

# Producers versus Profiteers: The Politics of Class in Newfoundland during the First World War

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*Au cours de la Première Guerre mondiale, l'impression courante parmi le public selon laquelle les marchands tiraient avantage du conflit pour soutirer des profits excessifs devint un enjeu de premier plan dans la vie politique à Terre-Neuve et la cause d'un mécontentement public répandu. Le Fishermen's Protective Union et d'autres organisations syndicales surent utiliser la question du mercantilisme comme un catalyseur de mobilisation politique et réussirent en 1917 à forcer l'État à accroître son rôle en matière de régulation de l'économie. Bien que leurs gains se soient avérés de courte durée, l'épisode marqua un moment déterminant dans l'histoire de l'action collective des classes ouvrières de Terre-Neuve.*

*During the First World War a widespread public impression that merchants were taking advantage of the conflict to extract excessive profits became a major issue in Newfoundland politics, and a cause of widespread public discontent. The Fishermen's Protective Union and other labour organizations were able to use the profiteering issue as a catalyst for political mobilization, and by 1917 had succeeded in forcing the state to take a greater role in regulating the economy. While their gains turned out to be short-lived, the episode marked a significant moment in the history of collective action by Newfoundland's labouring classes.*

IN THE EARLY SUMMER OF 1917, as thousands of Newfoundland soldiers and seamen were fighting in what had been billed as “the greatest war in the history of the World,”<sup>1</sup> a conflict of another kind was being played out at home. This struggle pitted the labouring classes of fishermen and wage workers – often called the “producing classes” in the parlance of the time – against both local capitalists and the government of Newfoundland Prime Minister Sir Edward Patrick Morris. The *Evening Advocate*, official organ of the Fishermen's Protective Union (FPU), claimed that while young Newfoundlanders were sacrificing their lives in a war against Prussian militarism the Newfoundland government had adopted the “Prussian Creed of Might is Right” with respect to its treatment of the labouring classes. The same paper labelled Morris the “local Von Bissing,” a reference to the military governor of German-occupied Belgium.<sup>2</sup> The recently formed Newfoundland Industrial Workers Association, meanwhile, accused the ruling classes of betraying the very principles of democracy and “fair play” for which the Allied powers were

1 *Evening Telegram*, 22 August 1914.

2 *Evening Advocate*: 1 June 1917, 15 June 1917.

ostensibly fighting.<sup>3</sup> The battle lines between the labouring and the ruling classes appeared clearly drawn. By the end of that summer, however, the character of Newfoundland politics had undergone a radical change. Through collective organization the workers and fishermen had succeeded in exerting a major influence over the government, and FPU President William F. Coaker had become the dominant force in a new coalition ministry. It represented one of the most significant victories in the history of labouring-class struggle in Newfoundland, albeit a temporary one.

The key wartime issue that brought together the two main segments of Newfoundland's labouring population was that of capitalist profiteering. Organizations representing both workers and fishermen accused local merchants of taking advantage of wartime conditions to extract excessive profits, and made opposition to this profiteering a basis for political mobilization. Increased labour militancy during the war was not a phenomenon exclusive to Newfoundland. Accusations of profiteering were widespread during the First World War, becoming a staple argument of working-class organizations and left-wing politicians in both Britain and France from the earliest weeks of the war.<sup>4</sup> In Canada, Newfoundland's closest neighbour and fellow British dominion, wartime price inflation led to complaints by workers and farmers in many parts of the country, and by 1917 was a major factor in a growing wave of labour unrest. As governments, both federal and provincial, demanded increasing sacrifices of the population, the image of capitalist interests exploiting the war effort to further enrich themselves provided a powerful impetus for collective action by the labouring classes to better their own condition. Deploying the same language of "duty" and "sacrifice" used by politicians and business leaders in support of the war, combined with the ideas of the pre-war Progressive Movement, a rapidly growing organized labour movement demanded that the state adopt new regulatory measures to protect the rights of workers as well as more progressive taxation to ensure that the wealthy paid their share. But unlike in Newfoundland, where the government took a much more accommodating position toward labour as the war drew to a close, in Canada the last few months of the war witnessed a shift of government policy toward increasing repression of labour organizations.<sup>5</sup>

Wartime discussion in Newfoundland of profiteering took place within the context of a longstanding popular resentment of the St. John's-based merchant class, which

3 Hitchen to Lloyd, 22 June 1917, Prime Minister's Office: Lloyd Papers, GN 8/3, file 8, Public Archives of Newfoundland and Labrador (PANL).

4 Jonathan S. Boswell and Bruce R. Johns, "Patriots or Profiteers?: British Businessmen and the First World War," *Journal of European Economic History* 11, no. 2 (Summer 1982): 423-46; François Bouloc, "'War Profiteers' and 'War Profiteers': Representing Economic Gain in France during the First World War," in *Untold War: New Perspectives in First World War Studies*, ed. Heather Jones, Jennifer O'Brien, and Christoph Schmidt-Supprian (Leiden, Netherlands: Brill, 2008), 325-56.

5 James Naylor, *The New Democracy: Challenging the Social Order in Industrial Ontario, 1914-1925* (Toronto: University of Toronto Press, 1991), 13-41; Craig Heron and Myer Siemiatycki, "The Great War, the State, and Working-Class Canada," in *The Workers' Revolt in Canada, 1917-1925*, ed. Craig Heron (Toronto: University of Toronto Press, 1991), 11-42. On the politics of class within the wartime context of the Atlantic provinces, see Ian McKay, "The 1910s: The Stillborn Triumph of Progressive Reform," in *The Atlantic Provinces in Confederation*, ed. E.R. Forbes and D.A. Muike (Toronto: University of Toronto Press, 1993), 203-22.

controlled much of the country's economy and influenced politics through its domination of the Legislative Council (the appointed upper house of the legislature). During the war, the widespread impression that merchants – notably the largest and wealthiest – were taking advantage of the war to extract excess profits from trade provided workers and fishermen with a focus for class discontent, while the war gave their struggle both a powerful mode of rhetoric and a source of legitimation. The language of anti-German propaganda and the characterization of the war as a moral struggle between right and wrong as well as a political struggle between democracy and autocracy was deployed with particular effect by representatives of the producing classes in their confrontation with Newfoundland's ruling elite. Though the gains made by producers were partial, and would be eroded considerably in the years after the war, they nevertheless provide an example of the potential of collective action within a wartime context.

### **War, class, and politics in 1914**

With the onset of war in August 1914, Newfoundland quickly found itself in the throes of a “commercial depression” that threatened to exacerbate the country's already considerable economic woes.<sup>6</sup> The fishery, which employed over a quarter of the population, had been “miserably poor” that year, particularly in the north, and the disruption of trade that followed Britain's declaration of war made matters much worse. The resultant collapse of exchange rates, for instance, caused a rapid drop in the price of fish.<sup>7</sup> The war dealt a particularly hard blow to the lobster industry since almost all of its output had previously been sold to Germany.<sup>8</sup> In response to this situation, local merchants agreed to pay fishermen \$15 per 48-pound case for lobsters, which they planned to store in Liverpool until the war was over. This was a steep drop from the pre-war price of \$23 per case, so the fishermen ended up bearing the brunt of the crisis. Morris tried to persuade the War Office to purchase “at a reasonable price” the existing unsold stock of 14,000 cases as food for British forces, but had little success.<sup>9</sup> Germany was also an important market for the Bell Island iron ore mines, and the outbreak of war saw a temporary downturn in that industry as well since mining companies cut their work forces in the early weeks of the conflict.<sup>10</sup>

In a letter to Governor Walter Davidson on 24 April 1915, Morris summed up the hardships Newfoundland was facing: “What with our lobsters on hand since last season unsold and practically no supplying being done for the lobster season this year, the shutting down of the mines on Bell Island, the absolute failure of the seal fishery, and the consequent loss of importations, it would take but little more to paralyze our

6 P.T. McGrath and Charles Lucas, “Newfoundland,” in *The Empire at War*, ed. Charles Lucas (London: Oxford University Press, 1923), 298.

7 Fishermen's Protective Union Convention Proceedings (FPUCP) 1916, in *The History of the Fishermen's Protective Union of Newfoundland*, ed. W.F. Coaker (St. John's NF: Union Publishing, 1920), 89.

8 Newfoundland Board of Trade, *Board of Trade Report* (1915), 3.

9 Morris to Davidson, 18 September 1914, Patriotic Association of Newfoundland, MG 632, file 21, PANL; *Canada* (30 January 1915), 142.

10 P.F. Neary, “‘Traditional’ and ‘Modern’ Elements in the Social and Economic History of Bell Island and Conception Bay,” *Canadian Historical Association Papers* 8, no. 1 (1973): 120.

trade.”<sup>11</sup> Moreover, the war effort did not produce any immediate increase in employment to compensate for these hardships. In the spring of 1915, hundreds of men still migrated to Canada looking for a summer’s work. More than 400 alone left to work for the Dominion Company in Cape Breton, most of them displaced miners from Bell Island.<sup>12</sup> Unemployment levels in St. John’s even increased slightly, as local manufacturers were forced to lay off some workers due to the disruption of trade.<sup>13</sup> While there was overwhelming popular support for the war effort, particularly in the capital city where herculean efforts were put into the recruiting and mobilization of the Newfoundland Regiment, the negative economic effects of the early months of the war did not bode well for social or political solidarity.<sup>14</sup>

In the years leading up to the war, Newfoundland politics, fractious at the best of times, had become increasingly polarized. Prime Minister Edward Morris, a cooper’s son from a working-class neighbourhood in St. John’s, had become first a successful lawyer and later an even more successful politician. His People’s Party frequently deployed the language of populism, identifying with the “common people” of the country and arguing that there was a commonality of interest between the producing classes of fishermen and workers and an emerging industrial and professional middle class. Morris and his allies believed that the promotion of local business and industry was the best way to ensure the betterment of the labouring population, and their platform in the 1913 election had included subsidies to local manufacturing interests and the construction of railway branch lines to stimulate rural development. Through its promises to create employment, the People’s Party had gained the support of a significant portion of the labouring classes, particularly among the skilled workers in the west end of St. John’s and among Morris’s fellow Roman Catholics.<sup>15</sup> As for industrial relations, Morris believed that capital and labour should be partners, sharing in the “profits” of industry; while he thought that labourers should receive a “living wage,” he was adamantly opposed to the use of strikes to obtain it.<sup>16</sup>

The Fishermen’s Protective Union, though initially optimistic when Morris had taken office in 1908, had become outspokenly critical of the prime minister by 1913, after his failure to enact any substantial reforms to the fishery. William F. Coaker, president of the FPU and by far the dominant force within the organization that he had founded at Herring Neck in 1908, saw fishery reform as the single most important issue in Newfoundland, and his organization had a considerable following among

11 Morris to Davidson, 24 April 1915 (despatch 1915/48), Governor’s Miscellaneous and Local Correspondence, GN 1/3/A, PANL.

12 Morris to Davidson, 29 May 1915 (despatch 1915/60), GN 1/3/A, PANL.

13 Davidson to Harcourt, 31 October 1914, Colonial Office Records (CO) 194/288; *Board of Trade Report* (1914), 14.

14 Unlike other British dominions, there were no military land forces in Newfoundland prior to the outbreak of war and no facilities for equipping or training soldiers. On reactions to the outbreak of war and the organization of Newfoundland’s military forces, see Mike O’Brien, “Out of a Clear Sky: The Mobilization of the Newfoundland Regiment, 1914-1915,” *Newfoundland and Labrador Studies* 22, no. 2 (Fall 2007): 401-27.

15 S.J.R. Noel, *Politics in Newfoundland* (Toronto: University of Toronto Press, 1971), 32-3; Sean T. Cadigan, *Newfoundland and Labrador: A History* (Toronto: University of Toronto Press, 2009), 180-4.

16 Interview with Edward Morris, *Canada* (10 November 1917), 58.

Newfoundland's fishermen (particularly along the northeast coast). The membership was diverse, and not only was there considerable social differentiation among fishermen themselves but the FPU was also open to farmers, loggers, and other manual labourers. Coaker and the FPU advocated what they called the "New Gospel of Unionism," which was based on the premise that the producing classes alone created the wealth of the country and that the proceeds of their labour should be shared in a more equitable fashion. Coaker's organization promoted collective action to effect social change, albeit with an individualistic appeal summed up in the union's slogan: *suum cuique* ("to each his own").<sup>17</sup> In 1910 the FPU founded its own newspaper, the *Fishermen's Advocate*, to spread the "New Gospel" and to "break down the old barriers that stood between the classes and the masses." By 1913, the *Advocate's* circulation of some 11,000 exceeded that of any other local newspaper and made it a vehicle for producing-class political agitation.<sup>18</sup>

In order to turn the "New Gospel" into a concrete plan of action, the FPU put forward a lengthy list of fishery reforms that, in turn, became the centrepiece of its political program when it formed its own Union Party in 1912.<sup>19</sup> While this party was originally conceived as an independent entity, it entered into an alliance with the opposition Liberal Party and, in the 1913 election, Unionists claimed eight seats in the legislature (mainly on the northeast coast).<sup>20</sup> While the FPU members had initially been junior partners in their alliance with the Liberals, they soon came to dominate the opposition, particularly after Dr. William F. Lloyd, who was legal counsel for the FPU, became Liberal leader in 1916.<sup>21</sup>

The FPU had powerful enemies. Most merchants, not surprisingly, were bitterly opposed to any organization that threatened their economic domination of the country. The Catholic Church was also adamantly opposed to the FPU, and for a time held that membership in the organization was sinful.<sup>22</sup> Not coincidentally, the southeast corner of the island, where the Catholic Church was strongest, was also the area where the FPU was weakest.<sup>23</sup> Both merchants and clerics dismissed Coaker as a "socialist" agitator, an allegation that Coaker indignantly denied. In his first speech to the House

17 For an overview of Coaker's political career, see Ian D.H. McDonald, *To Each His Own: William Coaker and the Fishermen's Protective Union in Newfoundland Politics, 1908-1925*, ed. J.K. Hiller. (St. John's, NF: ISER, 1987). A wealth of material on the FPU can be found on the Maritime History Archive website, at <http://www.mun.ca/mha/fpu/>.

18 In 1914, a daily edition called the *Mail and Advocate* commenced publication, and was renamed the *Evening Advocate* in 1917. See FPUCP (1913), 67, as well as McDonald, *To Each His Own*, 25-6.

19 FPUCP (1912), 50. The main reforms demanded by the FPU included a greater role for government in regulating the fishery (in particular the grading of catches) as well as an end to the oligopoly which St. John's merchants exercised over the marketing of fishery products. See Cadigan, *Newfoundland and Labrador*, 179-80.

20 FPUCP (1913), 65.

21 Smallwood, *Coaker*, 39.

22 McDonald, *To Each His Own*, 40.

23 Robert J. Brym and Barbara Neis, "Regional Factors in the Formation of the Fishermen's Protective Union of Newfoundland," in *Underdevelopment and Social Movements in Atlantic Canada*, ed. Robert J. Brym and R. James Sacouman (Toronto: New Hogtown Press, 1979), 211-13. Grimes was part of a small but active socialist movement in St. John's. See David Frank and Nolan Reilly, "The Emergence of the Socialist Movement in the Maritimes, 1899-1916," *Labour/Le Travailleur* 4 (1979): 112-13.

of Assembly, he said that the FPU was “as far from Socialism as the North Pole is from the South.”<sup>24</sup> Rather than advocating socialism, the FPU was dedicated to the principle of “co-operative distribution” – that is, the distribution of resources so as to benefit the people in general rather than just a small ruling clique.<sup>25</sup> One Union Party MHA, George Grimes, called himself a “socialist,” but this was only in terms of “the elevation of the masses from the low position in which they are today.”<sup>26</sup> While the FPU could be vehemently radical in its rhetoric, its political aims were strictly reformist in nature.

The primary targets of the FPU’s wrath were the leading merchant capitalists of St. John’s, referred to collectively as “Water Street” after the city’s commercial district, who through their control of the fishery almost completely dominated the Newfoundland economy. The *Advocate* referred to these merchants as the “Ancient Enemies of Newfoundland Progress.”<sup>27</sup> Local poet James Murphy, describing the “social grade” in Newfoundland that so strongly favoured the merchant class, noted:

It sprung from folks who robbed your sires  
Of the fruits of their hard toil,  
Those snobbish-like “aristocrats,”  
The kings of fish and oil.<sup>28</sup>

The long-established St. John’s merchant families who constituted the local “fishocracy” were not the FPU’s only targets. Perhaps even more intensely vilified were the owners of the Reid Newfoundland Company, “the great octopus” that owned and operated the trans-insular railway as well as the Bishop’s Falls pulp and paper mill, a fish exporting company, sawmills, and manufacturing plants.<sup>29</sup> The Reids’ capital assets in Newfoundland, on paper at least, totalled roughly \$15 million. While they insisted that they were not making a profit on the railway, many Newfoundlanders were unconvinced – especially given the huge salaries paid to the Reids themselves, which the company listed as “expenses.” This apparent perfidy, as well as their constant political intrigues, made the Reids “intensely unpopular” with the Newfoundland people.<sup>30</sup> The FPU also constantly linked the Morris government with the Reids, who were known to have provided considerable financial backing for the People’s Party. The result, said the *Advocate*, was a “reign of Grasp, Grab, Boodleism and Financial Destruction” in which the government was presiding over the “looting” of Newfoundland’s wealth,<sup>31</sup> and the onset of a war ostensibly fought for democracy only served to intensify this antipathy.

24 *Proceedings of the House of Assembly* (9 January 1914), 34.

25 McDonald, *To Each His Own*, 33.

26 Melvin Baker, “George Frederick Arthur Grimes,” *Newfoundland Quarterly* 88, no. 1 (Summer 1987): 22; *Proceedings of the House of Assembly* (9 January 1914), 39; *Evening Advocate*, 1 February 1917.

27 *Mail and Advocate*, 24 February 1915.

28 James Murphy, “No Irish Need Apply,” *Evening Herald*, 30 October 1915.

29 Peter McInnis, “All Solid Along the Line: The Reid Newfoundland Strike of 1918,” *Labour* 26 (Fall 1990): 65; *Mail and Advocate*, 13 November 1915.

30 Davidson to Long, 24 October 1917, CO 194/293.

31 *Mail and Advocate*: 31 May 1915, 22 November 1915.



As did many labour organizations in Canada, in 1914 the FPU came out strongly in support of a war to defend the world against Prussian militarism, and especially to save “brave Belgium.” Coaker believed that Britain was fighting “to fully establish . . . broad principles of democracy.”<sup>32</sup> Yet the *Advocate* also argued that patriotism should begin at home, saying that it was just as important to defend the weak in Newfoundland as it was in Europe. Thus, to support the purpose of the war did not necessarily mean supporting the Morris government.<sup>33</sup> The FPU was not alone in its refusal to set aside opposition to capital for the sake of the war. While some employers seized upon the war as an excuse to demand suspension of all industrial disputes, labour organizations generally maintained that the interests of workers still had to be upheld. The relatively small industrial working class in Newfoundland had become increasingly restive in the years leading up to the Great War. No fewer than 215 strikes took place between 1890 and 1914, with more than 70 per cent of these involving “unskilled” or “semi-skilled” workers. Most of this labour unrest occurred in St. John’s, where most of the wage-based labour was located.<sup>34</sup> While actively supporting the war effort (including the recruitment for the Newfoundland Regiment), labour leaders remained disinclined to acquiesce to employers’ demands for even more sacrifice on the part of the workers.<sup>35</sup>

Indeed, when the war began, the largest and most militant union in St. John’s – the Longshoremen’s Protective Union (LSPU) – was on strike. With more than 2,600 members, both dockworkers and municipal sanitation employees, the LSPU had been at the forefront of industrial unrest in the city.<sup>36</sup> The outbreak of war brought calls for union members to return to work. Former Finance Minister E.M. Jackman, for instance, demanded that the LSPU give up its action since, in wartime, “there is no issue between Liberal or Tory, Catholic or Protestant, Labour or Capital – All are for the State.” In response, “Big Jim” McGrath, president of the LSPU, dismissed Jackman’s suggestion as ridiculous. For McGrath, there was “no more patriotic body in Newfoundland” than the LSPU, but demands for wartime economy and thrift were only convincing if observed by all – including the “wealthy employer.”<sup>37</sup>

As labour leaders embraced the British war effort, the rank and file of the working population provided most of Newfoundland’s military forces. While many of the earliest volunteers came from the middle classes of St. John’s, the overwhelming majority of wartime recruits for the Newfoundland Regiment were drawn from the producing classes of the city and, even though the realities of household production

32 *Mail and Advocate*, 7 August 1914; FPUCP (1914), 87; On the situation in Canada, see Naylor, *New Democracy*, 19-21.

33 *Mail and Advocate*: 12 August 1914, 17 August 1914.

34 Jessie Chisholm, “Strikes in Newfoundland,” in *Newfoundland History 1986* (St. John’s, NF: Newfoundland Historical Society, 1986), 214-15.

35 Some union leaders were members of the Newfoundland Patriotic Association, a non-governmental organization established to administer the Newfoundland Regiment. See O’Brien, “Out of a Clear Sky,” 406.

36 Jessie Chisholm, “Organizing on the Waterfront: The St. John’s Longshoremen’s Protective Union (LSPU), 1890-1914,” *Labour/Le Travail* 26 (Fall 1990): 46-7, 56.

37 *Daily News*: 17 August 1914, 18 August 1914. In Nova Scotia, labour organizations seem to have been more open to calls for industrial “harmony,” if only during the early months of the war. See McKay, “Stillborn Triumph,” 206.

tended to restrict enlistment, the outports as well. In addition, virtually all of the men who served in the Royal Naval Reserve came from the fishing population of the outports.<sup>38</sup> Participation in the war effort, though, was not restricted to men, as large numbers of women from the producing classes were active in the Women's Patriotic Association by, for example, knitting woollen socks and scarves for soldiers overseas.<sup>39</sup>

### **War and economic opportunity**

The sacrifices required of the population under wartime conditions would, on their own, likely have exacerbated class tensions in Newfoundland, even as increasing demand gradually created an expansion of trade and employment. Early in the war, however, Newfoundland capitalists embarked on two courses of action that intensified class antagonism and gave producing-class opposition powerful issues around which to coalesce on the basis that the motive in each case was to extract increased profits. The first of these actions was the sale by merchants, at inflated prices, of almost every steel-hulled steam vessel in Newfoundland, a transaction that would prove to be rather short-sighted. The second was the successful lobbying of the government to allow the export from Newfoundland to Britain, again at what appeared to be high rates of profit, of raw timber that many rural inhabitants felt to be the common property of all Newfoundlanders.

The Russian government, when the war began, found itself critically short of icebreaking steamships, which it needed to keep open ports in the White Sea. Newfoundland merchants, meanwhile, owned what was arguably the world's finest fleet of such ships. The Tsarist authorities soon approached Newfoundland shipowners to offer payment of more than market value if these vessels were for sale.<sup>40</sup> The shipowners were eager to respond. The first ships sold were Reid Newfoundland Company's freight and passenger steamers *Lintrose* and *Bruce*, both of which had been employed on the run between North Sydney and Port aux Basques.<sup>41</sup> By the spring of 1916, five other vessels had been sold to the Russian Admiralty "at a handsome profit": A.J. Harvey's icebreakers *Bellaventure*, *Bonaventure*, and *Adventure*; Job Brothers' *Beothic*; and Baine Johnson's *Iceland* (which was still under construction on the Clyde).<sup>42</sup> The sales represented a windfall

38 Chris Martin, "The Right Course, The Best Course, The Only Course: Voluntary Recruitment in the Newfoundland Regiment, 1914-1918," *Newfoundland and Labrador Studies* 24, no. 1 (Spring 2009): 55-89; Christopher A. Sharpe, "The 'Race of Honour': An Analysis of Enlistments and Casualties in the Armed Forces of Newfoundland, 1914-1918," *Newfoundland Studies* 4, no. 1 (Spring 1988): 27-55; Bernard Ransom, "Nursery of Fighting Seamen? The Newfoundland Royal Naval Reserve, 1901-1920," in *A Nation's Navy: In Quest of Canadian Naval Identity*, ed. Michael L. Hadley, Rob Huebert, and Fred W. Crickard (Montreal: McGill-Queen's University Press, 1996), 239-55.

39 Gale Denise Warren, "The Patriotic Association of the Women of Newfoundland: 1914-18," *Newfoundland Quarterly* 92, no. 1 (Summer 1998): 23-32.

40 William Barr, "The Role of Canadian and Newfoundland Ships in the Development of the Soviet Arctic," *Newfoundland Quarterly* 78, no. 1 (Summer 1977): 20-1.

41 Bennett to Reid, 25 August 1914, GN 2/14, file 5/3, PANL; Bennett to Davidson, 28 January 1915 (despatch 1915/12), GN 1/3/A, PANL; Minutes, 28 January 1915, Proceedings of the Executive Council, vol. 24, GN 9/1, PANL; Minutes, 1 February 1915, Proceedings of the Executive Council, vol. 24, GN 9/1, PANL; *Canadian Railway and Marine World* (March 1915), 113.

42 Bonar Law to Davidson, 7 December 1915, GN 2/14, box 5/4, PANL; *Canadian Railway and Marine World* (December 1915), 490.



for the firms involved since, according to Governor Davidson, the vessels were sold “at prices which were practically double their original cost.”<sup>43</sup> The owners were aided and abetted in this enterprise by the Newfoundland government, which hastened to give approval. Opposition politicians quickly alleged that the transactions had been “railroaded” through the Executive Council by friends of the merchants involved, but these charges were denied by Colonial Secretary J.R. Bennett. Russian agents involved in the negotiations, meanwhile, demanded that all details of the transactions be strictly censored, deepening suspicions of collusion.<sup>44</sup>

While profitable for the shipowners, the sale of the steamers would prove costly for the country as a whole. The vessels that the Reids used to replace *Lintrose* and *Bruce* on the Cabot Strait run were too small for the task. The 835-ton *Meigle*, for instance, was a poor substitute for the 1,700-ton *Bruce*. The result was a severe congestion of Newfoundland-bound freight in Sydney by late 1915.<sup>45</sup> The coastal boat service in Notre Dame Bay and Placentia Bay was also badly congested due to lack of adequate steamers. To make matters worse, the Allan and Black Diamond Lines, which ran steamer services between Montreal and St. John’s, suspended operations in 1915 on the grounds that wartime conditions made the service unprofitable.<sup>46</sup>

As the tonnage crisis became increasingly serious, the sale of the steamers became a contentious political issue. In particular, the “patriotic” motives of the shipowners were called into question.<sup>47</sup> In the House of Assembly, government backbencher J.M. Currie said that the shipowners were using the war as an excuse to “get rich quick” – noting that while they spoke loudly of their patriotism they “took good care it was the kind of patriotism that paid.” Liberal leader James Kent called the owners’ action unpatriotic, and insisted that they be held responsible for replacing the lost tonnage out of the “excessive profits” that they made on the sales.<sup>48</sup> Lloyd proposed a tax on the profits from the transactions, but his motion was defeated by the government.<sup>49</sup> The local Board of Trade rose to the defence of the shipowners, saying that they could not have foreseen the consequences of their actions, and that “the tempting offers made to them could not be resisted and there was also a desire to help our Ally.”<sup>50</sup> By mid-1916 the government had realized its mistake, and refused to allow Bowring Brothers to sell the coastal steamers *Prospero* and *Portia* to the French government; but an extreme shortage of tonnage would continue to threaten Newfoundland’s ability to import goods and to export fish and other products to overseas markets for the remainder of the war.<sup>51</sup>

43 Davidson to Bonar Law, 11 January 1916, CO 194/291.

44 Bennett to Piccott, 8 July 1915, GN 2/14, PANL; Bennett to Robinson, 2 August 1915, GN 2/14, PANL.

45 *Evening Telegram*, 19 November 1915; *Board of Trade Report* (1915), 7; *Canadian Railway and Marine World* (November 1915), 448.

46 *Board of Trade Report* (1915), 4, 18-19; *Canadian Railway and Marine World* (May 1915), 197.

47 *Evening Telegram*, 20 November 1915.

48 *Proceedings of the House of Assembly* (16 March 1916), 15-17.

49 *Mail and Advocate*, 29 April 1916.

50 *Commercial Annual* (St. John’s, NF: Trade Review Publishing Co., 1917), 82-3.

51 *Canadian Railway and Marine World* (December 1916), 511; Bennett to Davidson, 30 December 1916, GN 2/14, file 5/4, PANL; Davidson to Bennett, 3 January 1917, GN 2/14, file 5/4, PANL; Morris to Davidson, 11 January 1917, GN 2/14, file 5/4, PANL; Minutes, 12 January 1917, GN 9/1,

While the onset of war found Russia short of icebreakers, it also created a problem for the British coal-mining industry. Its supply of pit timber from Russia and Scandinavia was now threatened by the presence of the German High Seas Fleet in the Baltic Sea. Shortly after the declaration of war, the Board of Trade in London, on the recommendation of St. John's merchant R.B. Job, despatched a group of buyers to investigate the timber situation in Newfoundland and eastern Canada. After consultation with the Morris government, this delegation reported to London that Newfoundland possessed "an almost inexhaustible quantity of timber" that could be "had on the spot for nothing." It also reported that labour for cutting pit props could be easily found in Newfoundland during the winter months, when there was "no apparent fixity or continuity of employment" on the island; most fishermen had experience in cutting wood, and would require no instruction and little supervision.<sup>52</sup>

Although pit prop exports thus seemed to have all the makings of a profitable venture, there were obstacles. First, Newfoundland, in order to stimulate local industry, had prohibited the export of unmanufactured timber from either the island or Labrador. Second, cutting rights were restricted on all land within three miles of the shore. In this area, known as the "Three-Mile Limit" or "Fishermen's Reserve," wood could be cut freely by the local inhabitants for their own use in building boats and houses or for fuel. As such, this timber was considered to be a "common property resource," and commercial cutting or export of timber from this area had been prohibited since 1898. Before the war the FPU had led the fight to defend the Three-Mile Limit from encroachments by commercial developers, and forest conservation was also an important consideration. Despite the vast extent of Newfoundland's forested areas, much of this forest, particularly near the coast, had been burned over so the wood was generally of a small size. Before the war, Coaker had warned the House of Assembly of the dire consequences of the rapid depletion of timber, a problem which he said was due largely to lack of government conservation measures.<sup>53</sup>

With the outbreak of war, however, patriotic fervour took precedence over both customary rights and forest conservation. Government politicians were enthusiastic about this new export industry, which was heralded not only as a contribution to the war effort but as a source of money and jobs. Finance Minister Michael Cashin noted that Britain's pre-war pit prop imports were worth triple the cash value of Newfoundland's cod fishery and insisted that investment by British capitalists was a sure way to "develop great wealth." These sentiments were echoed by other government members, one of them identified by Coaker as solicitor for a company

vol. 24, PANL.; Davidson to Bonar Law, 21 September 1917, GN 2/14, file 2/6, PANL.; Payne to Lloyd, 16 November 1917, GN 2/14, file 5/4, PANL.; Morris to Lambert, 26 November 1917, GN 2/14, file 5/7, PANL.

52 *Reports to the Board of Trade upon the Supply of Imported Pit Timber with special reference to the Resources of Newfoundland and the Maritime Provinces of Eastern Canada*, Cd. 7728 (1914-1916), 10-13; Lorimer to Bowring, 3 September 1914, GN 8/1, file 44, PANL.

53 *Supply of Imported Pit Timber*, Cd. 7728 (1914-1916), 7. See also "Saw Mills (Restriction) Act," *Statutes of Newfoundland 1906*, 6 Ed. VII, Cap. 28; *Proceedings of the House of Assembly* (28 January 1914), 165; Sean Cadigan, "Recognizing the Commons in Coastal Forests: The Three-Mile Limit in Newfoundland, 1875-1939," *Newfoundland and Labrador Studies* 21, no. 2 (Fall 2006): 219-20; H.G. Joly de Lotbinière, "Forestry in England and Abroad," *Quarterly Review* 219 (1913): 451.

interested in exporting pit props.<sup>54</sup> In September 1914, in a special war session of the legislature, the Morris government removed the restriction on the export of unmanufactured timber, allowing the export of pit props to the United Kingdom (though the status of the Three-Mile Limit under this legislation was somewhat nebulous).<sup>55</sup> To prevent abuses of the export provisions the legislature also passed the 1915 Saw Mills Act, which restricted the right of property in cut timber to a period of 18 months from the date of cutting.<sup>56</sup>

The FPU and its Liberal allies were unconvinced that pit prop exports were in the interest of Newfoundlanders, and suspected that the removal of cutting restrictions was primarily a favour for capitalist friends of the government. Coaker's position was that the timber was the property of the people, and should be used only for the benefit of the population as a whole rather than for individual gain.<sup>57</sup> The *Advocate* called the pit prop scheme "a plot to take the people's heritage without their consent or leave [in order] to make a number of land grabbers wealthy." It called such speculators "English sports" intent upon "killing the goose which lays the golden egg." Citing as well the importance of forest conservation, the *Advocate* warned FPU members against becoming involved in such a destructive industry, especially at the wages being offered. Fishermen who cut pit props, the paper said, might as well "cut off their right hand with their left." Linking the issue directly to the politics of the war, the *Advocate* warned that by supporting this looting of Newfoundland's wealth the government was betraying "principles of such importance to the People that during the past 34 months 1,000,000 Britishers have died or become totally disabled to defend." Union MHA William Halfyard stated that the patriotic claims made by prospective exporters were merely a "guise [for] giving these people a license to clean the country out." Patriotism, he said, meant "that which will bring prosperity to our future generations," and should not be used as an excuse to exact profits.<sup>58</sup>

Moreover, even though a 1915 act had prohibited the export of green timber cut on the Three-Mile Limit, by 1916 the Executive Council had begun issuing permits to cut such timber.<sup>59</sup> In the House of Assembly, Coaker remarked upon the irony of the government passing a law to protect the Three-Mile Limit and then issuing permits for companies to cut pit props on this land. "Everything we handle in Newfoundland," he

54 *Proceedings of the House of Assembly*: (25 May 1915), 730, 735-76; (27 May 1915), 809-10.

55 "Exportation of Timber Act," *Statutes of Newfoundland 1914 (War Session)*, 5 Geo, V, Cap. 7; Minutes, 2 November 1914, GN 9/1, vol. 24, PANL. The act made no specific mention of the Three-Mile Limit.

56 "Saw Mills Act," *Statutes of Newfoundland (1915)*, 6 Geo v, Cap. 15; *Proceedings of the House of Assembly* (7 June 1917), 86.

57 *Proceedings of the House of Assembly*: (12 April 1915), 87; (25 May 1915), 733-76; (27 May 1915), 805-7.

58 *Mail and Advocate*: 28 May 1915, 8 September 1915, 11 January 1916; *Evening Advocate*, 7 June 1917; *Proceedings of the House of Assembly* (27 May 1915), 815. Supporters of pit prop exports, however, continued to maintain that exporters were motivated primarily by patriotism. See *Daily News*, 16 July 1916.

59 The wording of the legislation in question was rather ambiguous, since the stipulation regarding the Three-Mile Limit was stated as a condition of export rather than as an outright ban on cutting. See *Evening Telegram*, 7 June 1917.

said, “we seem to make a bungle of and only awake to the fact when the horse is stolen. Then we lock the door.” Lloyd warned that cutting timber on the Three-Mile Limit was going to cause “much dissatisfaction” in rural areas, and could lead to serious trouble.<sup>60</sup> Protests against the pit prop industry had already been reported from Bonavista Bay, Notre Dame Bay, and other northern areas.<sup>61</sup> One man in Jackson’s Cove reported that in the Hall’s Bay area “every man was against Pit Props being cut. They said that . . . every stick fit for beams, longers and even wood would be cut. They was not in favour of having it stopped this winter, as they was in it, but they said it should never have been started . . . If the Companies that need it can’t pay money enough to go a mile [inland] after it let them go where they can get it cheaper.”<sup>62</sup> Another man in Baie Verte said that while most fishermen thought that cutting pit props, especially on the Three-Mile Limit, was wrong, they were willing to do it because they were “very badly off” following the previous summer’s poor fishery.<sup>63</sup> Union MHA Walter Jennings said that the general attitude of people in the outports was that if the forest was “going to be destroyed it is just as well for [them] to go there and earn a dollar as anybody else.”<sup>64</sup>

Another problem had also emerged. Once the pit props had been cut, merchants reported difficulties in finding tonnage to transport them to Britain at rates that would make the venture profitable.<sup>65</sup> With shipping costs at an all-time high due to the shortage of tonnage, Newfoundland’s exports of timber to the U.K. in 1917 dropped to less than one-tenth of the quantity exported in 1916.<sup>66</sup> Morris estimated that the unexported stock of pit props was worth more than \$500,000, though the deterioration of the cut timber over time was causing a depreciation in this value. Local exporters claimed that the wood would soon be unsuitable even for making pulp, and demanded that the government allow them to export it to Canada or the United States.<sup>67</sup> The president of Horwood Lumber Company, along with other representatives of logging interests, wrote to Agriculture and Mines Minister Sidney Blandford demanding that the government do something about unshipped pit props at various locations around the island. They were incensed that certain “irresponsible persons” had read the 1915 Saw Mills Act and come to the conclusion that property rights in the cut timber had terminated. “In pursuance of this idea,” they said, thousands of pit props were being appropriated by local people, and they demanded “drastic action” by the government to protect their investment.<sup>68</sup>

60 *Proceedings of the House of Assembly* (21 March 1916), 42, 50-1.

61 *Mail and Advocate*: 7 December 1915, 11 January 1916.

62 Newhook to Blandford, 3 February 1915, GN 8/1, file 44, PANL.

63 Moores to Blandford, 8 October 1915. GN 8/1, file 44, PANL.

64 *Proceedings of the House of Assembly* (22 March 1916), 65.

65 Job to Morris, 10 August 1916, GN 8/1, file 27, PANL; *Board of Trade Journal (BOTJ)* 92 (April-June 1916): 464. The exporters, claiming purely patriotic intentions, appealed to the government in 1916 to commandeer enough tonnage to carry the cut wood to Britain. Davidson refused, saying that the admiralty was not in the business of subsidizing industry by providing vessels at less than market rates. See Davidson to Morris, 8 April 1916, GN 8/1, file 61.5, PANL; Job to Morris, 29 June 1916, GN 8/1, file 61.5, PANL.

66 *Timber*, Cmd. 985 (1920), 9.

67 *Proceedings of the House of Assembly* (5 July 1917), 432-4.

68 Horwood et al. to Blandford, 6 July 1917, GN 8/1, file 44, PANL.

The matter came to a head in early June 1917, when rumours of a “temporary revolution” in Twillingate began to reach St. John’s. According to press reports, a large crowd had threatened to tear down the local courthouse after two fishermen were arrested for taking pit props. In the process, a British ensign was said to have been pulled down and ripped apart.<sup>69</sup> The timber exporters accused Lloyd and Jennings of instigating the disturbance, and the two were forced on 7 June to defend themselves in an emergency debate in the House of Assembly. Lloyd told the house that a number of men in Twillingate who had appropriated pit props that had been cut on the Three-Mile Limit had approached him to find out about their rights in the matter. These men, he said, felt that “their birthright, as they regard the 3-mile limit, had been violated.” Jennings, who represented the district of Twillingate, said that the pit props had been cut in contravention of the ban on the cutting of green timber on the Three-Mile Limit for export purposes, and that the government had given its tacit approval to this illegal action. He said he knew nothing about any flag-burning. According to Coaker, the pit props in question had been picked up on the beach after a boom broke apart in a storm. He added that the people of the area believed the timber to have been illegally cut, and that they “were so aroused that one hundred men made up their minds that no one else should be fined” for appropriating timber that they felt was rightfully theirs.<sup>70</sup>

Noting the widespread resentment of the government’s handling of the pit prop situation, the *Advocate* warned that “a match if lighted would embroil the whole North and entail consequences which might have a terrible ending.” The government also realized that what was essentially a minor incident could easily turn into something more dangerous. Government MHA A.W. Piccott admitted, for instance, that to send constables to Twillingate would be “like showing a red rag to a bull,” and urged his fellow ministers to proceed with caution. The next morning, constables who had been despatched to Twillingate were hastily recalled to St. John’s. Coaker, for his part, sent a message to the FPU Council in Twillingate, urging fishermen to refrain from rioting. Meanwhile, a letter from a correspondent in Twillingate said that, while there had been a public demonstration against pit prop cutting, the flag incident was the invention of pit prop owners who wanted government intervention to prevent further appropriation of cut timber.<sup>71</sup>

In August 1917, a series of government measures conceded the failure of the pit prop scheme. All pit props cut before 1 November 1915 were exempted from the 18-month restriction on property rights. To protect the rights of cutters, the house passed legislation granting them a lien on pit props for any unpaid wages. The same legislation also allowed any pit props cut prior to January 1917 to be exported to Canada or the U.S. By late summer the cutting of pit props, having proved unprofitable, was abandoned, and many of the existing pit props were being used for palings or sent to local saw mills for construction lumber.<sup>72</sup> The pit prop controversy demonstrated once again the cleavage between those who produced and those who profited.

69 *Evening Telegram*, 6 June 1917.

70 *Proceedings of the House of Assembly* (7 June 1917), 84-8.

71 *Evening Advocate*: 7 June 1917, June 1917, 14 June 1917; *Proceedings of the House of Assembly* (7 June 1917), 84-91.

72 “Saw Mills Act,” *Statutes of Newfoundland (1917)*, 8 Geo V, Cap. 29; “Timber Exportation Act,” *Statutes of Newfoundland (1917)*, 8 Geo V, Cap. 28; Davidson to Long, 23 July 1917, CO 194/293.

In general, with its very small industrial base and with persistent transportation problems, Newfoundland was unable to replicate the exponential growth of munitions and shipbuilding industries that occurred in wartime Canada. In 1916, some local investors established a small factory in St. John's to produce artillery shells for the British Army. While the Newfoundland Shell Company was initially successful, the growing shortage of shipping tonnage led to delays in obtaining raw materials and in shipping its finished products to England and the factory closed down before the war was over.<sup>73</sup> Thus, while the war effort gradually increased demand for fish and a few other local products, Newfoundland's business community was unable to take much advantage of the growing demand for the materials of war. Yet the vigour of its efforts to do so, and to maximize profits accordingly, had been unmistakable.

### **The politics of prices**

As it became apparent that local merchants were intent upon using the war as a means of increasing their profit margin, the FPU and various working-class organizations seized upon profiteering as a potent issue upon which to focus class discontent. The use of what many saw as a cynical appeal to patriotism by a business community who wanted only to line their own pockets gave added credibility to criticism of the existing economic order. This was clear in the case of the sale of the icebreaking fleet, in which shipowners had profited at the expense of the public interest, as it was in the case of the export of timber, which many believed was a looting the country's heritage. It was, however, the rapid escalation of retail prices for imported goods that provided the opposition with its most immediate and effective ammunition.

Two weeks after the war began, the *Advocate* warned that patriotism might be used by local merchants as an excuse for "bleeding the purchaser of additional profits." Liberal James Kent said that extorting "unfair profits" was nothing short of treason. Even the pro-government *Daily News* issued a harsh condemnation of any businessmen who might try to "wrench a wretched profit out of suffering and tears," and demanded immediate government action to forestall profiteering. While the paper claimed it was not generally in favour of "paternalism" on the part of government, it felt that such action was justified under the circumstances.<sup>74</sup> In early September 1914, in response to these public demands, the House of Assembly passed an anti-profiteering measure, the Food Stuffs Act, which gave the Governor in Council the power to seize any food supplies that he believed were being "unreasonably withheld from market" and, if necessary, to fix maximum food prices.<sup>75</sup> Despite the passage of this act, the Morris government would prove reluctant to take any concrete action against profiteering.

In early December 1915, rumours of an impending coal shortage began to circulate in St. John's. Morris quickly contacted local dealers, who informed him that their stocks were "abnormally low" because of the scarcity of tonnage.<sup>76</sup> Shortages of flour, oats, cattle feed, and other imports were also reported.<sup>77</sup> Prices of these goods soared,

73 Mike O'Brien, "Our Own Military-Industrial Complex: The Newfoundland Shell Company, 1915-1918," *Newfoundland Quarterly* 100, no. 2 (Winter 2007): 34-6.

74 *Mail and Advocate*, 19 August 1914; *Daily News*: 7 August 1914, 3 September 1914.

75 "Food Stuffs Act," *Statutes of Newfoundland 1914 (War Session)*, 5 Geo. V, Cap. 2.

76 Mullaly to Morris, 6 December 1915, GN 8/1, file 61.5, PANL.

77 *Mail and Advocate*, 13 December 1915.



resulting in charges from opposition politicians and the general public that merchants were using the shortages as an excuse to increase their profit margin. Because those who benefited from high retail prices were from the same class as those who had sold the local steel-hulled fleet – some of them the very same people – many among the working classes thought it was unjust that these people should profit from their own short-sighted action.<sup>78</sup> Nor was the problem of high prices restricted to St. John's. Indeed, the problem of obtaining coal in the outports at a reasonable rate had been a problem even before the war.<sup>79</sup> The 1916 coal shortage was more severe in St. John's than in some of the outports, however, because outport schooners that carried fish out of Newfoundland during the fall were able to return with cargoes of coal. Some rural communities, though, particularly in Conception Bay, reported severe shortages of fuel.<sup>80</sup> If the situation on the island in the winter of 1916 was bad, conditions in Labrador were even worse. Dr. H.L. Paddon reported from North West River that "serious food shortages" were causing "awful distress," and claimed that the government and the St. John's merchants were doing nothing to ease the problem.<sup>81</sup>

By early January 1916, the Morris government knew that something would have to be done about coal prices. The *Evening Telegram* reported that the working classes of St. John's, who held the greed of the merchants entirely to blame for the coal situation, were "very near a revolt."<sup>82</sup> While Morris was fairly certain that the "well-to-do" could obtain coal, those who could afford to buy only in small quantities had to face exorbitant prices or do without.<sup>83</sup> Faced with growing public hostility, Morris was finally ready to admit publicly that local dealers were withholding coal and that, while he held that coal dealers were justified in making a "reasonable profit," the rapid escalation in coal prices was not "warranted by the facts." As such, he felt he had no choice but to invoke the Food Stuffs Act.<sup>84</sup> On 10 January the government fixed the price of all existing stocks of coal to prevent further increases.<sup>85</sup> Despite expressions of concern for the problems encountered by poor people, however, Morris was only willing to go so far in alleviating the coal shortage. When it was suggested that the government subsidize coal shipments, he refused – citing a fear of being "mulcted for a large amount" by local merchants.<sup>86</sup> In the end, no long-term measures were taken and the shortages and high prices of January 1916 were repeated the following winter. Coal prices were again fixed, and supplies were rationed, with sales of more than one quarter ton at a time being punishable by a fine or imprisonment.<sup>87</sup> This moderated, but did not eliminate, the problem of supply, and public resentment remained.

78 *Evening Telegram*, 11 December 1915; McInnis, "All Solid Along the Line," 70-1. A.J. Harvey, for instance, who sold three steamers to Russia, was one of the city's largest coal dealers.

79 *Proceedings of the House of Assembly* (9 January 1914), 36.

80 Davidson to Bonar Law, 11 January 1916, CO 194/291.

81 Paddon to Sheard, 18 May 1916 (despatch 1916/53), GN 1/3/A, PANL.

82 *Evening Telegram*, 15 January 1916.

83 Morris to Munn, 13 December 1915, GN 1/3/A, file 61.5, PANL.

84 Murray to Morris, 11 January 1916, GN 8/1, file 61.5, PANL; Morris to Murray, 17 February 1916, GN 8/1, file 61.5, PANL; and Davidson to Bonar Law, 11 January 1916, CO 194/291. Between January and February 1916, the price of coal to consumers increased by more than 30 per cent.

85 *Daily News*, 10 January 1916.

86 Morris to Job, 15 January 1916, GN 8/1, file 61.5, PANL.

87 *Daily News*, 11 December 1916.

Predictably, Reid Newfoundland Company received the lion's share of the blame for soaring consumer prices. The Reids were unpopular in Newfoundland at the best of times, and reports that they were pocketing huge profits due to freight increases produced what the governor called "considerable discontent."<sup>88</sup> According to Coaker, "Sir William Reid show[s] no inclination to consider any interest but that of enriching himself and his family at the expense of the people of this country at a time when all who love the Flag and Empire should be making sacrifices for one common purpose."<sup>89</sup> The *Advocate* noted that high prices were hurting both fishermen and labourers, and it asked the government why the Reid Newfoundland Company, which had "captured so many millions of the people's dollars . . . at the expense of their public obligations," should not be ordered to supply coal to the island. The FPU paper further claimed that Morris bore much responsibility for the coal shortage, since he had stood by while the fleet was sold off.<sup>90</sup>

Opposition attacks on the government for its inaction on the issue of rising prices continued into 1917. The *Advocate* accused the Reids of imposing a "starvation embargo" on the island, and said that the government's handling of the situation was one more addition to "the long list of Tory scandals." It condemned "the daily abstraction of the pound of flesh from the mechanics and labourers" by profiteers who raised prices while keeping wages low, aided by "a useless bunch of political pawns known as a Government [who] are either too wicked or too cowardly to investigate the cost of living."<sup>91</sup> Another account described the coal business as "Barefaced Robbery," calling it "the greatest piece of rascality that has ever been perpetrated upon the working classes and widows of St. John's."<sup>92</sup> Joining in, one *Evening Telegram* columnist claimed that the war had presented the Reids and other merchants with an opportunity for "polite robbery," helped along by a "weak and hesitating" government that tacitly condoned their action. Collective action by the public, he said, was the only solution.<sup>93</sup>

Central to the debate on profiteering was the question of what exactly constituted "patriotism." In the eyes of many if not most members of the producing classes, capitalists who used the war as an opportunity to increase their profit margin were anything but patriots. One trade union leader claimed that profiteering was "unpatriotic," particularly since the war was being waged for "peace and freedom," and insisted that profiteers be treated as "leppers and pariahs."<sup>94</sup> The *Advocate* complained: "We are reminded daily that we are at war with a relentless foe, who has staked his all on 'world domination.' Isn't it reasonable to suppose that steps should now be taken to protect the masses?"<sup>95</sup> Nothing was more galling than the fact that the people who were making profits because of the war were also the people most vocal

88 Davidson to Long, 24 October 1917, CO 194/293.

89 FPUCP (1916), 110.

90 *Mail and Advocate*: 10 December 1915, 8 December 1915.

91 *Evening Advocate*: 30 March 1917, 17 April 1917.

92 *Mail and Advocate*, 4 January 1916.

93 *Evening Telegram*: 8 January 1916, 15 January 1916.

94 Hitchen to Lloyd, 22 June 1917, GN 8/3, file 8, PANL.

95 *Evening Advocate*, 9 February 1917.

in their support of the war effort. In early 1917, James Murphy lent his pen to the condemnation of such “mouth patriots”:

We have “patriots” here in plenty,  
Sure we have them in galore,  
Oh, the list is very lengthy  
And there’s none of them are poor.  
But the way they make the money  
Unto us seems very queer,  
For they raise the price, ‘tis funny,  
Now on what we eat and wear,  
And they ask us to go fight the Huns,  
While they sell us coal each hour,  
At eleven dollars for a ton,  
And twelve for a barrel of flour.<sup>96</sup>

Indeed, the merchants and their friends in government were increasingly compared to the enemy overseas. For one writer in the *Advocate*, who used language reminiscent of that used to describe the Germans in war propaganda, the “plunderers” who ran the Newfoundland economy had created “conditions of cruelty and perfidy scarcely paralleled in the most barbarous of ages.”<sup>97</sup> Perhaps the most indignant comment on profiteering came from an anonymous writer to the *Advocate*, who said that the action of the coal merchants was worse than either the sinking of the *Lusitania* or the reported atrocities in Belgium.<sup>98</sup> Dr. Paddon, meanwhile, claimed that the government’s treatment of the food shortage in Labrador was “worthy of Prussianism.”<sup>99</sup>

Despite the ongoing problems with shipping and supply, and the political controversy surrounding the profiteering issue, the war was gradually starting to stimulate increased economic activity. In fact, the local Board of Trade referred to 1917 as one of the most prosperous years in Newfoundland’s history. Fish prices were reportedly the highest on record, and unemployment had greatly diminished.<sup>100</sup> What was gained by the labouring classes in increased employment and higher export prices, however, was largely offset by the accelerating cost of living. Prices of some necessities had doubled or tripled since the beginning of the war, resulting in a declining standard of living for many of the less wealthy inhabitants of Newfoundland.<sup>101</sup>

The profiteering issue also provided the impetus for the creation of a new working-class organization – the Newfoundland Industrial Workers Association (NIWA). Formed in St. John’s on 25 April 1917 by metalworkers employed by the Reid

96 James Murphy, “Patriotism and Prices,” *Evening Advocate*, 17 February 1917.

97 *Evening Advocate*, 22 May 1917. For an example of local anti-German propaganda, see Arthur Selwyn-Brown, “Newfoundland and the War,” *Newfoundland Quarterly* 14, no. 4 (April 1915): 3.

98 *Mail and Advocate*, 6 January 1916.

99 Paddon to Sheard, 18 May 1916 (despatch 1916/53), GN 1/3/A, PANL.

100 *Commercial Annual* (1917), 83; McGrath and Lucas, “Newfoundland,” 395.

101 Proceedings of the Executive Council, 23 April 1917, GN 9/1, PANL.

Newfoundland Company, the NIWA rapidly grew into a broad-based industrial union as a number of existing trade unions affiliated themselves with the new organization. Membership was open to those employed in all forms of manual and clerical labour, and within a year the NIWA represented more than 3,500 workers. While there were no formal ties between this new union and the FPU, Union Party MHA George Grimes played a very active role in founding the NIWA. Like the FPU, the NIWA put forward a program of economic and social reforms, including a minimum wage, an eight-hour work day, and child labour laws.<sup>102</sup>

The NIWA quickly added its voice to the FPU's campaign against profiteering. Its leaders blamed "excessive profits" for the increased cost of living and, while insisting that they did not seek to do away with "legitimate profits," demanded that the government strictly enforce the Food Stuffs Act to put an end to what the NIWA called "legalized robbery."<sup>103</sup> The FPU saw the NIWA as a kindred spirit in the struggle against the merchant class. The *Advocate* welcomed the creation of the NIWA, saying it had always supported the idea of a movement which would bring "all classes of Industrial Workers together" and asserted that the NIWA would do for the workers of St. John's "what the FPU has done for the outports." It insisted that the FPU and the NIWA shared a common cause, and that the new militancy of industrial labour proved that "unrest really exists in the City, as it does in the Outports."<sup>104</sup>

A "Ladies' Branch" of the NIWA was also formed in 1917, with civil service clerk Julia Salter Earle as its president.<sup>105</sup> This group was not merely a women's auxiliary; it was a parallel organization to seek for women workers the same goals that the NIWA was pursuing for men. As such, it was an autonomous group – able to pursue the particular interests of wage-earning women. More than 400 women joined the Ladies' Branch in its first five weeks of existence.<sup>106</sup> This reflected the growing number of women in the wartime wage labour force as well as the sacrifices made by women as a result of the war effort. The *Advocate* noted that price increases were particularly hard on women workers, most of whom made less than four dollars per month and who were, in most cases, without paid overtime or sick leave for work that was often harder than that done by men. If these women were forced to resort to stealing, the paper said, it was "only to take what belongs to them, but is withheld by the merchant simply because he loves filthy lucre above all things!" Scathingly, the *Advocate* declared that the treatment of women workers was proof that "there are Germans other than from Germany."<sup>107</sup>

102 McInnis, "All Solid Along the Line," 61-84; Robert Cuff, "The Quill and the Hammer: The N.I.W.A. in St. John's, 1917-1925," in *Workingmen's St. John's: Aspects of Social History in the Early 1900s*, ed. Melvin Baker, Robert Cuff, and Bill Gillespie (St. John's, NF: Harry Cuff Publications, 1982), 46-53.

103 Hitchen to Lloyd, 22 June 1917, GN 8/3, file 8, PANL.

104 *Evening Advocate*: 16 June 1917, 2 July 1917.

105 Cuff, "The Quill and the Hammer," 51.

106 Nancy Forestell and Jessie Chisholm, "Working-Class Women as Wage Earners in St. John's, Newfoundland, 1890-1921," *Feminist Research: Prospect and Retrospect*, ed. Peta Tancred-Sheriff (Montreal and Kingston: McGill-Queen's University Press, 1988), 149. The prominent role of women in the NIWA was in stark contrast to the FPU, which tended to take a paternalistic and patronizing attitude towards "girl workers." For examples of this attitude, see *Evening Advocate*: 21 May 1917, 16 November 1917.

107 *Evening Advocate*, 21 May 1917.

The FPU, the NIWA, and other labour organizations demanded that Newfoundland establish a food control board, as had already been done in the United Kingdom and in Canada. The Morris government finally acquiesced to opposition demands for action in April 1917, appointing a High Cost of Living Commission (HCLC) to look into the price question. The measure was initially greeted with derision by both the FPU and the NIWA. The HCLC, headed by Morris loyalist P.T. McGrath and staffed by friends of the government, was denounced by Coaker as an attempt “to throw dust in the eyes of the people” since the government had no intention of actually doing anything about a situation in which “Water Street to-day is richer than it ever was in the history of this colony . . . with money that ought to be in the hands of poor fishermen.”<sup>108</sup> For all that, though, the HCLC would provide support for what many critics of the merchants and the government had been saying about excessive prices. Its first report, in May 1917, found that consumer prices had risen at a much higher rate than import costs, and that such increases were completely unwarranted. Rates of profit on flour, for example, had increased by more than 600 per cent, a revelation that led the *Advocate* to heap scorn upon the nature of “the patriotism of the flour dealer.”<sup>109</sup> By July, even some of the more conservative members of the government were willing to acknowledge the damaging effects of profiteering. John Crosbie reported that the Salt Committee had found that some dealers were taking advantage of the war to charge outport people excessive prices for salt and said that, in his opinion, the situation was “not fair.”<sup>110</sup> Following the recommendations of the HDLC, the government established a Food Control Board in June 1917, which the FPU had been demanding since early in the war.<sup>111</sup> Shortly afterward, another long-standing FPU demand was met when a new Department of Shipping was created and tasked with finding ways of alleviating the tonnage problem through the regulation of shipping.<sup>112</sup>

### **The National government**

As the profiteering controversy intensified during the summer of 1917, a dramatic change occurred in the political order. On 16 July, Morris announced the formation of a National coalition government in which all parties would participate. Six Liberal-Union MHAs, including Coaker, were invited to join the cabinet, along with six from the People’s Party.<sup>113</sup> Voluntary recruitment for the Newfoundland Regiment had

108 Minutes, 23 April 1917, GN 9/1, vol. 24, PANL; *Proceedings of the House of Assembly* (31 May 1917), 46.

109 *Canadian Annual Review* (1917), 188; *Evening Telegram*, 9 June 1917; *Evening Advocate*: 22 May 1917, 12 June 1917.

110 Crosbie to Morris, 26 July 1917, GN 2/14, file 2/4, PANL.

111 The government rejected a demand by the NIWA that at least two-thirds of the board be “members of Trades, Labour, Fishermen or other industrial organizations.” See NIWA Resolution, 15 June 1917, GN 8/3, file 8, PANL; *Evening Advocate*, 16 June 1917.

112 *Canadian Railway and Marine World*: (March 1918), 120; (August 1918), 355. The opposition press claimed that Crosbie’s appointment was a conflict of interest since he was majority owner of Newfoundland Produce Company, which operated a number of vessels. See *Evening Telegram*: 2 January 1918, 7 January 1918 (despatch 1917/36), GN 1/3/A, PANL.

113 Davidson to Long, 17 July 1917 (despatch 1917/36), GN 1/3/A, PANL.

come to a virtual standstill by 1917, and some of the more vocal elements of the local elite were calling for the adoption of conscription – a measure that would require a broad-based political consensus.<sup>114</sup> While the new government was able to delay addressing the conscription issue for a period of time, it did not hold back from dealing with the question of wartime profits.

Producing-class groups had been demanding a tax on profits for some months. The LSPU, for instance, demanded the “conscription of wealth” before the conscription of manpower on the grounds that the producing classes had contributed more than their share to the war effort already. When pro-conscription newspapers attacked the LSPU for a supposed lack of patriotism, Jim McGrath retorted that the longshoremen were more patriotic than profiteering capitalists.<sup>115</sup> The *Advocate* said that the attitude of the merchants was “sacrifice our sons, our brothers, our – no, not money.” Indeed, the paper said “the only conscription of money is by those who have money. And the money of the people is conscripted by those who take advantage of the war to exact unjust profits.”<sup>116</sup> Coaker said that there was overwhelming public support for taxing wealth, since most people believed that “there are \$3 million in the pockets of men on Water Street that . . . should belong to the fishermen of the country.”<sup>117</sup>

With the creation of the new coalition government, even the more right-wing ministers suddenly embraced the idea of conscripting wealth in the form of a business profits tax. Finance Minister Cashin, who had earlier scoffed at accusations of profiteering, now admitted that “since the war there has been more joy riding and other amusements than ever before” on Water Street and that a tax on profits was unavoidable.<sup>118</sup> Cashin’s department initially proposed a non-retroactive flat rate tax of 25 percent on all profits above \$2,000. According to the *Advocate*, the tax could not be used to raise prices, since it was levied on profits rather than on businesses themselves.<sup>119</sup> There was some opposition to this from the business community, with the *Evening Telegram* calling the proposed tax a “preposterous scheme” and accusing the government of trying to sabotage the Newfoundland economy and force confederation with Canada.<sup>120</sup> Despite such grumbling, the tax bill went forward (although the rate was reduced to 20 percent and the exemption increased to \$3,000).<sup>121</sup>

Mercantile interests, meanwhile, were determined to use their domination of the Legislative Council to block this new threat to their profit margin. While the tax bill was passed unanimously by the House of Assembly, it was defeated on final reading in the upper house by a vote of nine to seven. Most of those who voted against the bill said they could accept some sort of tax, but deemed the proposed legislation “ill

114 Jason Churchill, “Of Fighting Baymen and Townies: Towards a Reassessment of the Newfoundland Conscription Crisis, 1917-1918,” in *Canadian Military History since the 17th Century*, ed. Yves Tremblay (Ottawa, ON: Department of National Defence, 2000), 167-75.

115 *Evening Advocate*, 22 May 1917; *Evening Telegram*, 28 May 1918.

116 *Evening Advocate*, 12 June 1917.

117 *Proceedings of the House of Assembly* (17 August 1917), 565.

118 *Proceedings of the House of Assembly* (17 August 1917), 560.

119 *Evening Advocate*, 3 August 1917; *Evening Advocate*, 27 July 1917.

120 *Evening Telegram*, 27 July 1917; *Evening Telegram*, 17 August 1917.

121 *Evening Advocate*, 3 August 1917. The NIWA had advocated in favour of a higher exemption in order to protect small businesses. See *Evening Advocate*, 28 July 1917.



thought out” and unfair. According to Edgar Bowring, it smacked of “class legislation.”<sup>122</sup> Supporters of the tax were furious. Coaker warned that with the Legislative Council’s opposition to the bill, “the old feeling of antagonism which has lain dormant in the outports for the past 25 years has been aroused like a tiger.”<sup>123</sup> The *Advocate* accused members of the council of putting “personal interest above patriotism,” but offered praise for those People’s Party members who had supported the bill despite “their political sins of the past.”<sup>124</sup>

Governor Davidson agreed that opposition to the bill in the Legislative Council was “actuated mainly by desire to escape taxation,” and was turning public opinion against the council and, more importantly, against the war effort with which the ruling classes were popularly associated. On Morris’s recommendation, Davidson appointed four new members to the council, including Alex Mews, editor of the *Advocate*.<sup>125</sup> With this done, Morris again put the bill before the council. The nine members who had voted against the measure the first time around refused to attend for the second vote, and the tax bill was passed.<sup>126</sup> The legislature also passed a bill restricting the powers of the Legislative Council so that similar incidents would not occur in the future.<sup>127</sup>

With the coming of the new year, another unexpected change of government occurred. On 1 January 1918, Morris tendered his resignation and Liberal leader William Lloyd, a close ally of the FPU, took over as prime minister. This move strengthened greatly the influence of the FPU within the government. Liberal-Unionists held six posts in the new nine-member cabinet, and William Halfyard, known as “Coaker’s closest lieutenant,” took over the influential position of colonial secretary. The *Advocate* hailed the new government as a major victory for the “producing classes” over “that bunch of high class gentry” on Water Street.<sup>128</sup>

The issue of profits came again to the fore with regard to the 1918 seal fishery, and again the FPU and the merchants took opposing stands. This time, however, there was no question as to which side the government was on. Coaker demanded that fishermen be paid at least \$12 per cwt. of seal oil, and he and Lloyd were able to persuade newly appointed Governor Charles Harris to issue an order in council to that effect. This brought an angry response from the merchants, who appealed immediately to Harris, saying that this would force them to raise the export price if they were to make a profit. Since the British government was the main purchaser of seal oil, the merchants said that raising the export price would be “unpatriotic” and demanded that Harris rescind the order. Harris, however, was unimpressed, saying that “the constitutional rights of a Self-governing Colony would weigh more with His Majesty’s Government than the danger of paying a higher price for seal oil.”<sup>129</sup>

122 *Proceedings of the Legislative Council* (3 August 1917), 218.

123 *Proceedings of the House of Assembly* (17 August 1917), 565.

124 *Evening Advocate*, 8 August 1917.

125 Davidson to Long, 9 August 1917 (despatch 1917/36), GN 1/3/A, PANL; Morris to Davidson, 8 August 1917, GN 8/1, file 30, PANL; Davidson to Long, 9 August 1917, CO 194/293; Davidson to Long, 18 August 1917, CO 194/293.

126 *Evening Advocate*, 21 August 1917.

127 McGrath and Lucas, “Newfoundland,” 306.

128 *Evening Advocate*, 7 January 1918; Smallwood, *Coaker*, 37; Noel, *Politics*, 290.

129 Harris to Long, 14 May 1918, CO 194/295.

The Lloyd government also showed itself to be more amenable to the concerns of workers than its predecessor when, in March 1918, employees of Reid Newfoundland Company went out on strike under the leadership of the NIWA.<sup>130</sup> While the government officially maintained a neutral stance in the dispute, Lloyd worked behind the scenes to bring the matter to an “amicable” conclusion. Cashin and Coaker also put pressure on the company to give in to most of the workers’ demands.<sup>131</sup> After three weeks a settlement was reached in which most of the NIWA’s conditions were met, including full recognition of the union’s right to represent workers.<sup>132</sup> This victory provided clear evidence of the success of the labouring classes in effecting change through collective action, and of the growing power of the FPU, which favoured such action, to exert its influence within the government.

The government’s cautious handling of the Reid strike stood in marked contrast to the situation in Canada, where industrial relations ended up taking an entirely different turn. The huge expansion of war industries in Canada provided full employment, but rapidly rising prices led workers to demand higher wages; there was significant growth in both union membership and in the number of strikes, particularly among munitions workers and government employees. With the formation of the Union coalition by Prime Minister Robert Borden in May 1917, it initially appeared that there would be greater accommodation of the demands of labour. But promises of a greater role for workers’ representatives in creating government policy were not fulfilled. After a major wave of strikes in 1918, the Borden government resorted to repressive measures (including the banning of radical labour organizations). In September 1918, an order in council banned all strike activity for the duration of the war. While this hardly put an end to labour unrest, which escalated dramatically after the end of the war, it marked the start of a repressive climate that would extend into the 1920s.<sup>133</sup> No such repression of labour occurred in wartime Newfoundland.

Yet even as Lloyd’s National government showed willingness to support Newfoundland’s labouring classes on economic issues, it was forced to act against the will of many of its strongest supporters on the very contentious matter of military conscription. A considerable segment of the producing classes, fishermen in particular, were adamantly opposed to the adoption of compulsory service.<sup>134</sup> In January 1918, Coaker promised the rank and file of the FPU that the government would not impose conscription unless such action was approved in a national referendum.<sup>135</sup> The massive German offensive launched on 21 March, however, forced the government’s hand, as for the next few weeks the British Fifth Army appeared to be nearing collapse on the Western Front. In April, Coaker abruptly announced that, because of the deteriorating military situation, he had no choice but to support conscription without referring the matter to the people. As well as the crisis

130 This strike is described in detail in McInnis, “All Solid Along the Line,” 74-83.

131 Cuff, “The Quill and the Hammer,” 52.

132 Hattenhaur, *Labour History*, 153.

133 Naylor, *New Democracy*, 34-9; Gregory S. Kealey, “State Repression of Labour and the Left in Canada, 1914-20: The Impact of the First World War,” *Canadian Historical Review* 73, no. 3 (September 1992): 281-314.

134 Churchill, “Of Fighting Baymen and Townies,” 167-75.

135 *Evening Advocate*, 10 January 1918.

in France, Coaker cited the need for Allied co-operation in alleviating the tonnage problem as a reason for his sudden about-face.<sup>136</sup>

Coaker's critics, most of whom had condemned his lack of patriotism when he had opposed conscription, now accused him of having sold out the very fishermen he represented. *The Plaindealer*, a St. John's newspaper, launched a scathing attack on the FPU leader aimed specifically at fishermen in Roman Catholic districts. Coaker suddenly found that his own rhetoric was being turned against him. Conscription, said *The Plaindealer*, was "the price we pay today for the corrupt bartering of the people's rights between the Reids, Morris and Coaker." The latter was now part of the "hungry horde of jackals . . . feasting upon the spoils of office" at the expense of fishermen and workers.<sup>137</sup> Coaker managed to weather the storm and, in the end, there was little overt opposition to conscription from the Newfoundland people, most of whom begrudgingly accepted its necessity. The aura of sainthood that Coaker had enjoyed in the eyes of his followers was compromised, however, as he was perceived to have sided, albeit under extreme duress, with the very people he had spent the previous decade denouncing.<sup>138</sup> The "great man" of the FPU had become just another politician.

The Liberal-Unionists in the government, however, would not agree to demands for conscription without some sort of quid pro quo to appease the labouring classes. In return for acceding to demands for conscription of manpower, they offered the people an increased effort to conscript wealth in the form of an income tax. Such a tax had been one of the key demands of both the FPU and NIWA. Grimes, for instance, had been calling for a progressive income tax, which he saw as the "only just system of taxation."<sup>139</sup> In the House of Assembly Lloyd spoke of the need to obtain public support for conscription, and insisted that this could only be done if the measure was adopted in conjunction with an increased taxation of wealth. The new income tax, he said, would conscript money from those wealthy individuals who were not subject to the Business Profits Tax.<sup>140</sup> Thus a tax long demanded by producing-class leaders, one which would have been unobtainable a year earlier, came about in the context of the growing pressures of the war effort.

Real as were the achievements of producing-class organizations and their political allies, the collective power of the labouring classes was, by 1918, still more a potential than an actual political force. The presence of Coaker and his allies in the coalition government had given producers a greater voice in policy, but the capitalist class, while subject to greater restraints on its actions, still dominated the political landscape. The ability to use the issue of "patriotism" against the merchants,

136 *Proceedings of the House of Assembly* (11 May 1918), 2; *Fishermen's Advocate*, 19 October 1932.

137 *The Plaindealer*, 27 April 1918. In response to this attack, the government raided the offices of the newspaper and confiscated all copies of the offending edition. See Harris to Long, 27 April 1918, CO 194/295.

138 McDonald, *To Each His Own*, 72.

139 *Evening Advocate*, 8 March 1917.

140 *Proceedings of the House of Assembly* (23 April 1918), 26. Such a trade-off had already occurred in Canada, where the Borden administration had passed an Excess Profits Tax at the same time as its 1917 conscription bill. See R.T. Naylor, "The Canadian State, the Accumulation of Capital and the Great War," *Journal of Canadian Studies* 16, no. 3-4 (Fall-Winter 1981): 31.

moreover, was lost with the end of hostilities, and so the scope for producers to consolidate their wartime gains diminished rapidly. The onset of a severe economic recession and the consequent increase in unemployment ended any hope of producers being able to use economic leverage against capital.

On the political front, there were further setbacks. In 1919 the coalition between the Liberal-Unionists and what remained of the People's Party disintegrated, and the older sectarian and parochial divisions soon replaced the class-based politics fuelled by the war. The FPU was forced to find new allies in a political milieu that had quickly become hopelessly fractious, and in which ideology was largely submerged in a clash of personalities. An attempt by Coaker, as minister of fisheries in a new "Liberal-Reform" government led by Sir Richard Squires, to impose state regulation on the marketing of fish failed in the face of determined opposition from mercantile and financial interests. Coaker's involvement in the scandal-plagued Squires administration, moreover, led to a growing alienation of the FPU from the St. John's working class. By the mid-1920s, the Newfoundland political environment was in chaos, and the producing classes were in what was arguably a worse position than that of 1914.<sup>141</sup>

### **Conclusions**

The history of producing-class resistance in Newfoundland during the Great War shows, first of all, that class-based resistance and organization could become more prominent, and in Newfoundland's case more successful, in times of extreme economic and political pressure. Such pressure is rarely more intense than in wartime, and the stresses placed upon Newfoundland society by the Great War gave producers both additional incentive and an unprecedented opportunity to advance their collective interests. While capitalists had extracted profits from the labour of Newfoundlanders before the war, the increased surplus appropriation that resulted from wartime profiteering brought about a greater awareness of existing economic inequalities and fuelled class resentment to the point where organization became not only desirable but essential. The war against Imperial Germany, justified through a rhetoric of democracy and freedom, gave added legitimacy to the producing-class movement, which was able to turn that rhetoric to its own advantage by arguing that those causes were as relevant at home as they were in Europe. The fishermen and workers of Newfoundland, and their representatives, were able to use the war effort to their advantage in bringing about, at least for the remainder of the war, a change in the political status quo.

A second noteworthy point was that the pressure of the war succeeded in bringing together the two main segments of Newfoundland's producing classes. Fishermen and workers differed in their relationship to capitalism, and at times held divergent opinions on political issues such as the desirability of import tariffs.<sup>142</sup> But at least in the context of wartime both groups managed to forge an alliance based on opposition to a ruling elite that exploited all of them. Representatives of both producing groups

141 On the failure of Coaker's efforts, see McDonald, *To Each His Own*, 86-105.

142 The FPU were outspoken advocates of free trade, while many workers in St. John's favoured the protection of local industry. See Cadigan, *Newfoundland and Labrador*, 181.

stressed their shared identity as “toilers” and their shared experience of exploitation, and proclaimed an affinity with each other rather than with any element or elements of the capitalist classes. That membership in the FPU was open to labourers and membership in the NIWA to fishermen itself demonstrated a clear recognition of this affinity. The demands put forward by the two groups during the war were almost identical, and were framed in the same language of resistance to what they saw as “theft” of what rightly belonged to producers. While such opposition to a ruling class could be found in other countries, in the case of Newfoundland the anti-merchant sentiment that had long been embedded in the political culture gave an added force to wartime complaints about profiteering and appears to have played a key role in strengthening the producing-class alliance. Widespread public resentment of the economic power of the Reids also factored heavily into the building of solidarity.

Finally, the case of Newfoundland in the Great War illustrates the difficulty of bringing collective action by producers to permanent fruition. As noted above, the post-war period saw a rapid erosion of the political influence of workers and fishermen. While the defeat of collective working-class power in Newfoundland was not as immediate or as stark as in Canada, where the 1918-1919 revolt of labour was crushed by the state and often with much violence,<sup>143</sup> it was just as complete. The ultimate failure of the producing-class initiative was due in no small measure to its having to operate within the existing structure of the Newfoundland state, which was itself subordinated to the larger structure of the British Empire. Even a government dedicated to bettering the lot of producers could not make fundamental alterations to the economic status quo, nor could it effectively resist pressure to conscript manpower for a war to which, for better or for worse, it was heavily committed. The actions of the producing classes were constrained by the historical circumstances that they confronted, and in the Newfoundland of 1918 the obstacles to radical social change proved insurmountable. With the return of peacetime conditions came the gradual deterioration of the collective working-class power for which the war had been the key catalyst. Despite this lack of long-term success, however, the efforts of producers to create a more equitable society constitute a significant element in the history of 20th-century Newfoundland. Just as Newfoundlanders rightly continue to commemorate the sacrifices of those who fought on the battlefields of Europe,<sup>144</sup> the struggles of those who fought for social justice on the home front deserve remembrance as well.

143 See Gregory S. Kealey, “1919: The Canadian Labour Revolt,” *Labour/Le Travail* 13 (Spring 1984): 11-44.

144 For example, see Arlene King, “Beaumont Hamel: Our Place in the Somme,” *Newfoundland Quarterly* 96, no. 2 (Fall 2003): 9-14.