718.

"to frame their policy with a single eye to their own interests,"

there is no reason why we should reduce our tariff as far as they are concerned.

"If our American friends wish to make a treaty with us, we are willing to meet them and treat on fair and equitable terms. If it shall not please them to do that, we shall in one way regret the fact, but shall nevertheless go on our way rejoicing, and find other markets to build up the prosperity of Canada independent of the American people." 1

John Charlton, in published articles, went considerably further.

"Not only is the Dingley Bill illiberal and unfriendly," he wrote, "but it is so gratuitously and without provocation."
"These duties ... are excessive and the Canadian producer has good reason to say that not only is such the case, but that they are unjust. The United States calculation in fixing these rates seems to be that it is necessary to take vigorous measures to keep Canadian farmers from flooding the United States with cheap products, to the injury of the United States farmer. Most fortunately the truth is that the Canadian farmer is becoming more and more independent of the United States market, owing to hostile and oppressive United States legislation. ... We may begin to look with some degree of indifference upon the action taken by the Government of that country in relation to the admission of agricultural and animal products into their market." 2.

George W. Ross, a member of the Liberal Cabinet in the province of Ontario, laid down the conditions, on which alone a

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1. Commons' Debates 1897 (vol. XLIV) pp. 1083 - 1134; see also Toronto Globe, Apr. 23 and 25, 1897.
 2. Canada: an encyclopaedia I, p. 377; "American Trade Relations", Canadian Magazine, IX, Oct. 1897, pp. 502 - 506.

satisfactory reciprocity treaty could be negotiated, as follows:-

- 1 "It must be purely, from start to finish, a business agreement," involving no concessions from Canada for which corresponding concessions are not made by the United States.
- 2 "No territorial right" must be ceded. "Canadians went far enough in this respect by the Washington Treaty, when they conceded to the Americans the free navigation of our canals and the St. Lawrence River, for which the corresponding concessions were inadequate."
- 3 "The stipulations of such treaty should not even by implication contain any conditions which would give the American government any direct or indirect control over the political future of Canada."
- 4 No treaty should discriminate against Great Britain .
- 5 The interests of Candian manufacturers must be considered.
- 6 "To appear as suppliants for freer trade relations with the United States should not be thought of. For thirty years we have existed, and have prospered, too, in the face of an American tariff which was all but prohibitory. Any undue anxiety on our part to enter the American market now, would be an expression of want of confidence in the capacity of Canadians to do business with the world on the same conditions as other nations."

From this he went on, in a speech to the British Empire League, to laud the British preference and outline "the dangers of reciprocity". These were:-

- 1 The danger of the use of a reciprocity treaty "as an admission that the weaker nation ... is dependent upon the stronger nation for a market, or such a treaty may foster a feeling of dependence in the weaker nation upon the markets of the stronger nation. In either case, any such feeling would be prejudicial to Canada."

- 2 The threat of repeal might be held over the head of the weaker nation "as a means of wresting concessions inimical to the prosperity of the weaker nation," or even to force political union.
- 3 The east and west transportation system of Canada might be injured.
- 4 "At best any market based upon a treaty is a temporary one ... The United States can more than supply her own people. Everything points to the market of Great Britain as the only permanent market for the people of Canada."

"For these reasons," he concluded, "there should be no haste in the efforts to negotiate a reciprocity treaty with the United States. (loud and continued applause.) We owe it to ourselves that we should not approach the Americans in any spirit of dependence or subserviency. (loud applause.) It should be distinctly understood that we ask no favors in the American market for which we are unable to give an ample equivalent in the Canadian market, and no condition involving the sacrifice of any vested right or any consideration whatsoever as to the use of our waterways, our railroads, or our fisheries should be put in the scale as a counterpoise to equalize any privilege afforded to us in the markets of the United States. (loud applause.) A commercial treaty that cannot be made on a commercial basis pure and simple should not be made at all. (applause.) On this point there should be neither parleying nor pandering." 1

Thus, when negotiations for reciprocity, along with other subjects, were embarked upon in 1898, it can hardly be said that prior tariff regulations on either side had made conditions particularly propitious.

1. Canada: an encyclopaedia I, p. 406; Preferential Trade with Great Britain and Reciprocity with the United States, a speech made on Dec. 4, 1897, and published as a pamphlet.

The initiation of negotiations on a number of subjects of difficulty between the two countries grew out of the dispute over pelagic seal fishing in Behring Sea, a complicated question, which it is unnecessary to discuss here. In November, 1897, Laurier and Davies, now Minister of Marine and Fisheries, accompanied by some experts, paid a visit to Washington, where, with Mr. Adam of the British Embassy, they held various conversations with Secretary of State Sherman and John W. Foster. At these conferences the Canadians insisted that the seal fishing matter should not be considered alone, but should be one of a number of subjects which, they thought, needed discussion. These included reciprocity, the Atlantic fisheries, the United States alien labour law and the protection of fish in the Great Lakes. Foster submitted a proposal by which both countries would agree to suspend the operation of the seal fishers for the coming season, and representatives would then be appointed to discuss the subjects mentioned and "any other unsettled question between the United States and Canada which either of the Governments may see proper to bring forward." Laurier, however, said that he must consult his colleagues, and in a letter to Foster, after his return to Ottawa, said that they were unwilling to agree to this. In his reply Foster represented that the President felt

"that the subject of the proper protection of the seals should not be complicated with other questions of intricate public policy and conflicting interests," but, "in his earnest desire to promote a more friendly state of relations between the two neighboring countries he has consented that all

those questions should be embraced in one series of negotiations, if meanwhile a modus vivendi could be agreed upon which would save the seals from destruction while the negotiations were in progress". 1

Nevertheless, in March, the United States again urged an arrangement for the settlement of the seal fisheries and agreed to a preliminary discussion on the organization of a mixed commission for the settlement of all questions. Davies, therefore, went to Washington ~~again~~ in May and, with Pauncefote, had discussions with Foster and Kasson, representing the United States. At these meetings it was decided that it was desirable that "all controversies" between the two countries should be settled by means of reference to a Joint High Commission, which should have five members from each side and meet at Quebec. The bases to be presented for the consideration of the Commission were also agreed to. The question of reciprocity formed the subject of the eighth point of reference, where

"such readjustments and concessions as may be deemed mutually advantageous, of customs duties applicable in each country to the products of the soil or the industry of the other, upon the basis of reciprocal equivalents" was stated to be one of the matters to be discussed by the Commission.

The other points of reference were: seal fishing in the Behring Sea, the Atlantic and Pacific fisheries, the Alaska

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1. Foreign Relations of the United States 1897, pp. 320 - 324, Laurier Papers.
 2. This was later increased to six on the admission of a member from Newfoundland.

boundary, transit of merchandise through one country to the other, the alien labor laws, mining rights of citizens of one country in the other, a revision of the Rush-Bagot treaty of 1817 dealing with armaments on the Great Lakes, and, at the request of Canada, reciprocity in wrecking and salvage rights.¹ On May 31st public announcement was made of the forth-coming meeting of a Commission.

In August the Governments exchanged protocols giving their views on the different subjects of the terms of reference. The British communication was based on a Canadian Privy Council Minute, prepared in response to a wire from the Secretary of State for the Colonies. In its completed form the paragraph dealing with reciprocity reads² as follows:

"It has always been the opinion of the party now in power in Canada that the geographical position of the United States and Canada makes a large measure of free trade between them most desirable. The fact, however, that each country has a high Customs tariff, which is practically protective, renders mutual concessions somewhat difficult. Moreover, the fact should not be overlooked that Canada, while fully appreciating the advantage of the American markets, has in recent years, by the judicious subsidizing of freight steam-ships and the introduction of the cold storage system, succeeded in finding a profitable market for a large portion of her surplus natural products in Great Britain; that this market is capable of indefinite expansion, and that in consequence the desirability of obtaining access to the markets of the United States has been appreciably diminished.

1. Laurier Papers, Malloy, Treaties and Conventions I, pp. 770 - 773.

Notwithstanding this fact, it is considered that negotiations for a free interchange of a wide list of natural products,¹ is still desirable and feasible, though it would, of course, be impossible for Canada to grant to the United States tariff concessions without extending them also to such countries as are entitled by Treaty to most-favoured nation treatment in Canada, and it is essential also that the Dominion should maintain unimpaired its right to grant preferential treatment to the mother country and other parts of the Empire of which it is a member." 2

The American comment on the same article was much simpler.

"The Government of the United States," it states, "is heartily committed to the policy of commercial reciprocity, and trusts that the labors of the Commission will result in some such arrangement with Canada on the basis indicated in this paragraph of the Protocol. The United States has found no inconvenience in seeking reciprocity, for the reason that it has always claimed that the most favoured nation clause does not apply to reciprocal concessions granted for a specific consideration, and has inserted this principle in many of its treaties with foreign governments." 3

The Commission met in Quebec from August 23rd to October 10th, 1898, with a short adjournment in September, and from November 10th, 1898, to February 20th, 1899, in Washington. The American members were Senators Fairbanks and Gray, Congressman Dingley, and Foster, Kasson and T. J. Coolidge of the State Department.

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1. An earlier draft, corrected by Sir Wilfrid Laurier, added here "and a carefully selected list of manufactured products."; Laurier Papers.
 2. Ibid.
 3. Poland, Reciprocity Negotiations, p. 283, quoting Kasson Papers; U. S. Memorandum of views on subjects in protocol of May 30, 1898.

Great Britain was represented by Lord Herschell, Lord Chancellor, who was made chairman of this section, Laurier, Cartwright, Charlton and Davies from Canada, and Winter of Newfoundland. Both before and during the meeting of the Commission both sides received many communications and these, with the newspaper editorials, give some idea of the state of public opinion.

On the general question of reciprocity the tone of both Laurier's correspondents and of the Liberal press was inclined to be cautious rather than enthusiastic. As one letter received from a prominent supporter said,

"Better no treaty at all than one that will meet with determined opposition,"

and another repeated these views, declaring that any reciprocity agreement must be capable of being

"reasonably defended, and very well and strongly defended at that, as being a treaty which is not one-sided in the way of too many concessions by Canada without fully corresponding concessions by the United States."

Another correspondent said,

"The feeling here is very strongly in favor of no reciprocity arrangements with the United States unless with regard to some natural products and raw materials."

Clifford Sifton, now Laurier's Minister of the Interior and destined to leave the party in 1911 on the issue of reciprocity, expressed these same views to both Davies and Laurier.

A magazine article by "a Canadian Liberal", repeating the old arguments about the value of Canadian-American trade and

declaring that all Canadian statesmen, and especially the members of the Commission, were convinced of the desirability of broadening the trade relations between the two countries, brought a vigorous condemnation from James Young, who said,

"The Dominion was never so prosperous, never attracted so much of the world's attention, never had so bright a future as to-day, and we have clearly demonstrated that all important fact that, however valuable they are, this country is not dependent on the markets of the United States ... The day for 'going more than half way to meet the views of the United States' has gone by."

Two correspondents of Laurier prophesied that even reciprocity in natural products would result in defeat at the polls, and another, to quote himself, "a life-long Liberal", declared,

"More people and cheap transport will be of greater benefit to Canadian agriculture than would any reciprocity treaty that can be framed." 1

Of course there were some enthusiasts, one correspondent even urging that an effort to secure Unrestricted Reciprocity be made; this, however, only off-set^d the extremists in the other direction. The generally prevalent tone ^{was} ~~is~~ that of care and caution.

The attitude of the Liberal press was similar. The Halifax Chronicle admitted that the two subjects in which the Maritime Provinces were interested were the Atlantic fisheries and reciprocity, but it saw considerable difficulty in the way

1. Laurier Papers; Dafoe, Sifton, pp. 191 - 192; "The Anglo-American Joint High Commission", North American Review, (vol. CLX) VII, July 1898, pp. 165 - 175; Toronto Globe, Aug. 27, 1898.

of achieving any progress in the latter.

"If our American neighbors are ready for the establishment of freer trade relations with this country," it declared, "we are ready to meet them half-way. 'If they are not ready we can wait; and in the meantime we can keep on using all legitimate means to promote industrial and commercial expansion in other directions ... The Liberal position on this question is a good treaty or none." 1

The Montreal Herald considered reciprocity "on a basis which Sir Wilfrid Laurier will approve" a good thing, and, no doubt, beneficial to some industries. On the other hand, however,

"Let Canada be made a cheap country to live in, and a cheap country to produce in, and these industries will work out their own salvation just as the agricultural industry did when it was quite as seriously threatened ... If Sir Wilfrid brings back a treaty it will be well; if not, it will still be well." 2

The Toronto Globe said,

"The sole question for Canada, therefore, is whether any arrangement can be made that will enlarge Canadian trade or afford any advantage or convenience to Canada without crossing the lines of the well-settled policy of this country or interfering with its independence." 3

The Manitoba Free Press was most non-committal in its attitude; and the Victoria Daily Times, while more enthusiastic than any other paper in its praise of the benefits of reciprocity, still

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1. Aug. 17 and 24, Sept. 3 and 6, 1898; Feb. 16, 1899.
 2. Aug. 22, Sept. 12, Dec. 10, 1898.
 3. Dec. 10, 1898.
 4. Aug. 23, 1898.

considered the Alaska boundary question "by far the most important question" with which the Commission had to deal.¹

With this attitude on the part of the Liberals the Conservative newspapers were thrown back on the argument that the alteration in the tariff since the Laurier government came into office had so benefited the Americans that

"the United States is in the position of not needing what the Canadian delegates are offering in exchange for what they seek."

The negotiations should be begun by the lowering of the American tariff to "some place nearer" the Canadian.² The old record of the Canadian members of the Commission as favouring Unrestricted Reciprocity was also, of course, emphasized as was the visit of Wiman to Quebec, as the representative of the Merchants' Association of New York. The Montreal Gazette, however, noted the change in the Liberal attitude since 1891.³

An explanation of this was offered by the Liberal papers in the different conditions which obtained.

"Thirty-six years of protection in the United States and eighteen of the same pernicious system in Canada have created industrial and fiscal conditions in both countries, which must necessarily surround with considerable difficulty tariff adjustments on each side of the international boundary which will give any considerable measure of freer trade,"

said the Halifax Chronicle. Both Liberal and Conservative papers

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1. Sept. 9 and 28, 1898.
 2. Montreal Gazette, Nov. 29, 1898; Toronto Mail and Empire, Aug. 19 and 24, 1898, Jan. 26, 1899.
 3. Halifax Herald, Aug. 23 and 26, 1898; Montreal Gazette, Aug. 30, 1898; Toronto Mail and Empire, Aug. 19 and 31, 1898.

warned the Government not to "jeopardize or sacrifice any great Canadian industry," for stable conditions must be maintained and there was no assurance of permanency in any arrangement with the United States, as past experience had all too clearly shown. At present even the Canadian agriculturist

"is not worrying himself into a fever over the United States market."

The best possibility of expansion ~~lies~~^{was} in his export trade to Great Britain, to which he had now turned his attention.

"While in 1891 Canadians were asking for reciprocity, and the Americans were only willing to concede it on impossible conditions, to-day the Americans are no less anxious for an agreement than we are."

"Whatever may have been the conditions in the past, the Canadian market to-day is a better one for American produce and manufactures than the American market is for Canada. Under these circumstances a reciprocity treaty cannot be regarded as a boon to Canada in any greater degree than to the United States, unless its terms are such as to give to Canadian exports to the States free entry in much greater volume than in the case of American goods entering Canada." 1

The question of the relation of the British preference to a reciprocity treaty also came in for a good deal of discussion. There were several reports that the Americans would not enter into any trade agreement unless the preferential clause

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1. Halifax Chronicle, Aug. 24, 1898; Montreal Herald, Nov. 21, 1898; Toronto Globe, Aug. 19, 23 and 25, Nov. 10, 1898; Manitoba Free Press, Aug. 23, 1898; Montreal Gazette, Aug. 10 and Sept. 6, 1898; Toronto Mail and Empire, Aug. 20, 1898; Laurier Papers.

in the Canadian tariff was repealed. In general, Canadian opinion was against any such action. Edward Farrer declared that it would be easy for the Americans to get the same rate as the British; but it is doubtful, in view of the attitude of both the Conservative and Liberal press, if this would have been sustained.¹

Aside from the general question of the desirability of a treaty there was, of course, as in all tariff negotiations, a considerable amount of correspondence and expression of opinion on the specific articles which should be included.

"The subject of woods generally" wrote Laurier, "whether in log or in any way prepared for consumption, is one of the most difficult questions with which we have to deal."

It certainly called forth the largest amount of correspondence and was complicated by the regulations of the province of Ontario requiring manufacture of lumber before its export. The lumbermen presented a memorial to the Commission protesting against the removal of these regulations, except in return for the free admission of Canadian lumber, and this was repeated in several letters to Laurier, including one from the Premier of Ontario, who also visited Quebec to impress the Commission with his views.²

Some of Laurier's correspondents, including a member of his

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1. Halifax Chronicle, Aug. 25 and Sept. 27, 1898; Montreal Herald, Aug. 26, 1898; Toronto Mail and Empire, Aug. 26 and Nov. 21, 1898; Robert McConnell, editor of the Halifax Chronicle, "Commercial Relations between Canada and the United States", Canadian Magazine XII, Jan. 1899, pp. 198 - 201; Edward Farrer, "The Anglo-American Commission," Forum XXV, Aug. 1898, pp. 652 - 663.
 2. Gillies & Co. to Laurier, Resolution of Penetanguishene Town Council; A. S. Hardy to Laurier, Laurier Papers; Toronto Globe, Sept. 20, 1898; Montreal Herald, Sept. 12, 1898.

Cabinet, did not, however, think that this was an adequate return, pointing out that if the Ontario law was retained the duty on lumber must soon be withdrawn by the United States.¹ Others asked for an import duty on American lumber, laths and shingles, equal to that imposed on Canadian products by the United States.²

There was also considerable demand for the remission of duty on minerals, - iron, nickel, silver lead, phosphorus, gypsum and mica all being brought forward by those interested.³ Some were careful to add, however, that ores should not be admitted free, unless the same concession was made to bullion, as this would destroy the smelting industry in Canada;⁴ and there was protest against a proposal, favoured by Fielding, to place pig-iron on the free list.⁵ Others suggested that an export duty should be placed on nickel ore and matte, or other provision made for its compulsory manufacture in Canada.⁶

A number of letters asked for the free admission of barley and cornmeal into the United States, and the Minister of Customs suggested that binder twine and fencing should be placed

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1. Orillia and Owen Sound Boards of Trade, L. P. Graves, J. E. Murphy, Thomas Conlon, E. W. Rathbunn, R. W. Scott to Laurier, Laurier Papers.
 2. Boards of Trade of Orillia and District of Rainy River, Lumber and Shingle Manufacturers of British Columbia, C. Beck to Laurier, ibid.
 3. T. D. Ledyard, T. P. Brazill, W. Gibbs, W. A. Williams to Laurier; W. J. McAndy to Fielding, ibid.
 4. H. W. Bostock, Kaslo Board of Trade to Laurier, ibid.
 5. E. W. Rathbunn, Clifford Sifton and Fielding to Laurier, ibid.
 6. Municipal Council of Drury, Dennison and Graham, Sault-St. Marie Board of Trade and John Patterson to Laurier, ibid.

on the American free list.

There was quite a brisk demand from Ontario for admission of coal into Canada free of duty, but this was opposed by the Nova Scotia interests, whose views were pressed by Fielding in the Cabinet. Laurier in a letter to the latter confessed that he found the question

"full of difficulties."

"There are some important sections of the country which expected it and which will be grievously disappointed if we refuse it." 2

The manufacturers were, of course, busy urging that there should be no concessions on their products. Manufacturers of different implements and machines - axes, scythes, forks, sewing-machines, typewriters and type-setting machines - all sent memorials to this effect. 3 They were joined by the bicycle and furniture manufacturers, and representations came also from soap manufacturers, leather and boot and shoe manufacturers. 4 The Dominion cotton company and a wholesale dry goods firm in Montreal protested against the inclusion of cotton goods in a reciprocity agreement declaring that the New England market was glutted and, therefore, 5 the advantage would all be on the side of the Americans.

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1. Petitions from some inhabitants of Nova Scotia, Whitby and Chatham Boards of Trade, Wm. Betcher, J. Penfound, W. Paterson to Laurier, ibid.
 2. Hamilton, Chatham and Kingston Boards of Trade, Petitions from the towns of Trenton, Belleville, Tweed, Napanee, Deseronto, Farnworth, Francis Frost (M.P. for Grenville), Elias Rogers (President Toronto Board of Trade), H. A. Calvin (M.P.), Walter Macdonald, R. J. Hopper to Laurier, Laurier to Fielding, ibid.
 3. Bedford Manufacturing Company, Williams Manufacturing Company, Canadian Typograph Company, Manager of the Massey-Harris Company to Laurier, ibid.
 4. Memorials from the Canadian Bicycle Manufacturers, Furniture Manufacturers of Ontario, Leather Manufacturers, Boot and Shoe Manufacturers, J. Humphrey Parker, and R. H. Hudson to Laurier, ibid.
 5. C. R. Whitehead of the Dominion Cotton Mills Co., J. N. Greenshields and A. F. Gault to Laurier, ibid.

The Dominion Millers' Association presented a memorial against the removal of the duty on flour and this protest was repeated by several interested private individuals, though there seems to have been some division of opinion among those engaged in the business.¹

It would, of course, be unwise to build too much of an argument on these representations. In all tariff negotiations and revisions those who claim that their interests will be hurt by any reduction seem always to be more vocal.² But it can at least be said that they bear out the impression, gathered from more general letters and newspaper editorials, that the interest in and desire for a reciprocity treaty had waned considerably now that it had become evident that Canada was once more enjoying prosperity.

It may almost be said that the active demand for reciprocity had passed from Canada to the United States. Kasson, in charge of negotiations on this subject for the latter country, received at least forty-nine resolutions in favour of reciprocity from Boards of Trade, Chambers of Commerce, Merchants' Exchanges, etc. The interest was particularly strong in New England and among the commercial and manufacturing interests. The Boston Chamber of Commerce sent representatives to press these views and

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1. John Mather, Robert Meighen, Archibald Campbell (with enclosures) to Laurier, *ibid.*
 2. See also news report of Montreal Gazette, Sept. 2, 1898. "The advocates of restricted - not unrestricted trade - were thick on the ground here to-day, in the proportion of three to every one who is anxious to see the tariff barriers between the United States and Canada reduced." ~~This must be most gratifying for the Conservatives.~~

the New England Free Trade League, denied a hearing, presented their views in writing. On the other hand the Home Market Club of Boston sent a delegate to oppose reciprocity and it cannot be said that the arguments of its promoters, emphasizing, as they did, the need of an expanding market and of cheaper raw materials for American manufacturers, were calculated to endear the project to Canadians. As the Montreal Gazette said,

"Through them runs the idea that Canada is and will remain a consumer of manufactured and a producer of raw materials, which Canadians do not altogether accept." 1

Of course there was a certain amount of hostility among the agricultural interests in the northern states and the lumbermen. Kasson received seventeen letters from lumber companies all over the United States urging the retention of the tariff on lumber; only one company thought that free raw lumber was essential because of the depletion of American forests. Individual publishers asked that the duty on pulp and paper should be removed and the American Newspaper Publishers' Association prepared a brief arguing that "an enlightened self-interest" should lead to some arrangement with Canada on the subject of lumber. All the newspaper reports represent the lumber duties as the chief obstacle to the settlement of the question. The agriculturalists sent the

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1. Montreal Gazette, Oct. 13, 1898; Toronto Globe, Sept. 23, 1898; New England Free Trade League, Reciprocity with Canada; Poland, Reciprocity Negotiations, pp. 264 - 266.
 2. Montreal Gazette, Dec. 12 and 19, 1898, Jan. 25 and 26, 1899; Toronto Mail and Empire, Feb. 17, 1899; Poland, op. cit. pp. 270 - 273.

president and secretary of the National Grange to represent their interests. One Canadian, favourable to reciprocity, carried on an active propagandizing campaign with a friend in Ogdensburg, N. Y.,¹ in the effort to overcome the hostility of this border section.

In view of the Canadian memorials it is interesting to note a representation from the malting interests of New York and Pennsylvania asking for the removal of the duty on barley.²

No official minutes of the meetings of the Commission or its committees were kept, because of the objection of the Canadian members, and therefore no account of its progress, except a report of the last meeting, appears in any official publication,³ either of Canada or of the United States. Thus it is necessary to piece the story together from newspaper reports, which, except for the delegations appearing before the Committee, must be considered as unreliable, for its secrets were well kept. The personal relations of the Commissioners seem on the whole to have been harmonious. Laurier commented on the "new and general goodwill observable here", though he complained of the influence of local interests on the American members, so that

"the Commission is bounded on the east by
Gloucester cod and on the west by Indiana

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1. Correspondence between Edward Smith, Prescott, Ont. and D. Magone, Ogdensburg, N. Y., Laurier Papers; Toronto Globe, Sept. 21, 1898.
 2. Toronto Globe, Oct. 4, 1898.
 3. Poland, op. cit, p. 287, quoting Kesson Papers, Memorandum on British-American-Canadian Commission.

lambs, no sometimes on the west by Seattle lions."

The American Secretary of State made the same complaint about the Canadians, whose minds, he said, were

"completely occupied with their own party and factional disputes ... Sir Wilfrid Laurier is far more afraid of Sir Charles Tupper than he is of Lord Salisbury and President McKinley combined."

The Americans also complained of the contentiousness of Lord Herschell who, they said, was

"more cantankerous than any of the Canadians ... In fact he is the principal obstacle to a favorable arrangement."

The American ambassador in Great Britain was asked to hint this to the British government, which countered, however, by an attack on Foster, the Canadian dislike of whom had already been conveyed in a roundabout way to the American government, and resulted in the substitution of Kasson wherever possible.¹

The Canadian newspapers reported that reciprocity was the most difficult problem before the Commission and despaired of any agreement,² but as a matter of fact substantial progress seems to have been made and the press even contained some hints³ of the possibility of an agreement.

Laurier wrote later,

"We struggled to obtain reciprocity in lumber, because the condition of things in so

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1. Allan Nevins, Henry White (Boston and New York 1930), p. 134, pp. 187 - 188; Thayer, Wm. Roscoe, Life of John Hay (Boston and New York 1915), pp. 204 - 205; Skelton, Laurier II, pp. 127 - 129.
 2. Halifax Herald, Oct. 14, Dec. 3, 1898; Montreal Gazette, Nov. 19, 1898; Toronto Globe, Sept. 28, Oct. 7, Nov. 12 and Dec. 9, 1898.
 3. Interview with Clarke Wallace, Montreal Gazette, Oct. 11, 1898; ibid., Nov. 17, 1898.

far as lumber is concerned is acute and may become worse. I may say, however, that in this we made no progress whatever. We also endeavoured to obtain a fair measure of reciprocity in minerals, in which we were altogether successful; in quarry products, in which we were also quite successful; and in a few agricultural products in which we had some partial success. On the whole, with reference to the reciprocity question, I am quite satisfied with the progress which we made, barring the sole article of lumber, and we can at any moment make a very fair treaty.

Our chief efforts, however, were directed to these subjects: the Atlantic fisheries, the Pacific seal fisheries and the Alaska boundary."

Charlton also said, with reference to the reciprocity agreement,

"We came very near getting a good treaty", but "a little trouble intervened between the trade treaty and something else."

Senator Fairbanks, in summing up the results of the Commission, said that

"a tentative agreement" was reached on the question of trade relations, "though satisfactory conclusion not probable on many articles chiefly lumber and farm products, on which Canadians urged very considerable concessions."

Foster alone maintained that "little progress" had been made on reciprocity.¹

Most important in this connection are the various memoranda drawn up by Kasson. He reported that the Canadians had demanded concessions on natural products - "products of the mines,

1. Commons' Debates 1902 (vol. LVI), p. 1539; 1903 (vol. LVIII), p. 1651, p. 1663; Skelton, Laurier II, pp. 131 - 133; Foster, John W., Diplomatic Memoirs (Boston and New York 1909), p. 188.

forest and farm" and that the Americans had offered to admit mineral products free, to increase the free list of forest products, to reduce the duty on sawed lumber, to put on the free list

"two of the important products of the Farm which they demanded," to reduce the duty on the remaining three, and, finally, "a general reduction of existing duties."

A suggested draft for a reciprocity treaty with several rough lists of articles which might be reciprocally admitted free also appears among the Kasson papers. This provided:

- 1 That articles, the produce of either country, when imported into the other, should

"be admitted at rates of duty no higher than the lowest rates imposed upon the like articles imported from any other country".

This article should be related to the reports in the Canadian press that the Americans would not agree to a treaty unless the British preference was abrogated. As we have seen there was little hope of an agreement on that point.

- 2 No export duty should be imposed in either country upon "articles of commerce destined for the markets of the other."
- 3 All merchandise "of whatever origin imported into either country by way of the other was to be admitted at the lowest rates of duty charged on similar imports from or by way of any country."
- 4 The same charges were to be levied on the vessels of the other country as were imposed on national vessels arriving in the same port.
- 5 At any time after two years after the exchange of ratifications, the two governments, upon demand of either, would reconsider rates of duty

"with a view to further facilitate the trade between the two countries."

- 6 Canadian fishery products were to be admitted free into bonded warehouses in the United States, where they might be prepared for export, and exported free of duty. They would then be entitled

"in common with all products of Canadian fisheries, to entry at the ports of any dependency of the United States on the same terms as the products of American fisheries."

Space was left for the list of articles which were to be admitted into either country at specified reduced duties and for a free list.

There are four different suggested lists and the commodities mentioned show an effort on the part of the Commissioners to conform to the requests made in both the American and Canadian representations. The free admission of natural ores is mentioned in three lists, coal appears on two, gypsum on three. Of farm products barley, butter and cheese, wheat and wheat flour appear on two lists, live animals on one, canned meat and vegetables on two. Some vegetables, fruit and berries, seed of various sorts and nursery stock also receive mention. Manufactured articles appear very sparsely; furniture, agricultural machinery, locomotives and their parts, are each on one list, mining tools and machinery on two. There is some effort to meet the Canadian demand with regard to lumber and wood products in lists specifying the qualities and articles which might be admitted free. On the whole the lists cannot be said to be very comprehensive, but they might, as was evidently expected, have

formed a basis for further discussion and agreement.¹

The Commission, however, broke up on the 20th of February, because of the failure to reach an agreement on the Alaska boundary or the conditions on which it should be submitted to arbitration. The American Commissioners proposed that attention should be turned to the determination of the other subjects "several" of which

"were so far advanced as to assure the possibility of a settlement;"

but the Canadians refused, stating as their reason that

"the manner in which they would be prepared to adjust some of the other important matters under consideration, must depend, in their view, upon whether it is possible to arrive at a settlement of all questions which might at any time occasion acute controversy or even conflict."²

In this attitude they received the support of the Conservatives.³

Technically the Commission only adjourned till the second of August and some of the Liberal papers, therefore, refused to believe that it had failed.⁴ It did not meet on the date set, however, and in fact never met again, though various approaches were made with a view to its re-opening. In March 1900, Laurier said in the House of Commons that he did not consider the negotiations at an end, though he was unable to say when

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1. Poland, Reciprocity Negotiations, pp. 291 - 296 and App. A.
 2. Sessional Papers 1899, No. 99, Laurier in the House of Commons, Commons' Debates 1899, (vol. XLIX), p. 3341, p. 3668.
 3. Ibid, p. 3780, p. 4266.
 4. Halifax Chronicle, Feb. 24, 1899; Montreal Herald and Manitoba Free Press, Feb. 21, 1899.

they would be re-opened.¹ In his budget speech of 1903 Fielding announced that there had been some correspondence between Laurier and Fairbanks on the subject. The American Chairman, in a letter written on February 13th, 1903, had suggested that since the question of the Alaska boundary had by then been transferred to a special tribunal, the Joint High Commission should re-convene. Any date after the middle of March, he said, would be convenient for the American members.

"The progress we had made," he continued, "in the consideration of the subjects of the protocol at the date of our adjournment, gives warrant for the hope that we can determine many, if not all, of them."

To this Laurier replied that the Parliamentary session made the time suggested an inconvenient one.

"Moreover, I think it would be unadvisable [sic] to have the commission meet officially, unless we are pretty sure in advance of being able to come to some conclusion on some important points. If you will permit me a suggestion; as soon as our parliament will have prorogued, I will take an opportunity of asking you for a private interview, when we could survey the ground again and fix a date for the Commission to meet again."

Fairbanks answered,

"It is quite well enough that we should arrange for a private interview, after your parliament is prorogued, and, as you suggest."

Fielding commented on this correspondence as follows:

"The letter of the Prime Minister to Mr. Fairbanks points out that it is hardly

1. Commons' Debates 1900, (vol. L), p. 2147.

worth while to summon the High Commission if we are to meet with the same difficulties as before; and I am sure I am right in interpreting the Prime Minister's letter to mean that, unless a preliminary discussion gives us some reasonable hope that the outcome of another meeting will be fairly satisfactory, there will be no desire on the part of this government to have the High Commission resume its sittings."

(At the same time we must meet the Americans in "a fair and generous spirit and join in any reasonable effort to bring about such adjustment of the relations between Canada and the United States as would be honourable to both countries and advantageous to the interests of the people." 1

Laurier, in a confidential letter to the secretary of the Canadian Manufacturers' Association written on May 29th of the same year, said that he expected that the Joint High Commission would re-
assemble before long. ² Nothing came of the suggestion, however. The session of 1903 lasted throughout the summer and, while it was still sitting, on October 20th, the decision of the Alaska boundary tribunal was announced. This so enraged Canadian public opinion that any effort to reach an agreement with the United States at that time, on any subject whatever, would have almost certainly proved abortive. In the next session Laurier was asked the status of the Joint High Commission. To this he replied,

"It stands to-day just as it did in the month of February, 1899, when it was adjourned. It was adjourned subject to the call of the two chairmen or of the commission itself. My hon. friend wants to know what is our attitude, shall the commission be convened again or not?"

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1. Commons' Debates 1903, (vol. LVIII), pp. 1407 - 1408.
 2. Laurier Papers.

I have only to repeat ... that it is not the purpose of the Canadian government to go to the United States for favours of any kind whatever. If it pleased the United States authorities to have the joint high commission re-convene - to have better relations established than those we have had for the last few years, we are always ready to meet them and to receive their advances. But so far as the Canadian government are concerned, we have nothing to ask from our American neighbours. We want to be on good terms with them; we are ready at all times to negotiate with them on fair terms; but we shall not take the initiative for new negotiations. If new negotiations are to take place, it must be on their initiative. We have received no invitation from them lately, and therefore so far as I know the joint high commission is not again to be convened." 1

A news item appearing in the American press on November 22nd, 1904, stated that Fairbanks had gone to New York to meet the other members of the Joint High Commission, both American and Canadian, in a final effort to reach an agreement on reciprocity. In January 1905, however, an announcement appeared from Fairbanks that the Commission would not re-convene till after the approaching Parliamentary session. Apparently nothing more was heard of another meeting.²

All sides explained the failure of the Joint High Commission in accordance with their own views. The Americans blamed the Canadian negotiators, who, they considered, were governed more by the exigencies of national politics than by the

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1. Commons' Debates 1904, (vol. LXIV), p. 75.
 2. Montreal Gazette, Nov. 30, 1904, Jan. 13, 1905.

desire to make a settlement.

"The Canadian matter in a nutshell is this," wrote Secretary of State Hay, "Laurier preferred to pose before his Parliament as a stout defender of Canadian rights and interests against Yankee selfishness, rather than have the trouble to defend himself against the attacks of the Opposition for having made a just and reasonable treaty - which was within his reach." 1

Kasson also was of the same opinion.

"Their conduct at this time," he wrote, "impressed us as in some way influenced by the condition of party politics in the Dominion, and not by a conviction that an adjustment was impracticable.

We were more surprised by this sudden termination of our negotiations because they had previously indicated to us that the question of reciprocity in trade relations was the hinge upon which success or failure of negotiations would turn." 2

Foster went so far as to compare the abortive efforts of this Commission with the success of that of 1871 and said,

"I hope it may not be invidious to point out the fact that the Commission of 1898 contained only one English and four Canadian statesmen, whereas the Commission of 1871 had only one Canadian and four English statesmen." 3

The Conservatives blamed the "bungling incapacity" of the Canadian negotiators of whom only Charlton had shown any ability. Also their previous record and policies made it vain to hope that they would get any favourable consideration from the

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1. Hay to White, Feb. 21 and Sept. 9, 1899, Nevins, Henry White, p. 191.
 2. Poland, Reciprocity Negotiations, p. 296.
 3. Diplomatic Memoirs II, p. 189.

"It was plain from the outset," said the Toronto Globe, "that no large measure of reciprocity in trade could be negotiated. The policy of the Washington Administration is frankly and stubbornly protectionist ... This situation our commissioners recognized from the first, and while making a sincere and earnest effort to improve the trade relations between the two countries they saw that persuasion and argument would be alike futile to make any serious breach in the protectionist lines of our neighbors." 1

A more recent writer has said that the attitude of the Liberals in 1898 and 1899

"was not one whit more sincere than that of the Macdonald and Abbott Governments in 1891-1892 ... In each instance the negotiations by these Canadian commissioners were perfunctory fulfillments of election campaign promises - campaign pledges which in each instance had become meaningless before the commissioners left Ottawa for Washington." 2

This is probably too extreme a statement; but it is certainly as true as the contention that the United States refused a reciprocity treaty which was ardently sought by the Canadians. As we have seen, it was the latter who insisted that on the failure to reach an agreement on the Alaska boundary, the Commission should adjourn, although a tentative treaty had been drawn up and Laurier himself had declared "we can at any moment make a very fair treaty." A further quotation from this letter strengthens this point.

"There has been a great deal of misconception as to the character of the negotiations

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1. Feb. 21, 1899.
 2. Porritt, Sixty Years of Protection, p. 174, p. 182.

at Washington," he wrote. "The impression was that we were struggling with might and main to obtain a wide measure of reciprocity. The reverse is the truth." 1

The Liberal defence of their position in the Parliamentary session of 1899 is also far more consistent with this view. The mover of the address, a Liberal member, be it noted, from the Maritime Provinces, said,

"It would be well for us to bear in mind - at least those of us who entertain the impression and hug the delusion that Canada is dependent on the trade of the United States for her prosperity - to ask ourselves the question, how it could be possible, under present conditions, for the United States to communicate to us a much greater degree of prosperity than that which we now enjoy, or the further question: How is it possible for the United States of America to communicate to us a degree of prosperity which they themselves do not possess?"

Laurier explained the attitude of the Canadian negotiators as follows:

"Now, Sir, the hon. gentleman [Tupper] assumes that in all these negotiations we have been begging for reciprocity; he assumes that in all these negotiations that took place at Quebec and in Washington we were not dealing with the Behring Sea question, that we were not dealing with the Atlantic fisheries but that we were seeking to modify [sic] the American commissioners in order to obtain some trade concessions. Let me tell the hon. gentleman that in this matter, as in all others, and especially in this one he is mistaken. I have no right to speak of what took place in the Commission, but I have a right to refer to what is now in the minds of the Canadian people; and if we know the hearts and minds of our people at present, I think I am not making too wide a statement when I say that

1. Skelton, Laurier II, p. 131; see for the conclusion of this letter above, pp. 276 - 277.

the general feeling in Canada to-day is not in favour of reciprocity. There was a time when Canadians, beginning with the hon. gentleman himself, would have given many things to obtain the American market; there was a time not long ago when the market of the great cities of the union was the only market we had for any of our products. But, thank heaven! These days are past and over now. We are not dependent upon the American market as we were at one time. Our system of cold storage has given us a market in England which we had not before. Some years ago we had no market except the cities of the union. Those days are over and I recognize that fact; though I admit without any hesitation that there are yet quite a number of articles concerning which the American market would be of great advantage to Canada."

Even Cartwright declared,

"I say, as the hon. gentleman and his leader have said, and as the late Sir John Macdonald has said, that reciprocity with the United States, if it can be obtained on proper terms, would be a very great boon to a very great number of the people of Canada. But I agree with my hon. friend that while reciprocity is desirable to-day, it is much less important to the people of Canada, is probably less desired by the people to-day than it was a matter of a dozen years ago."

The Americans themselves, by their attitude, have

"intensified the attachment of Canada to the mother country and aided materially in developing the self-reliance which exists among our people and is making them every day more and more formidable competitors in the markets open to both countries." 1

There was very little disappointment expressed in the country over the failure of the negotiations. The Hamilton

1. Commons' Debates 1899, (vol. XLVIII), p. 10, p. 102, p. 157.

Spectator spoke of the country having escaped the "calamity" of
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a reciprocity treaty, and the Montreal Gazette said,

"There was really less risk of Canada losing from the commission's failure to come to an understanding than from its reaching one. Nobody expected a reciprocity arrangement that would be fair to Canada from the high tariff men who presently control the United States affairs." 2

Even the Toronto Globe said,

"It was important to have trade relations liberalized: it was of far greater importance to have the boundary question, a possible source of serious international complications, removed from the field of disputed issues." 3

"In Canada there will be no tears shed", declared the Victoria Daily Times, "even if the whole thing should be a failure. We can afford to play a waiting game. Our minerals, our timber and our fish will keep ... In a short time our interior and coast points will swarm with quartz and coal miners, and these in turn will create a market for the farm products of the country second to none in the world." 4

Both before the Commission met and during its sessions, it had been stated that Canada would make this one effort to secure reciprocity with the United States, but if this was unsuccessful,

"the idea of better trade relations with the States will be abandoned by our people one and all."

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1. Quoted by the Halifax Herald, Feb. 25, 1899.
 2. Jan. 26, 1899; see also Feb. 22, 1899. Sifton's views were apparently similar to those expressed here, see Dafoe, Sifton, p. 193.
 3. Feb. 21, 1899.
 4. Feb. 17, 1899.

and the Government backed by a united people will then be free to take

"the measures which shall then be deemed necessary - measures which could not be taken till every legitimate means had been exhausted for accommodating the outstanding differences between the two countries."

Charlton was more explicit as to what these "measures" were to

be. "We will certainly feel ourselves bound," he wrote, "to cease to practically discriminate against the Motherland. If we cannot increase our exports to the United States it will not be unnatural to seek to reduce the balance of trade against us by the reduction of American imports. We will seek in every possible way to develop and extend our export trade with England, and we will be impelled by every consideration of fair play and filial feeling to arrange a tariff that will permit the imports from England to wipe out to the greatest practical extent, the balance of trade that we now score up against her. We shall look with more favour upon schemes for the consolidation of a world-wide empire, and will be ready and anxious to meet any discrimination that England may be induced to make in favour of Colonial products by discriminations as generous in favour of British imports. The parting of the way is just before us; we have a preference as to which road we shall take; but if access is denied us, we will enter upon the other with high resolve to make it the road to victory over all the obstacles that may confront us."

The note of national growth and self-reliance was struck by the Toronto Globe which said,

"Each country [i.e. Canada and the United States] has its own business to do and its own destiny to fulfil, and in our case there is every reason to believe that the path

of independence and of an intelligent care of our own interests will also be the path of friendship." 1

Thus after the failure of the Joint High Commission, at the turn of the century, Canadian public opinion resembles that of a decade later far more than it does that of the early nineties, when even a premier so strongly entrenched as Sir John Macdonald had felt it necessary to make concessions to the prevailing advocacy of a large measure of reciprocity with the United States. 2 Indeed the speeches made and articles written at this time express the essence of the principal emotions which were to defeat the reciprocity agreement when presented in 1911 by the United States.

The resentment, justified possibly with regard to the Alaska boundary, but certainly not justified in the case of the trade negotiations regarded by themselves, felt by Canadians at what they considered a failure to meet their just demands, must also be taken into account. The succeeding decade was merely to intensify the spirit of national independence and prosperity and of imperial attachment, which in 1899 prevented any keen disappointment at the failure of the Joint High Commission to produce any results.

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1. Toronto Globe, Feb. 16 and May 26, 1899; Charlton in Canada: an encyclopaedia I, p. 378; A. H. U. Colquhoun, "Reciprocity trips to Washington", Canadian magazine VIII, March, 1897, p. 423.
 2. An article appearing at this time in favour of Commercial Union has a decidedly anachronistic ring, see L. E. Munson, "The United States and Canada", Arena, Dec. 1899, (vol. XXII), pp. 667 - 682.

"THE TWENTIETH CENTURY SHALL
BE THE CENTURY OF CANADA." ¹

CHAPTER V

In the latter part of the nineties Canadians thought they felt a new surge of prosperity and life; in the first decade of the twentieth century they were sure. Never at any other time in Canadian history had there been such rapid development or such a certain confidence in the national future. Year after year, with only a brief interruption in 1908, Fielding's budget speeches told a tale of "phenomenal" and "marvellous" expansion and growth.² The country was now, said Sir Richard Cartwright,

"at the very highest point that Canada has ever attained commercially, financially and politically."³

Even the Opposition were forced to admit the prosperity of the country, though they claimed that the policies of the Government had little to do with it.⁴ The latter contention was only partially true. Immigration, the balance of which was now noticeably from the United States to Canada rather than vice versa as it had been in the eighties and early nineties, was

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1. Laurier at Toronto, Toronto Globe, Oct. 15, 1904; see also at Ottawa, ibid, Jan. 19, 1904.
 2. Laurier in the House of Commons, Commons' Debates, 1904, (vol. LXIV), p. 75; Victoria Daily Times, Apr. 17, 1903.
 3. At Toronto, Toronto Globe, Dec. 11, 1903.
 4. See Borden in House of Commons, Apr. 17, 1903, Commons' Debates, (vol. LVIII), p. 1462; at Halifax, Halifax Herald, Oct. 28, 1904; and ibid, June 9, 1904.

definitely stimulated by Government encouragement. ^{1.} Some even feared the possible "Americanizing" influence of this stream of immigrants from the south into the North-west. ^{2.} Railway building, itself a product of increased population and commercial expansion, received considerable Government help and attention and, in turn, contributed its quota to the new prosperity.

The new transcontinental railway, embarked upon in 1903, the most ambitious of all these projects, was in itself, as the Prime Minister stated, an expression of the new conscious nationalism. Presenting the Government's plans to Parliament on July 30th, 1903, Laurier said that they merely gave

"voice and expression to a sentiment, a latent but deep sentiment, which is to-day in the mind, and still more in the heart of every Canadian, that a railway to extend from the shores of the Atlantic ocean to the shores of the Pacific ocean and to be, every inch of it, on Canadian soil, is a national and a commercial necessity ... Heaven grant that it be not already too late; heaven grant that whilst we tarry and dispute, the trade of Canada is not deviated to other channels, and that an ever vigilant competitor does not take to himself the trade that properly belongs to those who acknowledge Canada as their native or their adopted land."

To point home the moral he instanced the situation in 1888, after the rejection of the Fisheries Treaty, quoting Cleveland's non-intercourse message of August 24th.

"For my part," he continued, "I have never made a secret of it. I have the greatest possible admiration for the American people. I have always admired

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1. Keenleyside, Canada and the United States, pp.341,351-353, pp.355-356.
 2. Lord Minto to Willison, July 4, 1903, Colquhoun, A.H.U., Press, Politics and People, (Toronto, 1935), p. 161.

"their many strong qualities. But I have found in the short experience during which it has been my privilege and my fortune to be placed at the head of affairs by the will of the Canadian people, that the best and most effective way to maintain friendship with our American neighbors is to be absolutely independent of them." 1.

The Toronto Globe, in commenting on this speech said,

"The general verdict of the people of Canada will be that the most important part of the Premier's statement was his plea for the construction of a line of railway which will make us independent of our American neighbors in the matter of bonding privileges enjoyed by the shippers of both countries....Even if the cost of this proposed line of railway were greater than it is likely to be, our national self-respect requires us to put ourselves in a position to be able to disregard intimations that are always humiliating, even when they are not meant to be insulting. Sir Wilfrid Laurier's dignified plea for action in this direction will meet with general approval and a hearty response." 2.

Expressions of exultation in Canada's prosperity and of confidence in the greatness of her future are so numerous as to make selection difficult. Some, however, must be given, for it is only against this back-ground that the Canadian attitude towards reciprocity, apparently such a radical change, can be rightly understood. The most frequently quoted and most

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1. Commons' Debates, 1903, (vol, LXI), pp. 7659-7675; see also a speech at Toronto, Toronto Globe, Oct. 15, 1904.
 2. July 31, 1903; see also G.W. Ross, then Premier of Ontario, to the Canadian Club of Toronto, ibid, Dec. 1, 1903 and E.W. Thomson to the Intercolonial Club of Boston, May 1, 1905, (pamphlet).

concise is the statement of Laurier himself, which forms the title of this chapter.

"The nineteenth century has been," he said, "the century of United States development.....
...Let me tell you, my fellow countrymen, that all the signs point this way, that the twentieth century shall be the century of Canada and Canadian development. For the next 75 years, nay, for the next 100 years, Canada shall be the star towards which all men who love progress and freedom shall come." 1.

From one end of the country to the other newspapers joined in the joyous contrast of conditions as they were with what they had been.

"Canada has travelled far since the days of 1896," said the Halifax Chronicle. "It is now practically a new country. It has grown to the proportions of a world power. Its trade has almost trebled, and all its great industries and interests have expanded in every direction." 2.

The Manitoba Free Press declared,

"The Canada of 1903 is very different from the Canada of a decade ago. This country, after long lying almost dormant, with a stationary population, stagnant trade and untouched resources, is now in its period of efflorescence. Everywhere to-day the tide of national life is flowing strong. We see about us on all sides signs of the new dispensation - growing manufactures, increased population and widening areas of settlement.....
The Canada of the near future will be a country with a population of twelve or fifteen millions." 3.

From the Pacific coast came the same story.

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1. Very similar phraseology was used by Laurier several times. I have been unable, however, to find any speech of his which antedates that of J.W. Longley to the Boston Canadian Club where he said, "The nineteenth century was the century of the United States. The twentieth century is Canada's century." Halifax Chronicle, Apr. 9, 1902.
 2. Dec. 15, 1909.
 3. Dec. 16, 1903.

Adventurers and immigrants, said the Victoria Daily Times,

"have discovered a new land of promise, and the feet of thousands upon thousands of people are set towards the Newest and the Last West."¹.....
"In short Canada's day of opportunity has dawned. The last great trek on this continent has begun.There are Chicagos in the making in various parts of Saskatchewan and Alberta.....The tide which has set in can never be turned. It will continue to flow and to rise until its effects are conspicuous on this part of the Pacific Coast also. The growth of Canada in population and wealth will be as marked as the growth of the United States in these respects in corresponding periods of her history." 1.

In view of this spirit it becomes less surprising that the only agitation for, indeed almost the only interest in reciprocity between Canada and the United States was in the latter country. It appears there both as part of a *upraised* general movement for increased markets and lower tariffs, for which reciprocity treaties with different countries were seen as a means, and as the expression of sectional interests, concerned particularly with trade with Canada.

The Dingley Act had provided for reciprocity under certain conditions and various treaties were negotiated by Kasson, acting as special commissioner, but they were accorded scant courtesy by the Senate.² President McKinley's pronouncements were becoming more and more favourable, however, and ^{on} the day before his assassination at the Buffalo Exposition he made a speech which seemed especially to endorse the

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1. Mar. 29, 1910.
 2. Laughlin & Willis, Reciprocity, Ch. IX & X.

reciprocity idea, and, of course, acquired a certain sanctity from the circumstances of its delivery.

"By sensible trade arrangements which will not interrupt our home production," he said, "we shall extend the outlets for our increasing surplus. A system which provides a mutual exchange of commodities is manifestly essential to the continued healthful growth of our export trade. We must not repose in fancied security that we can forever sell everything and buy little or nothing. If such a thing were possible it would not be best for us or for those with whom we deal. We should take from our customers such of their products as we can use without harm to our industries and labor.....The period of exclusiveness is past. The expansion of our trade and commerce is the pressing problem. Commercial wars are unprofitable. A policy of good will and friendly trade relations will prevent reprisals. Reciprocity treaties are in harmony with the spirit of the times; measures of retaliation are not." 1.

A little over two months later a National Reciprocity Convention, with delegates from the Manufacturing Associations, Boards of Trade, Chambers of Commerce, etc., met at Washington as the result of a resolution of the National Association of Manufacturers. Ostensibly called to discuss reciprocity, the tone of the proceedings was far more favourable to protection than to any measures tending to reduce it. A quotation from one of the delegates will illustrate this point. It was by no means exceptional.

"You may give to the country all the treaties you choose," he said, "which will let in here absolutely free anything we do not produce in this country, and we will give it our blessing and our votes."

1. Charles S. Olcott, "Life of William McKinley", (Boston & New York, 1916), appendix.

But now "we hear of a new kind of reciprocity, something that Mr. Blaine never heard of or desired, something Henry Clay never heard of, something that none of the great men of the past who stood for this magnificent policy of protection ever heard of If you start to break the tariff down in any particular you will send a thrill of alarm into every business nerve in the country." 1

As the Toronto Globe said, many of those at the Convention advocated reciprocity merely "to allay a taste for stronger measures."²

At the two day conference the evening of the second day was devoted to reciprocity with Canada. A representative of the Boston Chamber of Commerce delivered a speech supposed to favour the project, but largely devoted to explaining that the burden of the defence of Canada must fall upon the United States, and to advocating a union between the two countries. John Charlton, as was nearly always the case at these reciprocity conventions, spoke, giving what purported to be the Canadian point of view, and a representative of the Mississippi Valley Lumbermen's Association warned the meeting that Canadian products were not complementary to, but competed with those of the United States. In his opinion, said the latter, Canada should give an evidence of her good-will by removing the British preference and placing the products of Great Britain and the United States "upon an equality in its domestic market."

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1. Proceedings of the National Reciprocity Convention, Washington, 1901, pp. 21 - 29.
 2. Nov. 25, 1901.

The resolution dealing with Canada was presented by the delegate from the American Free Trade League and was in favour of Unrestricted Reciprocity:- that is to say the free admission of "all the products and manufactures of each country.....^{1.} into the territory of the other." It was not adopted by the meeting.

Undaunted by this lack of success a National Reciprocity League was organized at Chicago in the following April. At this meeting general resolutions favourable to reciprocity were passed, and the publication of a magazine of propaganda, National Reciprocity, was undertaken. It, however, only appeared² from September, 1902, to June, 1903. At a further meeting of the League, held at Detroit on December 10th and 11th, 1902, it was resolved "that the time and place of holding this convention made appropriate special consideration of our trade relations with Canada," and Congress was memorialized to reconvene the Joint High Commission "for the sole purpose of negotiating a reciprocity treaty with Canada," or to adopt some other measure for the same end. The Convention also adopted resolutions urging the ratification of the Kasson treaties and the negotiation and ratification of a treaty with Cuba.^{2.} The National Board of Trade of the United States, meeting at Washington on January 15, 1903, passed very similar resolutions, in which they drew attention to a portion

1. Proceedings, p. 134, pp.152-173.

2. National Reciprocity, I, Dec. 1902, pp.2-47.

of President Roosevelt's annual message, where he expressed his general approval of reciprocity treaties.^{1.}

The agitation for reciprocity with Canada drew its strength chiefly from New England, the commercial interests of New York and the big border cities, like Detroit, and the milling and commercial interests of the middle west. It was backed by such organizations as the Boston Chamber of Commerce, the New England Free Trade League and the New York State Chamber of Commerce. Prominent individually in the movement were Eugene Foss, a Massachusetts manufacturer, and a Republican who eventually changed his party allegiance on the issue, Henry Whitney and Osborne Howes, President and Secretary of The Boston Chamber of Commerce, and Eugene Hay of Minneapolis. On March 16, 1901 the New England Free Trade League held a dinner at Boston at which Howes stated that the project of reciprocity with Canada had been endorsed by seventy-six organizations, thirty-nine of which were in New England.^{2.} In the same year he appeared before the United States Industrial Commission to urge his favourite plan,^{3.} and, led by the Boston Chamber of Commerce, a delegation representing that organization, the Cleveland, New York, Cincinnati and Pittsburgh Chambers of Commerce, the Indianapolis and Baltimore Boards of Trade, the Detroit Merchants' and Manufacturers' Association, and the

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1. Toronto, Globe, Jan.16,1903; Canadian Annual Review; (Toronto), 1902, p.182.
 2. New England Free Trade League, Reciprocity with Canada a mutual benefit, (Boston,1901),p.35.
 3. United States Commission,Report,IX pp.712-718.

Buffalo Merchants' and Lake Carriers' Association, waited on President Roosevelt in November to urge the resumption of reciprocity negotiations with Canada.¹

In January, 1903, a ~~reciprocity~~ conference for the special discussion of reciprocity with Canada was held at St. Paul.² Later in the year, through the activity of the North-Western branch of the Reciprocity League, a committee of the State Legislature of Minnesota discussed resolutions recommending the reconvening of the Joint High Commission.³ The National Millers' Federation sent a memorial to the President embodying a resolution urging action along these lines, and this was commented upon favourably by two Chicago newspapers and one in Duluth.⁴ The Democratic State Convention of Massachusetts adopted as one of the planks in their platform a demand for reciprocity with Canada.⁵

The year 1904 seems to have been the high water mark of the agitation. In February the matter was raised in the House of Representatives by a speech of Congressman Lind of Minneapolis, recommending free trade with Canada and urging particularly the importance of the free importation of wheat.

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1. Toronto Globe, Nov. 13 & 14, 1901.
 2. St. Paul Pioneer, Jan. 11, 1903 & St. Paul Dispatch, Jan. 12, 1903, Fielding Papers, (clippings).
 3. Canadian Annual Review, 1903, p. 384.
 4. National Reciprocity, 1, June, 1903, pp. 29-36.
 5. Canadian Annual Review, 1903, p. 384.

He was replied to by a fellow Minnesotan, A.J. Volstead, and by John Dalzell of Pennsylvania.^{1.} The New York Board of Trade and the National Board of Trade both passed resolutions favouring reciprocity generally and reciprocity with Canada in particular.^{2.} It was in New England, however, that the agitation assumed its greatest proportions. Eugene Foss addressed two meetings of the Canadian Club of Boston on the subject,^{3.} and he and Whitney headed a delegation which waited on the Massachusetts State Legislature to urge their project.^{4.} Foss, however, was defeated when he appeared before the Republican State Convention as a candidate for the position of delegate at large on a programme of reciprocity with Canada, and the platform adopted declared, "'Reciprocity with Canada' is a mere phrase until the concessions offered on one side and demanded on the other are stated in detail."^{5.} The State Conventions of New Hampshire and Maine opposed any reciprocity in competitive products, mentioning especially farm products.^{6.} Undaunted, however, Whitney, as President of the Boston Chamber of Commerce called a meeting at Faneuil Hall at which resolutions favouring reciprocity were passed and a committee of One Hundred appointed to lead the fight.^{7.}

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1. Cong. Rec., 58th Cong., 2nd sess., pp. 1003-1009, 1589-1592, 2565-2570.
 2. Canadian Annual Review, 1904, p. 453; American Economist, April 29, 1904, XXXIII, p. 212.
 3. New England Reciprocity League pamphlets.
 4. Canadian Annual Review, 1904, p. 452.
 5. Boston Herald, Apr. 16, 1904.
 6. Canadian Annual Review, 1904, p. 453; Toronto Globe, May 11, 1904; Montreal Gazette, June 30, 1904.
 7. Boston Herald, May 17, 1904; Canadian Magazine, XXIII, Sept. 1904, p. 417.

There were several predictions that in the national election of 1904 reciprocity would be one of the most important issues; and the American Economist and the Protectionist, the organs respectively of the American Protective Tariff League and the Home Market Club, for that summer and autumn contained numerous articles exposing its evils. The Democratic platform stated, "We favour liberal trade arrangements with Canada, and with the peoples of other countries, where they can be entered into with benefit to American agriculture, manufacturing, mining or commerce."

The Republican plank on this subject was as follows:-

"We have extended widely our foreign markets and we believe in the adoption of all practicable methods for their further extension, including commercial reciprocity wherever reciprocal arrangements can be effected consistent with the principles of protection, and without injury to American agriculture, American labor, or any American industry."

In their campaign text book, however, the Republicans inserted the Democratic pronouncement. In his message accepting the nomination, Roosevelt declared,

"We are on record as favoring arrangements for reciprocal trade relations with other countries, these arrangements to be on an equitable basis of benefit to both the contracting parties."

Thus the Presidential election did not in any way turn on the issue of reciprocity. In Massachusetts the Democratic

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1. See Henry Cabot Lodge to the Home Market Club, Apr. 2, 1903, Home Market Club pamphlets; Leslie M. Shaw at Chicago, Feb. 12, 1904, American Economist, XXXIII, Feb. 26, 1904, pp. 98-99; ibid, XXXIV, Aug. 26, 1904, p. 108.
 2. The Protectionist, XV & XVI; American Economist, XXXIII & XXXIV.
 3. Canadian Annual Review, 1904, p. 451.

nominee, who declared himself in favour of Canadian reciprocity, was elected as Governor, thus reversing the result of the previous election, but his rival had also been opposed by the Labour organizations.^{1.}

At the meeting of the American Economic Association in December of that year, an American student of the subject stated that support for reciprocity was everywhere dying out; there is, however, some continuance of the agitation, both in its general contention and in its relation to Canada. Another reciprocity conference was held at Chicago in August, 1905, and, with Foss as Chairman of the Committee on Resolutions, passed a motion declaring,

"That this convention, recognizing the principle of protection as the established policy of our country advocates reciprocal concessions by means of a dual or maximum and minimum tariff, as the only practical method of relieving at this time the strained situation with which we are now confronted."^{3.}

A similar resolution was adopted by the Boston Committee of One Hundred, who also appointed a sub-committee on the endorsement and selection of candidates.^{4.}

In 1907 the Massachusetts Democratic Convention nominated Whitney as its candidate for Governor, with Canadian reciprocity as the most prominent plank in his platform. He

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1. Halifax Chronicle, Nov. 9, 1904.
 2. American Economic Association, Publications, 1905, (vol. VI,) pt. II, p. 139.
 3. Proceedings of the National Reciprocity Conference (Chicago, 1905) p. 124.
 4. Protectionist, July, 1905, (vol. XVII), p. 144.

was, however, defeated.^{1.} James J. Hill, the Canadian-born railway magnate, also came forward as a champion of the project, speaking at Chicago in November, 1906,^{2.} at Vancouver in November, 1908,^{3.} and at the meeting of the New York Chamber of Commerce in the same month. According to the Chamber of Commerce report of this meeting, "the controlling idea was that of the oneness of the North American continent in development and destiny." It was addressed also by Clifford Sifton and Byron E. Walker, President of the Canadian Bank of Commerce, and passed a resolution favouring reciprocity between Canada and the United States.^{4.} At the invitation of the Detroit Chamber of Commerce, representatives from more than a dozen states near the border met in April, 1909, to discuss better trade relations with Canada. They were welcomed by the Governor of Michigan, who declared himself in sympathy with the purpose of the conference, and passed resolutions favouring the adoption of a maximum and minimum tariff and calling on Congress to take immediate steps for the establishment of a trade agreement with Canada.^{5.} Closer trade relations between the two countries also made their appearance at the next session of Congress, with the introduction of various bills and resolutions by Congressmen from Illinois, Massachusetts and New York.^{6.}

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1. Canadian Annual Review, 1907, p. 405.
 2. Inter-nation, n.s. (vol. I), Apr. 1906, pp. 39-40 & May, 1907, p. 45.
 3. Victoria Daily Times, Nov. 10, 1908.
 4. Fifty-first Annual Report of the New York Chamber of Commerce, 1908-1909, pp. 37-72.
 5. Toronto Globe, Apr. 23 & 24, 1909.
 6. Mann, Ames and Alexander. H.R. 12314, Cong. Rec. 61st Cong., 2nd sess., p. 8, H. J. Res. 67, ibid, p. 11, H. Res. 564 & 676, ibid, p. 4086, p. 5757; United States Tariff Commission, Reciprocity with Canada, n. 36.

The arguments advanced by the advocates of reciprocity between the United States and Canada were in reality not of a kind to commend it to the latter country. A number of them declared that they were protectionists in principle,¹ but that the special needs of the United States, and New England in particular, at the moment had led them to believe in the policy. Americans needed Canadian raw materials, especially lumber, minerals, hides, barley and other agricultural products, yet the effort was made to keep them out of the country by means of a high tariff.² Still more important possibly, was the need of expanded markets for American manufactures. A treaty with Canada would particularly help in this respect for not only were the Canadians "man for man...the largest purchasers that we have," but they "purchased of us the goods that we most wanted to sell," - that is to say manufactured goods.³ For New

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1. Foss & Hay at Detroit Convention, Dec.1902, National Reciprocity, I, Dec.1902, p.11 & p.34; Andrew G. Webster at New England Free Trade League, Reciprocity with Canada a mutual benefit, pp.27-28; Foss to Canadian Club of Boston, New England Reciprocity League, Trade Relations between Canada and the United States.
 2. John R. Thayer at New England Free Trade League, Reciprocity with Canada a mutual benefit, pp.16-23; Eugene Foss, "Reciprocity from the New England Point of View," National Reciprocity, I, Dec.1902, pp.32-38; Foss to Boston Canadian Club, New England Reciprocity League, Trade Relations between Canada and the United States.
 3. Osborne Howes to United States Industrial Commission, Report IX, pp.712-718; see also John B. Thayer, Elwyn G. Preston, Samuel B. Capen at New England Trade League, Reciprocity with Canada a mutual benefit, pp.16-23, 24-27, 32-33; Foss to Boston Canadian Club, New England Reciprocity League, Trade Relations between Canada and the United States; resolution of Merchants' Association of New York, Morang's Annual Register of Canadian Affairs, 1901, (Toronto, 1902), p.168.

England this was particularly important for she was losing her internal markets as manufactures were developed in the west and south. The policy of "commercial warfare" with Canada had even resulted in the establishment of American factories there.¹ As Foss rather unhappily phrased it,

"If it is in a spirit of selfishness that we of New England ask for freer commercial relations with Canada, it is a selfishness of which we are not ashamed. It is our New England money that developed the west and south, and placed all the sections of the country upon the solid foundation of industrial prosperity ... We would do the same to Canada ... We would make of her, commercially speaking, another United States." 2

The insistence of the New England supporters of reciprocity with Canada that it would result in making Boston and Portland³ the natural Canadian winter ports, was not calculated to endear the project to the inhabitants of the Maritime Provinces.

There were, of course, numerous arguments advanced by those who opposed Canadian reciprocity. First was the old contention that while reciprocity in dissimilar products might be mutually beneficial, reciprocity in similar products

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1. Thayer to New England Free Trade League, Reciprocity with Canada a mutual benefit, p.19; Eugene N. Foss, "Reciprocity from the New England Point of View," National Reciprocity, I, Dec. 1902, pp.32 - 38; Foss before Maine State Board of Trade, Protectionist, XV, Oct.1903, pp.1013-1020; Solomon B. Griffin, ed. Springfield Republican in Canadian Magazine, XXIII, Sept. 1904, p.414; W. R. Corwin, Secretary New York Committee of the American Reciprocal Tariff League to Detroit Board of Commerce, Toronto Globe, June 23, 1906.
 2. Foss to the Boston Canadian Club, New England Reciprocity League, Trade Relations between Canada and the United States.
 3. H. B. Blackwell to the Massachusetts Club, Toronto Globe, June 13, 1904; Inaugural speech of Governor Douglas of Massachusetts, Canadian Annual Review, 1905; p. 530; Henry M. Whitney, "The Two Great American Issues", Inter-nation, n.s. I, May, 1907, p. 42.

benefited the country of cheaper production and hurt the country of higher standards, in this case, the United States. Reciprocity in non-competing articles was that favoured by Blaine and McKinley; reciprocity in competing articles was nothing but free trade in disguise. The New England manufacturers should be content with "a system of reciprocity with 10,000,000 farmers in the United States" instead of working to destroy that market in return for the mere 5,000,000 population of Canada.^{1.} It was also pointed out that, in spite of the British preference, sales of American goods in Canada had increased remarkably, thus proving "that tariffs unless prohibitory have comparatively little to do in determining the commercial relations of near neighbours. Propinquity is the great factor."^{2.} Furthermore, said Leslie M. Shaw, then Secretary of the Treasury, it was Canada who refused now to make concessions, as her attitude towards the Joint High Commission showed.

"The place to discuss the question, therefore, is north of the forty-ninth parallel. The more it is discussed and insisted upon in this country, the more firm will Canada become in her present position." 3.

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1. Volstead and Dalzell in House of Representatives, Cong. Rec., 58th Cong., 2nd sess., pp. 1589-1592, 2565-2570; Albert Clarke to Maine State Board of Trade, Protectionist, XV, Oct. 1903, p. 1020; ibid, XIII, Dec. 1901, p. 449; American Economist, XXXIII, Apr. 29, 1904, p. 213; ibid, XXXIV, p. 101; speech of Vice-President Fairbanks, Canadian Annual Review, 1905, p. 531; Albert Clarke, Bright and Strong Papers, Home Market Club, (Boston, 1906), pp. 25-32.
 2. Clarke to Massachusetts State Board of Trade, Protectionist, XIII, Feb. 1902, pp. 553-562; ibid, pp. 340-342; XV, Feb. 1904, p. 1217-1221; Walter J. Ballard, "It is not needed. How our trade with Canada has increased without the aid of reciprocity," American Economist, XXXIV, July 1, 1904, pp. 11-12.
 3. American Economist, XXXIII, Feb. 26, 1904, pp. 98-99.

Other more uncompromising opponents went even further.

"As Canada does not help to maintain our government, our army and navy," said the Secretary of the Boston Home Market Club, "or any of our institutions or objects of national care, why should she enjoy our great market without paying for the privilege the same tolls that we require from other friendly peoples who trade here?" 1.

The extent and strength of the opposition to be overcome, which is perhaps obscured by the vigorous agitation in its favour, can be measured by two letters of Secretary of State Hay. "It is for us to consider," he wrote in connection with the proposed arrangement with Newfoundland, "whether in the present attitude of the Senate toward all reciprocity arrangements, it would not be a waste of time and a sort of discourtesy to a friendly country to make a treaty with them."

In acknowledgment of the receipt of a pamphlet on reciprocity with Canada, which he says he has "read with great interest," he wrote to Eugene G. Hay,

"The experience of four years has left me little hope of any reciprocity treaty with any country passing the Senate. I was told only a few days ago, by one of the leading members of Congress, that he was in favor of reciprocity, but was opposed to any arrangement which would injure any of our industries. I asked him who was to be the judge as to such resulting injuries, and he said, 'the industries themselves, of course,' which, as you see, gives any one industry in the country a categorical veto on all Government action in the way of reciprocity." 2.

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1. Letter of Albert Clarke, Protectionist, XV, July, 1903, p. 827.
 2. Tyler Dennett, John Hay, p. 419 & p. 423; see also Leslie M. Shaw to the New York Canadian Club, Toronto Globe, May 17, 1907 & American Economist, XXXIX, May 24, 1907, pp. 242-243.

In a discussion of the subject, which was thus quite extensive, it was inevitable that the projects of Commercial Union and Unrestricted Reciprocity should be revived in some quarters. In an article in the North American Review entitled "Canada's Growing Commercial Independence," Erastus Wiman once more came forward. The attitude of the United States, he declared, had forced Canada to develop her own resources and find new markets with the result that

"her people are, to-day, not only entirely independent of the United States, but also comparatively indifferent to any tariff legislation of the government at Washington" and she "is not likely to renew her overtures for unrestricted trade relations with the United States."

He did not consider it impossible, however, that a solution might be found in a "Zollverein" in default of reciprocity.^{1.}

Wharton Barker also once more brought forward his favourite project. In October, 1903, he wrote to Sir Wilfrid Laurier to ask the latter's views. Barker stated that he had always opposed partial reciprocity, believing that Commercial Union was the only real solution. Sir Wilfrid replied, however, that he would not support any such plan.

"You are aware," he wrote, "that the Liberal party, some few years ago, carried on a campaign in favor of unrestricted reciprocity between Canada and the United States. You are likewise aware that our efforts in that direction were received with no sympathy in your country. For my part, I valued very highly the importance of the American market

1. North American Review, CLXXVI, Apr. 1903, pp.602-609.

"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 all expectations. That movement in favor of unrestricted reciprocity had its raison d'être, some twelve years ago, in the present conditions of our trade; its raison d'être has ceased to exist."

Barker revealed this correspondence in a magazine article, which discussed the advantages of "a Customs Union with all the American Nations." Into such a union the United States would be glad to welcome Canada.^{1.}

John W. Foster also declared that the only possible solution of tariff relations between the two countries was a complete commercial union.

"Such," he wrote, "is ideal reciprocity and I do not regard it as visionary to labor and hope for its consummation."^{2.}

Leslie Shaw agreed that such an arrangement would be "mutually advantageous," but he had little hope of its achievement.^{3.}

James J. Hill, too, said,

"I believe that the most natural, the most rational, the most highly profitable commercial status between Canada and the United States is absolute freedom of trade."

Partial reciprocity was only something to be worked for as a stop-gap.^{4.}

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1. "American Commercial Union," North American Review, CLXXVIII, Mar. 1904, pp. 338-347.
 2. "Commercial Reciprocity with Canada," Independent, LIII, Dec. 5, 1901, pp. 2874-2877.
 3. To the New York Canadian Club, Toronto Globe, May 17, 1907 & American Economist, XXXIX, May 24, 1907, pp. 242-243.
 4. To the New York Chamber of Commerce, Fifty-first Annual Report, (1908-1909), pp. 67-72; see also speech to Merchants' Club of Chicago, quoted Henry M. Whitney, "The Two Great American Issues," Inter-nation, n.s. I, May 1907, p. 45; speech at Vancouver, Victoria Daily Times, Nov. 10, 1908.

This revival of Commercial Union was but little commented upon in Canada. The Liberal member of the House of Commons for the Yukon did declare that in his opinion "the most desirable condition for Canada would be one of absolute freedom of commercial intercourse with the United States";¹ but this was not the more general view. An editorial in the Manitoba Free Press on Hill's speech was headed "an impracticable idea";² and the Victoria Daily Times said, "The matter is scarcely worthy of serious discussion."³

John Charlton

One Canadian, at least,⁴ was still very active in the effort to promote reciprocity between the two countries. He appeared at almost every reciprocity convention, made numerous speeches to all kinds of gatherings, both in Canada and the United States, and wrote many magazine articles. Towards the

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1. Commons' Debates, 1910, (vol. XCIII), p. 1908.
 2. Nov. 26, 1908.
 3. May 17, 1907; see also Halifax Herald, Jan. 24, 1907 and Montreal Herald, Nov. 24, 1908.
 4. In an article in the Toronto Globe, June 23, 1906, Charlton gives the following list of his speeches in the United States in favour of reciprocity:-
1899, [Feb. 11], The Chicago Merchants' Club, [for report of the speech see Toronto Globe, Feb. 13, 1899].
Mar. 16, 1901 New England Free Trade League at Boston, [see Reciprocity with Canada a Mutual Benefit, pp. 5 - 16].
June 19, 1901 Detroit Bankers' Association.
Nov. 7, 1901 New York Chamber of Commerce, Nov. 6, 1901, [see Toronto Globe, Nov. 9].
Nov. 20, 1901 Reciprocity Convention in Washington, [Proceedings of the National Reciprocity Convention, pp. 159 - 169].
Dec. 3, 1901 Merchants' Exchange, Buffalo.
Jan. 18, 1902 Union League Club, Chicago.
Dec. 10, 1902 Reciprocity Convention at Detroit [National Reciprocity, I, Dec. 1902, pp. 23 - 30 and John Charlton, Speeches and Addresses, (Toronto, 1905), pp. 179 - 195].

latter part of the period under consideration, his efforts decreased owing to ill-health. His point of view was, however, rather different from what it had been previously. The burden of his contention now was that Canada was treated unfairly by the United

- Oct. 22, 1903. National Convention of Implement and Vehicle Manufacturers, Cleveland [Toronto Globe, Oct. 24, 1903]
Nov. 10, 1903. Manufacturers' Association, Chicago.
Dec. 10, 1903. Boston Chamber of Commerce [Toronto Globe, Dec. 11, 1903, Charlton, Speeches and Addresses, pp. 237-250]

To this list should be added the following speeches delivered in Canada outside of the House of Commons:-

- Apr. 8, 1902. Ottawa Board of Trade [Toronto Globe, Apr. 9, 1902]
Nov. 27, 1903. At Waterford [Toronto Globe, Nov. 28, 1903]

And the following magazine articles:-

Forum, XXIX, June 1900, pp. 471-480, "American and Canadian Trade Relations;" XXXII, Jan. 1902, pp. 582-593. "Reciprocity with Canada."

Independent, I, IV, Mar. 20, 1902, pp. 667-671. "Reciprocity of Trade with Canada." July 17, 1902, pp. 1711-1715.

National Reciprocity, I, Oct. 1902, pp. 3-14, "Reciprocity vs. Repression." I, Mar. 1903, pp. 9-15, "The Growth of Reciprocity Sentiment." Reprinted from Outlook, LXXIII, Feb. 28, 1903, pp. 483-488.

North American Review, CLXXVIII, Feb. 1904, pp. 205-215.

also

Articles in the Toronto Globe, June 2, 23, 30, 1906, Nov. 1, 1907.

States. Canada, he declared, purchased more from the United States than did all the Latin countries in America together; she was her third largest customer in the world at large, buying two and a half times as much as she sold. This ratio was maintained even in the case of farm products, and payment was made from the favourable balance of trade with Great Britain, the sale of whose manufactures in Canada, in spite of the preference, was not increasing as rapidly as was the sale of American products. Canadian exports of farm products to the United States were only one-third as much as in 1866, while Canadian imports from the United States were over four times what they had been in 1866. On the other hand, Canadian imports from Great Britain had increased in the same period only about ten per cent, while exports to that country were twenty-five per cent greater. These figures should prove clearly that Canada was not dependent on the American market, as so many Americans still misguidedly thought. And what was her treatment in tariff matters at the hands of the United States? Canadian tariff rates were less than half of those of the United States; the free list was so framed that seventy-five per cent of the products admitted under it came from that country. In return Canada received practically no free list, except the precious metals. Notwithstanding the preference, the rates of duty on the commodities actually imported from Great Britain were higher than on those from the

United States. It might almost be said that the American scale of duties "seems to have been designed to prevent the sale of Canadian goods in American markets."^{1.}

This condition of affairs could not be allowed to continue. Canada had "arrived at the parting of the ways" and would

"decide whether she shall cultivate intimate and natural relations with the United States or whether she shall put up her tariff wall against that country and become a part of a great imperial federation." 2.

For himself, he thought reciprocity with the United States more valuable than British preferential trade.

"To sum up the matter in a sentence, the proposed British preference is sentiment; American reciprocity in natural products would be business." 3.

But it must not be thought that there was the same anxiety in Canada to obtain freer trade relations as there had been previously. The value of the United States as a market for Canadian farm products existed only in the memory of

"some old, gray-headed man whose recollection goes back to 1854.... There is a growing indifference in Canada in regard to reciprocity. That is the thing that pains me, because I have thought for years that we should have closer relations, and have earned odium by saying so, and have been stigmatised as an annexationist and called the American representative in Parliament."

It was definitely opposed by the manufacturing and transportation interests and by "the imperialists."

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1. North American Review, CLXXVIII, Feb. 1904, p.207.
 2. To Boston Chamber of Commerce, Toronto Globe, Dec. 11, 1903.
 3. Toronto Globe, Nov. 1, 1907.

"Then the farmer, he doesn't exactly want it, but he doesn't care; and the miner, and the lumberman, they want it, and that is about the condition of things." 1.

"The knowledge, as yet only partial, of the great resources of Canada and the boundless possibilities of the great Canadian Northwest has aroused aspirations for national development. The policy of fostering Canadian industries and interests is appealing more strongly day by day to the sympathies of the Canadian people, and the idea of a high protective tariff and the inauguration of a distinctively Canadian system is growing in favour, and will sweep the country at the next elections if not headed off by a successful reciprocity movement." 2.

He did not agree with the suggestion of Commercial Union.

"After building up an immense trade with Great Britain, and having been treated by her with fairness, which cannot be said of any other nation in the world we cannot proceed to discriminate against her interests, and in favor of the United States, as we would be required to do under a commercial union policy." 3.

In view of the conditions of trade between Canada and the United States, the former was really entitled to free admission of her natural products without any further lowering of duties on her part, or at most on an agreement to abolish the British preference. This would have little or no effect on American prices because both countries exported a surplus of farm products to Europe, and because also of the inconsiderable amount of imports from Canada in comparison to the total consumption in

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1. At Detroit Convention, National Reciprocity, I, Dec. 1902, pp. 27-28.
 2. Ibid, Mar. 1903, p. 14.
 3. To Ottawa Board of Trade, Toronto Globe, Apr. 9, 1902.

the United States. If some such arrangement were not made soon Canada would be forced to take measures of retaliation, possibly by means of a provision by which a rebate of duty, perhaps as high as fifty per cent, would be given on goods coming from countries which admitted Canadian natural products free.

"One remedy," he wrote, "that of broadening and making more liberal its trade policy can be applied by the United States. Another remedy that of making its own trade policy the counterpart of that of the United States, can be applied by Canada..... The day has now come for the United States to abandon a wrong position and retrace false steps, and it is already high noon of that day." 1.

These arguments were also presented by Charlton on several occasions in the House of Commons, most notably when, in the session of 1902, he moved a resolution to put into effect the action on the part of Canada which he had predicted. This resolution provided for a rebate

"of not less than 40 per cent of the amount of duties imposed..... upon dutiable imports from nations or countries admitting Canadian natural products into their markets free of duty; and that the scale of Canadian duties should be sufficiently high to avoid inflicting injury upon Canadian interests in cases where a rebate of 40 per cent or more shall be made under the conditions aforesaid."

In supporting his resolution Charlton said, after his usual description of trade relations between Canada and the United States,

"The tariff of the American nation is essentially unjust to us, but I have not the remotest anticipation that the presentation of proof to the

1. North American Review, CLXXVIII, Feb. 1904, p.211.
2. Commons' Debates, 1900, (vol. LI), pp.3322-3328; 1902, (vol.LVI), pp.1523-1545; 1903 (vol.LVIII), pp.1643-1673.

"American people that their tariff is unfair would have the slightest influence on their policy towards us.....I want to give the Americans an inducement to be just; an inducement to the extent of 40 per cent or more." 1.

The debate provoked was not a long one. In the election of 1900 Charlton had run as an independent Liberal, unopposed by the Conservatives, and as in any case the resolution was a private one, several members of his own party felt free to express their disapproval. It is significant, too, that the seconder was a Conservative, who declared that his belief was that there was small chance of the United States granting any concessions, and, therefore, the resolution would result in "a reciprocity of tariffs," the old policy of his party.^{2.} The Liberals who opposed the resolution did so on several grounds. Some declared their belief that Canada needed a greater measure of free trade rather than higher duties;^{3.} others noted the change in conditions, with Americans now coming to Canada rather than Canadians going to the United States. This was a particularly poor time to bring forward such a resolution.

"When a country is particularly prosperous it is not the time to bring about violent changes."
"One of the things I most decidedly object to at the present stage of the proceedings," said one Liberal member, "is any kind of reciprocity with the people of the United States. I believe the time has come when Canada may well realize that

1. Ibid, 1902, pp. 248-271.
2. Ibid, pp. 277-286.
3. Ibid, pp. 275-276.

"it has such a future before it that we need not enter into any entangling alliances with the empire as a whole or with the United States." 1.

The Conservative opponents declared that the Canadian tariff should be based on the needs of the country, without reference to the action of others. 2.

Charlton received some support at other times, though not a great deal, in the details of his indictment of the United States and in his suggested remedy. The policy of reciprocity of tariffs was advocated at different times by two other members of the House of Commons, one a Conservative and the other Israel Tarte, who had left Laurier's Cabinet on the tariff issue, and by the Toronto Mail and Empire, and the Halifax Herald. 3.

J.W. Longley, in an article in the North American Review, agreed that some action must be taken to correct the inequality of trade conditions and suggested the possible imposition of a higher rate of duties on goods chiefly imported from the United States. 4. The unfairness of the low Canadian agricultural schedules in comparison with those of the United States was also commented upon in the House of Commons. 5. The situation was explained from the bankers' point of view by the President of the Canadian Bank of Commerce, when he said to the New York

1. Ibid, p. 274, pp. 298-303.

2. Ibid, pp. 289-298; 304-311.

3. Ibid, 1901, (vol.LIV), p. 134; 1903, (vol.LVIII), p. 1021; Toronto Mail and Empire, May 21, Nov.8, Nov.21, 1901; Halifax Herald, Feb.26, 1902.

4. "Reciprocity between the United States and Canada," North American Review, CLXXVI, Mar. 1903, p. 408.

5. Commons' Debates, 1909, (vol.XCI), p.4768; 1910, (vol.XCIII)pp. 1875-1876.

Chamber of Commerce,

"Beyond a peradventure if you do not open your doors more liberally to us, so that we can more nearly pay you in goods instead of always drawing on London for the purchase price of what she has bought from us in order to pay you, you will leave no alternative but to keep up our tariff walls until we can create at home almost every manufactured thing you sell us on the one hand, while on the other, we seek trade preferably with any nation which takes pay in goods so as to lessen our payment of actual money to you." 1.

The opposition to Charlton's views was, however, more general and more influential than any agreement with them. Fielding criticized the accuracy of his statements regarding the higher rate of duty imposed on commodities imported from Great Britain in comparison with that on imports from the United States;² Laurier declared that the argument based on the balance of trade was a fallacy. Canada might have a technically adverse balance and yet reap a profit, for many articles, such as, for example cotton, which were imported from the United States, could not be dispensed with.

"The tariff of the people of Canada," he said, "is to be determined by the people themselves; not from any consideration of the tariffs of the United States or of other countries, but simply of the consideration of what best suits the Canadian people." 3.

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1. Fifty-first Annual Report of the New York Chamber of Commerce, p.57:
This speech is also published as a separate pamphlet.
 2. Commons' Debates, 1902, (vol. LVI), p.1299.
 3. Ibid, 1901, (vol. LIV), p.1621; 1904, (vol. LXVI), pp.4776-4778.

Robert Borden, since February, 1901, leader of the Conservative party, declared

"that so far as our trade relations with the United States are concerned, we must use every possible effort to maintain friendly and cordial relations with that country."

He could not agree to a fifty per cent increase in the Canadian tariff for the purpose of attempting to coerce the United States.^{1.} George Foster definitely criticized the Charlton campaign, maintaining that Great Britain, not the United States, was the natural market for Canadian products.^{2.}

These views were repeated over and over again by the press of both sides of politics. Canadian purchases from the United States included large quantities of raw materials, and were presumably, also, made because it suited Canadians to do so.

"The worship of reciprocity," said the Montreal Gazette in an editorial on Charlton's resolution of 1902, "has come down to present day Canadians as a sort of grand-father's fetish.....Trade conditions are stronger than artificial tariff constructions, and any violent effort to reverse the situation as Mr.Charlton hinted at would be liable to injure Canadians as much as the people of the United States. The tariff is a business affair and retaliation is not business."

The Montreal Herald similarly declared the resolution was a "hark-back to '78" and ~~the~~ John Macdonald's view of the purpose of the National Policy. It was "an appeal to anti-American sentiment for its own sake, neither more nor less."

1. Ibid, 1901, p.1616.

2. At Montreal, Dec.14,1903,Montreal Herald, Dec.15,1903.

The Toronto Globe admitted "that there is a strong feeling in the country in favor of some such course as Mr. Charlton proposes," but in its opinion the Canadian tariff should be governed by the needs of the Canadian people.

"The mere fact that the American imports are large proves nothing. A large portion of these imports are directly beneficial to our industries. Indeed, we have no hesitation in saying that the great advantages of our proximity to the United States is not in our sales, but in our purchases."

The Manitoba Free Press said,

"This idea of injuring ourselves in order to bring the United States to time is simply childish."

The Victoria Daily Times coquetted with Charlton's views for a time, but at last advised him to confine his advocacy of "his favorite fad" to the other side of the line, where he could

"secure audiences.....now who will listen to him with patience." 1.

This account of Charlton's activities shows that he expended considerable effort and energy in the attempt to bring about reciprocity, even if the whole tenor of his arguments was to throw the responsibility for present conditions and for their amendment on the United States. Aside from his exertions, however,

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1. Montreal Gazette, Feb. 26, Mar. 20, 1902, Dec. 11, 1903; Montreal Herald, Oct. 23, 1900, Feb. 25, 26, Mar. 21, 1902; Toronto Globe, Feb. 26, Oct. 6, 1902, Apr. 23, 1903; Manitoba Free Press, Feb. 26, 1902; Victoria Daily Times, Nov. 13, 21, 1901, Dec. 11, 1903; Halifax Chronicle, Apr. 23, 1903. In view of this almost unanimous tone of the Liberal press it is somewhat surprising to find the Halifax Herald and the Toronto Mail and Empire declaring that Charlton was "an agent of the Federal Government," saying for a number of the members of the Liberal party the things "they have not the courage" to say for themselves, Toronto Mail and Empire, Nov. 5, Dec. 15, 1903; Halifax Herald, Dec. 16, 1902 & Dec. 15, 1903.

the American agitation for better trade relations between the two countries received little help or encouragement from Canadians. Two members of the Laurier Cabinet, speaking in the United States in 1901, expressed a languid interest, declaring that Canada was prepared to meet the United States half way,^{1.} "we will not meet you more." Other members of the Canadian administration, who spoke to gatherings in the United States, expressed their desire to have freer trade relations, and blamed^{2.} the Americans for the failure to achieve them. Later in the decade R.F. Sutherland, Speaker of the House of Commons, spoke frequently at American gatherings on Canadian-American trade relations. On one occasion he wrote to Fielding asking for advice ~~as to what~~ he should say on the subject. The latter replied,

"I have a strong opinion that the less any of us say about it the better. In all our negotiations Uncle Sam has manifested such a decided unwillingness to do business with us that most of us have come to the conclusion that our self-respect obliges us to cease to talk about reciprocal trade with the United States. Holding, as I do, this view, you will see how hard it is to suggest any line which I should like you to take." 3.

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1. Frederick Borden at Buffalo, Toronto Globe, July 2, 1901; Sydney Fisher to the Canadian Society of New York, Toronto Mail and Empire Nov. 8, 1901.
 2. Lemieux to the Canadian Society of Philadelphia, Apr. 28, 1904, Canadian Annual Review, 1904, p. 455; Emerson to Boston Canadian Club, Montreal Gazette, Dec. 5, 1905.
 3. Fielding Papers, Letter-book, Sept. 17-Nov. 20, 1908, p. 505.

Sutherland prophesied not only a continuance of the Canadian policy of protection, but its extension. The United States was exhausting her own supplies of raw material and Canada was not going to allow hers to be exported to feed United States mills and factories.

"I will say," he continued, "that so far as Canada is concerned - and in saying this I believe I am correctly presenting the views of the great majority of Canadians - she has come to the conclusion that reciprocity with the United States is impossible, and she has determined to seek other markets than those of the United States." 1.

G.W.Ross, still Prime Minister of Ontario, went further than his utterances in 1897. He attributed the American agitation for reciprocity to the Canadian preferential tariff and Chamberlain's activity in England.

"I have not quite forgotten," he said, "the reasons why the reciprocity treaty negotiated by Lord Elgin in 1854 was so summarily repealed in 1866. Neither is my judgment closed to the hostile character of the Dingley Act, by which the American market was practically closed against the Canadian manufacturers and farmers.

1. To Detroit Chamber of Commerce, Toronto Globe, Mar.28,1907 and to New York Canadian Club, ibid, May 17,1907. Sutherland's remarks with regard to the Canadian attitude on the export of her raw materials were endorsed by the Toronto Mail and Empire, (Apr.2,1907) The Montreal Witness declared, (Mar.15,1904), that it was evident that the New England demand for reciprocity was for the purpose of securing access to Canadian raw materials. Every demand for increased protection had been supported by the manufacturers of that district and now they found themselves "hoist with their own petard."

"In my judgment the commerce of Canada should never be placed at the mercy of the United States Congress or of any other competing nation. We have adapted our transportations now to British trade. To enter into a reciprocity treaty now with the United States would be dependent upon the humor of our American neighbors and would be to discount all this expenditure. Commercially, I cannot bring myself to look with favor upon a reciprocity treaty under existing circumstances with a people who have specifically framed a tariff to our injury. Had our products been declared contraband, they could scarcely have been shut out more fully." 1

When this, at best luke-warm, attitude was that of the Liberals towards the American agitation it is not to be wondered at that Conservatives, in addressing audiences in the United States, were even more discouraging. Foster spoke there several times in 1904 and in each speech declared that Canada did not want reciprocity.

"As a live question," he told the American Economic Association, "it does not exist. I question if at present it can be galvanized into any decent semblance of activity. The most that is said in its favor is that if any move is to be made in that direction, it must come from the government of the United States, that the role of petitioner has been abandoned by Canada, and that even were an advance so made, the response thereto should be a guarded one, and it is doubtful if any favorable response could be given to any proposition going beyond the field of natural products."

Even for these Great Britain was the better market.

"The national sentiment has become robust, and if we are to persist, we feel that we must enter whole-heartedly into the development and population of our immense areas. A reciprocity which would tend to make us dependent on the United States for our manufactured goods, to draw off our great natural

1. To the Canadian Club of Toronto, Toronto Globe, Dec. 1, 1903.

"products, to be finished there; to starve our great lines of railway and ocean ports, has no powerful claim upon a young, vigorous and hopeful race of nation builders. our
In fine our feelings and affiliations are for the Empire and thither are we drawn, ourselves a vast and vaster coming part thereof.
A few more years and reciprocity as our fathers understood it, will have reached the vanishing point in Canada." 1.

Dr. W. H. Montague, for a short time a member of the Conservative Government after Macdonald's death, spoke in a very similar vein.

"We have reached the British market, which at present can consume all we can ship them," he said, "and in addition we have established our own industries and created a home market, and I tell you candidly that, as we have been succeeding in these two things, the sentiment for reciprocity with your country has correspondingly decreased and waned, and to-day, Sir, in Canada, there is no party supporting reciprocity; there is no agitation for reciprocity; and there is almost no desire for reciprocity."
"If you have productions that we want to buy we will import them upon terms that suit ourselves. We are your rivals instead of suppliants and hope to become more so instead of less." 2.

The general tendency of the National Reciprocity Convention in Washington was not unnoticed in Canada. The Montreal Herald said that "protectionist spell-binders" seemed
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to have got the upper hand; and the Montreal Gazette pointed out,

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1. American Economic Association, Publications, VI, 1905, pp. 100-104. This speech also appears as a separate pamphlet. See also Foster at Niagara Falls, N. Y., Canadian Annual Review, 1904, p. 455, and at the Boston Canadian Club, Toronto Mail and Empire, Nov. 29, 1904.
 2. At Home Market Club banquet, and at Providence, R. I., Canadian Annual Review, 1904, p. 454.
 3. Nov. 21, 1901

"It is the Blaine brand of reciprocity that is desired and it excludes Canada." 1.

"There may be proposals in the direction of reciprocity," said the Victoria Daily Times, "but such proposals may be depended upon to ask for greater privileges than our neighbors are willing to concede. Even now it is expressly stipulated that nothing shall be admitted which can be produced in the United States. That leaves a very extensive list of goods for Canada to choose from for export, does it not?" 2.

Borden, in the House of Commons, referred to the statements made there with regard to the productive capacity of American industry and went on to discuss the question of reciprocity generally.

"I am not prepared to say," he declared, "that we want reciprocity in natural products with the United States at the present time..... There was a period during which reciprocity was desirable, and during which it would have been a benefit to this country. That period may or may not have passed away. That period probably has passed away. What I object to, in any principle of reciprocity of tariffs or retaliation of tariffs, is, that it may bind us to put our tariff down, admitting the United States manufactures to crush out our own manufactures, admitting United States agricultural products to the detriment and destruction of our own farming population." 3.

Comment on the other reciprocity conventions was along very similar lines. The Toronto Mail and Empire in discussing the Detroit meeting of 1902 held that Canadian opinion could only be formed on knowledge of the terms offered by the United States.

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1. Nov.22,1901.
 2. Nov.16,1901. See also Nov.21 & 23,1901, and the Toronto Globe, Nov.26,1901.
 3. Commons' Debates,1902,(vol.LVI),pp.1328-1336.

"We are not consumed with anxiety to obtain entrance to the market to the south, nor are we indifferent to the advantages of a fair arrangement." 1.

The Toronto Globe said at the time of the same convention,

"Canadians have learned to think less and less of American trade and American treaties..... They are prepared for freer admission to American markets if it comes, and prepared to get along without it if it does not come." 2.

By the time of the Chicago conference of 1905 the Globe considered these discussions as "academic rather than practical." 3.

The Victoria Daily Times declared,

"Although the Detroit convention was called by Americans who profess to be anxious for more liberal trade relations with Canada, the addresses of the speakers plainly indicated that the advantages they are prepared to accord this country bear no proper proportions to the benefits they hope to reap. But it can do no harm to discuss such an interesting subject as improved trade relations in an academic way.... ..It may do good if it thoroughly convinces our neighbors that we regard the question with perfect indifference.....The condition of affairs in this country is so satisfactory that any interference with trade channels is to be deprecated." 4.

The American elections, in which the movement for reciprocity played a part, were discussed in much the same vein. The Canadian newspapers did not regard the Republican declaration in favour of reciprocity in the 1904 Presidential campaign as anything to be taken seriously.

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1. Dec.12,1902.
 2. Dec.12,1902.
 3. Aug.17,1905.
 4. Dec.12,1902 & Feb.20,1903. For other comment along the same lines see Montreal Gazette, Apr.16,1904; Montreal Herald, Aug.21,1905 and Manitoba Free Press, Aug.21,1905.

"Reciprocity, according to the party in power," said the Montreal Gazette, "and which there is every reason to believe will continue in power for four years more, can only be had when it does not involve any sacrifice of the principles of protection and without injury to American agriculture, American labor or any American industry. The great majority of Canadians will sympathize with this platform, for it represents exactly their own sentiments. They are not anxious for reciprocity with the United States if that reciprocity is to involve any sacrifice of the vital principles of protection or if it will injure Canadian agriculture, Canadian labor or Canadian industry. There was a time when a considerable portion of the people of Canada, deluded by the fairy tales of the office-seeking Liberals, were prepared to sacrifice a great share of their national heritage in order to grasp the shadow of commercial union, unrestricted reciprocity, or whatever name by which it was unsuccessfully labelled, but that time has gone by, and the sentiment it represented is now so negligible a quantity in Canadian politics that even the Laurier administration is able to recognize it." 1.

The Conservative papers expressed no regret over the defeat of Whitney in his candidature for the Governorship of Massachusetts in 1905 on a reciprocity platform. The Halifax Chronicle declared that the reduction of his opponent's majority constituted a "moral victory;" but the more general view of the Liberal newspapers was that this and other incidents in the New England reciprocity campaign - such as, for example, the declarations of the Maine and New Hampshire State Conventions against reciprocity and Foss's defeat for the position of

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1. Montreal Gazette, June 23, 1904; Toronto Globe, June 24 & Sept. 27, 1904; Toronto Mail and Empire, June 24, 1904.
 2. Halifax Herald, Nov. 8, 1905; Montreal Gazette, Nov. 8, 1905.
 3. Nov. 6 & 8, 1905.

delegate at large - must be regarded as evidence that the movement was "not yet so strong or so general as to make reciprocity a practical issue in Canadian politics."¹

The interests in Canada which opposed reciprocity were, however, inclined to take the agitation seriously enough to voice objections. The fruit-growers of the Niagara district passed a resolution in January, 1907, protesting against the appointment by the Ontario Fruit-Growers Association of a committee to discuss a reciprocal tariff on fruits and fruit products with the Michigan Fruit-Growers. As early as 1903 the Canadian Manufacturers' Association had become disturbed. The report of the tariff committee, presented at the annual meeting held that year in Toronto, contained the following paragraph:-

"Owing to the fact that a strong movement is on foot in the United States to secure a reciprocity treaty with Canada, your Committee believe the time is opportune to place on record the views of the Association on this question. It is the manufacturers of the United States who now have a tariff more than double our own, who desire reciprocity with Canada, and who are waging the energetic campaign towards this end throughout their country. Under the present conditions it is beyond question that Canada would suffer from any arrangement which would give to the producers of the United States a larger hold upon the Canadian market than they have at the present time. Canada has shown that she can prosper without the aid of the United States, and there is no desire on the part of our people for a reciprocal arrangement with that country."

The Association adopted a resolution expressing its opposition to any treaty with the United States which should include

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1. Toronto Globe, Apr. 18, 1904; Victoria Daily Times, May 18, 1904 and Nov. 8, 1905.
 2. Toronto Mail and Empire, Jan. 19, 1907.

manufactures. This resolution re-appeared among those adopted at the two succeeding meetings. ^{1.} Industrial Canada, the magazine of the Association, in the issue of October, 1903, contained an editorial entitled "A Menace to Canada," which dealt with the agitation in the United States. Of course the Conservative newspapers supported the manufacturers in their declaration that any inclusion of manufactures was an impossibility, while even such a stalwart supporter of reciprocity as J. W. Longley was of the same opinion. ^{2.}

The prevailing view was that the Canadian tariff was too low in comparison with that of the United States to admit of any concessions. The Americans were told that they could secure the cheaper raw materials they desired by reducing their own duties and when conditions in that respect were more nearly equal it might then, but not until then, be possible to discuss mutual concessions. ^{3.} In the 1904 session a resolution to this effect was introduced into the Senate by Senator McMullen, who, as the Mail and Empire pointed out, had made one of the most vigorous speeches in support of Cartwright's

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1. Toronto Globe, Sept. 18, 1903; Laurier Papers. Note also the remark of the president at the annual meeting in 1901, "I believe the feeling in Canada to-day to be that if we begin to talk reciprocity with the United States, the United States will reciprocity us out of business." Toronto Mail and Empire, Nov. 6, 1901.
 2. Toronto Mail and Empire, Nov. 16, 1903; Montreal Gazette, Apr. 16, 1904; J.W. Longley, "Reciprocity between the United States and Canada," North American Review, CLXXVI, Mar. 1903, p. 408.
 3. Toronto Mail and Empire, July 16, 1902 & Nov. 18, 1903; Montreal Gazette, Nov. 30, 1904; Halifax Herald, Aug. 11, 1905; Halifax Chronicle, Dec. 3, 1904; Toronto Globe, Nov. 30, 1904; Montreal Herald, Jan. 12 & 16, 1905; Manitoba Free Press, Oct. 11, 1905; Montreal Witness, Nov. 24, 1908.

"true," declared the Victoria Daily Times, "that our neighbors have taken up a supplicatory attitude but it is a fact that they are quite willing to negotiate, while Miss Canada has disdainfully turned her back.....Our American friends should have been more reasonable when they had the opportunity."

While the Montreal Gazette, in much the same vein, said,

"Our American friends may live to put reciprocity on the list of things they might have had if they had known enough at the right time." 1.

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1. Montreal Gazette, Oct.2, Dec.1,1903; Montreal Herald, Dec.1,1903, Dec.1,1904, Jan.6,1905; Victoria Daily Times, July 31,1903, Nov.29,1904; Toronto Mail and Empire, Apr.26,1909. See also article by D.D.Mann, copied from the Saturday Evening Post; Montreal Gazette, Apr.28,1909; J.W.Longley, "Reciprocity between the United States and Canada," North American Review, CDXXVI, Mar.1903, pp.401-409; Editorial note to "Reciprocity with the United States," Canadian Magazine, XXIII, Sept. 1904, p.416; A.H.U.Colquhoun, "The Reciprocity of Today," ibid, XVIII, Jan.1902, pp.226-228. For more sympathetic comment on the American movement in general see Halifax Chronicle, Dec.5,1904.

The following parody, headed "Mr. Hooley on Reciprocity," gives the more extreme Canadian view of the American reciprocity agitation. The speaker is supposed to be delivering a speech at Washington.

"'Let,' sez he, 'say to our brothers in Canada;' "We will continue the same principles that have brought goold and glory to us, an' may bring old glory to you. We will' sez he, 'continue the same principles of recipioshity we are now givin' you, in effect. Lave your doors open free to our steel rails,' sez he, 'an' we, gentlemen, will admit your product of wampum belts free. Give the same low rate on agricultural implements, an' we'll open our markets at twinty per cint. to your otter of roses. Lower the bars on oats an' hay an' grain, an' we on our part will freely meet, Canajin brothers, on yer home-grown tay. Reduce your tariff on cattle an' horses an' sich like, an' we sirs, will admit skylarks an' canary birds at twinty per cint.

Make aisy the way for the intry of our machinery of all kinds, an' bank drafts an' goold will be admitted free by us.

Fling wide your gates to our sheep an' hogs an' hins, an' ducks, an' the air of yer mountains an' lakes an' seas can flow freely thro' our portals.

Admit,' sez he, 'our wire an' allictric machines an' things like that, an' we will pass all wireless telegraphs as free as the air referred to, an' under the same clause of the tariff.

We are,' sez he, 'overflowin' with love fer ye, an' if ye contine to let us overflow wid yer products, the Sunny Smile of yer Primer will be free to shine at our bankwets.' "

There is more in the same vein. It appeared in the Toronto Mail and Empire, Jan.17,1903.

Public opinion in Canada on the reciprocity question has, perhaps, been already sufficiently elucidated by this description of the reception of the American agitation in its favour. There still remains, however, a discussion of the views of some Canadians, who were to play an important part in the drama of 1911. Foremost of these is, of course, the Prime Minister, Sir Wilfrid Laurier. We have already seen that in his speech in Parliament on the negotiations during the Joint High Commission, Laurier had declared that the reciprocity sentiment was dying out in Canada, "that the general feeling in Canada to-day is not in favour."¹ Two years later, at a banquet given by the Manufacturers' Association, he said,

"I remember, and you remember also, that since the abolition of the reciprocity treaty in 1866 we have sent delegation after delegation to Washington to obtain reciprocity. We are not sending any more delegations to Washington, but I rather expect, and I would not be surprised if the thing were to take place within a few years, that there will be delegations coming from Washington to Ottawa for reciprocity. Having learned the lesson from our friends to the south how to receive such a delegation, we shall receive them with every possible politeness."²

The Montreal Herald declared that this remark was "applauded from pretty much every quarter of the Dominion."³ The official Liberal interpretation, voiced by this paper and by the Toronto Globe, was that Laurier saw "little likelihood of people who believe in high duties for their own sake ever coming to an agreement about lowering some of them."⁴

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1. See above, pp. 287 - 288.
 2. Report in the Toronto Globe, Nov. 7, 1901.
 3. Nov. 25, 1901.
 4. Toronto Globe, Nov. 8; Montreal Herald, Nov. 13, 1901.

The Victoria Daily Times, however, went further.

"The statement of Sir Wilfrid Laurier that no more deputations will visit Washington to ask for favors from the United States will be received with marked favor in this country. Our development is proceeding on independent lines.....The dislocation was severely felt when the Dingley tariff was put into force. That measure affected only one or two isolated sections of the Dominion. What would the effect be if the tide of commerce were flowing strongly over the border from the Atlantic to the Pacific, and an embargo were ordered on short notice? Our national business is becoming too important for us to take any such chances." 1.

The Conservative newspapers also expressed approval, but declared,

"There will be more approval if the Government stands by what its head has said." 2.

In January of 1907 Elihu Root, then United States Secretary of State, came to Canada on a private visit to the Governor-General and to recuperate after an illness. It was stoutly maintained that this was the sole purpose of his visit and that no discussion of diplomatic questions would take place. As a matter of fact, at that time negotiations were in progress on some of the subjects considered by the Joint High Commission and it is altogether probable that some informal negotiations did take place. Reciprocity, however, was not among them. 3. At the banquet given in honour of Root, Laurier, referring to the fact that he himself had gone to the United States after an illness said,

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1. Nov. 7, 1901.
 2. Montreal Gazette, Nov. 8, 1901; Halifax Herald, Nov. 11, 1901.
 3. Laurier to Grey, Sept. 25, 1906, Laurier Papers, Governor-General's Correspondence, Grey, 1906, pp. 482-493; Callahan, James Morton, American Foreign Policy in Canadian Relations, (New York, 1937), pp. 494-499.

"We have not at present reciprocity in trade, and we cannot have it, I am sure, for many years - but at least we can have reciprocity in invalids." 1.

A visit of Bryce, newly appointed ambassador of Great Britain to Washington, to Ottawa in April of the same year, was the occasion of another expression of opinion on the part of the Canadian Prime Minister.^{2.} Alluding to a report, published in a New York newspaper, that Canada was "yearning for reciprocity," he said,

"I tell you the editor of that paper is about twenty-five years behind the times. At that time we would have given our right arm for such a thing, but it is now a thing of the past. We have introduced the doctrine and the policy of preference to Great Britain and towards all the British empire, and this is the policy by which we stand at the present time. We shall have no more pilgrimages to Washington, and this is simply the message I have to convey to your guest at the present moment." 3.

The Toronto Globe and the Halifax Chronicle both commended this attitude.

"The Premier," said the former, "thoroughly interprets the attitude of the public mind. We are doing very well without the American markets, and while that is the case our feeling about reciprocity is one of calm indifference... The energy of our administrators is sufficiently engrossed by the numerous problems which a rapidly growing country presents without frittering it away on projects that appear so fruitless as the improvement of our trade relations with the United States." 4.

1. Toronto Globe, Jan. 23, 1907.

2. It is interesting to note that a few days before Bryce's visit the British Secretary for Foreign Affairs, Sir Edward Grey, said, in answer to a question in the British House of Commons, that although Bryce had been empowered to do his best to settle all outstanding questions between Canada and the United States neither country had shown any desire to re-open the question of commercial reciprocity, which therefore remained as it had been left by the Joint High Commission. Parliamentary Debates, 4th series, (vol. CLXXI), p. 1643. Canadian Newspapers, Mar. 27, 1907.

3. Toronto Globe, Apr. 12, 1907.

4. Apr. 3, 1907; Halifax Chronicle, Apr. 5, 1907.

"Reciprocity received its death blow at the Bryce banquet," wrote a Newfoundland journalist in an article for an American magazine.^{1.}

In the session of 1906-1907 the Liberals introduced a new tariff, with an intermediate schedule between the preferential and the general tariffs, which was designed for use in the negotiation of trade agreements. In some quarters it was hinted darkly that this new arrangement was

"a public intimation to our neighbors that it is time to make a move, and that the Laurier Government is ready to welcome them It is full of menace both to the system of effective tariff protection in Canada and to the Canadian dependence thereon, and to the system of British preference and the bond of Empire, which a rational system of British trade reciprocity would afford." 2.

As a matter of fact an independent publicist, who travelled with the commission of inquiry which preceded this tariff revision, declared,

"The Ottawa Government is obviously bent on throwing as much as practicable of the import trade of the Dominion into British hands." 3.

This was certainly the view emphasized by Laurier at the Imperial Conference of 1907.

"We should be glad to trade with them," [i.e. the United States], he said, "but it never was intended that this intermediate tariff could apply to the United States. There was at one time wanted reciprocity with them, but our efforts and our offers were negatived and put

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1. P.T. McGrath, "The Relations of Canada and the United States," American Monthly Review of Reviews, XXXV, June, 1907, p.721.
 2. Halifax Herald, Jan. 23 & 26, 1907.
 3. Edward Porritt, "Canada's Tariff Mood towards the United States," North American Review, CLXXXII, April, 1906, p.571.

"aside and we have said good-bye to that trade, and we shall put our hopes upon the British trade now." 1.

The views of some prominent Liberals have already been alluded to in the discussion of the Canadian attitude towards the movement in the United States for reciprocity. Fielding's opinion apparently was that while freer trade relations were desirable and Canada should be ready to meet the United States half-way, the latter must make the first move since Canada no longer felt the need for reciprocity. Towards the latter part of the period he was ready to admit that Canadians in general had lost all interest. This was also the view of the Canadian Minister of Militia, who felt that the Americans had "pretty nearly squared" the account,

"because as a result of their refusal to trade with us they have made us self-reliant, and have made us the greatest rival they have in the one free market of the world." 3.

Cartwright held that the demonstration of this "was an essential underlying factor before we could hope to secure any favourable conditions of reciprocity with the United States." 4.

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1. Minutes of the Proceedings of the Colonial Conference, 1907, Parliamentary Papers, cd 3523, p.414. See also for an expression of somewhat the same view, Toronto Globe, Dec.1, 1903.
 2. Commons' Debates, 1900, (vol. LI), pp.2594-2595; ibid, 1903, (vol. LVIII), p.1406; Fielding to Sir Thomas Shaughnessy, Mar. 12, 1910, Fielding Papers, Letter-book, Feb. 24 - Apr. 25, 1910, p.202. See also above, p.323.
 3. Sir Frederick Borden at Toronto, Jan. 16, 1903, Canadian Annual Review, 1903, p.379.
 4. Commons' Debates, 1903, (vol. LVIII), p.1609.

"For some years," said J.W. Longley, "I devoted the best energies of my life to the task of endeavouring to bring about a system of free commercial intercourse between these two countries." But every Canadian advance for reciprocity had been "deliberately repelled" by the United States, until "the phenomenal progress" of Canada had brought it about that "the Canadian people are quite indifferent to reciprocity with the United States." 1.

The defection of Clifford Sifton, until 1905 Minister of Immigration, was an important factor in the Liberal defeat on a policy of reciprocity in 1911. It is interesting therefore to give some attention to the views expressed by him during these years. In an interview in 1901 with the eminent newspaperman who was to be his biographer and to differ with him on the issue in 1911, he was "particularly emphatic" in stating that he felt there could be no advantage in a trade bargain with the United States. 2. In January 1903, however, he attended the reciprocity conference held at St. Paul, where, though he maintained that Canada would ask "100 cents for every dollar," and dwelt on the necessity of educating public opinion in the United States, he did not express any opposition to a treaty which would "give 3. Canada as much as Canada gives the United States."

An account of an interesting interview of E.W. Thomson, then Ottawa correspondent of the Boston Transcript, appeared

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1. At meeting of the Boston Canadian Club, Halifax Chronicle, Apr. 9, 1902.
 2. Defoe, Sifton, p. 356.
 3. Manitoba Free Press, Jan. 11 & 12, 1903; St. Paul Pioneer, Jan. 11, 1903 and St. Paul Dispatch, Jan. 12, 1903, from clippings found in the Fielding Papers.

in that paper and ⁿ ~~it~~ some in Canada in December, 1904. Thomson began by commenting on the difference between the views of Sifton and those of Laurier and Fielding, who, he thought, were in favour of negotiations, provided the treaty could be confined largely to raw materials. He reported Sifton as saying that it was a mistaken opinion to believe that the West was

"a unit in favor of reciprocity in naturals. [sic]
.....Certainly I used to favor such reciprocity.
But I am not like some people we knth know - I can learn."

The desirability of such an agreement depended primarily upon the arrangements made for its permanency, a point which "was abundantly emphasized by "the lesson of 1866."

"We have adapted our production and business to the independent self-sufficient policy that has been pursued for many years now. Does anybody of good sense imagine we will give that up, and undertake a re-adaptation to the United States market on a bargain extending over any short time, or which could be done away with by a few years' notice from Washington? No."

The West was not complaining about the duties on agricultural machinery and other manufactures.

"Reciprocity is not precisely in the line of our transportation development. The preference to Great Britain is. We have pretty well overcome the difficulties of geography. By the canals and waterways and railways that we have constructed and developed our commerce flows along lines of latitude, not northward and southward..... It is far from sure that reciprocity with the States would consist with the preference to Great Britain. We are not likely to stop that. It pays us well..... Fact is, the only right way to size up the mind of Canada is to consider that we are getting along prosperously, that we are seeking no favors from any quarters, that we do not seem to need any, that our inclination is all to

"hoe our own row, or paddle our own canoe, that we are a business Government for a business people, which implies that we are not going to throw any good thing away if it be tendered on conditions that we can honorably and profitably accept." 1.

Four years later Sifton spoke to the New York Chamber of Commerce. Here he emphasized the building up of the prosperity of Canada in complete independence of the United States, which had only been possible after a long and difficult struggle "against nature and against geography," but which was the only course left to her people after the abrogation of the treaty of 1854 and ~~the~~ ^{*the enactment of the*} McKinley Bill.

"Those who bore the brunt of the burden may well be pardoned for thinking it was a heavy one, but looking back now, it is beyond question that nothing better could have happened to Canada than the refusal of liberal trade relations with the United States, because by being thrown upon her own resources she has been forced to fight her way through to ultimate success..... You are perfectly able to get along without making trade arrangements with Canada, and Canada has shown itself perfectly able to get along without making trade arrangements with the United States. We sought reciprocity with you for many years. We are not seeking it now. Like you, in your large way, we, in our smaller way, are doing well. We are perfectly satisfied with matters as they stand. If, and when, it becomes in your judgment, to your interest to make any changes which will be beneficial to Canada, and to make any proposals for similar changes on our part, there is no reason why those proposals should not be debated with perfect calmness and with the clear understanding that

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1. Toronto New, Dec.5,1904; Manitoba Free Press, Dec.6,1904. The interview appears also in a somewhat condensed form in Dafoe, Sifton, pp. 357-358.

"no proposals will be accepted upon either side which are not considered to be of advantage to the country which is asked to adopt them." 1.

Sifton's biographer, who does not allude to this last speech, considers that these expressions of his views must have warned Sir Wilfrid Laurier of the line he would probably take when reciprocity actually loomed on the horizon in 1911. As a matter of fact, they show very little, if any, divergence from the position of most Liberals during this decade of Canadian prosperity and self-confidence.

The general indifference of Canadian public opinion on the subject could scarcely be better attested than by the fact that reciprocity ceased to be a political issue. Occasionally in debate there was some reference to the Liberal advocacy of Unrestricted Reciprocity in the late '80s and in the election of 1891, but in general the reproach levelled at the Government was not that they advocated reciprocity, but that, even with "their sweetest smile, and their most honeyed arguments," they had been unable to fulfill their promise of

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1. Fifty-first Annual Report of the New York Chamber of Commerce, (1908-1909), pp.61-65. A report of the speech appears in the Manitoba Free Press, Nov.21,1908 under the head-line, "Hon. Clifford Sifton Favors Reciprocity." Ironically enough, at this meeting of the New York Chamber of Commerce Sifton was presented with a portrait of Sir Wilfrid Laurier.
 2. Daffoe, Sifton, pp.358-359.
 3. Foster, Commons Debates, 1900, (vol.LI), pp.2713-2716, Tupper, ibid, p.2883, Borden, ibid, 1903, (vol.LXI), p.7702; Records of the Laurier Government, 1896-1908, [Conservative Election pamphlet], open letter from Tupper to Laurier.

1. attaining it. In the election of 1900 the Liberals made some faint effort to reply to the latter accusation;^{2.} but in the election campaign of 1904 a Liberal candidate declared on the same platform with Laurier,

"I would oppose with all my might as most dangerous and undesirable a reciprocity treaty with the United States ...We have had experience in dealing with their Government that has left in our memories the impression that it would be unsafe, unwise, in fact suicidal, to make a trade treaty with a Government that might be abrogated in 24 hours by the caprice of a Government swayed and ruled by popular feeling. No, the experience of the last eight years of Liberal Government, of business Government, of constructive Government, of commerce building Government; yes, of national and Imperial Government has taught Canadians what they can do by relying on themselves, developing their resources, and if they have any favors to give they lose nothing, but gain much by giving those favors to the grand old Anglo-Saxon motherland we revere and cling to more fondly as the years roll by." 3.

Foster's comment in December 1904, that from 1867 to 1904 no general election had taken place in which reciprocity was not⁴ "a dominant factor," has already been quoted. He went on to say,

"During the Federal election just closed it was either not discussed, or if it were, it was by way of condemnation rather than of approval."

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1. Foster, Commons' Debates, 1908, (vol. LXXXIV), p. 5265; Sproule, ibid., 1909, (vol. LXXXIX), pp. 748-749; Hon. G. E. Foster to the Electors, [Conservative election pamphlet], 1900; Halifax Herald, Oct. 29, 1904; R. L. Borden at Halifax, Halifax Herald, Sept. 15, 1908.
 2. Laurier at St. Hyacinthe, Montreal Herald, Nov. 2, 1900; ibid., Oct. 6, 1900.
 3. Toronto Globe, Oct. 15, 1904. These sentiments were repeated by the same man, Robinette, cf. ibid., Oct. 25, 1904.
 4. See above, p. 132.

Another Canadian speaker at this meeting, the annual meeting of the American Economic Association, declared,

"Barely a corporal's guard could be elected to the Canadian Parliament on a reciprocity platform." 1.

Yet another prominent Conservative said,

"We have recently gone through an election campaign, and among the 400 candidates in the campaign and bidding for public confidence and approval, I do not know of one such candidate who appealed upon the ground of reciprocity, nor was the subject dealt with in the campaign or mentioned, except when occasional satisfaction was expressed that the Unrestricted Reciprocity policy of the Liberals of some years ago had not been adopted by the people." 2.

It is little wonder that a news item reported that Whitney and Ross were disappointed at the "general and eloquent silence" ³ regarding reciprocity in the Dominion elections of that year. In 1908 the case was even worse, and it is impossible to find any mention of the subject at all.

In 1910 circumstances once more produced a situation out of which emerged the initiation of reciprocity negotiations. The whole affair, however, while it shook the Canadian people out of their apathy and indifference, was not of a nature to arouse sympathetic consideration. It was the result of a crisis in the relations of the two countries brought on, as so often

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1. American Economic Association Publications, VI, 1905, p. 102, p. 144.
 2. W.H. Montague to Home Market Club of Boston, Dec. 1, 1904, Canadian Annual Review, 1904, p. 454.
 3. Halifax Chronicle, Oct. 25, 1904.

in the past, by an American tariff revision, the implementation of promises made in the 1908 Presidential election. In its original form the schedules of this new tariff, known as the Payne-Aldrich tariff, would have benefited Canada, for the lumber duties were reduced by half, iron ore, coal and hides were placed on the free list. The Senate amendments, however, returned these last articles to the dutiable lists and increased the duty on lumber.^{1.} Notwithstanding this, however, the new tariff was generally more favourable to Canada than the Dingley Act had been. It also contained a provision that if the regulations of the provinces of Quebec and Ontario, by which the export of logs was virtually prevented, were withdrawn the duties on paper and pulp would be reduced. The Halifax Chronicle wrote of this provision,

"The avowed object of these tariff changes is, not to benefit Canada in any way, but solely to preserve the pulp wood forests of the United States from early and ultimately total extinction.... Canadians would do well to pause before hastily accepting this concession from the United States. 'Beware the Greeks bearing gifts'." 2.

The chief difficulty, however, arose not from the actual tariff schedules themselves, but from the adoption of a maximum and minimum tariff, the former arrived at by adding twenty-five per cent of the value of the goods imported to the duty imposed by the latter. It was to be applied to all countries

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1. Taussig, F.W., Tariff History of the United States, 8th edition 1931, (New York & London), pp.372-375.
 2. April 28, 1909. See also E. Porritt, "Canada and the Payne Bill," North American Review, CLXXXIX, May, 1909. pp.688-694.

which "unduly" discriminated against the United States. In the case of Canada the Americans were willing to waive the question of the British preference, which they could regard as a "domestic" arrangement,^{2.} but a trade treaty, recently concluded with France, seemed to fall into another category.

This treaty came up for ratification in the Canadian Parliament early in the 1909-1910 session. Before it was actually presented by the Government, Borden, the leader of the Opposition, drew attention to the problem which might arise. He contrasted the trade with France and with the United States in magnitude and expressed the hope that when the treaty came up for consideration there might be some definite information as to the effect its adoption was likely to have on trade relations between Canada and the latter country. To this Laurier replied,

"According to my own view, neither the French treaty, nor anything in the legislation of Canada can be construed as an act of discrimination against the United States, and therefore the article in the American Tariff Act does not apply." 3.

The same point was made when the treaty itself was brought before the House of Commons. Fielding then replied that he did not consider it "seemly" to approach the United States Government

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1. It has been suggested (see United States Tariff Commission, Reciprocity and Commercial Treaties, Washington, 1919, p.35) that this may have been in emulation of the Canadian intermediate tariff of 1907, but the demand for the adoption of maximum and minimum tariffs had appeared at various times before that date, as for example, the Chicago Convention of 1905 and the resolution of the Boston Committee of One Hundred, (see above, p.304).
 2. United States Tariff Commission, Reciprocity with Canada, p.33.
 3. Commons' Debates, 1909-10, (vol.XCIII), p.38 & p.42.

on the matter, nor did he believe that they would be in any position to give information.

"I think we have clearly made it understood in this parliament," he continued, "that Canada, while paying great deference to her neighbour, is no longer willing to be dependent on the action of the United States in tariff matters. The sentiment of our people is that we shall quietly and deliberately work out our own commercial policy. If that policy be acceptable to our powerful neighbour, we are all the more pleased; but if it should not, much as we might regret the fact, I do not see why that should justify our taking a different policy." 1.

The Conservative reply was a reiteration of the statement that the American trade was far more valuable than the French and that some effort should have been made to find out if ratification of the treaty would expose Canada to the imposition of the maximum American tariff.^{2.}

The Victoria Daily Times said that it was "extraordinary" to see the Conservative party whose

"records show that not only has the party stood for maintaining a solid front against the fiscal hostility of Washington, but that it has almost continuously advocated retaliation against aggression"

now placing itself on record

"as in favor of surrendering the independence of Canada by going to Washington and asking the government of the United States whether it approves of the trade treaty with France..... Its position on the French treaty will have the effect of making it a laughing stock throughout the country. Who would have thought that the once

1. Ibid, pp.173-175.

2. Ibid, pp.174-175, p.177, p.181.

"great Conservative party of Canada would have been the first to practically take the position that Canada is virtually a dependency of the United States - like Cuba, or Hawaii, or the Philippines?" 1.

The Conservative newspapers declared that while they did not in any way deny the right of Canada to regulate her own commercial affairs, it was at least prudent to consider the probable results of any step; that if the American regulations in any way interfered with the British preference they should be resisted to the last ditch; but

"as to the new French Treaty it probably would not be worth while, from a commercial point of view, to enter into it at the risk of provoking a tariff war with our neighbors."

In any case the whole difficulty arose from the fact that Canada had "one of the most complicated tariffs in existence," which "had brought to Canada not one single advantage." 2.

The general consensus of opinion was that Canada must stand firm and, if need be, reply to the imposition of the American maximum tariff by applying her surtax of thirty-three and a third per cent extra duty. Speaking at a meeting early in November, the Canadian Minister of Railways was loudly cheered when he said, apropos of the new clause in the American tariff,

"I suggest that we don't worry about that. We are better off to-night, to my mind, than we

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1. Nov. 20, 1909.
 2. Montreal Gazette, Nov. 20, 1909, Jan. 20, 1910; Halifax Herald, Nov. 16, 1909.

"should have been if there had never been a McKinley bill. Canada then found new markets, which have been better markets, and what Canada has done before she can do again. We found our products shut out by the McKinley tariff, and now instead of selling to the United States we compete with them, and they are feeling that what we have done before we can do again. We will have no cause to fidget even if the powers given to the President should be exercised to the full."¹

"To the imposition of the maximum tariff," declared the Toronto Mail and Empire, "Canada would doubtless reply with its surtax, and, though the odds would be against this country, the United States, having the larger trade at stake, would be the greater loser."²

Even before the conclusion of the debate on the French Treaty the Canadian government had received an intimation that

"the U.S. Executive, while anxious to preserve a generally friendly attitude, may be driven by newspaper discussion to consider that your French Treaty will give France advantages not given to the U.S., and therefore compel them to apply their maximum tariff to Canada."³

The communication of this attitude of the American Government had, of course, come by way of the British Embassy in Washington and the Governor-General, Lord Grey. In a private letter to the latter and in an official memorandum for the use of the former, Fielding ~~outlined~~ ^{presented} the views of the Canadian government.

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1. Toronto Globe, Nov. 8, 1909.
 2. Dec. 15, 1909. See also report of speech of J.S. Willison at Detroit, Halifax Herald, Nov. 10, 1909; ibid, Nov. 13, 1909 and Toronto Globe, Nov. 20, 1909.
 3. Grey to Fielding, Nov. 13, 1909, Laurier Papers, Governor-General's Correspondence, Grey, 1909, pp. 657-658.

"It is the well understood policy of the Canadian Government," he said, "not to take the initiative in further negotiations with the United States Government concerning the tariff relations between the two countries.....It is submitted on behalf of the Canadian Government that the whole course of events for many years in connection with the question of commercial relations between the United States and Canada affords abundant evidence that there has been no such unfriendly disposition on the part of Canada."

He here proceeded to outline the efforts of the latter country to obtain reciprocity with the United States. The American authorities had, too, always laid down the rule that concessions given in return for concessions received should not be considered as discriminating against a third country. The United States exports to Canada in the years 1908 and 1909 were over twice those of Canada to the United States. The average duty on American products was lower than that on the imports from any other country, Great Britain included, as many of them were on the Canadian free list. He mentioned the possibility of the imposition of the surtax and declared it as his opinion that in any "conflict of tariffs" the United States would suffer more than would Canada.

"We have not thought of the privileges of the French Treaty being extended to the United States," he wrote to Lord Grey, "as there has been no probability of our American neighbours being willing to give us concessions similar to those which France is to grant. Consequently we have not contemplated the making of any arrangement on such lines. But if our American friends should come to us demanding the benefits of the French Treaty, and offering us concessions such as those which France grants us, I admit that they would be in a strong position."

But I do not think there is the slightest probability that they will be willing to make us any such concessions." 1.

In February there was apparently considerable discussion between various American officials and the staff of the British Embassy, in which it became clear that there was a real desire on the part of the President to prevent a tariff war, if at all possible. 2. Fielding in a letter to Grey, of February 22nd, while again declaring that it was impossible for the Canadian Government to make any proposals to the United States, expressed his appreciation for this attitude on the part of the Americans and his willingness to "respond to any request for an informal and confidential conference." He stipulated that this meeting should not take place in Washington and that even Ottawa was somewhat undesirable because of the publicity which would be almost unavoidable there. He suggested that it be held "at a convenient half-way house, say New York or Philadelphia." 3.

On an intimation from Bryce that the American Secretary of State had expressed an "urgent desire to begin at the earliest possible moment negotiations with Canada", these views were embodied in an official

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1. Fielding to Grey, Nov. 15, 1909, Letter-book, Oct. 13, Nov. 10, 1909, p. 365 Memorandum by the Canadian Minister of Finance for the information of His Majesty's Ambassador at Washington, Dec. 1; ibid, pp 619-634.
 2. Laurier Papers, Governor-General's Correspondence, Grey, 1910, pp. 87-132; Sessional Papers, 1910, No. 10j., p. 1.
 3. Fielding Papers, Letter-book, Jan. 13 - Feb. 24, 1910, p. 456.

dispatch and conveyed by the British ambassador to Knox, the
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American Secretary of State.

The result was a visit of Professor Henry C. Emery, Chairman of the United States Tariff Board, and Charles M. Pepper, Commercial Adviser for the State Department, to Ottawa early in March. To quote Fielding on the result of this visit,

"No conclusion was reached. We separated with the feeling that the position of the respective parties was more clearly understood and that perhaps the way was left open for some further negotiations." 2.

The next move was a telegram from Taft to Fielding inviting him
3.
to meet him at Albany on March 19th to discuss the tariff situation. At this meeting Taft explained to the Canadian Minister that, while anxious to maintain friendly commercial relations with Canada, it would be impossible for him, since the terms of the Tariff Act left him no discretion, to give Canada the minimum rates unless she in turn made some concessions. The President suggested that the reductions embodied in the French Treaty should be given to the United States. Fielding replied that Canada, on her part, was ready only to make concessions if the United States would in some way reciprocate by reductions from the general rate. The matter did not rest there, however. Fielding, accompanied by the Canadian Minister of Railways, soon met the American authorities

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1. Sessional Papers, 1910, No.10j, p.2.
 2. To Arthur Sladen, Government House, Mar. 21, 1910, Fielding Papers, Letter-book, Feb.24-Apr.25, 1910, p.316. See also Commons' Debates, 1909-1910, (XCVI), p.5947.
 3. Sessional Papers, 1910, No.10j, p.3.

again, this time at Washington. The Canadians still insisted that responsibility for the threatened tariff war rested solely with the United States and that any concessions made by Canada could not be numerous or involve any disadvantage to Canadian industry; that they could not be made specifically to the United States, but must apply equally to all countries.^{1.}

An agreement was, however, finally reached and embodied in a note from Fielding to Knox, dated March 26 th. Canada promised a general reduction to the intermediate tariff rates on thirteen articles of somewhat minor importance, such as, for example, soap, tableware, perfumes and toilet preparations, prunes and some other dried fruits, nuts, feathers, etc. In his note Fielding also emphasized that he was

"unable to waive any of the contentions which Canada has held throughout our discussions of the subject" and that he "observed with satisfaction that your government are not disposed to press some of their earlier contentions respecting our commercial treaties, which, from our point of view, we could not admit."

This being the case, the Canadian Government realizing the seriousness of a tariff war between the two countries, was willing to respond to "the good spirit" in which the matter had been approached by the President.²

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1. United States Tariff Commission, Reciprocity with Canada, p.34.
 2. Sessional Papers, 1910, No. 10 j. pp.5-6.

In a message sent to the Canadian people when the crisis was most acute, through the president of the Toronto Globe,
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Dr. J. A. Macdonald, President Taft, after stating his earnest desire that some solution should be found for "this present unforeseen difficulty," said,

"It is my deliberate purpose to promote, in such ways as are open to me, better trade relations between the United States and Canada than at present exist. I am profoundly convinced that these two countries, touching each other for more than three thousand miles, have common interests in trade and require special arrangements in legislation and administration which are not involved in the relations of the United States with other countries beyond the seas." 2.

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1. The part played by Dr. Macdonald in these negotiations is obscure. He was in Washington at the time, and the Conservatives suggested that he was acting as the envoy of the Canadian Government and that by his representations of their desire to reach some solution, Taft had been induced to send his telegram inviting Fielding to Albany. In the House of Commons on April 6th, the Finance Minister denied that Macdonald was the agent of the Government, but he said there was "a foundation of truth" for the report that it was through his intermediation that the Albany interview had been arranged. "Mr. Macdonald was in Washington," he said, "like any other visitor might be, obtaining impressions as to the situation. On his return to Canada he mentioned, in the course of conversation with the Prime Minister and myself, that the American government would like to resume negotiations with the Canadian government and, if there was an assurance that the Canadian government would be willing to meet them, he thought an invitation would be sent. We said that we would be happy to resume negotiations at any time upon the invitation of the proper authority. Thereupon, the President sent me a telegram expressing his desire to meet me at Albany and expressing also regret that the Prime Minister was not able to be present." Commons' Debates, 1909-1910, (vol. XCVI), pp. 6393-6394.
 2. Toronto Globe, Mar. 21, 1910

This very indirect hint of the possibility of the two countries again embarking on reciprocity negotiations was made more explicit in Secretary Knox's reply to Fielding's note.

"The agreement encourages the hope," he wrote, "that the future trade relations of the two countries will become more intimate and expanded, and will be regulated in a spirit of cordial reception and independence.....

The President is confident that the policy of broader and closer trade relations with Canada will receive the hearty support of the large majority of the people of the United States and he has learned with much satisfaction of the existence of a similar sentiment in the Dominion.....

Let me, then, take this opportunity to express by his direction, the desire of the President that your country will find it convenient to take up with this Government, at such time and in such manner as may be mutually satisfactory, the consideration of a readjustment of our trade relations upon the broader and more liberal lines which should obtain between countries so closely related geographically and racially, as indicated by the President in his recent public utterances."

To this Fielding replied,

"The Canadian Government very heartily reciprocate your sentiments as to the desirability of improving the commercial relations between the United States and Canada and will gladly avail themselves of the invitation of the President."1.

On March 30th President Taft signed the proclamation giving Canada the minimum tariff rates and Fielding announced the details of the arrangement in the Canadian House of Commons. Here it was not received without some debate, before following which, however, some attention should be paid to Canadian public

1. Knox to Fielding, Fielding to Knox, Mar.26,1910. Sessional Papers, No.10j,p.7.

opinion during the time when a tariff war seemed imminent. The points made by Fielding in his confidential memorandum for the British Embassy were those also raised by the Canadian press. The responsibility for the whole situation, it was claimed, rested solely with the American government. The Manitoba Free Press quoted a dispatch from Washington which ended with the statement,

"both Governments must eventually recede from their advanced antagonistic positions so as to reach an amicable adjustment."

"This," said the Canadian newspapers, "is singularly inept and discloses a complete failure to understand the real point at issue.....The problem which has arisen is whether the Washington Government shall, or shall not, take up 'an advanced antagonistic position.' That problem is for the Washington Government to deal with..... The 'critical tariff situation' is entirely a made-in-Washington situation. It is a situation for Washington to deal with as Washington sees fit. The Canadian people have every desire that the utmost friendliness should be maintained between the two countries in every respect; and nothing whatever has been done by Canada to impair the good relations which should exist between neighbors."

With this view the most important newspapers on both sides of
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politics were in agreement.

There were also further intimations that Canada would reply to the imposition of the maximum tariff by applying

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- i. Manitoba Free Press, Mar.17 & 19,1910; Halifax Chronicle,Mar.17, 1910; Montreal Herald,Mar.4,Mar.14,Mar.19,1910; Toronto Globe, Mar.16,Mar.19,Mar.21,1910; Halifax Herald,Mar.22,1910; Toronto Mail and Empire,Mar.5 & 16,1910.

the surtax to all American imports. Some Conservative papers argued that this was an insufficient penalty and urged that it be increased.¹ All, both Conservative and Liberal, agreed that if a tariff war were to result the United States would suffer more than Canada. "We can get along without their products," said the Halifax Chronicle, "but...they cannot get along without ours." Besides this, American exports to Canada, as Fielding had pointed out, were much greater than Canadian exports to the United States

"We buy annually two dollars' worth of goods from the United States," said the Victoria Daily Times, "to every dollars' worth the United States purchases from us. This is naturally a sore point with Canadians and taxes their patience when demands are made that conditions which are now so unequal shall be made more unequal still."

The Toronto Mail and Empire even went so far as to declare that "the ultimate result" of a tariff war would be "certain to be highly beneficial" to Canada;

"for United States manufacturers would establish plants here to hold the trade they have won at much cost, and to share in the magnificent prospects, in the mighty unearned increment that will be realized in the coming years." 2.

They also emphasized the point that Canada must in no way limit her right to make her own tariff arrangements, to suit her own best interests, both in the schedules themselves and in her agreements with other countries.

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1. Toronto Mail and Empire, Mar. 17, 1910; Halifax Herald, Mar. 16 & 31, 1910.
 2. Toronto Mail and Empire, Mar. 23 & 24, 1910; Halifax Herald, Mar. 16 & 31, 1910; Halifax Chronicle, Mar. 18, 1910; Montreal Herald, Mar. 9 & 18, 1910; Victoria Daily Times, Mar. 12 & 28, 1910; Montreal Witness, Mar. 21, 1910.

"There is a principle at stake," said the Manitoba Free Press, "in regard to which this country cannot afford to compromise, be the consequences what they may."

In similar vein the Toronto Globe declared,

"Any proper solving of the question will not require that Canada should surrender one iota of her fiscal independence or admit even implicitly that Canadian trade treaties with other countries involve "undue discrimination" against the United States. Neither need anything be done by Canadians that will in the least limit, even by inference, or hamper in any way the right and power of Canada in making other trade arrangements. On those two points there can be no doubt between the President of the United States and the Government of Canada." 1.

The Liberal caucus at Ottawa backed up the Government's position

"in declining to give up Canada's fiscal independence at the behest of the United States." 2.

As to the course which the Government should take there were somewhat divergent views. The Halifax Herald deplored the fact of a tariff war, but maintained that, in the light of the past history of the tariff relations of the two countries, which it outlined,

"it is manifest that the safest agreement with our neighbors is no agreement at all." 3.

The Council of the Toronto Board of Trade passed a resolution opposing special concessions to the United States, "such as that country is seeking in the negotiations between the two governments." 4.

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1. Manitoba Free Press, Mar. 5, 16 & 22, 1910; Toronto Globe, Mar. 23, 1910; Victoria Daily Times, Mar. 12 & 18, 1910.
 2. Daily press, Mar. 14, 1910
 3. Mar. 16 & 23, 1910
 4. Daily press, Mar. 22, 1910.

The Halifax Chronicle said,

"Much as we would deprecate a tariff war, we cannot place ourselves as a suppliant for favors at the hands of the United States." 1.

The Manitoba Free Press declared,

"So determined are the Canadian people against any concession in regard to the point of vital importance at issue, namely the commercial independence of the country, that the first feeling aroused by the announcement that Mr. Fielding is to go to Washington is likely to be one of something like regret." 2.

Nevertheless, this paper did not object to "immaterial concessions to enable President Taft to 'save his face.'"

The attitude of the Montreal Herald and the Montreal Gazette was similar, though the latter thought that the Government could "hardly be proud of its position." 3. The Montreal Witness was even more generous and was willing to give the same reduction of duty as was given to France.

"It stands to reason," it pointed out, "if the people of the United States believe, as they certainly will that their case is a good one, and that their overtures are reasonable, the bitterness of injured innocence on their side will be as real and lasting as the same has been on our side." 4.

In presenting the agreement to Parliament Fielding said,

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1. Mar. 17, 1910.
 2. Mar. 25 & 28, 1910.
 3. Montreal Herald, Mar. 23, 1910; Montreal Gazette, Mar. 28, 1910.
 4. Mar. 15 & 16, 1910.

"I am inclined to think that if we had desired some momentary popularity we might have pursued another course. I think there is a general and perhaps a justifiable feeling in the minds of the people of Canada that in the years that have passed our American friends have not treated us generously or fairly with regard to these commercial questions, and consequently there is a strong disposition — at all events there has been a strong disposition — rather to resent any further communication with them. But that is of a time that has gone; that is of a time when Ottawa went to Washington; now we have reached a time when Washington has come to Ottawa, and that, I think, Sir, is a matter which must be a source of gratification to us all. And though for the moment, by what is called the 'stand-pat' policy, by refusing to do anything, by bidding defiance to the United States, there might be a momentary hurrah, I am persuaded that as the difficulties of the maximum tariff would become apparent, as great industries in Canada would be found to suffer, as men would find their capital impaired and as other men would find themselves thrown out of employment, even though it might be temporary, even though in the end we might be able to overcome it; I am strongly persuaded that the feeling which at a moment might be one of gratification would change to a feeling of anxiety and alarm, and that in the end many a man would turn to the government and say; was it not possible to have averted this disaster? Was it not possible by some moderate concession to have given the President of the United States an opportunity to pursue a more friendly course?" 1.

Laurier also took much the same line. If we are asked, he said, what we get in return for these concessions, the reply is,

"We get peace and good relations with our neighbour. And I ask hon. members on the other side: Is not peace and good commercial relations with our neighbours worth all the feathers and artificial flowers in creation?" 2.

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1. Commons' Debates, 1909-1910, (vol. XCVI), p. 5973. In a letter to Col. John B. Maclean, Apr. 1, 1910, he expressed these same views, Fielding Papers, Letter-book, Feb. 24-Apr. 25, 1910, p. 400.
 2. Ibid, p. 5997.

Borden agreed that the value of the concessions themselves "is of no moment at all compared with the maintenance of good will and cordiality in trade and other relations between the two countries;" but the Government, in granting them, have agreed

"that it will not at any time in the future alter the duties of customs imposed upon those articles without the consent of the United States, unless it is prepared to have the United States instantly act against us by imposing the maximum tariff."

Thus the Government had in reality surrendered the independence of action which it had vowed it would preserve.¹ Some of his followers went further and spoke of Canada "capitulating" to the "threat" of the "Payne tariff club." The Minister of Finance

"was only too ready and willing to get down on his knees practically speaking and beg and plead that the government of the United States would accept as small concessions as possible in order that he might get out of the position he was in." 2.

The Conservative press also took this line. Two editorials in the Toronto Mail and Empire on the settlement were headed "Canada's Betrayer" and "An Unnecessary Capitulation,"³ and it spoke also of the "unsophisticated" Canadian negotiators. The Halifax Herald claimed that the agreement was "a complete surrender".

"It may be pleaded," it said, "that Canada reduces the duty on only thirteen groups of articles, and these of no great importance. But if there had been only one group, it would be a surrender, if the concessions were made without return as the result of the threat of a penalty for refusal." 4.

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1. Ibid, pp. 8748-8752.
 2. Ibid, p. 5983, p. 5988, p. 5999.
 3. Mar. 29, April 1, 1910.
 4. Mar. 28, Apr. 1 & 2, 1910.

The Montreal Gazette once more blamed the whole difficulty on the complicated tariff arrangements built up by the Government, though it admitted that

"there have been times in the history of the two countries when Canadian delegates, to get even so little as has now been conceded, would have had to go further." 1.

The Liberal press, of course, supported the Government, pointing out the insignificance of the tariff concessions, which the Victoria Daily Times called "nominal reductions,"^{2.} and of which the Halifax Chronicle said,

"Unless they had been told that the Dominion had made some concessions here and there to appease the requirements of the American tariff law, it is quite likely that the Canadian Customs officials would not be aware of the fact that anything had been done to change the Canadian law." 3.

The Manitoba Free Press, somewhat more independent, declared,

"The whole arrangement bears the appearance of an elaborate arrangement to save President Taft's 'face.' As Mr. Fielding recognized in his speech, there is a considerable body of public opinion that would have preferred to see Canada maintain an unyielding attitude, putting the United States president in the position of having to make a humiliating backdown or precipitating a ruinous war of tariffs. Mr. Fielding thinks that this course would have been more heroic than sensible since it would have led to commercial war; and doubtless the large commercial interests of the country will be in accord with him in this. But had the Government taken the other course, we are bound to say that they would not have lacked ample public support." 4.

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1. Mar. 31, 1910.
 2. Mar. 31, 1910.
 3. Mar. 28, Apr. 1, 1910. See also Montreal Gazette, Mar. 31, 1910 and Toronto Globe, same date.
 4. Mar. 31, 1910.

During negotiations on the maximum and minimum tariff, as we have seen, suggestions were made that discussions of reciprocity between Canada and the United States might once more be undertaken. In his statement in the House of Commons on March 31st, Fielding made public the letters exchanged between himself and Knox in which this prospect was stated officially, and, in the Parliamentary debate which followed the reciprocity issue was not wholly neglected.

"Hon. gentlemen may talk about reciprocity in products in any shape or form," said one member in the debate referred to, "but there is nothing to be gained for Canada in that."

Another maintained,

"There is more for Canada, in her present situation and in her future, in closer relations with the mother country, and with the sister states of the empire than in closer trade relations with the United States. Anything we get from the United States will be the result of - I must use the word, for it is the only one that applies - the result of retaliation. It was this that brought them to time to-day - not sweet words, but the fact that we have the instrument of retaliation in our hands."

Referring to two speeches made by Taft in which the President^{1.} again expressed his desire for closer commercial relations, he declared that the latter had spoken of negotiations looking to Commercial Union with Canada.

"Commercial Union with the United States means to the Canadian people as we found out years ago, some kind of control of the Canadian tariff by the government and Congress of the United States.

1. Toronto Globe, and Mail and Empire, May 2 & 3, 1910; Canadian Annual Review, 1910, p. 623.

"Canadians want nothing of that kind, nor do they want any negotiations with the United States which will end in Commercial Union, or in any disruption or dislocation of Canada's present tariff policy, which is based on what? Canada's policy to-day is a national policy for Canada, and it is based on east and west lines.....Our policy ought to be framed and directed to this end of constantly maintaining our fiscal independence, to be very careful in regard to any relations that would end in anything like commercial union, because, as I said, the people of Canada will not tolerate anything of the kind, and the whole future of Canada and her relations with the empire depend upon trade lines that run east and west, and not trade lines that run north and south." 1.

Negotiations for a trade agreement were not embarked upon until November, as Fielding, because of a failure to understand that the Americans wished to begin them almost immediately, had arranged to go to England for the summer. 2. On his return he resumed correspondence with Knox and meetings took place between the Americans and Canadians in the latter part of 1910 and in the first few weeks of 1911. On the 26th, of January it was announced that an agreement had been reached. During the summer and autumn, however, there was considerable discussion of the subject in Canada.

Those interested in manufacturing and commerce soon began to express their opinion. The New York Commercial suggested that representative American and Canadian business men should meet together to discuss their different points of view prior to the formal negotiations for a treaty. Some Montreal manufacturers

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1. Commons' Debates, 1909-1910, (vol. XCVI), p. 5988; (vol. XCVII), pp. 8755-8756
 2. Reports from His Majesty's Ambassador at Washington respecting a reciprocal tariff arrangement between Canada and the United States, Parliamentary Papers, CD5523 (London, 1911), pp. 1-3.

were asked for their opinion on this suggestion and apparently it did not meet with favour. One manufacturer, after declaring that he thought such a meeting impossible, wrote,

"We once thought we could not do without your markets, but your delegates will find that our horizon has broadened so much that we may not properly appreciate your benevolence."

Another Liberal, a frequent correspondent of Laurier, similarly disapproved.

"My personal views are," he said, "that the large majority of Canadian people are not in favor of a broad reciprocity treaty between Canada and the United States."

The progress of the United States was, he thought, in large measure due to their high tariff policy.

"Canada's tariff is not half as high as that of the United States and as we are now in the position that the United States was some years ago it would be, in the opinion of the majority of Canadians, an unwise move either in the interest of the farmer, artizan or manufacturer or Canadians in general, to arrange, or make any effort to bring about closer trade relations with the United States which would mean a lowering of the Canadian tariff. What Canada requires to do is not to lower her tariff, but rather to increase it gradually and with due regard to all Canadian interests.....
The maintenance of our tariff will do for Canada, and especially for her farmers, what the U.S. tariff has done for her farmers by creating a large home market, which after all is the best.....
If I understand the Canadian feeling rightly the large majority, whether farmers, manufacturers or

otherwise, are perfectly contented with Canada's present tariff and trade relations with the United States and other countries of the world and are not desirous of any change. Canada is prosperous and with the continued loyalty of her people, Canada's desire is to become a great Nation developing steadily her wonderful resources of all kinds. While her ambitions are to become a great self-sustaining nation her ambitions also are to be a Nation always within the British Empire. "

The writer sent copies of this letter, together with a private one expressing much the same views, to both Laurier and Fielding. The former, strangely enough, replied that the letter to the Commercial was "just perfect. There is not a word to be taken from it or to be added to it." Fielding, however, was not so satisfied, and wrote that he considered

"your statement that Canadians do not favour closer trade relations with the United States" to be "too broad." "No doubt there are many people in Canada who are entirely content with the present state of affairs. There are many, however, who have been content only because they saw no prospect of any better relations. These people would hail with satisfaction any readjustment which would give our producers a better chance to do business in the United States market." 1.

The Hamilton, Ontario, Board of Trade on April 4th passed a resolution requesting the Government not to enter into negotiations with the United States without first securing the opinions of Canadian business men likely to be affected, as

"there had not been a demand from any interest in Canada for a modification in the trade arrangements now existing between the two countries." 2.

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1. Laurier Papers; Fielding Papers, Letter-book, Feb. 24th-Apr. 25th, 1910, p. 646.
 2. Toronto Mail and Empire, Apr. 5&6, 1910, which endorsed this view editorially, though it declared the Government was "practically sure" not to accede.

The Council of the Montreal Board of Trade held a meeting early in May to discuss the question. After the conclusion the president gave a press interview in which he said,

"What Canada wanted was to be left alone to work out her own commercial destiny."

Later in the month a resolution was passed as follows:

"That in view of the marked progress being made at the present time by this country, and the great future which lies before it under a continuance of present conditions, this council is of the opinion that the time is not opportune for a treaty of reciprocity with the United States.

That, while being in favor of Canada maintaining the most friendly relations with the United States, the council considers that the very causes that commend a reciprocity treaty to its people, that is access to our undeveloped natural resources and an extended market for their manufactured products, are from our point of view those from which Canadians stand to lose most, and that this country cannot afford to endanger its growing manufacturing industries or to have its natural resources exploited for the benefit of the United States.

That the council believes that before long the United States will in their own interests allow free entry to our natural products, and, therefore, that no concessions such as are inevitable in a reciprocity treaty are either necessary or advisable.

That, above and beyond material points, reciprocity with the United States must inevitably tend towards a slackening of the tie that binds us to the Mother Country, and that this council takes the strongest stand against anything that would even remotely work to that end, being convinced that our every interest, either of business or sentiment, requires that Canada shall remain a part of the British Empire." 1.

1. Montreal Gazette, May 5&12, 1910. Said this paper with reference to the resolution, "It took a long time to develop the sentiment that made possible such an utterance by such a body."

The Montreal Chambre de Commerce also discussed the question and the general trend was against reciprocity. Here, too, ^{the} danger to Canadian industries was emphasized and it was stated that the similarity of products made the advantage to Canada doubtful. It would mean

"pouring on the American market produce with which it is already encumbered." 1.

At the meeting of the Toronto branch of the Canadian Manufacturers' Association the chairman declared his opposition to reciprocity, though he referred only to the lowering of the tariff on manufactured goods. 2. In November the St. Catharines, Ontario, Kingston, Ontario, and Welland, Ontario, Boards of Trade adopted resolutions against reciprocity. The first, in its pronouncement, mentioned the prosperity of the country, and the danger to its industries and communication system. 3.

Other interests were also opposed. A meeting of protest against reciprocity in coal was held at Sydney, Nova Scotia, and presided over by the Mayor. An ex-Mayor spoke, declaring that

"reciprocity in coal would have been a disaster in 1897, but now it would be nothing short of a national calamity." 4.

The Niagara Peninsula Fruit-Growers' Association passed a resolution urging consultations with the representatives of different

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1. Ibid, May 12, 1910.
 2. Toronto Globe, July 15, 1910.
 3. Ibid, Nov. 10, 1910; Montreal witness, Nov. 16, 1910; Montreal Gazette, Nov. 11, 1910.
 4. Halifax Herald, Nov. 11, 1910.

industries and adding a recommendation

"that in the final adjustment of any tariff with the United States all possible preference be given to the mother country." 1.

The editor of the Canadian Century, who was, however, a Conservative, told Fielding that in a canvass of the farmers of North Monaghan Township, Peterborough Co., Ontario, eighty-five per cent, without any distinction between Liberals and Conservatives, were found to be against reciprocity. 2.

There were also a number of individual expressions of opinion. The Conservative Premier of New Brunswick declared that there was no strong feeling in that province or elsewhere in Canada in favour of reciprocity, though he admitted that it would benefit the producers of a few natural products. He did not believe, however, that the United States would agree to reciprocity in natural products alone and any extension to manufactures would be bad for Canada. 3. A noted Montreal lecturer called reciprocity

"a more vicious form of protection" because "more strongly entrenched against attack."

It would mean also the "surrender of the right to deal with our own affairs." 4.

Very important were three articles of G.W. Ross, now a member of the Senate, which appeared in the Toronto Globe, September 27th, 29th, and 30th. A later speech to the Toronto

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1. Sessional Papers, 1911, No. 113, p. 8.
 2. Laurier Papers.
 3. Montreal Gazette, Oct. 24, 1910.
 4. Montreal Witness, Nov. 11, 1910.

Board of Trade also emphasized and elaborated the same views. ^{1.}

"I think it may be safely said," he began his articles to the Globe, "that Canadians regard the advances of the United States towards a reciprocity treaty with indifference if not with disgust. There still smoulders the feeling that the treaty of 1854 was brought to an end for political rather than for commercial reasons, and this feeling is heightened by the repeated refusal ever since of the United States Government and Senate to entertain any proposal from Canada for a new treaty."

Besides do not American products already receive good treatment at the hands of Canada ?

"We have already given the Americans nearly one half of their Canadian market duty free. How much more do they want ?.....The United States Congress should make the first move by reducing the tariff against Canada. Then we can consider in what respect and to what extent we should respond to such reductions."

A treaty would also mean a surrender of some part of Canada's fiscal independence.

"For my part I do not want to see any act of the Canadian people subject to interpretation at Washington.....Right or wrong we are our own masters. This would not be the case under a treaty."

It would mean a building up of new business conditions, different transportation routes, etc.

"Then if the treaty is repealed business is liable to be dislocated as it was in Canada in 1866, fresh markets have to be found for exports, fresh business connections made with other countries,

1. Published as a separate pamphlet.

and goods of different manufacture and style substituted for those barred out by the repeal of the treaty, not to say anything of the international relations that may be disturbed and the irritation to one, if not to both parties to the treaty. Is a treaty just now worth the risk? The experience of Canada on this score is not encouraging."

Finally, but by no means least, there was the question of relations with the Empire. Should Canada allow new commitments to impair the British preference?

"Shall we weaken our position with friends in Britain who are disposed to consider favourably a preference to the Colonies in the British market by diverting our natural products to the markets of the United States, and thus lose what might be a substantial advantage in the markets of Great Britain? Shall we prejudice all the capital, Canadian and British, invested in our railways, ocean steamships, terminals, etc., by diverting to American railways a large portion of the grain and cattle trade of the West? Shall we leave the impression on the capitalists of Great Britain that investments made in Canada in good faith may be wantonly disregarded as a matter with which the Government has no concern? Should we form commercial alliances that would divert trade from the Empire to a foreign country? Should we take the risk of a treaty, by no means urgent, which is liable to be misinterpreted, as the Washington treaty was, and to disturb the friendly feeling now happily existing between Canada and the United State? Shall we enter into partnership with a foreign country to the detriment of our commercial and possibly our national relations with the Mother Country?..... If Canadian trade were languishing and we were without means or facilities for entering other markets than those of the United States our position would be very different. In 1854 Canadian trade was paralyzed by the withdrawal of the preference given to Canadian lumber, flour and wheat in the British market at the time of the Repeal of the Corn Laws. We had neither

the capital nor the transportation facilities to compete with the United States in the chief articles of export, such as cattle, wheat, lumber, flour, etc., and a few other natural products. To get an outlet in the United States was the only form of immediate relief possible, and that outlet was afforded by the Treaty of 1854. Our poverty made reciprocity a necessity for us, and when it is stated that in addition to our markets we gave the Americans equal rights with ourselves in the great fisheries of our coasts and the free navigation of the St. Lawrence, it will be seen what a price we paid for the Treaty of 1854. Now we are not confronted with a commercial crisis as in 1854 - we are not dependent on the American market as we were 40 years ago and if it were hermetically sealed against us, except as to minerals, we could easily find a market for the excluded classes of goods elsewhere.....If the market on the American Continent is better and more profitable than the market abroad let us get into it by all proper and self-respecting means. But let us not make any concessions unwarranted by the most approved canons of commerce, and under no condition let us yield any advantage we have obtained elsewhere at great cost for a temporary advantage at home. As we are asked to enter upon these negotiations by the United States it would be an act of discourtesy to decline the consideration of the commercial relations of the two countries. But as I see the question now I am not sanguine that any proposal that can be made for mutual concessions will ultimately prove advantageous to the industries of Canada or to the development of our great natural resources."

He also suggested that an adjustment of trade relations by "independent legislation of both countries was preferable to a treaty."

In the University Magazine for December, George Foster presented his views. He noted the decrease of sentiment in favour of reciprocity in Canada and its increase in the United States. The reason for this was the exhaustion of their natural

resources and the hope of access to the Canadian market for their increased production . Then, in the future "twenty-five years of such intimate contact and intercourse" might render it impossible for Canada to change her fiscal policy.

"Thus shall we [i.e. the Americans] practically guarantee ourselves against the chances of British imperialism and hold in leash a mettlesome and potent rising nationality.....The question is: Do we in Canada welcome such a destiny or look we for another ? Our reply it seems to me is something like this. Thank you very much, Uncle Sam, but really we have other ideals and other plans into neither of which would your proposed modus operandi very well fit. " Canadians are essentially "national and imperial" in outlook, "sprung from British stock, nurtured in British traditions, protected by British power and loyal to British institutions," "enamoured by the idea of British imperial trade connexions." "We feel the pride of possession -this country is ours, the work of our hands, the product of our brains, the child of our sacrifices, our solitudes and our prayers.....The growth of our own industries and the expansion of our trade have rendered reciprocity less and less desirable, and the curt, not to say unfriendly, treatment by the United States of all our advances has strengthened our purpose to go our own road and let reciprocity severely alone. We now doubt its benefits and we rather suspect the late repentance of its old time opponents across the border." The present plan " appears very much like a twin sister of the Unrestricted Reciprocity propoganda of 1891, and we don't like the relationship." Even if reciprocity were confined to natural products alone "we say first that we now find ready remunerative markets for all we raise both at home and in that great ultimate market for our and your supplies, Great Britain, and secondly, that such has been the depletion of your great national resources and such are the demands of your growing population, that you must come to us more and more for what you need. It therefore remains for yourselves to say whether you will buy them over a

high tariff of your own creation, or will take down your own tariff walls and pay less. Either way it is all one to Canada, as it appears that you must have them and pay her reasonable prices therefor." 1.

Sifton was another who was reported, in a private conversation in November, to have taken "strong ground" against reciprocity and to have declared

"that the Parliament of Canada would never ratify any convention, if such were arrived at, and he does not think this possible....

Fielding, he said, would never consent to free coal, while Ontario and Quebec, he was satisfied, would not remove their embargo on the export of pulp-wood. 'And if you cannot do anything with these articles what else have you to offer ?' he asked. 2.

Perhaps even more interesting and significant were the expressions of opinion in letters received in reply to one written by Fielding to the Liberal members of Parliament, asking for a confidential statement of their views, especially as to the articles on which their districts would want concessions. 3 The answers were sent to the Department of Finance during Fielding's absence in England and were there minuted. The official who made this abstract, which was possibly all the Minister saw, noted only the products mentioned and paid no attention to any general remarks made by the writers. A number did, however, discuss the political implications of the reciprocity policy,

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1. "Reciprocity", University Magazine, LX, Dec. 1910, pp. 550-559. Also reprinted as a pamphlet.
 2. Fred Cook to Willison, Nov. 7, 1910, Colquhoun, Press, Politics and People, p. 182.
 3. Fielding Papers, Letter-book, June 8-Sept. 29, 1910, p. 28 $\frac{1}{2}$.

and from those who did there appeared more warnings than enthusiasm. One Ontario member wrote,

"I have discussed the matter very generally with the manufacturers, business men and farmers in my constituency, and I have come to the conclusion there is no demand for any change in the tariff at the present time.....The Farmers are not asking for any change or reduction in tariff. They are happy and prosperous, making money faster than they ever did in the history of the Country, and are not feeling any burden of taxation. Our factories are all working overtime to meet the demands of the local market and the western market, and in fact, every class of people including mechanics, artizans and laborers were never as prosperous as they are at the present time. This whole agitation for tariff change seems to me to be inopportune and premature and 'flirting' with it is injuring our party. The movement is wholly a United States movement. They are professing commercial friendship towards Canada. Beware of the Greeks when they bring presents.....
... 'Canada for the Canadians' is the slogan that creates enthusiasm, especially when the country is prosperous and everybody satisfied.....The people in my constituency are perfectly satisfied. I have told them again and again, that the Fielding tariff is perfect, and they believe it and do not want it changed except possibly in some details."

From the Maritimes came the same views.

"The Canadian people are to-day, as a whole fairly well satisfied with present conditions," wrote one important Member, "and there is nothing that could be called a burning desire in Canada for reciprocal trade relations with the United States. Our currents of trade in Canada are fairly well settled, and are now running smoothly and tolerably satisfactorily to all classes of our people. The disturbing of them, therefore, is a very serious matter.....
I think the national idea should be to develop as far as possible profitable trade within our own country."

Another Member warned Fielding of the possible political effect and
against¹ disturbing the "trade lines." The western members, however,
confined themselves more to the definite question asked, - that
is, on what commodities did their constituents wish concessions.²

On his return to Canada Fielding sent out another
circular letter to the Maritime Province Members of Parliament.
In this letter he told of a conversation with a Nova Scotia
fish merchant who had said,

"that he believed the fishing interests generally,
if they could obtain free fish in the American
market, would be satisfied to give our American
neighbours unlimited fishing privileges in our
own waters." "My own thoughts," he added, "ran along
the lines of my friend's suggestion." 3.

The proposal was, however, received without any enthusiasm.

During the summer and autumn there was, of course, a
good deal of newspaper comment, though not perhaps as much as might
have been expected. The Liberal papers treated Taft's suggestion
for reciprocity negotiations as good arising out of evil, though they
were careful to emphasize that any arrangement must be upon "condi-
tions fair to both countries," and that "Canadians are not going to
throw themselves into the arms of the United States." 4.

1. This same member had said in the budget debate of 1909. "For myself, I submit that the position of affairs with regard to our relations with the United States was never better laid down than it was laid down by the right hon. Prime Minister of this country some years ago when he declared that we would send no more delegations to Washington. That policy is one which should be maintained not only in regard to this question, but in regard to all the tariff questions which affect the interests of this country." Commons' Debates, 1909, (vol. XCI), pp; 5005-5006.
2. Fielding Papers.
3. Ibid, Letter-book, Sept. 26-Nov. 28, 1910, p. 51.
4. Halifax Chronicle, Mar. 28, Apr. 1, 1910; Montreal Herald, Mar. 22, 1910; Toronto Globe, Mar. 31, 1910; Victoria Daily Times, Mar. 31, 1910.

newspapers said that negotiations must be initiated by the latter country and proposals submitted by its representatives before Canada should make any move. The Halifax Herald even declared in November,

"If the question of holding negotiations is still in Sir Wilfrid's hand, he will be publicly condemned if any such negotiations take place, for certainly the people of Canada want no reciprocity treaty with our neighbors."

Moreover the discussions should be carried on in Ottawa, not in Washington, as "the pilgrimages to Washington" had all been "fruitless of results."¹ The changed attitude of the United States towards Canada was commented upon, and there was held to be a better chance of agreement than at any other time, though there was still some fear that "the United States wants everything and is willing to give nothing."² The Montreal witness was fair enough, however, to declare that there might be "interested unreasonableness on our part!"²

American
The growth of the ^Amovement for tariff revision, especially after the November elections had shown its strength, was used as an argument against the conclusion of a reciprocity

1. Halifax Herald, Nov. 7, 1910; Montreal Gazette, May 3, 1910; Manitoba Free Press, Oct. 4, 1910. In this connection it is interesting to note that Fielding in a letter to Knox described the prejudice in Canada against "trips to Washington" and suggested that the meetings of the negotiators should be held in Ottawa with a possible adjournment to the American capital. Knox replied, "We do not attach much importance to these matters of form and are quite willing to gratify the Canadian national sentiment, in so far as by such action your Government may be strengthened in its reciprocity policy." Fielding to Knox, Sept. 30, 1910, Fielding Papers, Letter-book, Sept. 26-Nov. 28, 1910; Knox to Fielding, Oct. 10, 1910, ibid.
2. Montreal Witness, May 6, 1910; Montreal Herald, Mar. 29, 1910; Victoria Daily Times, Mar. 28, Nov. 17, 1910.

treaty, for it was pointed out that the time was almost certainly coming when Canadian natural products would be admitted free without any concessions. Even the Toronto Globe said,

"It is certain that Mr. Fielding and Mr. Paterson will consent to no serious lowering of Canadian duties in return for the free entry of Canadian lumber, ores, wood pulp and similar things into the United States. The free entry of articles of that sort is almost certain to form part of any tariff measure which can become law in the United States, during the next two years, and that without any reference to Canada's tariff. The Dominion is not going to pay for United States tariff reductions that would be made as a matter of course and without negotiations," 2.

Changed conditions in Canada were also noted, the Toronto Globe declaring,

"It may be doubted that there are the same arguments for a Reciprocity Treaty that there once were."

Like Ross it was inclined to favour

"independent" and yet "almost concurrent legislation."

on the part of both countries. The growth of Canadian manufactures, as forming one of the most important factors which must be taken into consideration, was emphasized by both Liberal and Conservative papers.
3.

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1. The Minister of Customs, who carried on the negotiations for the treaty with Fielding.
 2. Nov. 11, 1910. See also Montreal Witness, Nov. 10, 1910; Halifax Herald, Nov. 14, 1910; Montreal Gazette, Oct. 3, 1910; Toronto Mail and Empire, Nov. 4, 1910.
 3. Toronto Globe, Mar. 21, 1910; Victoria Daily Times, May 5, 1910; Montreal Gazette, Mar. 25, 1910; Toronto Mail & Empire, Nov. 10, 11 & Dec. 15, 1910.

There was a certain amount of harking back to the days of the Commercial Union agitation and the elections of 1891.

"Reciprocity," said the Toronto Mail & Empire, "the old commercial union and unrestricted scheme on the instalment system is revived.....It is a significant situation, a repetition of history. The friends of a united Empire must be alert at the present time." 1.

Very early, in some quarters, an almost hysterical loyalty began to show itself.

"It is no exaggeration to state," said a writer in the National Review, "that within the next few months the whole fiscal, and simultaneously the whole political and social, future of the Empire may be decided. And that decision will be made at Washington. No less a significance can be attached to the forthcoming negotiations for a Reciprocity Treaty between Canada and the United States. It is, therefore, of the utmost importance that all who have at heart the Imperial ideal should strain every nerve to prevent so fatal an event." 2.

The Manitoba Free Press held that this feeling was due

"in part to the fact that with respect to reciprocity with the United States, the Liberal party has an historic blunder upon its record;" -

3.

that is to say the agitation for Unrestricted Reciprocity.

The Toronto Globe tried to combat this propaganda by reference to the record of the Government with regard to the British preference.

"'Commercial Union,'" it declared, "was made forever impossible when in 1897 Mr. Fielding introduced the British preferential tariff. The Liberal party is pledged to maintain that preference to Great Britain

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1. Oct. 3, 1910. See also Sept. 30, & Oct. 18, 1910 and Halifax Herald, Oct., 1910.
 2. "Great Britain, Canada and the United States," National Review, LV, July, 1910, p. 786.
 3. Nov. 9, 1910.

"as an integral part of its fiscal policy..... Canada regards Britain as her largest and most profitable market, and she intends to continue the fiscal policy under which imports from Britain pay in most cases a third less duty than similar imports from the United States. The Globe is heartily in favor of the British preferential tariff, and therefore is entirely opposed to 'reciprocity' in the sense in which the News [another newspaper] is using the term." 1.

The arguments used against reciprocity followed the same lines as those expressed by Hoss and Foster. The reasons why the United States wanted reciprocity were that it would enable them to get Canadian raw materials, would open Canadian markets to their manufactures, and put an obstacle in the way of imperial unity.

"Uncle Sam sings sweetly to us on the subject of reciprocity," said the Toronto Mail and Empire, "With a kind heart, and a sentimental regard for our welfare that cannot be suppressed, he wants to sell us all the things we need, articles that we might make ourselves if left alone. He is also ready to buy of us the raw materials which he so requires for his own use. In fact he will take our raw materials free of duty, because he wants it, and will make it up into manufactured goods, and sell them to us, if we only say the word. And there are newspapers in this country so foolish as to countenance this proposition.....If Canadians as a people appreciated the natural resources and prospects of their country as much as the most discerning observers on the other side of the line, here the National Policy would be speedily revived and the idea of reciprocity with the United States would not get a hearing." 2.

The necessity of the retention by Canada of her fiscal independence and the impossibility, in view of the record of history,

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1. Sept. 30, 1910. See also Montreal Witness, Mar. 31, 1910.
 2. Sept. 29, & Oct. 29, 1910. See also April 4, May 4, 1910 and Halifax Herald, Nov. 7, 1910.

of being able to count on the permanency of any arrangement, were also emphasized.

"The United States and its politicians still put fourth of July gas before statesmanship," said the Montreal Gazette. "While they do this any commercial agreement with Canada or any other country will be liable to be ended as was that of 1854." 1.

Thus it can be seen that the long delay in embarking upon negotiations had given an opportunity for opposition to gather and that, before the Government announced the details of the arrangement, there had been quite an amount of adverse criticism.

"No Board of Trade, Chamber of Commerce, large business interest, or body of men has asked for it, or spoken in its favor," declared the Halifax Herald. "On the other hand the expression of public opinion AGAINST the whole matter of Reciprocity negotiations and treaty has been most pronounced." 2.

The Conservative press had lined up in opposition to the project and the Liberal newspapers gave it only a very cautious endorsement.

Fielding was not unaware of this sentiment in the country. Even before he left for England he had written to Lord Grey.

"We shall not have plain and easy sailing in this reciprocity matter on our own side. Powerful influences in Canada are setting themselves against reciprocity. Others, basing their views on the past experience of Canada, take it for granted that we cannot get a fair treaty and therefore it is not worth while

1. Montreal Gazette, July 16, 1910. See also Nov. 10, 1910.
2. Nov. 14, 1910.

"moving at all. It will take time and patience and strong evidence of fair dealing on the part of the Americans to overcome this feeling and bring about a satisfactory arrangement." 1.

To Knox he expressed much the same view.

"In my discussion of matters with the President at Albany," he wrote, -"and I think also with the President and yourself at Washington I pointed out that, while the idea of reciprocity was at one time popular in Canada, our people had turned away from the movement and that we might expect considerable opposition towards more intimate trade relations. My anticipations in this respect have already been realized." 2.

In his circular letter to the Liberal Members of Parliament he also said,

"I know that the question is full of difficulty and that we shall have to exercise the utmost care in the making of any arrangement, if one can be found at all possible." 3.

In an interview on his return from England he admitted that there had been "a good many expressions against reciprocity in any form," but he felt this was not the opinion of the majority of Canadians.⁴ To the editor of the Toronto Globe and to another correspondent he expressed considerable annoyance at attacks which could be based on nothing definite since no negotiations had taken place.⁵ Resuming his correspondence with Knox he again emphasized that

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1. Fielding Papers, Letter-book, Apr. 25-June 8, 1910, p. 496.
 2. Ibid, p. 441.
 3. Ibid, Letter-book, June 8-Sept. 29, 1910, p. 28½.
 4. Halifax Chronicle, Sept. 30, 1910
 5. Fielding Papers, Letter-book, Sept. 26-Nov. 28, 1910, p. 379 and June 9, Sept. 29, 1910, p. 553.

"the old feeling favourable to reciprocity having largely died out and powerful interests distinctly opposed to reciprocity having grown up, it seems necessary for us to move carefully and make every effort to assure our people that nothing is contemplated but a fair and reasonable arrangement which will be of advantage to both countries." 1.

Sir Wilfrid Laurier was probably considerably influenced by a visit he paid to the West in the summer of 1910. In recent years the organized farmers' associations, supported by some of the western Members of Parliament and the Manitoba Free Press and other western newspapers, had carried on a campaign for lower tariffs.^{2.} This found expression on the part of all deputations, composed of members of the United Farmers of Alberta, Manitoba Grain Growers' Association and Saskatchewan Grain Growers' Association, which met the Prime Minister on his tour. In their tariff resolutions the last two associations specifically mentioned reciprocity with the United States and asked the Government to accept the United States offer. The United Farmers of Alberta did not seem so enthusiastic, the reference to reciprocity being limited to a request for mutual free admission of farm implements. The resolutions of the organized farmers also asked for government ownership of various facilities, which they considered essential to their development, - for government ownership of the terminal elevators, for a government owned and operated meat curing and

1. Ibid, Letter-book, Sept 26-Nov. 28, p. 23.

2. See same speakers in budget debate 1909, e.g. especially Michael Clarke, Commons' Debates, 1909, (vol. XCI), pp. 4704-4717; Manitoba Free Press, Apr. 21 & 23, 1909; Porritt, Sixty Years of Protection, pp. 17-18, pp. 450-454.

chilling process, and for government construction and operation of a railway to the Hudson's Bay. From an examination of the memorials presented to Sir Wilfrid it seems clear that these loomed larger in their minds than the purely tariff question or reciprocity. It is interesting to note, however, that on all the memorials received by Laurier on his western tour, the tariff resolutions have been especially marked or noted.^{1.}

These resolutions were again presented to the Government by a monster delegation of farmers which met in Ottawa on December 15th and 16th. Negotiations with the United States having by that time been entered into, there was a special and separate resolution on reciprocity, which stated,

"No trade arrangements which the Canadian government could enter into with any country would meet with greater favour or stronger support from the farmers of this country, than a wide measure of reciprocal trade with the United States..... This delegation, representing the agricultural interests of Canada, strongly urges our government to meet the United States half way and secure as large a measure of reciprocal trade in manufactured articles and the natural products of both countries as possible."^{2.}

Sir Wilfrid, in his reply, repeated his well-known objections to government ownership and held out little hope of the farmers' requests in that respect being acceded to.

"To government ownership, I may be persuaded," he said,

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1. Laurier Papers, Farmers' Delegation, 1910.
 2. Sessional Papers, 1911, No. 113, pp. 40-41.

"to government operation I may be persuaded also, but with greater difficulty." 1.

With regard to reciprocity he was more encouraging, pointing out that negotiations were in progress and that he and his colleagues did not share the views of those who opposed it. He added, however,

"Any change in our trade relations with regard to manufactured products is a more difficult matter." 2.

It seems probable that Laurier, realizing that some effort must be made to conciliate the West and unwilling to concede the demands for a lower tariff or for government ownership, considered the United States offer to negotiate a reciprocity arrangement as almost providential. Here, at least, was something which offered an avenue of escape. In his eagerness it is probable, too, that he overestimated the desire of the West for reciprocity, seeking to convince himself that an arrangement along these lines would be all that would be necessary. That this was not the case appears from one letter of a Manitoba correspondent, who wrote complimenting him on his stand on this question, but adding,

"It will be a Godsend as far as it goes, but it is only a very small portion of the people's rights." 3.

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1. Ibid, p.55. For other expressions of these views see his speech on the transcontinental railway. Commons' Debates, 1903, (vol.LXI) pp.7677 and a private letter of Dec.24, 1910 in which he said, "I must tell you frankly that for my part and with my strong convictions, borrowed from the English Liberal school of politics, I am not much in favour of the growing view of substituting collectivism to individualism in the relations of the Government with the people. Government operation of national public utilities does not appeal to me, though I must admit that the Government ownership of elevators is the least objectionable of all. Laurier Papers, Farmers' Delegation, 1910.
 2. Sessional Papers, 1911, No.113, p.55; see also Dafoe, Laurier, p.129.
 3. Laurier Papers, Farmers' Delegation, 1910.

The opinion has often been expressed that had the Government dissolved Parliament and held an election immediately after the announcement on January 26th 1911, of the conclusion of its agreement with the United States, it would have scored another victory.^{1.} It is, of course, impossible to come to any conclusion on this point and in any case its determination does not fall within the limits of this work. It can, however, be said that a careful study of the literature of the subject from 1900 to 1910 leads to the view that what is surprising is not that the Liberals were defeated on the reciprocity issue in 1911, but rather that they expected to win. For ten years, encouraged by all their statesmen, Canadians had been inculcated with a belief in the greatness of their destiny and in their ability to pursue it independently of their trade relations with the country to the south. The prosperity of these years seemed to prove the truth of this contention. As one of Laurier's correspondents phrased it, "A man in perfect health does not dose himself with patent medicine."^{2.} The cry which had won the 1908 election for the Liberals, "Let well enough alone," was a potent factor in their defeat in 1911.

For if there is one conclusion which emerges clearly from a study of the attitude towards reciprocity in Canada from 1887 to 1910 it is that it was a depression measure, advocated

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1. E.g. Deafoe, Sifton, p. 363.
 2. Laurier Papers.

most strongly when economic conditions were at their worst. Thus from 1888 to 1891 the agitation ^{was} ~~is~~ vigorous and probably only defeated because the opposition of the United States necessitated the assertion of the remedy in its most extreme form. With the revival of prosperity in the middle of the decade of the nineties, the propaganda began to flag, and by the time the Liberals gained power it was already on the decline, so that when negotiations were actually embarked upon in 1898 and 1899 sentiment in the country was no longer strong enough to be very active in its promotion, though reciprocity may probably still be regarded as something which tradition had sanctified. From 1900 to 1910, prosperity and the adoption by the Government of the British preference, relegated reciprocity to the back-ground and it is hardly spoken of except with indifference or hostility.

It is probably because those who tell the story of reciprocity between Canada and the United States tend to concentrate on the periods when negotiations were in progress, without adequate study of the intervening periods, that the defeat of reciprocity in 1911 seems astonishing. In 1887 and 1892 it was Canada who pressed for the discussion of reciprocity, though possibly with no ardent desire on the part of the Government for its consummation. Even in the preliminary negotiations for the Joint High Commission it was Canada who urged the inclusion of reciprocity in the terms of reference. Thus at first sight it seems surprising that when, on the suggestion of the United

states, an agreement was reached in 1911, it was Canada who prevented its taking effect. Closer attention, however, reveals the change in attitude and shows that Canadian attachment to reciprocity must be regarded as somewhat in the nature of a tradition as far as the years 1898-1900 are concerned.

It should be noted also, that throughout the whole period 1887-1910, and this applies as well to the periods before and after those studied here, reciprocity was never considered solely as an economic question. Discussion of Canada's political destiny was always closely interwoven, and opposition came from those who feared an encroachment on her growing independence, as well as from those who wished to see her ties with Great Britain strengthened. This, too, was a potent factor in the development of the attitude towards reciprocity. The whole period is one of increasing consciousness of Canadian nationality, if not of the growth of actual constitutional power. Imperial sentiment, too, had been quickened and was strengthened by the British preference and the South African War. Thus, politically as well as economically, the trend was away from those forces which strengthened opinion in favour of reciprocity. It was not until Canada, more nearly a nation through two decades more of development, and more solidly sure of her own destiny, ceased the self-glorification which marked the period 1900-1910 that reciprocity with the United States could be considered dispassionately.

B I B L I O G R A P H Y.

A. MANUSCRIPT SOURCES.

1. FIELDING PAPERS.

The papers of W. S. Fielding are privately owned and unclassified. Acknowledgment for their use is made elsewhere. Access was obtained to the Letter-books from 1908-1910 and also to a miscellaneous collection, relating especially to reciprocity.

2. LAURIER PAPERS.

The papers of Sir Wilfrid Laurier are in the possession of the Dominion Archives, Ottawa, and have not as yet been fully arranged. There are some bound volumes, which have been used as follows:-

Correspondence, 1870 - 1891.

Governor-General's Correspondence.

Papers on the Farmers' Delegation of 1910 are in a separate file.

Other references are to miscellaneous bundles as yet unclassified. Grateful acknowledgment is made of the assistance received from the Acting-Dominion Archivist, Dr. J. F. Kenney, and from Miss Jessie McKay of the Archives staff, in locating relevant material.

3. MACDONALD PAPERS.

The papers of Sir John A. Macdonald, a very important and extensive collection, are in the Dominion Archives.

These are classified according to subject, though there are a number of volumes of miscellaneous correspondence. In some cases, letters have been grouped in volumes according to the author. The volumes chiefly used were as follows:-

Treaty of Washington, 1887 - 1888.

Elections.

Commercial Union.

Commercial Relations with the United States.

Copies of Macdonald's own letters are to be found in the Letter-books.

4. TUPPER PAPERS.

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2. GREAT BRITAIN. Parliamentary Papers.
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D. NEWSPAPERS.

The files of the following newspapers have been used and are arranged according to the geographical area, proceeding from east to west.

Reference may be made to THE CANADIAN NEWSPAPER DIRECTORY (A. McKim & Co., Montreal), published

at various intervals, and to A HISTORY OF CANADIAN JOURNALISM (Toronto, 1908), compiled by a committee of the Canadian Press Association.

HALIFAX CHRONICLE, Liberal. Fielding was editor of this newspaper for some years, retiring in 1884.

HALIFAX HERALD, Conservative.

MONTREAL GAZETTE, Conservative.

MONTREAL HERALD, Liberal. At the beginning of this period owned by the Hon. Peter Mitchell, independent Liberal.

MONTREAL WITNESS, 1900 - 1910, Independent.

TORONTO GLOBE, the nearest approach to an official organ of the Liberal party.

TORONTO MAIL, Conservative, but in the earlier part of this period not supporting the Macdonald government. Amalgamated February, 1895, with the EMPIRE, and from then until 1936 the Toronto MAIL AND EMPIRE is the chief organ of the Conservative party in Ontario.

TORONTO EMPIRE, founded, through the efforts of Sir John Macdonald, in December, 1887, and, until February, 1895, when it amalgamated with the MAIL, the mouthpiece in Toronto of the Conservative government.

MANITOBA FREE PRESS, published in Winnipeg, listed as Liberal, but often following an independent attitude and, in the early part of this period, subject to other influences, as, for example, that of the Canadian Pacific Railway. In the latter part of the period it was owned by the Hon. Clifford Sifton, Minister of the Interior from 1896 to 1905.

VICTORIA DAILY TIMES, *one of* the most important Liberal newspapers in British Columbia. ?

E. PAMPHLETS.

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Access was also had, through the kindness of the author
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V I T A.

I was born in Saint John, New Brunswick, Canada, on May 8th, 1901, the daughter of Mr. and Mrs. Walter E. Foster. I attended private schools in that city, and afterwards, Havergal College, Toronto. I then became a student at the Royal Victoria College, McGill University, and received my B.A. degree, with first class honours in English and History, in 1923. I obtained my M.A. degree, also from McGill University, in 1925. My dissertation for this degree was written under the direction of Professor Basil Williams, now of Edinburgh University. At the same time I was awarded the Moyse Travelling Fellowship.

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