THE EARLY ORGANISATION AND INFLUENCE OF HALIFAX MERCHANTS

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IN this paper I shall deal more specifically with the years between 1800 and 1830 during which the merchants were probably more prominent, more active and more influential than at any other period.

The merchants of Halifax had been prominent in the town from its foundation. Akins says they were organised in 1750.1 They were active in the movement to secure a Representative Assembly in 1758 and in drafting the famous address of the Nova Scotian Assembly in 1775 and throughout the early years they obtained various concessions from the Government. though their temporary residence did not enable them to play the prominent part of their successors. After 1783 as many decided for permanent residence and others arose who could claim Nova Scotia as their native land, they frequently banded together and petitioned the legislature for sundry regulations of trade especially as it related to that with the Thirteen States. In 1794 they combined to form a Marine Insurance Association, and in 1798 formed a company to start the Shubenacadie Canal. Three years later they attempted to establish a bank but were not successful. The benefits resulting from these early cooperative enterprises led them to form a Commercial Society.

The first permanent organisation of the merchants was established in 1804. The executive of this organisation was the Halifax Committee of Trade, a group of men elected annually from the subscribers to the general society, whose

^{1.} Akins, History of Halifax. Publications N.S.H.S., Vol. viii, page 27.

influence soon extended to the other colonies and to England. The Committee was the mouth-piece of a body of enlightened traders who recognised agriculture as the handmaid of commerce and who attempted to aid other interests and to unite with them in promoting the well being of the province.

They formulated a policy, which, for nearly thirty years, they advocated with ability and consistency and in the short run with success. The Committee, who later called themselves, "The Committee of Persons interested in the Trade, Agriculture and Fisheries of the Province" was elected annually until 1821. In 1822 a reorganisation took place. In February and March of that year the Nova Scotia Commercial Society was formed to which 150 merchants of the town immediately subscribed. The rules and regulations established at that time formed the basis of future merchant organisation and doubtless embodied the principles and experience of the earlier society.

The Subscribers convinced that the Prosperity of the Frevince at large, as well as the town of Halifax, in particular, depends in a great measure on its trade and fisheries, and with the expectation that a general communication of sentiments, and a unanimity of proceedings, may tend to remove the many obstacles at present experienced, do hereby consent and agree, to associate together and form a Society, to be called,

THE NOVA SCOTIA COMMERCIAL SOCIETY

and that all persons of good character, in any way connected with the trade and prosperity of Nova Scotia be eligible as members, upon being duly admitted in conformity to the regulations to be hereafter made.

The following are some of the rules of the society:

 The Society may be increased by additional members, who may be admitted by the Chamber of Commerce. Subscription Ten shillings per annum.

Acadian Recorder, Jan. 26, Feb. 2, Feb. 16, March 9, 1822.
Rules and Regulations of the Commercial Society. Established at Halifax on Monday, 24th March, 1822. With a list of subscribers. Halifax. Published by John Munro. 1822.

- 2. The annual meeting shall be held in the first week of February, at Halifax, due notice to be given in the public papers.
- 3. Fifteen members shall be elected by ballot, to be known by the name of The Chamber of Commerce.
- 4. The Chamber of Commerce shall elect a President, two vice-presidents, a Secretary and Treasurer from among their own body, and also may appoint a clerk. The officers so elected shall be the officers of the general society and shall preside and officiate at all the general meetings.
- 5. It shall be the duty of the Chamber of Commerce to propose such rules and regulations for the improvement and convenience of trade, as may appear necessary, and which on being adopted by the General Society ...shall be binding on members . . . It shall be the particular duty of the Chamber of Commerce to attend to and enforce the laws of the Province respecting the inspection and exportation of fish and other articles . . . they shall prosecute infringements . . . and the penalties so recovered shall be for the general funds of the Society. It shall be the duty of the Chamber of Commerce to correspond with other societies established elsewhere for similar purposes, and generally to use their utmost exertions for extending and promoting the general trade and prosperity of the province . . . They shall also appoint arbitrators in disputes among members.
- 6. It shall be the duty of the Chamber of Commerce, to prepare and transmit petitions to the Governor, the General Assembly, and any other authority, on commercial subjects, whenever the same may be deemed necessary.

The Bye-Laws of the society directed that the Chamber should meet monthly at the Exchange Coffee House.

This Society and the Chamber of Commerce seem to have disbanded after 1833 when the West India and timber questions were closed for the time being. However at least, three other societies, similar in principle and purpose, appeared later. In 1839 a Society for the Encouragement of Trade and Manufactures was formed with a committee of fifteen persons known as The Committee of Trade and Manufactures.4

Rules and Regulations of the Society for the Encouragement of Trade and Manufactures. Established at Halifax, Thursday, 7th February, 1839. With a list of subscribers. Halifax. Published by English and Blackadar, 1839.

The new title is indicative of the growth and importance of manufactures in the more mature economic life of an older community. The time is also significant. After a decade in which men had concentrated on political reform, rumours of widespread changes in the colonial system again aroused the commercial class to action. In 1841, a year of great importance to North America, this society gave place to a Commercial Society and a Chamber of Commerce replaced the Committee of Trade and Manufactures. After transmitting memorials on the timber question this organisation also disanpeared. In 1851, a British North American Society was formed to promote the interests of Nova Scotia. one of its six committees was a Committee on Commerce, of which David Allison, Secretary and Treasurer of the former Chamber of Commerce was Chairman.⁶ This new organisation was formed at a time when change was the keynote of British North America. Responsible Government had been granted and communications and expansion were agitating the public The commercial class was seeking a new market for that lost in the repeal of the Colonial system. Reciprocity and the fisheries were questions which vitally affected Nova This committee prepared memoranda for the Legislature and for Andrews, the special agent of the United States. and probably inspired the memorial of the citizens of Halifax against the surrender of the fisheries. After 1854 this organisation disappeared. The next committee appears when Confederation and the abrogation of the Reciprocity Treaty were the questions of the day. In 1866 the Nova Scotia Chamber of Commerce, Halifax, was incorporated by the Provincial Legislature "for all persons connected with the Trade, Commerce, Mining, Manufacturing, Shipbuilding and fishing interest of the Province.7 This is, I fancy, the forerunner of the present Halifax Board of Trade. This Chamber

Acadian Recorder, Apr., 1841. Nugent's Almanack, 1842.
Prospectus British North American Association. Belcher's Farmer's Almanack, 1853.
Statutes of Nova Scotia, 1866, Chapter 90.

of Commerce existed from 1866 to 1890. In that year a Board of Trade was formed but in 1891 the two societies appear to have amalgamated as the Halifax Board of Trade.⁸

The primary interest of the original Committee of Trade was the West India carrying trade. The origins of this trade go back to the early part of the eighteenth century. New England became a great commercial centre in the trade to the West India Islands. Flour, fish and lumber were exchanged for rum, sugar and molasses. In the summer the New Englanders fished on the North Atlantic Banks and in the winter exchanged their catch in the West Indies.9 Nova Scotia had played but a small part in this pre-revolutionary trade. The peace settlement of 1783 brought to Nova Scotia the prospect, visionary as it was to prove, of a great trading monopoly. If the loval British colonies could replace the thirteen states in the triangular trade with the West Indies, Halifax would replace Boston and the prosperity of an industrious people would know no bounds. It was not beyond the ingenuity of the mercantile class to devise a policy, by which they hoped to obtain provisions and lumber to send to the islands and to find a market for the goods brought in They first attempted to fit the old colonial system. to the new imperial framework. American ships were excluded from all British colonial trade and Nova Scotia hoped that British ships would carry on a new triangular trade through Halifax between the West Indies and the Thirteen States.

For a time, until the war with France threw the whole system out of joint, the scheme was in part successful. With the outbreak of war, the Americans were again admitted to the islands by Executive proclamation sanctioned by the British Government. Nova Scotia was too preoccupied with local adjustments, consequent to the arrival of the loyalists, to take more than a passing interest in the trend of events.

Belcher's Farmer's Almanack, 1866-1894.
For a detailed story of the struggle for the West India Trade. See Benns The Struggle for the British West India Carrying Trade Indiana University Studies No. 56.

Moreover, the prosperity attendant upon a state of war, added to opportunities for privateering, did much to compensate for the loss of what trade she had possessed. However the depression which followed the Peace of Amiens in 1801 brought conditions into clear relief. Economically the country was as yet undeveloped, the fisheries and trade had declined year by year and were now almost completely engrossed by the Americans.

In the midst of international anarchy and local confusion, it was the merchant traders of Halifax who were the first to come forward with a programme for the economic recovery of the province, and from 1804 the Halifax Committee of Trade with unrelenting exertion was successful in determining local commercial policy and on occasion in swaying British policy. Fishermen, attracted by the bounties offered by the American Government were leaving the country in large numbers for the United States. The larger part of the fish caught in the province was either sold to the Americans or exchanged for smuggled goods, and thence shipped to the West Indies from Boston. Further there was the prospect that the concessions made to the Americans in war-time, in an admitted emergency, might be conceded as a right in the treaty which was under consideration.

On the 23rd of March the Halifax Committee addressed Lord Hobart directly. They asked for "the exclusive privilege of supplying their fellow-subjects in the West Indies with the article of fish caught on the North American coasts." Their letter was accompanied by a memorial which was a most comprehensive and convincing presentation of their case, a basic document to which they could refer later with assurance and pride. The needs of the West Indies and the productions of North America were listed under several headings. The economic history of the province was reviewed. The advantages which the Americans possessed, in State bounties and encouragements, in lower rates of freight and insurance,

^{10.} See Atcheson American Encroachments on British Rights, pp. 99-109.

applicable to neutrals in war-time, were noted. The strategic importance of Nova Scotia in the event of war with the United States was emphasised. After the receipt of this memorial the Governors of the West Indies were instructed to admit American articles "only in cases of very great and urgent necessity and to report every such instance of admission." The British Government also offered bounties on fish imported into the islands in British vessels. In 1805 the merchants first petitioned the Assembly for encouragements for the fisheries, citing American example in that regard, and complained that "the favourable answers of His Majesty's Ministers to their petition of 1804 had been rendered nugatory by the removal of so many fishermen to the United States."11 With the change in the English administration in 1806 the restrictions against the Americans were not enforced. This was the signal for renewed efforts on the part of the mercantile group.

The Halifax traders took the lead in the organisation of the Committee system in the other provinces and among the merchants resident in London who had trading interests in North America. In 1806 a committee of the merchants resident in London was established with Nathaniel Atcheson as their secretary. In 1808 John Black the secretary of the Halifax Committee of Trade wrote to a prominent Quebec mercantile firm Messrs. Irvine, McNaught and Co. He transmitted a copy of the Committee's latest petitions to the Governor and the English ministers and outlined the steps underway for the appointment of a common agent. He stated:

The Committee consider the present to be a crisis of very great importance to the trade, agriculture and general interests of these

importance to the trade, agriculture and general interests of these Northern British colonies; in which, if they exert themselves in union with their sister provinces, to exclude the Americans from the CARRY-ING TRADE TO THE WEST INDIES, they are of opinion that, under present CIRCUMSTANCES it is probable they will accom-

plish their object.

Journals of Assembly, Nova Scotia, Dec. 21, 1805.
Cited in the Halifax Herald, March 24, 1909.

They refer to their memorial of 1804 "which as it has been printed many times they have no doubt you have seen," in which they had emphasized the importance of a union of measures.

The committee propose themselves, from time to time, to transmit to the several sister colonies, copies of such papers as they may deem essential for promoting a union of measures, and supposing that persons similarly situated in your province, will zealously unite with them, in this pursuit, I am requested to say that the Committee will be happy to correspond with any gentlemen who may be appointed for that purpose.

The letter concluded by briefly outlining their form of organisation and asked that "they would take an early opportunity of communicating the same to the other gentlemen similarly interested in your province." This letter led to the formation of the Quebec Board of Trade in 1809.

The first Halifax Committee was composed of William Sabatier, William Smith, George Grassie, James Fraser and William Lvon. William Sabatier, the Chairman of the Committee until his removal to England about 1820, was a Loyalist from Maryland who had been interested in several commercial enterprises in Halifax and had, as well, a farm at Sackville. He was a tireless worker and the many petitions and reports in his handwriting bear witness to his efforts. In 1814 he was rewarded by the legislature "for his services in furnishing sundry documents for the use of the House of Assembly and his unwearied exertions in promoting the commercial interests of the Province" with the sum of 100 pounds. In 1817 he supervised the preparation of an extensive memoir on the cod and scale fisheries of Nova Scotia, which analysed the state of the fishing industry, compared British and American technique and made discerning recommendations for the encouragement of the fishing industry. In 1821 when it was proposed to lower the timber preference, he addressed a letter, comprising some 75 printed pages, to the President of the Board of Trade, in which from his long residence there, he reviewed the value and importance of the North American Colonies to the parent state and the means for increasing their mutual prosperity.

The merchants soon employed agents, "Gentlemen intimately versant in the objects of their immediate pursuit", to represent them in England. In this they were adopting a system long employed by the West Indian planters with great success. The Nova Scotia committee was represented by Nathaniel Atcheson. For three years and especially after a Committee of the British House of Commons in 1808 had recommended that the intercourse between the United States and the West Indies should be continued, the merchants petitioned to have Atcheson appointed special agent for the Province, and finally in 1812 he was granted a year's salary of £344-12-6. When Morland the Provincial agent resigned in 1817, Atcheson was appointed to fill his place.

From 1807 policy was conditioned by a change in the American system. A commercial warfare was instituted against Great Britain, a self imposed embargo restricted American vessels to the coasting trade and prohibited any intercourse with foreign ports. American trade was at a standstill. However the effects of the embargo so far as Nova Scotia was concerned, were rendered nugatory by the frauds practised and by the waiving of ordinary regulations on the part of British Customs officials. To the Halifax merchants it offered a challenge and an opportunity. As the Chairman put it at a later period: 18

Should the West Indies suffer from a deficient supply when the whole trade is confessedly in the hands of British subjects, the consequences would prove as injurious to these provinces, as a plentiful supply at this period would become beneficial to them, by offering to those who have control of British commerce the competency or the incompetency of these colonies to furnish what may be required without the intervention of foreign vessels and traders.

^{13.} Sabatier to Wilkins.

By this time the merchants had modified their policy: they would apply the Colonial system in all its rigidity to the West Indies but would modify it as it related to Halifax and Nova Scotia. They asked that Halifax be made a free port to which vessels of foreign nations might come with produce, to supplement the produce brought from the other British colonies. Halifax would become a depot in the Export and Import trade with West Indies. They asked for "the exclusive privilege of supplying the islands with fish and a preference on all species of lumber." Locally the Government was asked to encourage agriculture and the fisheries. The Committee rejoiced that the operations of the embargo "had turned the attention of the farmers to the raising of wheat" and "look forward to a total supply for home consumption and export." Legislative action. Provincial and Imperial, followed. Bounties were granted on wheat raised on newly cleared lands and on the importation of salt. Halifax was opened to neutral shipping for a time in 1809 and from 1811 till the outbreak of the war.

The war of 1812 brought prosperity to Nova Scotia which has been compared to the "Spacious days of Great Elizabeth." The merchants were active in a multitude of matters but especially in anticipating the peace treaty. The concession of the North Atlantic fisheries in 1783 had long been a grievance, in British eyes it was abrogated by the war and the merchants did not want to see it renewed. In 1813 they addressed a long memorial to Earl Bathurst and inspired the Joint Address of Both Houses to the Prince Regent in 1814. Herein the West India Trade was reviewed and discussed in every detail during the three periods into which it naturally fell, 1783-1793; 1793-1806; 1806-1813; and concluded:

If the Americans on the restoration of peace are admitted to the British West Indies, these colonies . . . will remain in perpetual infancy, and not have the power to supply the islands when a sudden fit of displeasure may seize hold of the Government of the United States and which their conduct will prove that no indulgence or

^{14.} Journals of Assembly, Nova Scotia, Feb. 24, 1814.

for bearance of Great Britain consistently with the safety and dignity of Government can avail.

The Chairman of the committee in a letter to the Speaker of the Assembly stated:

That the period is now arrived when this committee, pursuing their original purpose, will be able to demonstrate, the important position, that the Trading, Agricultural and Fishery interests of the Province ought firmly to unite in one common exertion towards effecting the prosperity of the whole community.

In the face of united opposition the question of the fisheries and the West India trade was omitted from the treaty in 1815.

The enforcement of the Navigation Laws shut out the Americans from the islands and American fishermen were warned not to return to the fishing grounds. A lively diplomatic war ensued between England and the United States in which the American Government adopted the weapons of her opponent and passed navigation laws favouring her own commerce. To meet American restrictive measures Halifax was made a free port in 1818.

The culminating effects of the depression which followed the war are reflected in the merchants memorial of February 1818 in which they ask for two things as essentially necessary to revive the trade and fisheries of the Province. An encouragement to the merchant to import salt and an offer of some adequate bounty to promote "a better mode of fishing than is at present practised in this province." The first breach in this system was the convention of 1818 which opened the North Atlantic fishing grounds to the Americans and allowed them under certain restrictions to obtain wood and water in the harbours of the province. The key to the understanding of all the fishery disputes with the United States is the smuggling trade. Experience had shown that if the Americans were allowed to fish off the shores of the province and more especially if they could enter the harbours for any purpose whatsoever, they could engage conveniently in an extensive smuggling trade.

Nova Scotia's Grand Remonstrance, the Joint Address to the Prince Regent in 1819 was largely prepared by the merchants. It protested the "ruinous concession" of the fisheries and by way of compensation urged the mother country to grant greater freedom of trade, "To abandon a narrow contracted policy totally inapplicable to the present state of her North American Colonies" and to grant them "the same freedom of trade with all the world which the United States enjoys." It was a document witnessing to the Imperial thought of Nova Scotia. On its commercial side it anticipated the Huskisson reforms by some years. It is symbolic of the widening commercial aspirations of Halifax and of the breadth of local mercantile policy.

The general movement for commercial reform after 1820 and the depression which had followed the war resulted, as has been noted, in the commercial reorganisation of the merchants. The trade with the West Indies had not been altered in the convention but those interests were now threatened. The West India Assemblies were bestirring themselves. 15-Jamaica asked for "A new system of intercourse of mutual benefit." The Legislature of St. Christopher's said "the great primary cause of the depression was to be found in the restrictions which are imposed on the intercourse of the British West Indies with foreign states." Grenada and Antigua petitioned that "The present system will prove little short of rendering the valuable West India Colonies a sacrifice to the prosperity of the North American Colonies." The Nova Scotia Commercial Society was organised and the Committee of Trade with an enlarged representation became the Chamber of Commerce. This Chamber immediately memorialised the Governor "asserting without fear of contradiction by anyone" their ability to supply fully many essential articles and in a short time all the articles needed by the West Indies. It enlarged upon the importance of the Northern colonies to the empire at large and said "they would not shun a comparison

^{15.} Benns op. cit., p. 74.

with any of the sugar colonies in regard to their respective importance to the Empire at large." They recommended a freer trade with the Canadas and complained of piracies in the West India seas upon which subjects the General Assembly prepared memorials.

The trading privileges were extended by the Robinson-Huskisson Acts of 1822-1825. In so far as these acts would have opened the West India Trade to the Americans on equal terms, they were against the wishes of the commercial group. However the compensating advantages of "free trade with all the world" must have loomed large, for the acts were received with great rejoicing in Halifax, which was no doubt increased, when the Americans failed to avail themselves of the reciprocal privileges offered. After 1826 when the British Government had closed the door to further negotiation in decisive terms, the merchants rejoiced in their new strength, Their security, however, was short lived. With the election of Andrew Jackson to the Presidency in 1828, and the adoption of a more conciliatory attitude on the part of the American government, negotiations were again commenced. A settlement was delayed for more than a year because of protests from the British North American colonies. Finally in 1830 trade with the islands was opened to the Americans under the terms of the Huskisson Acts and a system of Imperial preference established. Mercantilist policies were rapidly falling before the advancing theories of Free Trade. preference on timber was destined to go next. The vision of a trading monopoly had vanished and with the prospect of changes in the timber duties, pictures of utter despair and ruin were painted. However the West India Trade continued lucrative for some and there is justification for the claim that many a later Halifax fortune was founded on rum and molasses. None the less with the success of the abolitionist movement in 1833 the West India trade declined steadily in importance and at the same time that with the United States increased.

In evaluating the influence of the merchants in this period, the economic historian, who is prone to see the rivalry between different economic interests, would discern a clash between agriculture and commerce. While it is, perhaps, impossible wholly to separate interest from lovalty and only natural that the countryman should be more interested in roads and bridges than in bounties on codfish, there is no reason why the two should be mutually opposed. there is some evidence in the period under discussion of a clash of interests the issue is not clear cut and more often than not the difference is a difference in method rather than in policy. The merchants were the party of the British connection and stability, yet they advocated and secured reforms in the commercial system just as revolutionary as the later political achievements. It was not until the thirties that their dominant position in the council was the target of the reform party; and though there were six merchants in the council in 1807, there were but three in 1815; and the committees maintained closer connections with the House of Assembly.

The merchants analysed the coal trade, the gypsum trade, and the currency of the province and made discerning recommendations. They secured bounties for the fisheries and founded a Society for the advancement of agriculture which diffused new life throughout the province. They formed banks, insurance and steam navigation companies as local enterprises and promoted communications and canals. Indeed there were few spheres in which the merchants were not prominent. In municipal affairs, in the establishment of libraries, of a Mechanic's Institute, and a Poor Man's Friend Society as well as their private commercial endeavours, the names of such men as Samuel Cunard and Enos Collins appear again and again.

A contemporary writer's opinion of the merchants of Halifax is of interest here and an excerpt from an editorial in the *Acadian Recorder* of July 1831 will contrast conditions

of the province with those prevailing in 1804. John McGregor writing at the close of our period has this to say:16

The merchants of Halifax, generally speaking, connect prudence and active perseverance with enterprise. They are by no means hackward in undertaking whatever affords a fair prospect of gain. Some of the older men are, it is true, certainly accused, and it must be admitted with some justice, of declining to co-operate in any measure in which there is the barest possibility of risk . . .

The Chamber of Commerce has imported a spirit of energy to the trade of the province, unknown before its establishment . . . They certainly do not neglect the duty confided to them; and to this circumstance we may, in a great measure, attribute the superior intelligence of the merchants of Halifax in respect to all commercial matters.

On July 6, 1831, the Acadian Recorder could comment editorially:

At no time since its first settlement, did the province present an aspect of so much promise, as that which it now wears. Agriculture and Commerce are the two great pillars of our prosperity. Whatever may be said of the climate or the soil of the province, it is an undisputed fact, that an industrious and prudent man can, in three years, win a living out of the wilderness . . . our farmers in the last season were rewarded with an abundant harvest . . .

The commerce of the Province is not behind its agriculture. We do not pretend to say that our merchants make such rapid fortunes by our trade as were acquired by the headlong speculations of the American war.

To speak of Halifax alone it is a matter of notoriety, that with but very few exceptions, every wharf from the Lumber yard to the Dockvard, has, within two or three years, been repaired, extended, or otherwise improved. New buildings have been raised or enlarged, or otherwise improved. Messrs. Cunard and Clarke's novel warehouses, Mr. Collins' immense range of stores, which have been completed, and a costly stone store Mr. Innes has in progress are among the most conspicuous of these commercial improvements. . .

¹⁶ M'Gregor, John, British America, Vol 2, page 93. All references are to material in the Public Archives of Nova Scotia.

A sure criterion of the state of our trade may be gathered from this fact that for ten years past there has scarcely been a single commercial failure in the town of Halifax.

Within ten years, real estate has risen 20, 30, 50 and in some instances nearly 100%. 150 homes were erected in Halifax last year, and this season we are informed that at least 100 frames are either being raised or been ordered. Building is going on in every quarter of the town yet rents continue very high . . .

The abiding interest of the Halifax merchants is the part they played in the Economic and intellectual awakening of Nova Scotia. Imbued with a native patriotism and an enlightened self interest, finding the trade and fisheries of the Province rapidly vanishing before American Competition, they set themselves the task of moulding the policy of the Imperial Government and of the local legislature. By petitions innumerable, by their influence in the Council and Assembly and through their representatives abroad they are successful. Their voice is heard and their influence extends over a continent and across the sea. Not content with advancing the interests of their own colony only, they speak for the whole of British North America. They induce the other colonies to organise and unite with them, thereby setting an example of intercolonial cooperation.

Though the success of the merchants in their immediate object, the monopoly of the West India trade, was short lived, their unconscious contribution to a larger cause was eminently successful. By their restraint and perseverance, by their exemplary temper, they laid abiding foundations on which were built the basic industries and economic life of the Province. The "Golden Days" of Nova Scotia had their origin in the characteristic foresight of the Committees of Merchant Traders of the early nineteenth century.