# Laurier and 'le beau risque'



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In order to understand the perspective which Prime Minister Wilfrid Laurier brought to the issue of federal-provincial relations, it is essential to go back to his initial experience with political activism. During the 1860's a younger Laurier was closely identified with a group of intellectuals who advocated what was described as "Catholic-Liberalism", which included an admiration for both European Liberalism and American-style democracy of that era. In Lower Canada this group of intellectuals — referred to as the 'Rouges' — ultimately sought the democratization of Quebec institutions and the separation of church and state.

As a law student in Montreal, Laurier clearly had misgivings over what the existing Union of the Provinces of Upper and Lower Canada implied for the political influence of French Canadians. Nor were the 'Rouges' initially enthusiastic about the Confederation arrangements. Once they were in place however, they quickly adapted themselves to the new political structures with a view to maximizing the political influence of French Canadians. In contemporary terminology, one might say that Laurier gradually came to see confederation as 'un beau risque'. According to Blair Neatby, one of Laurier's biographers, the Quebec provincial election of 1867 marked the end of "Rougisme" and the beginning of a more moderate stance within the context of the period. At that time, political advancement depended in large part on the capacity to respect the more conservative values of the society. With some exceptions, from 1867 to 1896 Quebecers elected Conservative administrations to both the provincial legislative assembly and the House of Commons.

En effet, au cours de la période de postconfédération, il a semblé y avoir une différence dans la stratégie politique, d'une part entre les libéraux fédéraux et provinciaux, et de l'autre part, des conservateurs fédéraux, notamment quant à la question de l'autonomie provinciale (ou des « droits provinciaux » tels que mentionnés vers la fin du dix-neuvième siècle). Le respect des droits des provinces constituait la majeure partie des programmes politiques des libéraux fédéraux et provinciaux de même que, pour cette question, de quelques conservateurs provinciaux. Cependant, la signification des droits provinciaux telle qu'évoquée par les libéraux du Québec à cette époque a parfois semblé ambiguë et n'était pas toujours conforme à la manière dont elle a été perçue par les libéraux voisins de l'Ontario.

À la différence de leurs homologues du Québec, les libéraux ontariens ont été au pouvoir à partir de la postconfédération jusqu'à la fin du dix-neuvième siècle. Les premiers ministres libéraux de l'Ontario Edward Blake et Oliver Mowat, qui ont tous les deux évolué vers la politique fédérale, ont été considérés comme des champions dans la lutte pour les droits provinciaux. En effet, Wilfrid Laurier a, par le passé, reconnu que Blake a eu un impact important sur sa vision politique. En dépit de ceci, les leaders libéraux de l'Ontario ont parlé des droits provinciaux d'une manière qui était souvent incompatible avec la façon dont ils étaient articulés par les politiciens provinciaux du Québec.

To better comprehend the contrasting definitions of provincial rights as put forth by Quebec and Ontario politicians, it is necessary to examine the economic and fiscal situation of the two provinces in the first decade after Confederation. In effect, by the late 1870's, whereas the province of Ontario was in a strong financial position after generated a number of annual surpluses, the province of Quebec accumulated a considerable debt arising from costly investments associated with the construction of railway lines. As a consequence, Quebec provincial authorities appealed to the federal government for assistance, and called for, amongst other things, a re-evaluation of the type and degree of federal funds that were directed to the province. The negotiations arising from this situation became an important test in the evolving relationship between the provincial and federal authorities.

In the late nineteenth century one of the major elements in the demand for provincial rights on the part of Quebec officials was for an increase to the federal per capita subsidy issued to the provinces. The insistence upon such readjustment to the annual subsidy often appeared at the very centre of the federal-provincial conflict until the very early years of the twentieth century. But while Quebec politicians actively pursued this matter, their Ontario counterparts often appeared reluctant to support them. In effect they were concerned that increased intervention by federal authorities in the form of aid to one province would potentially compromise provincial rights and/or autonomy. As the historian Christopher Armstrong has observed, Ontario's Liberal Premiers could afford to stay home when other Premiers went cap-in-hand to Ottawa to resist changes in the relationship between the federal and provincial governments which did not meet with the approval of Ontario. But in another fiscally-

oriented dispute, Quebec authorities desperately sought increased federal compensation to offset the railway losses which the province incurred in the 1870's. Ontario politicians were not sympathetic to the plight of their eastern neighbour, and in the early 1880's Liberal Premier Oliver Mowat expressed a concern that his constituents would be required to pay indirectly a portion of Quebec's debts arising from compensation for railway construction. Indeed in 1880, Ontario provincial Treasurer S.C. Wood vehemently argued against any federal measure to provide such assistance for Quebec provincial railways. And while Quebec politicians regarded the railway compensation as a recognition of a provincial right, Laurier's federal Liberal mentor, Edward Blake, argued that such aid could ultimately invite a "pernicious form of centralization".

As inter-provincial tensions ran high on the issue, Laurier, then leader of the federal Liberal opposition, defended a proposal by Blake that all other railways built in what was regarded as the national interest be subject to receiving federal financial aid. Laurier believed that despite what was described as the "peculiar position held in Confederation by our province [Quebec]" the Federation might be endangered by granting special favours to one province and not another. Thus an asymmetrical approach was not Laurier's preference. At the time however, as then federal opposition leader, his approach did not appear to be especially popular amongst the Quebec provincial population.

Quant au rajustement de la subvention fédérale faite aux provinces, le premier effort organisé de la part des gouvernements provinciaux de poser la question a été fait en 1887, lors d'une conférence tenue parmi les premiers ministres. Fait peu surprenant, les leaders politiques du Québec ont attaqué le mouvement pour le rajustement de la subvention. L'Ontario, auparavant réticente, a semblé plus disposée à supporter la modification, à la condition qu'il y ait une distribution égale des fonds pour toutes les provinces. Au début, Laurier a fait très attention de ne pas prendre une position claire, non seulement en raison de la confusion par rapport au statut de l'Ontario, mais également parce qu'un précédent important aurait pu être créé pour de futurs arrangements financiers entre les autorités fédérales et provinciales.

D'autre part, Laurier était conscient des implications politiques de rejeter complètement la demande faite par les leaders politiques du Québec. Ainsi, la même année, Laurier a reconnu qu'il y avait une certaine confusion entre les concepts des droits provinciaux et de la défense de l'autonomie provinciale. Au nom de l'ancien premier ministre, Laurier a supporté l'aide étendue au Québec, en respectant l'autonomie des provinces. Il a fait son cas de la façon suivante :

> «Nous avons toujours soutenu que le seul moyen de maintenir la conférération est d'admettre ce principe que, dans la sphère qui lui est attribuée par la constitution, chaque province est toute aussi dépendante du contrôle du Parlement Fédéral que le Parlement Fédéral est indépendant du conteste des législatures locales.»

All the while Laurier had attacked the federal Conservatives and their leader Prime Minister John A. Macdonald for their centralizing approach to the Confederation arrangements, which he insisted ran counter to what was intended by the 1867 agreement. In this regard, Laurier contended that:

> "I believe I can also say that it is a matter of history that ever since Confederation and especially since the honorable gentleman [John A. Macdonald] returned to power, he has endeavored to forward legislation which is gradually superseding the "federative" character of this Union, and making it a legislative union."

Clearly there was an important partisan interest guiding Laurier's interpretation of the nature of Confederation and he was especially mindful of the much needed support of provincial Liberals in his quest to eventually defeat the federal Conservatives. As federal Liberal leader, Laurier worked closely with the provincial leadership in Ontario and Quebec and when in 1896 he assumed power, it was fully expected that he would respect the autonomy of the provinces. With his election it was fully anticipated that conflicts in the area federal-provincial relations would be seriously diminished. As Neatby has noted, "the Liberals defended the principle of a federalism based on provincial autonomy." And it was Laurier who was the most prominent advocate of provincial rights. However, as Prime Minister of Canada, his support for provincial autonomy was not unconditional. It might be argued that once he held the office of prime minister, Laurier's position on the issue evolved. In fact, he came to argue that too extreme an expression of provincial autonomy or provincial rights was dangerous to the stability of the federation. He further contended that the Canadian constitution was superior to that of the United States in that all residual powers were to be

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assumed by the federal authorities. Laurier was certainly concerned about maintaining the power of the federal government and over time appeared increasingly reluctant to relinquish authority to a provincial administration.

Quant à la question de modifier la constitution, Laurier a cru qu'une telle modification serait potentiellement dangereuse sans le consentement unanime de toutes les provinces, une position qui a été inspirée par sa vision de la nature des arrangements de la Confédération. Sur cette importante question, il a maintenu que :

> « La confederation est un pacte qui a été conclu en premier lieu entre quatre provinces et qui a été accepté par les neuf provinces qui sont entrées dans l'Union et [...] ce pacte ne doit être modifié que dans le cas de nécessité réelle et après que les provinces aient eu l'occasion de se prononcer. »

Laurier's view of the nature of the Canadian Constitution was closely tied to his belief that the state of national unity was best measured by the climate of English-French relations. So in as much as he regarded the Constitution as a pact between provinces, he maintained that the deal was in some ways subordinate to bringing together "our people ... long estranged from one another (to) gradually become a nation." In effect it might be argued that while Laurier saw the federation as an explicit pact between the provinces, he also viewed it as an implicit pact between two peoples. ■

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