

Reasons for Federal Union (Confederation)



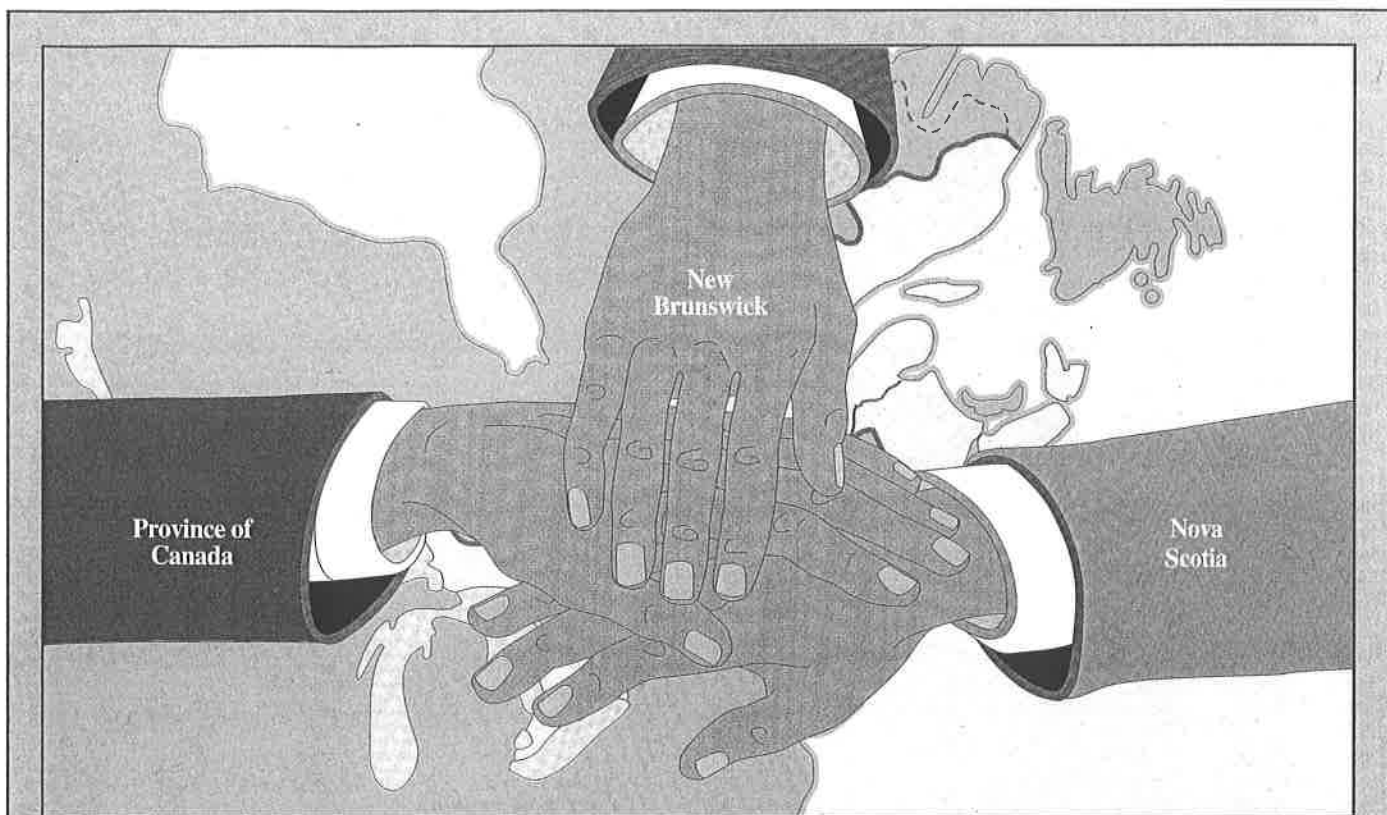
Why do you think the political parties in the Canadas decided to work towards a federal union (Confederation) at this time? Many changes had taken place during the 1850s and early 1860s that had led to this decision. There were basically five reasons why the politicians of the 1860s were in favour of Confederation:

1. When there is a political deadlock, no laws can get passed. That was when the Great Coalition was formed. (You have already read about the problems in the government of the United Province of Canada [Canada East and Canada West].)
2. A railway was needed to link the colonies.
3. Trade with the United States was ending.
4. There was a threat of an American expansion into British North America.

5. Britain was changing her attitude about the British North American Colonies.

1. Political Deadlock and the Great Coalition

The Great Coalition was formed in June of 1864. The parties joined together in a new political party that they called the Confederation Party. The purpose of the Confederation Party was to create a federal union in the Province of Canada (Canada East and Canada West) and seek a larger union with the other British North American colonies: the colony of Newfoundland, the colony of Nova Scotia, the colony of Prince Edward Island, and the colony of New Brunswick. Eventually, they hoped that the colonies of Vancouver Island, British Columbia, and the North-West Territories would become part of the union.



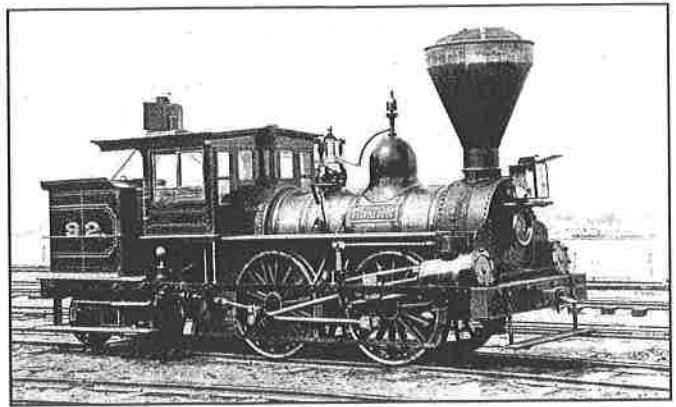
Confederation

In 1867, the British North American colonies of New Brunswick, Nova Scotia, and the Province of Canada (Canada East and Canada West) agreed to join together to form a nation that would be a federal union.

This was Confederation. The members in this union would retain some power over their own affairs and would turn some powers over to a more powerful central government. This central government, located in Ottawa, is Canada's federal government.

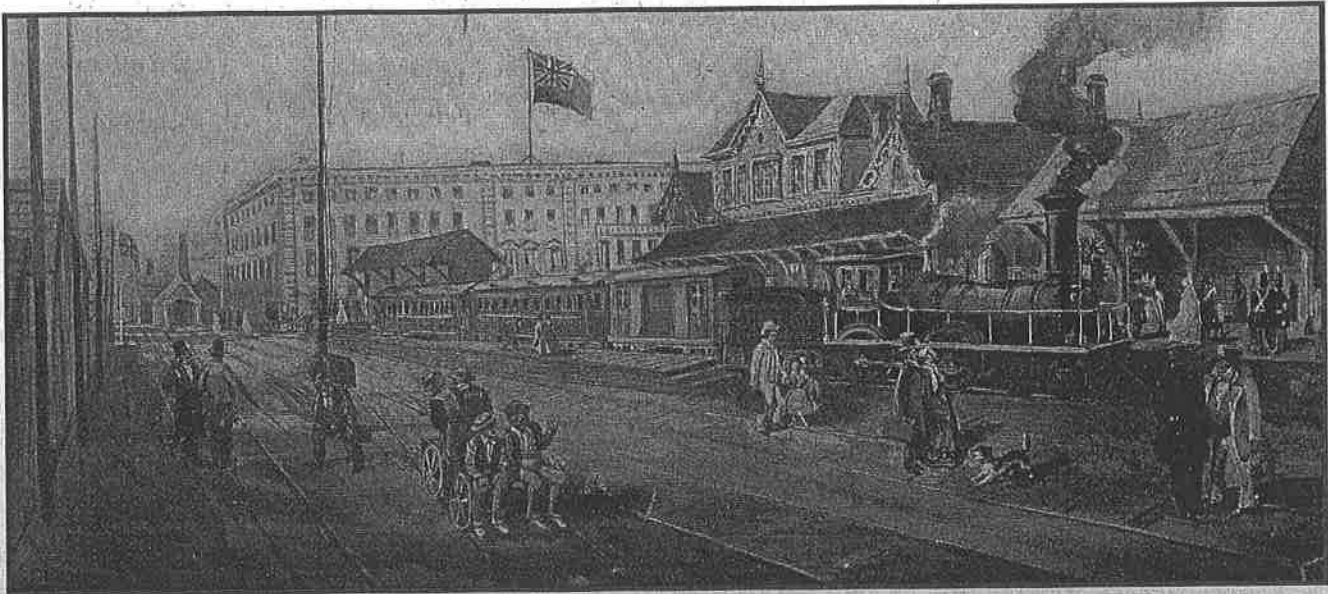
2. A Railway Was Needed

The Province of Canada was separated from the Atlantic colonies by the mountains in Gaspé and northern Maine, and by the ice that closed the St. Lawrence River each winter. The railways made the distance between the colonies seem much shorter. Before the railway, mail delivery took a week. After the railway was built it took a day. The first important railway line ran from Montreal to Portland in the United States. This gave merchants in Montreal a means of getting their goods out of Canada East even in the winter. They no longer had to worry about the St. Lawrence River freezing over.



The railway enabled mail and goods to go to the colonies in a shorter amount of time.

Focus On: The Railway-Building Era



This is the Great Western station at London, Ontario, in 1858. The large building in the background is Tecumseh House. It was the largest hotel in British North America at this time.

In British North America there was an obsession with building railways in the 1850s. By 1860 Nova Scotia, New Brunswick, Canada West, and Canada East all had their own railways. Travel by water was very slow and the rivers froze in the winter, making it impossible to get goods to market. The railways made it possible to get farm crops and manufactured goods to market quickly and cheaply. This provided a tremendous interest in Canadian manufacturing.

Unfortunately, it did not take

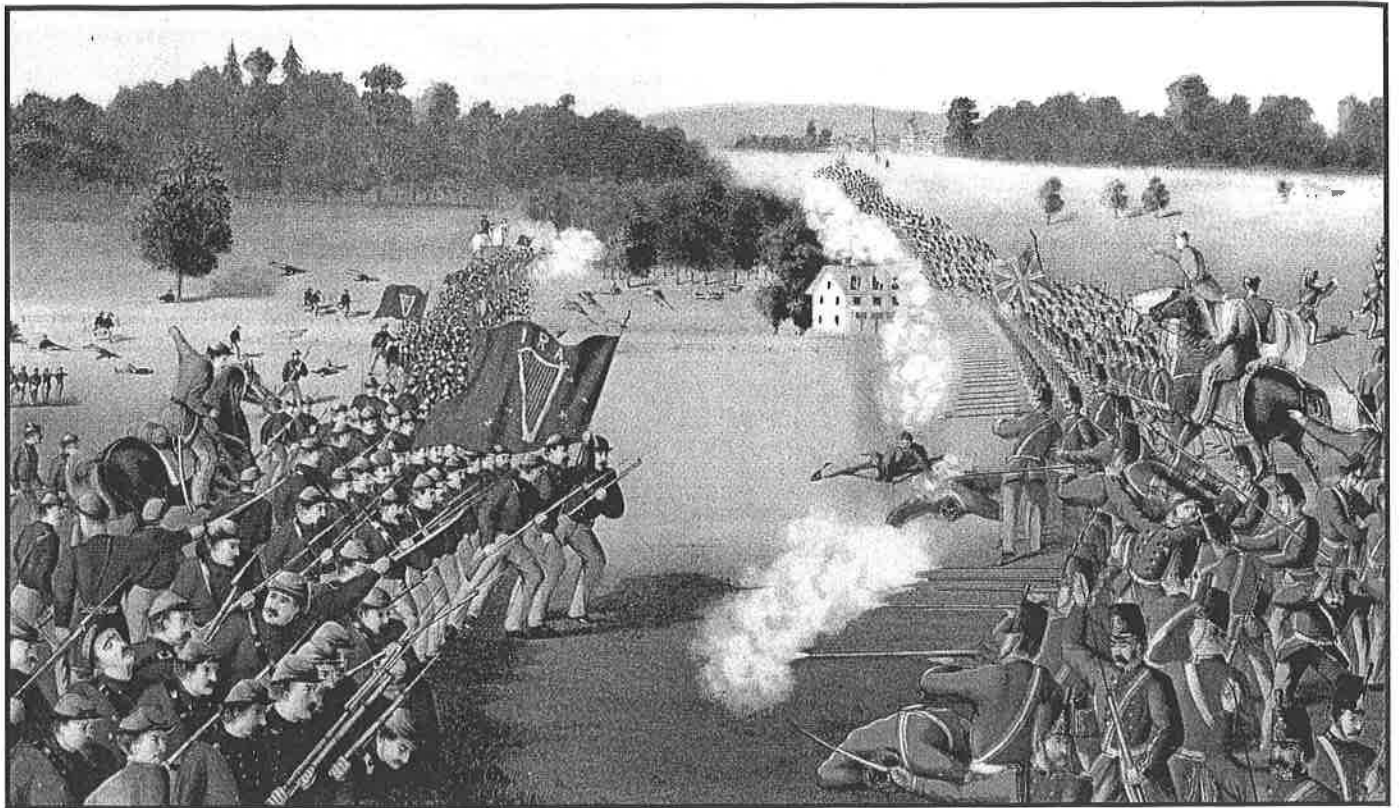
long before the railways were in financial difficulty. By 1860 the Grand Trunk Railway, which ran from Sarnia in the west to Rivière-du-Loup in the east, was virtually bankrupt. In 1861, it declared a deficit of 13 million dollars. The Great Western Railway, which ran from the Niagara River to Windsor, also ended up in financial trouble.

The government could not let the railways go bankrupt because of their importance to the economy. As a result, the railway companies did not have to repay most of their loans.

This was very expensive for the taxpayers of Canada.

After 1860, railway building in the British North American colonies came to a virtual halt. By this time a new dream was beginning. This was the dream of a new nation united by a railway, built from sea to sea. If the colonies joined together and they all shared in the costs, an **intercolonial railway** and a railway to the Pacific Coast would be possible.

Intercolonial railway—a railway that joins the various colonies



This painting depicts a battle between Fenians and British soldiers that took place in 1866 at Ridgeway near Niagara. The Fenians wore green and carried a green flag with a gold harp. The British wore red.

3. Trade with the United States

Because the British North American colonies were part of the British Empire, they received favoured status when they traded with Britain. This meant that owners of products such as timber and wheat either paid low taxes (**tariffs**) or no taxes when they entered Britain. People importing products from places that were not part of Britain's empire were forced to pay high tariffs and did not receive tariff protection.

In 1846 Britain entered a period of **free trade**. This meant that Britain bought goods from whichever country sold them at the lowest price. The colonies of British North America lost their special status with Britain and as a result lost most of their markets. Economic hard times resulted.

The economic situation improved in 1854 when a trade agreement, called the Reciprocity Treaty, was signed between British North America and the United States. Reciprocity meant that there would be free trade in natural products between the British North American colonies and the United States. It meant that the British North American colonies could sell their products to the United States without paying

tariffs whenever products entered or left an area. Soon new American markets joined old British markets.

In 1865 the United States decided to end the Reciprocity Treaty. Soon an idea began to spread among the colonies of British North America: if the colonies joined together and traded among themselves, removing the tariffs between their various colonies, economic prosperity would continue.*

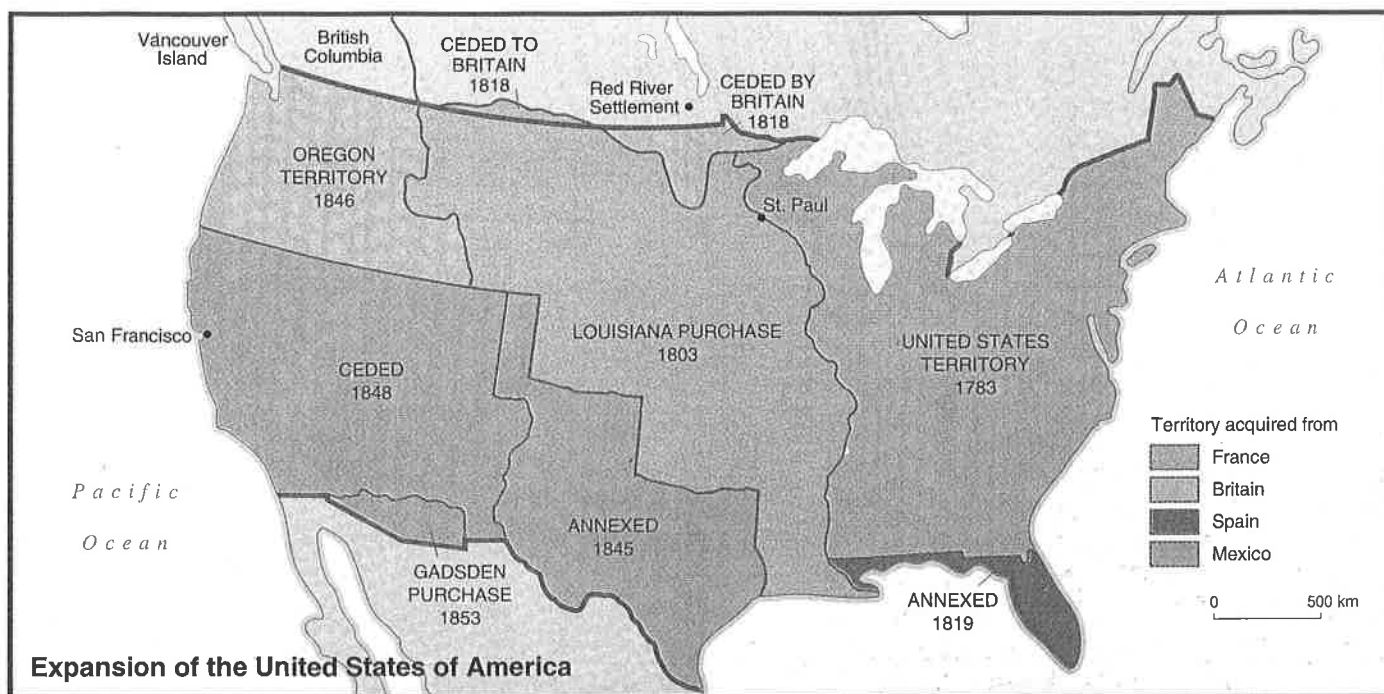
4. Threat of American Expansion Northward

During the 1860s the Northern and Southern American states had been at war with one another. Southern raiders had used Canadian territory as a base from which to attack the Northern states. At the end of the Civil War, in 1865, the Northern states accused the British colonies of helping Southerners who were fleeing from Northern troops. The British government, to some extent, had sided with the South. There was talk of invading the British North American colonies.

In 1866 the Fenians made several armed raids across the border into the British North American colonies. The Fenians were a group of Irish Catholics in the United States who wanted to end British rule over Ireland. Since they could not get at Britain directly, they decided to attack her North American colonies. Fenian border raids were another example of a threat from the American states.

Tariff—a tax paid on goods brought into a country or colony
Free trade—trade between countries where taxes or tariffs are not involved

*Each of the colonies of British North America had tariffs on goods entering them.



After the American Civil War the Americans entered into a period of western expansion. They had obtained land from Spain, Mexico, France, and Great Britain (Oregon) as their people moved westward. Many people in the colonies were concerned about the American threat to western lands in British North America. Would the Americans try to buy land in British North America from Britain? Would they invade as they had done in the past (during the American Revolution, during the War of 1812, and recently during the Fenian border raids)?

The Americans in the colony of Red River wanted it to join the United States. There was already a great deal of trade going on between Red River and the American community of St. Paul.

There was also a danger that the most western colonies of Vancouver Island and British Columbia could be taken over by the United States. Many American miners, who had flooded in during the gold rush in the late 1850s and early 1860s, had settled in the area. Also, there was much trade going on between the two British colonies and the American port of San Francisco.

Good farmland in Canada West was getting more difficult to obtain. Many people in Canada West looked to the lands to the west (present-day Manitoba, Saskatchewan, and Alberta) as a possible area for settlement; but the Americans too were thinking about moving into these western lands. If the colonies of British North America were to join together and annex these western lands, they would get the land before the Americans did.

Many people in the British North American colonies were concerned about the American threat. They thought that if they united they would be better able to defend themselves.

5. Changing British Attitudes

The British were also concerned about the American threat. It was very expensive to defend the British North American colonies. They thought that if the colonies united they would be able to defend themselves, and the British army would not have to help them. The British governors in each of the colonies were told to encourage the colonies to unite (Confederation).

Britain's decision to encourage union was very important because the British North American colonists were still intensely loyal to Britain. If Britain wanted Confederation, then many people would be inclined to favour it for that reason alone. Britain's change in attitude towards her British North American colonies meant Britain was in favour of these colonies taking on more responsibility for governing themselves. This factor played an important part in Canada's struggle for self-government.

As fragments, we shall be lost; but let us be united and we shall be as a rock.

Thomas D'Arcy McGee
Canada East

If we desire to obtain England's support for our defence, we must help ourselves. When we are united, the enemy will know that if he attacks any province he will have to deal with the combined forces of the Empire.

George-Étienne Cartier
Canada East