

Prince Edward Island and Confederation 1863-1873

Francis William Pius BOLGER, Ph.D.
St. Dunstan's University, Charlottetown

The idea of Confederation did not receive serious consideration in Prince Edward Island prior to the year 1863. Ten more years elapsed before the subject of union with the British North American Colonies moved into the non-academic and practical sphere. The position of the Island in the Confederation negotiations illustrated in large measure the characteristics of its politics and its attitude to distant administrations. This attitude might best be described simply as a policy of exclusiveness. The history of the Confederation negotiations in Prince Edward Island consisted of the interplay of British, Canadian, and Maritime influences upon this policy. It is the purpose of this paper to tell the story of Confederation in Prince Edward Island from 1863 to 1873.

The policy of exclusiveness, which characterized Prince Edward Island's attitude to Confederation, was clearly revealed in the political arena. The Islanders had a profound respect for local self-government. They enjoyed their political independence, particularly after the attainment of responsible government in 1851, and did not wish to see a reduction in the significance of their local institutions. They realized, moreover, that they would have an insignificant voice in a centralized legislature, and as a result they feared that their local needs would be disregarded. Finally, previous frustrating experience with the Imperial government with respect to the settlement of the land question on the Island had taught the Islanders that it was extremely hazardous to trust the management of local problems to distant and possibly unsympathetic administrations. For these reasons the Islanders were convinced that Confederation was tantamount to political suicide.

Prince Edward Island's exclusiveness was also present in the economic sphere. The Islanders maintained that Confederation would be financially disastrous to the agricultural, fishing and commercial interests of the Island. The Island's economy depended almost entirely on agriculture and the fisheries, the products of which were exported mainly to Europe, the United States and the West Indies, in exchange for necessary imports. Since Canada was essentially agricultural and also possessed extensive fisheries, it did not provide and could never be expected to provide a market for the staple commodities of the Island. Island politicians feared union with Canada which would include them in the Canadian tariff structure and increase the

duties on commodities from their former customers to such an extent that the islanders would be forced to purchase from Canada to whom they could sell nothing in return. They felt, moreover, that their former customers would resent such arrangement and as a result the Island's trade position would be ruined. Since the Island, by reason of the complete absence of minerals, could never hope to become a manufacturing province, the people concluded that Confederation would be completely destructive to their economy. And to complete the dreary economic outlook, the Islanders claimed that they would be subjected to an oppressive federal taxation from which there would be no substantial return since little was needed by way of public works on the Island. In fine, the people maintained that Confederation would decrease revenue and increase taxation, and as a result prove financially disastrous to their economic interests.

The exclusiveness of Prince Edward Island also resulted from a deep-seated provincialism and insularity. Situated in the Gulf of St. Lawrence and practically isolated from the mainland for five months of the year, Prince Edward Island's small area supported a population of approximately 90,000 people. Its attitude to Confederation was determined by the very nature of its geographic position and by the peculiar problems attendant upon a small population in such a position. This geographic isolation in itself might have been enough to account for an extreme insularity and lack of interest in broader movements such as Confederation. However, provincialism was even more exaggerated by preoccupation with two problems that demanded almost constant attention to the exclusion of practically all others.

For nearly a century Prince Edward Island's politicians attempted to settle a land question which fortunately was unique in British North America. The people of the Island inherited an iniquitous land tenure system whereby nearly the whole Island was owned by absentee proprietors who would not sell the land to the occupants. Naturally enough the Island tenants were averse to the rent system and desired to become freeholders. The land system was an unsolved problem entering into the daily lives of the people so as to embitter even social relations.

Moreover, the people of the Island had an educational and religious problem to face. Religious animosities were little less than scandalous. The questions of separate schools, Bible reading in the schools, and the incorporation of the Orange Lodges were disputed by Catholics and Protestants with bitterness and ill-feeling; and among a people essentially religious these questions assumed a place of supreme importance. Thus the exclusiveness of Prince Edward Island also flowed from a provincialism based on geographic isolation and intensified by a preoccupation with two problems intimately involving the material and spiritual life of every individual on the Island.

For these reasons the people as a whole were determined that Prince Edward Island should remain a separate colony. The scheme of Confederation based upon the Quebec Resolutions was viewed with hostility on the Island. The people displayed a concerted opposition to the scheme; and the Legislature stated the union with Canada “would prove politically, commercially and financially disastrous to the rights and best interests of its people.” After participation in the Charlottetown and Quebec Conferences, the Island withdrew from the Confederation movement and embarked upon a policy of “splendid isolation.”

Prince Edward Island was never permitted, however, to follow this policy without interference. The Imperial and Canadian authorities, engaged in the consolidation of British North America, could not remain indifferent to the Island’s decision to remain independent. By 1865 the Imperial government, particularly on account of the problem of defence, decided to support the Confederation movement. Since the Island’s abstention prevented to some extent the consolidation needed for defence purposes, the Imperial government applied unrelenting pressure to secure the Island’s adherence to Confederation. In June 1865, the Island government was informed that it was “the strong and deliberate opinion of Her Majesty’s government” that Prince Edward Island should unite with Canada. The Islanders refused to budge; and in 1866 the House of Assembly framed a vigorous address to the Queen which stated that the Island considered that Confederation “would be as hostile to its feelings and wishes as it would be opposed to the best and most vital interests of the people.” In the following year the Island administration requested the Imperial government to make the sale of the proprietary lands compulsory and to guarantee a loan to assist the Islanders in the purchase of these lands. The Imperial authorities refused to guarantee the loan and suggested that the land question should be settled in Confederation. In 1869 the Imperial government required the Island to provide for the salary of its own Lieutenant Governor. Prince Edward Island remained adamant in the face of the moral and financial suasion exerted by the Imperial government. By 1870 the Imperial authorities decided that further pressure was useless and expressed the belief that “time alone would show the P.E. people how much Confederation would be for their benefit.”

The Dominion government did not approve of the independence of this little Island situated on its door-step. The value of its fisheries, the necessity of common tariffs and common defence plans, together with the desire to round off the Dominion made the Canadian government anxious to bring the Island into Confederation. The desirability of reopening negotiations with Prince Edward Island assumed a new urgency by 1869. In 1868 a Congressional Committee from the United States had visited the Island to discuss the re-establishment of Reciprocity. The report presented to Congress in 1869 by the Committee revealed that it was almost as interested in

preventing the union of Prince Edward Island with the Dominion as in establishing free trade between the Island and the United States. The fear of American exploitation on the eastern sea-board convinced the Canadian authorities that they must renew their efforts to bring Prince Edward Island into Confederation. Therefore, in December, 1869 the Canadian government sent a set of proposals embracing “better terms” to the government of Prince Edward Island.

Since Prince Edward Island had rejected Confederation based upon the Quebec Resolutions because it considered such a scheme “would prove politically, commercially and financially disastrous to the rights and best interests of its people,” the Dominion realized that it would have to make a more generous settlement to offset these declared disadvantages if it were to succeed in inducing the Island to enter Confederation. Accordingly, the terms of Confederation offered to Prince Edward Island in 1869 were more generous than those provided by the Quebec Resolutions. The new provisions were “better” in that the Dominion government promised to establish efficient steam service and constant communication between the Island and the Mainland and to provide a loan of \$800,000 to enable the Island to purchase the proprietary lands if this compensation could not be obtained from the Imperial government.

The attitude of Prince Edward Islanders to these proposals revealed that they were still so bent on maintaining their independence that as the Dominion offered more concessions they were prepared to demand additional ones. They refused to accept the new proposals. They maintained that the proposed terms did not include an adequate solution of the land question because the \$800,000 compensation should come from the Imperial government accompanied by a guarantee that the proprietors would be compelled to sell their lands. They also asserted that the Dominion should build a railway on the Island. The reaction of Prince Edward Island to the “better terms” made it apparent that only the presence of some compelling crisis would ever induce it to enter into union with Canada.

In the year 1871 the Island government unwittingly took a step that was destined to provide the emergency which led to Confederation. In the session of the Legislature of that year a railway bill was passed which was decisive in making the Island a province of the Dominion. Two years later railway liabilities so imperilled the Island’s position in the money market and brought its economy so close to callapse that the Island government reluctantly admitted that Confederation was the only possible solution. Delegates from the Island entered into negotiations with the Dominion and submitted terms of Confederation to the electors. The people were informed that their independence could not be maintained any longer since the Island was encumbered with a debt entirely disproportionate to its resources. They were also advised that increased taxation, besides being unbearable, would

only postpone the inevitable which in the end would have to be accepted. The people reluctantly yielded to these arguments.

The role played by Prince Edward Island in the final act of the Confederation drama was in perfect harmony with previous performances. Confederation was viewed primarily in terms of the financial settlement. The electors while voting in favour of the principle of Confederation gave the mandate to the party that promised to secure still better terms of admission. The new government entered into further negotiations with the Dominion and obtained a few additional concessions. In May, 1873, the new terms were carried almost unanimously by the Island Legislature. Local patriotism had finally been forced to yield to economic necessity and on July 1, 1873 Prince Edward Island became a province of the Dominion of Canada.

The political and economic objections that had prompted the policy of "splendid isolation" were considerably assuaged by the terms of Confederation. The Dominion government conceded to the Island government some special provisions designed to meet its most pressing local difficulties. A special subsidy of \$45,000 was granted in consideration of the Island's lack of Crown lands, but from this amount was to be deducted interest at the rate of five per cent *per annum* on any amount not exceeding \$800,000 that the Dominion would advance for the purchase of proprietary lands. Efficient steam service and telegraphic communication between the Island and the Mainland were assured. In addition the Dominion government assumed the ownership and operation of a two hundred mile railway system thereby providing the Island with a much desired and adequate means of internal communication. Finally, to meet the fear of inadequate representation, an additional member was allotted to the Island in the House of Commons. Since the terms of the Quebec Conference guaranteed neither the settlement of the land question nor efficient communication with the Mainland, and since the 1869 offer had made no provision for a railway, Prince Edward Island gained tremendous advantages from its ten-year policy of "splendid isolation."

The people of Prince Edward Island had so profound a respect for local self government, such a high degree of economic self sufficiency and such an ardent provincialism that for ten years they viewed with indifference or suspicion the scheme of Confederation which would of necessity result in an alteration of the Island's Constitution, include it in a distasteful tariff structure and endanger its individuality by placing it under the jurisdiction of a central government in which it would have little influence. On July 1, 1873 sheer economic forces had compelled the Island to abandon this policy of exclusiveness and to enter into union with the Dominion of Canada. That the Island was able to accept its new destiny with so few misgivings was the result of the Dominion government's willingness to provide generous solutions to the Island's most pressing economic difficulties. Since the people

of Prince Edward Island received such a hospitable welcome they anticipated a prosperous future as a province of the Dominion of Canada.

The *Patriot* had a rather amusing commentary on the celebrations of July 1:

“On Tuesday, July 1, whether for weal or for woe, Prince Edward Island became a Province of the Dominion. At twelve o’clock noon, the Dominion Flag was run up on the flag staffs at Government House and the Colonial Building and a salute of 21 guns was fired from St. George’s Battery and from H.M.S. Sparton now in port. The Church and city bells rang out a lively peel and the volunteers under review at the city park fired a feu de joie. So far as powder and metal could do it, there was for a short time a terrible din. But among the people who thronged the streets there was no enthusiasm. A few minutes before 12 the Sheriff, Mr. Watson, stepped forward on the balcony of the Colonial Building and read the Union Proclamation. He was accompanied by two ladies and a half dozen gentlemen. The audience within hearing consisted of three persons, and even they did not appear to be very attentive. After the reading of the Proclamation was concluded, the gentlemen on the balcony gave a cheer, but the three persons below – who like the Tooley St. Tailors who claimed to be the “people of England” – and at that moment represented the people of Prince Edward Island, responded never a word.”

In July 1873 Lord Dufferin visited Prince Edward Island. He was greeted by an arch of welcome, adorned with the words “Long courted won at last.” Three weeks later he wrote to Macdonald that “he found the Island in a high state of jubilation, and quite under the impression that it is the Dominion that has been annexed to Prince Edward Island, and in alluding to the subject, I have adapted the same tone.” His attitude must have been consoling to a people whose local patriotism had so recently been forced to yield to economic necessity.

All references in this paper are from the writer’s unpublished thesis entitled, “Prince Edward Island and Confederation, 1863-1873.” This thesis is in the library of the University of Toronto.