Dear colony members,

In this package is a complete set of the proposals that we will be discussing at our conference. Please familiarize yourselves with the contents. For larger colony groups, you may want to divide the work and have different people focus on different proposals.

You will need to think about the following points:
• How does your colony feel about the proposal? Is it something you would vote for, given what you know of your colony in 1860? Is there benefit or not?
• Which colonies would this benefit? How do they benefit?
• Which colonies would be opposed to this proposal? Why would they be opposed?

From this analysis, you can start to figure out who would be on your side and who you will have to convince in order to get the proposals passed that interest you.

The total budget for the conference is $500,000,000 so you will have to prioritize which proposals are most important for your colony.

At the conference, the colony that is sponsoring will start the discussion by explaining the proposal. A member from each colony will be required to state their position (whether you agree or disagree) and why. Then there will be an initial vote. Once all colonies have been heard from, there will be time for open discussion when you will have a chance to try to convince other colonies to vote with you. At the end of the discussion, there will be a final vote. This procedure will be repeated for all of the 8 proposals.

The evaluation for this activity will be based on your participation in the conference and the amount of detail and relevant arguments you contribute to the discussion. Everyone is required to speak at least once. Make sure you are prepared.

You will have 3 periods of history class to prepare for this conference so it is imperative that you use your time effectively.

Each colony is also responsible for making a flag or banner to mark their space at the conference. This must be completed by the beginning of the conference. You may use the flag of you colony from 1860 if you choose.

Please take time to read all of the proposals together at first so everyone has some idea of what is happening. Then you are free to divide up the work so that you have different experts on each of the proposals.

Have fun!
Intercolonial Trade

Proposal #1: To establish free trade between the British North American colonies by the Union of these colonies

Cost: $50 000 000

Explanation:
During the 1850’s and 1869’s, the colonies in Canada suffered two serious setbacks. Great Britain no longer gave the colonies a preference in trading. The colonies had lost the protection of the British navigation laws which had helped their fledgling trade and industries. Secondly, the Americans withdrew their free trade agreement with British North America. Thus, assured markets were lost and each colony found itself trying to trade in competition with countries with larger resources and capital. Previously there had been little trade between the colonies, but now they began to see each other as markets for their various products. The trade was, of course, dependent on the construction of a railway, but the movement of products within a protected area would remove competition from other countries and allow the economies to thrive.

Advantages:
The prospect of free trade appealed to all the provinces. The Maritimes saw markets for their fish, coal and manufactured goods while also increasing the use of their seaports with increased products from the interior of Canada. The Canadas saw trade as a way of utilizing the system of canals and railroads that had been built but never used effectively. And, they would gain secure ocean ports so essential for year-round trade.

Disadvantages:
Free trade among the colonies would cause the loss of revenue from tariffs. The Maritimes particularly objected to the loss of these monies as tariffs were a major source of finance for their colonial governments. Moreover, the industries of the various areas would come into competition. New Brunswick, for example, would be competing with Quebec in the lumber industry. The Maritimes felt that their struggling manufacturing concerns might be unable to contend with the more established industries in the Canadas.

Sponsor: Sir Alexander Campbell, Canada West

Maritime Subsidy

Proposal #2: To solve Maritime Economic problems through an annual subsidy from the central government.

Cost: $20 000 000
Explanation:
During the pre-confederation years, the Maritimes had experienced a period of prosperity. This was based on the export of wood and fish, wooden shipbuilding and the carrying trade. The continued success of each of these industries was essential for the overall growth and development of the colonies. By the mid-eighteen sixties, it was evident that the time of prosperity was over. The timber resources were almost exhausted and those that remained were inaccessible because of poor overland transportation facilities. The fishing industry was no longer protected by British navigation laws and it had to face the competition of the New England States and the West Indies. Finally, the coming of the steamship assured the decline of the Maritime economy. Steamships were taking on more of the carrying trade causing sailing ships to make longer voyages at smaller profits. Steamships were crossing the Atlantic regularly in less time than the best of the sailing ships. Thus, the Maritime colonies had to seek new avenues of trade and commerce to restore their failing economy.

Advantages:
The Maritime colonies would benefit from a guarantee of economic subsidy to compensate for their losses.

Disadvantages:
However, the Maritime colonies feared that such dependence on a federal government might inhibit their economic growth and weaken their bargaining position with the other areas.

Sponsor: Thomas Haviland, Prince Edward Island

Colonial Debts

Proposal #3: To have the debts of the colonies assumed by the Federal Government.

Cost: $50,000,000.

Explanation:
Some of the British North American colonies were seriously in debt. In the Canadas, the failure of the railroad and the St. Lawrence Canal system to stimulate trade left the colony with a debt of about $40,000,000. Because their railway programmes had failed, Nova Scotia and New Brunswick owed $10,000,000. The other Atlantic colonies had various debts, but they were not as unmanageable. The proposed union would provide a solution to the debt-ridden colonies in that the Federal Government would take over their debts.
Advantages:
This proposal would help those colonies with financial difficulties to begin again on a firm financial footing.

Disadvantages:
The debts of Newfoundland and Prince Edward Island were minimal compared to those of the other three colonies. Therefore, they felt this proposition would be of little practical use to them. The Maritime colonies also feared that financial control would pass to a central government and the great financial interest in the Canadas, particularly in Montreal, would have an increased say in Maritime economies.

Sponsor: Sir Ambrose Shea, Newfoundland.

The Intercolonial Railway

Proposal #4: To Build an Intercolonial Railway

Cost: $50, 000, 000.

Explanation:
The Intercolonial Railway was a scheme to connect the Canadas with the Maritime colonies. The proposed route would be from Riviere-du-Loup in Lower Canada to Shediac, New Brunswick to Truro, Nova Scotia. The new railway would link existing routes in the Maritimes so that Saint John and Halifax would be joined to Upper and Lower Canada.
The new Federal Government would assume the cost of such a project thus removing any question of equality of payment among the provinces. Railroads had been found to be extremely expensive to construct and the eastern colonies had stopped railway building.

Advantages:
The Intercolonial Railway would provide the Canadas with a year-round seaport. It would create a new source of markets for both the Canadas and Maritimes. There would be free trade between the areas which would stimulate the prosperity of all. The railway would assure a method of troop movement which would protect any area in the Maritimes that was threatened. New Brunswick saw the Intercolonial as a way of increasing the prosperity of the colony as the majority of the road would be through that province.

Disadvantages:
Newfoundland and P.E.I. could see no benefit from the railway.

Sponsor: Sir Charles Tupper, Nova Scotia.
The Canadian Pacific Railway

Proposal #5: To construct a railway to the Pacific Ocean.

Cost: $100,000,000
Explanation:
The Canadian Pacific Railway was to link the Canadas to the Pacific Ocean. The route was to be wholly in Canada, running north of Lake Superior, across the Northwest, and through the Rocky Mountains to Vancouver. The railway would serve to secure the Northwest in that troops could be deployed to defend the area. It would also help in uniting British Columbia with the new nation. With the transportation facilities provided by the C.P.R., the Northwest could be opened up for settlement and trade goods could travel from east to west.

Advantages:
The railway would retain the Hudson’s Bay area for Canada in that it would provide an effective method of defending the country. It would allow the Canadas to expand into new areas and stimulate the economy by providing a port on the Pacific. New capital would be available to help the debt-ridden railways and by further expansion it was felt they would be able to make a profit.

Disadvantages:
The main disadvantages to the Canadian Pacific Railway were seen in the Atlantic colonies. Newfoundland and Prince Edward Island would realize little benefit from the C.P.R. All of the Atlantic colonies could see an increase in the financial influence of Montreal as the railway program progressed and they feared that their needs would be neglected.

Sponsor: Sir Alexander Galt, Canada East

Purchase of Hudson’s Bay Company Land

Proposal #6: To purchase the Hudson’s Bay Company land.

Cost: $300,000,000
Explanation:
The Hudson’s Bay Company land consisted of a great portion of present-day Quebec, Ontario, the Prairie Provinces, the Yukon and the Northwest Territories. This vast amount of land was essential for the future development of Canada according to many of the delegates to the Confederation Conference.

Advantages:
The purchase of the Northwest would provide an essential hinterland both for future development and expansion of the new country. It would create a vital link with British
Columbia and with the building of the railway, it was possible that British Columbia
would join the new country. Also, this land would be secured for Canada and the chance
of an American take-over would diminish. For the Canadas, the Northwest would
provide an area for investment and future profits.

Disadvantages:
The cost of the venture was one of the big factors against it. The Maritimes were
oriented toward the sea and this vast western hinterland held little interest for them. They
could see no advantage for themselves in its purchase. They feared that capital that might
have been used to their advantage would now be concentrated on the development of the
hinterland.

Sponsor: George Brown, Canada West

The Defense Bill

Proposal #7: To form a Federal Government to provide a strong defense for the British
North American Colonies.

Cost: $80,000,000.

Explanation:
In the pre-confederation years, the question of defense was a concern of all the British
Colonies in North America. The American Civil War had proved that the United States
had one of the most powerful armies in the world. The relationship between Britain and
the United States had been strained because of incidents during the War.
The military situation in the colonies was extremely weak; it had become too expensive
for Britain to maintain a large standing army in each colony. The main defensive units
consisted of poorly equipped militia.
A group of Irish extremists known as the Fenian had formed an army in the United
States. Their purpose was to attack British North America and provoke a way between
Britain and the United States. By doing this, they hoped to have British military strength
removed from Ireland so a successful revolution could take place. Raids by the Fenians
in Upper Canada and New Brunswick in 1866 graphically illustrated the need for a
unified defense program.
With union would come railroads which would provide a fast, efficient way of moving
troops if the need arose.

Advantages:
The creation of a unified defense program would enable an army of professional soldiers
to be formed. This army would protect the country in the face of any aggressive act by
any group or country. A well defended country could prosper without fear of external
influences.
Disadvantages:
Nova Scotia, Prince Edward Island and Newfoundland could not relate to these problems because of their geographic position. Traditionally, they had relied on the sea as a major part of their defense. A standing army would be of little value to them as their first line of defense was the British Navy.

Sponsor: Sir Leonard Tilley, New Brunswick

A Federal System

Proposal #8: To form a Federal System of Government.

Cost: $50,000,000

Explanation: A Federal system of government is one in which a number of regions form another level of government to look after common areas of interest. Each area then controls its own local matters.

The proposed Federal system in Canada gave the Dominion government a total of 29 areas of control. Some of them were:
- trade and commerce
- raising money by taxation
- postal service
- the census
- defense measures
- salaries of civil and other officers
- navigation and shipping
- fisheries
- issue of money
- banking
- weights and measures
- patients and copyrights
- Indians and lands reserved for Indians
- Criminal law
- Penitentiaries

The provinces could make laws in the following areas:
- direct taxation within the province
- appointment and payment of provincial officers
- management and sale of public lands belonging to the province
- establishment and operation of prisons for the province
- establishment and operation of hospitals and asylums
- issuance of licences to shops, saloon, taverns, etc.
- development of railways, canals, telegraph, roads, steamship lines, etc.
- administration of justice within the province
- education
**Advantages:**
The Federal system provided advantages to all areas. For example, a centrally run method of defense would ensure the security of the new nation. Moreover, each province would remain in control of important matters to its particular area and be able to retain its distinct regional character. Canada East was concerned that the French culture would be lost if they were not allowed to be, “maitre chez nous”, masters in our own house. Thus, the Federal system provided for both unity and diversity.

**Disadvantages:**
There were drawbacks to a federal system as opposed to a central and single government. Some delegates argued that an additional level of government would be created that would have to be administered at the expense of the taxpayer. Moreover, it was easy to foresee conflict over each government’s authority. Other opponents of the proposed federal system contended that since this system was based on representation by population, that meant that the smaller provinces would have fewer representatives in Parliament. These areas were concerned that their interests would not be considered as important as the interests of those with areas with larger representation.

**Sponsor:** Sir George Etienne Cartier, Canada East