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Introduction

In 1921 Commissioner Perry, the director of the R.C.M.P., reported to the government that one of the primary functions of the Force was the maintenance of an Intelligence Branch.\(^1\) This is the first time the Force used the term intelligence to describe one of its duties. No definition was, or has ever been, given as to the direction or function of intelligence operations conducted by the national police force. In fact, statutory authority for the formation of an intelligence service did not exist until 1960.\(^2\) Canadians have been left to assume what the function of intelligence has been, because the R.C.M.P. maintains that the term is self explanatory.\(^3\) By not defining the terms or operations the Intelligence Branch is not restricted within an established area. Consequently, R.C.M.P. intelligence has traditionally operated behind the cloak of national security which also is not defined.

To comprehend what intelligence is and how it was used in Canada, it is necessary to understand the basic nature and manifestations of intelligence. The Oxford English

\(^{1}\)Royal Canadian Mounted Police: Commissioner's Report, 1920, Ottawa: King's Printer, 1921, p. 8.


Dictionary defines intelligence as:

the obtaining of information, the agency for obtaining secret information. Especially applied to the communication of spies, secret or private agents, etc. 4

To obtain this information there are two principal sources. 5 The first is through overt sources such as journals, public meetings, records -- anything available to the general public. The second method is through secret informants and undercover agents who attempt to obtain information normally denied the inquiring agency.

A primary manifestation of intelligence is one of aggression as an agency has been formed specifically for obtaining information and a target has been singled out for special attention. As public knowledge of the operation would alert the target that it is under scrutiny, the operation has to be secret. Although an organization may realize that another agency has instituted intelligence gathering on its operations it does not know why the information is being sought or for what purpose it will be used. Consequently intelligence signifies a hostile intent and, as such, is a potential threat to the organization under scrutiny.

At the national level intelligence is based on

political warfare and it is conducted on either of two fronts. The first is within the state where a political system uses intelligence as a means of social control to maintain the ruling order. In this function, which is generally associated with totalitarianism, intelligence is a defense mechanism designed to neutralize or remove political opponents of the ruling party or system of government. The significant manifestation of this usage is that violence and terror are promoted to control a significant portion of the population that cannot be isolated by physical means. As a result, political and social suppression is instituted to prevent or control opposition to the government.

The second use of intelligence at the national level is external. A country or foreign power attempts to obtain information through espionage from another sovereign nation, that is intended for some form of control over that social, political or economic system. In this aspect intelligence may be conducted through subversion where an agency is attempting "the undermining or detachment of the loyalties of significant political and social groups within the victimized state, and their transference to the symbols and institutions of the aggressor." Intelligence used in this concept is directed as an offensive action against a foreign

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To defend a sovereign nation from foreign intrusion, counter-intelligence is developed. Counter-intelligence is "inherently a protective and defensive operation whose primary purpose is to thwart espionage against our country. It is concerned with uncovering secret aggression, subversion and sabotage." The fundamental premise upon which counter-intelligence is based is as a defense against foreign aggression and differs significantly from political dissidence that emerges from within the political system. In the democratic state dissidence is tolerated and promoted; in the totalitarian state it is counteracted through the use of intelligence.

By calling the agency formed by the R.C.M.P. the Intelligence Branch, a fundamental question of motive and direction was raised. Was intelligence used for social control or international espionage as the name suggests, or was it directed as a counter-intelligence agency as the Force claims?

The ultimate measure of the type of system instituted is the direction it established, i.e. what the target is, and how the government uses the intelligence it receives. As a defensive measure, if the threat originates from

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outside the country then the agency is a counter-intelligence organization. If, however, the target is domestic dissent then intelligence in the totalitarian sense is invoked. In both cases the agency formed to obtain the information may or may not be the instrument of government action. The defense system initiated entirely depends on the type of threat and how the government chooses to counteract that threat. Therefore the actual defense policy that is formulated from information provided may be conducted by the intelligence or counter-intelligence unit, the armed forces, a police force or a special unit developed specifically for that purpose.

This essay intends to investigate four periods of Canadian development from 1864 to 1938. In each case intelligence became one of the primary functions of a national police force: 1864-1874, Frontier Police-Dominion Police; 1914-1919, Dominion Police-Royal North West Mounted Police; 1919, Royal North West Mounted Police; 1920-1938, Royal Canadian Mounted Police. The objective is to analyse the relationship between the threat to Canada and the attitude of the government as seen through the operations of the counteracting agencies, to determine if the defense measures were intelligence or counter-intelligence oriented. What is in question is how was intelligence used and what was the government's concept of 'national security'. Such an analysis will reveal the structural development of the agencies that eventually became a function of intelligence
operations within the R.C.M.P., and the attitude of the political parties regarding intelligence use.

The basic documentation was derived from government publications, legislation and correspondence, as well as police files from which all transactions involving intelligence were selected. Ex-members of the Security and Intelligence Branch were interviewed and information was obtained from books written by past members. The sources interviewed have not been identified, however verbal identification will be given to any person contemplating further research in this area.

The information compiled was classified in chronological order. The taxonomy set up to organize these sources was intended to reveal the evolution and scope of intelligence use in Canada.

The methodology was then systematically applied. Each period is developed to reveal the policies of the government regarding the interaction of internal and external forces that were perceived as a threat to Canada. The motivating factors to utilize intelligence are described with the methods used by the agency. The total intelligence operations were established as accurately as possible, based on the available information, and was formulated in a manner that would allow for a comparison of intelligence use in one period with that in another.
On April 12, 1861 the United States was plunged into civil war. To the residents of the Canadas this conflict south of the border raised a haunting vision of American domination. This fear was generated because British North America was the center of declining Anglo-American relations. To feed English linen mills, Britain was dependent on southern cotton. Thus Britain supported the Confederate cause by maintaining commercial trade with the rebel states. The Union government of the United States was vehemently opposed to any foreign nation supporting the rebel faction and diplomatic relations with Great Britain were severely strained.

If any conflict between Great Britain and the United States did arise, the area of conflict would undoubtedly be the British colonies. Not only had the United States always coveted those territories, but the Canadas were extremely vulnerable to attack. This factor was not lost on American politicians who saw in strained British-American relations a possible solution to the differences that were creating war within the country. A number of government officials called for the uniting of North and South in a common cause against Great Britain.1 An unrealistic idea perhaps, but it caused great consternation and fear to the British colonials who lived in what would be the battle ground. Britain regarded the threat as a serious one and took immediate

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action. Within a month of the outbreak of hostilities in the United States, three infantry regiments of the line and a field battery were transferred to the Canadas.\(^2\)

British North American defense became the central issue in British Canadian policy. The Colonial Office recognized that, although there was a British military presence in the colonies, an even stronger force would be required to offset an American invasion. It had been estimated that sufficient defenses in Canada alone would necessitate 150,000 men with an additional cost of 1,611,000 pounds sterling for fortifications.\(^3\) This was a staggering cost for Great Britain to maintain. As early as 1859 Great Britain had begun a complete revision of its defense policies throughout the empire. Britain developed an Imperial defense policy that placed more responsibility on colonial governments for their own territorial defense. Regarding North America, Great Britain desired to return the majority of troops to England. Britain was unable to institute this policy, however, due to continued signs of American aggression and the lack of support the defense policy received in British North America.

On November 8, 1861, the United States Navy stopped the British mail steamship TRENT on the high seas. War between

\(^2\)Hitsman, p. 165.

\(^3\)Ibid., p. 179.
Britain and the Union became a very real possibility and British troops in North America were placed on a war footing. The colonies were again asked to assist in defense measures. Initially, colonial response to the Imperial defense policy had not been favourable. To have supported that policy would have cost the Colonial governments more money than was received in revenue. The threat of war caused by the Trent Affair, however, resulted in a sudden shift in government policy.

John A. Macdonald, Prime Minister and Attorney General West in the government of the Canadas was appointed to the newly created position of Minister of Militia. Through the efforts of this department, a Canadian Parliamentary commission was appointed to establish a defense policy. The report of this commission became embodied in the Militia Bill presented by Macdonald to the government in May 1862. It proposed that definite defense action should be instituted by the government through the expenditure of more money on defense measures and the establishment of a militia of 38,000 men.

The government's reaction to Macdonald's bill was absolutely negative. Serious divisions within the Cabinet revealed that Macdonald had insufficient control of the government. The bill was defeated on the grounds that the

4Hitsman, p. 170.
5Ibid., p. 176.
government did not wish to expend money on defense and on the principle that North American defense was not a colonial responsibility. Opponents of the bill reasoned that any outbreak of hostilities would be caused by purely Anglo-American differences. They argued that defense was Britain's responsibility and the colonies should not pay for the effects of British support of the Confederacy. The British government was very critical of this Canadian policy, although England did recognize that any American action would be against Britain and British presence in Canada.

The solution advocated by the Parliament of Great Britain was to have the colonies accept more governmental responsibilities so that England could withdraw some of its costly administrative and defense networks. Britain was basically interested in diminishing the colonial expense on the national treasury. To achieve this, the colonial governments would have to accept more responsibilities and autonomy. This, in turn, would redirect the potential Anglo-American conflict away from Canada as the British presence would be diminished. By July 1864, the Prime Minister of Great Britain publicly expressed the belief that "the more Canada and the British Colonies are detached, as to their defensive not less their administrative responsibilities,


7Hitsman, p. 169.
from England, the more likely the union will be to study friendly relations with them.\(^8\)

In an effort to force the colonies to accept more responsibilities Britain threatened to withdraw all troops from British North America. Parliament argued that this action would have the effect of preserving a union of British Colonies, relieve Great Britain of the military and administrative costs and negate the possibility of a humiliating defeat of insufficient British regular troops by marauding American soldiers.

Canadian reaction to British pressure was minimal. Discussions with the other colonies were initiated, but no consensus could be reached. The government recognized that some defense system had to be instituted, but they were not willing to relinquish the security of the British Armed Forces. A stop-gap measure had been instituted in 1863 with the passing of a Militia Bill, a diluted version of the one presented in 1862, but Canada maintained the attitude that Britain created the hostilities with the Union and was responsible for Canadian defense.\(^9\)

This attitude was radically changed, however, when the Confederate Army launched a military operation against St.

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\(^8\)Hitsman, p. 190.

Alban's, Vermont, from Canada on October 19, 1864. No longer could the Colonial government maintain that poor Anglo-American relations were caused only by British support of the Confederacy. By tolerating the Confederate Army's use of Canadian neutrality as a shield for preparing attacks against the United States, Canada was also showing support for the Confederate cause. Union reaction to the raid was instantaneous. Violent threats were made in the United States toward "Montreal, Quebec or any other place where the St. Alban's pillagers may have taken refuge." The United States immediately raised charges of Canadian complicity in the Confederate operation and Congress voted to abrogate the Reciprocity Treaty of 1854.

The Government of the Canadas could no longer claim a position of neutrality in the Anglo-American conflicts as there was evidence that supported the American charge of complicity with the Confederate forces. On November 30, 1863, the United States had informed Great Britain and Canada that the Confederate Army was planning military manoeuvres from Canadian soil. This warning was delivered almost a year before the St. Alban's raid, yet no action was

11 Ibid.
12 Hitsman, p. 195.
13 Sessional Papers, No. 75, 1869, "Seward to Lord Lyons," 30 November 1863, p. 34.
taken by Canadian or British authorities. Why no investigation was conducted on the basis of the American intelligence reports can only be surmised. Canadians were aware of Confederate movements in Canada. It was not a well concealed secret. Yet, due to the lack of an effective agency to report on these activities, and to stop the movement of Confederate agents in the colonies, we can only assume that the Confederate forces were given at least tacit support by the Canadian authorities.

The intelligence reports outlining Confederate plans were initiated by Major General John A. Dix, Commanding Officer, Department of the East, United States Army. Dix, responsible for the Union's Northern Frontier, had formed an intelligence agency that operated not only within the United States, but also in the British Colonies. This agency, based on military intelligence, was not directed against Canada per se, but against Confederate operatives that were followed into Canada. To investigate Confederate operations, Dix established detectives along the border in Canada from Buffalo to Montreal. Detectives were used so as to avoid the possibility of Canadian and British charges of American military movements in the colonies. Dix's

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14 Sessional Papers, No. 75, 1869, "Seward to Lord Lyons," 30 November 1863, p. 34. "I give you, for your information, a copy of dispatches received from Major General Dix, on our frontier affairs."

15 Ibid., "Dix to Stanton, Secretary of War," 25 November 1863, p. 35.
agency was aided by Canadians reporting to U.S. Army agents in the United States, and also by information obtained from the U.S. Consuls in Canada.\(^\text{16}\) Following the St. Alban's raid this agency reported that further action was being planned by Confederates along the Great Lakes, and that the Confederates had established a munitions factory in Guelph.

The government of Upper and Lower Canada, which was reluctant to institute strong defense policies under British pressure, immediately took action when threatened with economic sanctions from the United States. The Colonial government appointed Gilbert McMicken and Colonel E. Ernatinger as Stipendary Magistrates for Upper and Lower Canada respectively.\(^\text{17}\) John A. Macdonald, Attorney General West, directed these Magistrates "to form an efficient police force, preventive and detective, to act under (Macdonald's) instructions."\(^\text{18}\) This organization became known as the Frontier Police.

The intrinsic problem facing the government was to mobilize enough men to rebuff Confederate actions without alarming the United States. Any large military movements, particularly using British troops on the Northern border, might be seen by the U.S. as a prelude to aggression. For


\(^\text{17}\) Ibid., "Seward to Lord Lyons," 16 December 1864, p. 64.

\(^\text{18}\) Ibid., p. 65.
this purpose Magistrates were appointed to administer criminal justice along the frontier. The government felt that the police force would be sufficient to provide intelligence regarding Confederate actions, but it would not be able to deter a large Confederate force from operating in the Canadas. The American government was asked by Canada to ratify a plan of supporting the police with the militia.¹⁹ When this agreement was achieved, Macdonald, as acting Minister of Militia, called out 2,000 troops of the volunteer Militia Force.²⁰

The government's objective was only to maintain peace along the border and portray Canada's desired position of neutrality. For this purpose, all Canadian action was placed under criminal justice and the militia was instructed that it was not on a mission of war:

The Commander-in-Chief desires to impress upon the officers, non-commissioned officers and men of the force called out for duty that they are embodied not for the purpose of warfare, but with the objective of aiding the civil power in its efforts to prevent aggression on the territories of a friendly state, on the part of persons enjoying the right of asylum in Her Majesty's dominions, and to maintain, as regards Canada, that complete neutrality with respect to the war now existing in the United States.²¹

The establishment of this defense system suited

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²⁰ Neidhardt, p. 19.
²¹ Sessional Papers, No. 16, 1865, p. 20.
Canadian policy as it was instituted between Canada and the United States, independant of British involvement beyond the diplomatic level, and did not require the expense of forming a standing army. Furthermore, this policy coincided with the British position of not wanting to fortify Canada, and adhered to their contention that colonials should provide their own defense.

To reinforce this defense policy a number of Legislative Acts were passed by the Provincial Legislature giving the judiciary greater freedom of action in apprehending and convicting aliens disturbing the "peace and tranquillity" in Canada. This policy was successful in terminating Confederate activities in Canada. It was successful because the colonial government took decisive action to oppose Confederate plans and due to the pending victory of Union forces in the Civil War. The surrender of the Confederate Army to the Union on April 9, 1865 ensured a final end of this threat to Canada.

To secure peace, the Government of the Canadas had instituted the traditional policy of raising a police force

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22 *Sessional Papers, No. 75, 1869*, pp. 69-74.
to meet a specific situation at hand.²³ But the Frontier Police manifested a different operational policy than previous police forces. This was a result of the different nature in the threat presented by the Confederate operations. Previous police forces had to contend with civil disobedience. Their operation was strictly a confrontation of force. The force of an armed group directed by the government to cause strikers or rioters to submit to parliamentary will.

The mandate given McMicken and Ermatinger was to form a police that was "preventive and detective in nature". Unlike previous operations, the Frontier Police was not directed against Canadians. This force operated against a foreign power that was working within the colonies. Albeit, the Confederate Army was not operating against the Canadas per se. But their actions were certainly compromising Canadian policy which resulted in Canada being placed in a position of imminent jeopardy from American aggression. The territorial security of the colonies was in danger of union invasion. Therefore, the police force created by Macdonald was a counter-intelligence agency as it sought to identify and

²³From the enactment of the Police Ordinance in 1839 through 1865, the government had created police forces to counteract specific problems, e.g., 1839 - police ordinance as a result of the Rebellions; 1845 - strikes on the Welland and St. Lawrence Canals; 1849 - burning of the Parliament Buildings in Montreal. In all cases, these police forces were disbanded when the situation had returned to normal. Royal Canadian Mounted Police Commissioner's Annual Report 1920, Ottawa: King's Printer, 1921, p. 7.
neutralize Confederate agents operating within Canada. The reason it was a police force operating under criminal justice, and not some other form of agency, such as military intelligence, was due to the circumstances existing during the crises, and the objective the government desired to attain, i.e. neutrality.

The operational methods were dictated by Macdonald's instructions to McMicken and Ermatinger when he indicated that the force was to be "preventive and detective". Preventive meant that patrols would be maintained along the border which would present a physical deterrent to Confederate operatives. This aspect of the operation may be compared to previous police tactics where the threat of physical violence was used to neutralize a situation. But the true counter-intelligence aspect comes from the use of detectives. They sought information regarding foreign agents in a covert or secretive manner and reported to the government. Again, the reason it was a counter-intelligence agency is because it was formed to protect colonial security against the actions, within Canada, of foreign agents.

The operations of the Frontier Police can be compared to those performed by General Dix's agency. Both agencies were directed against the same target. They used investigations by agents and civilian sources of information to establish Confederate intentions. Both agencies were supported by strong military forces. The factors, which dictated the type of agencies they were, resulted from the different
operational conditions each agency faced, which in turn was predicated on the attitudes of the two governments. The United States, at war with the Confederate States, saw the actions conducted by a military force as an act of war. The agency under Dix operated outside its sovereign territory aggressively seeking information. It was an intelligence agency that was an arm of Military Intelligence.

The Colonial government, whose sovereignty was being compromised by a foreign power, saw Confederate operations in Canada as acts of criminals. The agency created was a Police force that maintained a defensive position and conducted counter-intelligence operations by attempting to locate and neutralize the efforts of Confederate agents.

For two-and-a-half-months following the termination of the Civil War, Canada maintained the security forces. Finally on the 27th of June, in view of the "tranquillity that has existed for some time along the whole line of our frontiers," the militia was disbanded. The Frontier Police continued to function, but it was diminished in size.

24 This is particularly evident in the debate arising over the trials of those persons who had taken part in the St. Alban's raid. The Superior Courts in Upper Canada decided that such acts were not to be considered as acts of legitimate warfare, whereas a Judge in Lower Canada decided the direct opposite. Sessional Papers, No. 75, 1869, "Barney to Russell," 7 April 1865, p. 61. To solve this question, laws were enacted which brought it directly within the realm of Justice, "An act for the prevention and repression of outrages in violation of the Peace on the frontier of this Province," p. 69.

25 Sessional Papers, No. 75, 1869, p. 74.
By Order-in-Council, the police were instructed to disband the majority of its men and to retain "not more than five of the most competent persons" as detectives. The reason the Frontier Police did not follow the tradition of police forces in the colonies, i.e. being disbanded after the crisis had passed, was that the colonial government perceived a new threat to domestic security on a new front.

In December 1864, Magistrate McMicken received information that the Fenian Brotherhood, formed in the United States in 1863, was active in Canada. Although the government knew little about this organization, its violent nature was indicated by a message sent from the United States Government on February 8, 1865. American intelligence revealed that an organization at Cape Vincent was planning a marauding expedition on Canadian territory. The organization was not specified, but it became apparent through British intelligence and American newspaper reports that the Fenians were preparing a military venture against Canada in their bid to harass Great Britain. Macdonald, although aware of a Fenian conspiracy, knew little about it. He had hoped that by leaving the militia activated after the

Confederate threat had ceased in April, Fenian action would be deterred. However, the Fenians undertook no action by June and Macdonald could not justify the expense of keeping the militia posted on the border. Canadian defense became embodied in the small detective force of the Frontier Police. The Fenians continued to remain inactive against the colonies and became involved with instigating the Irish Rebellion. Consequently, the Frontier Police was diminished to include only the two Stipendary Magistrates. The government saw no threat against colonial territory.

The primary aim of the Fenian Brotherhood was to obtain the independence of Ireland from Great Britain. As an obvious threat to British security, the Fenians came under the surveillance of British intelligence which was directed in the United States by Edward Archibald, British Consul in New York. Archibald was able to infiltrate an agent, Pierce Nagle, into the first convention held by the Irish Republican Brotherhood (I.R.B.) in Chicago in 1863. Nagle worked for the Irish People in Dublin and continued to


30 Neidhardt, p. 26. This is indicated through communications received by Ermatinger and McMicken in September 1865 to re-hire detectives, indicating that all detectives had previously been released.

31 D'Arcy, p. 87.

32 Ibid., p. 38n. It was at this convention that the Brotherhood established its constitution.
supply the British with information. In September 1865, he revealed Fenian plans to instigate armed rebellion in Ireland. His information resulted in the arrest and conviction of the leaders in Ireland for revolutionary conspiracy. Other agents were developed close to, and in, the hierarchy of the Fenian movement, who kept Archibald continually informed of the I.R.B.'s functions and intentions.  

Archibald, in turn, kept Lord Monck, Lieutenant-Governor of the Canadas fully aware of any information he received.

The attempted rebellion in Ireland, directed and supported by the American Fenians, caused concern in a British North America that had few defenses to control subversion. This fear was strengthened when the Fenians openly declared at the Cincinnati Convention, in early September 1865, that they desired to annex Canada and use it as a base for operations to gain control of Ireland. Although the leaders realized that an attempt to conquer Canada would have little chance of success, they hoped that through their actions England would be drawn into war with the United

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33 Archibald developed many agents, but the most productive were "Red Jim" James McDermott, Clerk of L'Mahony's, who passed his correspondence to Archibald; Godfrey Massey, alias Patrick Condon, Central Organizer of the I.R.B. in Louisiana and Texas; Rudolph Fitzpatrick, Assistant Adjutant General, I.R.A. and Assistant Secretary of the Fenian Brotherhood.

34 D'Arcy, p. 87.

States. For this purpose, their public cry became "the invasion of Canada". 36

On September 16, Archibald informed the Colonial Government that he had received information that Fenian outlaws were "organizing a raid or raids for the purpose of plundering banks and committing outrages in Canadian towns near the frontier". 37 To counter this threat the militia was once again stationed on the border and Macdonald instructed Gilbert McMicken, in Upper Canada, to provide him with all the necessary information about hostile actions. Macdonald suggested that detectives be hired to perform this function as he was alarmed at the public support the Fenians were obtaining in America. 38 Macdonald was determined to obtain as much information about their actions as possible. He informed Lord Monck that "I am so strongly of the opinion that I shall spare no expense in watching them on both sides of the line". 39 Consequently, Macdonald directed McMicken

36 D'Arcy, p. 84.


38 ibid. Although the Frontier Police was composed of two Stipendary Magistrates, in Upper and Lower Canada respectively, Macdonald directed most of his instructions to McMicken in Windsor. U. C. Ernatinger was not ignored but the Frontier Police grew to a larger size under McMicken and was given greater responsibility by Macdonald. Perhaps this was a result of Macdonald's position of Attorney General from Upper Canada and the majority of Fenian activities initially emanating from the United States Mid-West (Chicago and Cincinnati).

to station detectives in Chicago and Cincinnati, centers of Fenian activity. McMicken also hired detectives who were posted along the Canadian-American frontier to report on any Fenian activities. Ermatinger was directed by Macdonald to increase his force and Charles E. Schiller was engaged to patrol the Lower Canadian border from Sherbrooke to Malone, New York.

By establishing agents in the United States, Macdonald enlarged the functional scope of the Frontier Police to include counter-intelligence operations outside of the Canadas. The basic system of a detective force supported by the militia was maintained. Operationally the methods of the Frontier Police did not change. They continued to be based on physical surveillance of the border and investigations. However, the eminent danger no longer came from within Canada but from an organization in the United States. For this reason Macdonald employed aggressive counter-intelligence methods by infiltrating Canadian detectives into Fenian Conventions in the United States to ascertain the

40 D'Arcy, "Macdonald to Monck," September 18, 1865, p. 91. Detectives were placed at Goderich, Sarnia, Clifton and Fort Erie.


42 Investigations conducted by the Frontier Police and D'Arcy McGee revealed that although there were some Fenian supporters in Canada, they were a very small minority and did not pose a viable threat. Also, McGee's agitations against the Fenians tended to maintain Canadian support minimal. D'Arcy, pp. 203-4.
extent and degree of the perceived threat to the Canadas.\textsuperscript{43} On November 2, 1865, D'Arcy McGee suggested that an agent be placed in New York "with an understood system of cypher" as the Fenian headquarters were now installed in that city.\textsuperscript{44} To fulfill this function, R. N. Scott was appointed Special Agent in the Frontier Police and reported the events transpiring in New York directly to Macdonald.\textsuperscript{45}

Macdonald was confident that the system he created through the efforts of McMicken and Ermatinger, supported by British Intelligence, was sufficiently effective to inform Canada of impending dangers so that the militia could be diverted to the necessary area. Nine companies of militia, freshly trained by British drill sergeants, had been placed along the border in preparation for any attack.\textsuperscript{46} The militia was directed by Lieutenant-General Michel, Commander-in-Chief of British forces in North America and supported by Her Majesty's troops.\textsuperscript{47} This defense system created great confidence in the colonies that a Fenian excursion into Canada could be easily crushed. As events transpired, the Fenian rhetoric against Canada did not

\textsuperscript{43}This was the primary purpose for sending detectives to Chicago and Cincinnati.
\textsuperscript{44}D'Arcy, p. 92.
\textsuperscript{45}Ibid., p. 93.
\textsuperscript{46}Hitsman, p. 201.
\textsuperscript{47}Ibid.
materialize into any action. However, the Frontier Police continued to survey their activities in Canada and the United States as a precautionary measure. ⁴⁸

The operational direction of the Frontier Police expanded into three fronts. PatROLS were conducted by detectives along both sides of the border in an attempt to locate any Fenian activity. This physical surveillance, although continually maintained, was only effective during periods of eminent attack. Most of the Fenian activity took place in the major cities, away from the border. ⁴⁹ The second method of obtaining information was by sending detectives to attend meetings and conventions held by the Brotherhood. ⁵⁰ This form of surveillance produced general information as to Fenian intentions, but did not reveal the secret intentions of the organizing hierarchy. For this purpose McMicken

⁴⁸ In December 1865, Patrick Nolan, alias E. C. Burton, formerly a member of the Hibernian Benevolent Association in Toronto was employed as a detective by McMicken. His first assignment was to report on Fenian activities in Upper Canada. His report, submitted on December 31, 1865, revealed that there were 17 Fenian "circles" operating, but they had small membership and presented little danger to the Colony. Neidhardt, "P. Nolan to McMicken," 31 December 1865, p. 41.

⁴⁹ The only exception was Buffalo where several attacks were launched, but the majority of activity took place in Chicago, Cincinnati, Pittsburg, Boston, Philadelphia and New York.

⁵⁰ From its inception against Fenianism, McMicken sent one and many times two detectives of the Frontier Police to T.R.B. conventions. Although they did not penetrate the hierarchy of the movement, they overheard many conversations and at times roomed with principal organizers. Neidhardt, Report of Patrick Nolan, p. 49.
opened a third front. He attempted to develop sources within sensitive positions in the Brotherhood. Although he was successful in infiltrating informers into the Fenian organization, he was unable to develop sources within the decision-making areas. Macdonald had to rely on Archibald to obtain information from this sector.

In February and March 1866, Alexander McLeod reported to Macdonald that large numbers of Fenians were being drilled and equipped in the Buffalo area, in preparation for an attack on Canada.\(^{51}\) This information was supported by reports from Archibald, and H. W. Hermans, British Consul at Buffalo. In response to this intelligence, Macdonald ordered out 8,000 volunteer militia to support the nine companies that had been on duty since November 1865.\(^{52}\) Although the Canadian Government had been confident of containing the potential Fenian attack in November, the large number of reports coming from all the Frontier Police and British agents caused Macdonald to doubt the colonial defense.

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\(^{51}\) Neidhardt, p. 39. A. McLeod was one of McMicken's agents who obtained a position as bookkeeper in Patrick O'Day's auction room in Buffalo. O'Day was a strong supporter of the I.R.B. and his auction house was described as the headquarters for the Fenians in that city and was used to train men and store arms. D'Arcy, "McLeod to Macdonald," 12 March 1866, p. 148.

\(^{52}\) Sessional Papers, No. 75, 1869, "Monck to Cardwell," 9 March 1866.
This was reinforced by reports as to the large size of the Fenian Army and the massive public support that appeared to be generated in the large American cities. Macdonald misinterpreted the excitement generated by the American press reports and by his own agents reporting Fenian rhetoric and not fact. Due to this, it was believed that the Fenian force was much larger than it really was. This resulted in the Executive Council of Canada requesting of Lord Monck greater military aid from England.  

The intelligence services failed to obtain adequate information, for the proposed Fenian attack on St. Patrick's Day never materialized. By the end of March the 8,000 soldiers added to the militia were allowed to go home. The Fenians did manage a small attack in April, but it was nowhere near the Buffalo area. It was launched from Calais, Maine into New Brunswick, but quickly dissipated when the U.S. Army seized all their arms and ammunition.  

53. D'Arcy, p. 150. This was principally due to Macdonald's method of acting or reacting to agents' reports that came directly to him. Not having an instructed body for intelligence analysis, he often reacted quickly to individual reports, principally because he was unaware of what was transpiring in Fenian headquarters. This is also true of Great Britain, for although Archibald had agents in the headquarters, he also was affected by the mass rhetoric in support of the Fenians. The ability to discern between mass agitation and actual action was only learned by Canadian Intelligence in the later 1960's after a period of unrest and student and other demonstrations. 

54. Ibid., also Reidhardt, p. 40. 

Hermans and McMicken all explained to Macdonald that the Fenian leaders had been afraid to conduct the Buffalo operation because of Canadian military readiness and the rapid mobilization of reserve troops.

The overreaction by Canadian authorities to "Fenian preparations" in March was followed by a total lack of concern regarding further Irish activities south of the border. A divergence of content of intelligence reports occurred between British intelligence and the Frontier Police. Archibald reported the continuation of serious Fenian activities and suggested the government should prepare for another attack. But Macdonald, having been humiliated when no attack occurred in March, relied on McMicken's assessment that "I cannot conceive it within the bounds of reasonable probability that there will be any further demonstration against Canada". So firmly did Macdonald agree with this fact that he concluded on May 21, 1866, "I imagine that the Fenian war may be considered over". D'Arcy McGee supported this view and stated that "we have almost ceased to take an interest in these redoubtable heroes, the Fenians".

The government's complacent attitude was suddenly shattered on May 31, when 1,000 Fenians crossed the Niagara

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56 Neidhardt, p. 56.
57 D'Arcy, p. 157.
59 Neidhardt, p. 56.
River and invaded Canada. Two days later, having defeated the Canadian Militia at Ridgeway, the invaders retreated to the United States in the face of advancing regular British troops. This invasion attempt was followed by an attack into Canada East from St. Alban's, Vermont on June 9.\textsuperscript{60} Essentially unopposed, the Fenians occupied Pigeon Hill, Stanbridge and Frelighsburg. The Canadian Government was totally unprepared for this attack and it was not until the next day that a relief column was mobilized and sent from Fort St. Jean to relieve the Missisquoi frontier.\textsuperscript{61} The presence of British regulars again caused the Fenians to retreat from Canada. But border stability was only guaranteed when Fenian supplies were confiscated by the U.S. Army.\textsuperscript{62}

Macdonald's defense policy had failed. It was contingent upon accurate information provided by the Frontier Police and acted upon by an efficient militia. Both these Fenian attacks were not reported until after the fact. When they were reported the Canadian militia was unable to control the situation and it was the British Army that had to counter Fenian intentions. Essentially the Fenians were successful in these attacks. The Irish Republican Army had entered Canada and defeated the colonial militia. They occupied Canadian territory for a period of time and were

\textsuperscript{60}Neidhardt, p. 79.
\textsuperscript{61}Ibid.
\textsuperscript{62}Hitsman, p. 203.
only completely defeated by the combined efforts of the British and American Armies.

Yet the Fenians' political organization, the Irish Republican Brotherhood, did not effectively utilize the propaganda value of these victories. A lot of publicity was generated in the United States regarding these actions which tended to give support to the Fenian cause, but the Brotherhood did not follow up the military victories against Canada with a political attack. To have done so would have been advantageous to securing Fenian objectives. A condemnation of the inefficiency of the Colonial Militia and government would have generated greater publicity, and possibly caused greater dissension, not only in the Canadas, but within the other colonies contemplating confederation.\textsuperscript{63} The result would have been a weakened Canada, threatened by political dissension from within and military attack from outside the country.

There are two reasons for which the Brotherhood did not attempt to create political interference in the Canadas. Established Fenian policy dictated that attacks on Canada were only conducted to harass Great Britain. The objective was to create publicity and support in the United States for the Fenian cause in Ireland. To this end they were successful. But the intrinsic reason the Fenians did not attack

\textsuperscript{63} Dissension already existed and was very evident during the debates on defense policy.
the government of the Canadas was due to the fact that the
Brotherhood was unable to reestablish priorities in mid-
stream because of internal dissension. By singularly
maintaining an attack on Great Britain they could not claim
a victory because their force was repulsed by the British
Army.

Great Britain took the Fenian actions very seriously.
Macdonald's request for additional British troops in March
had been granted with the transfer of two battalions from
Halifax and the retention of two battalions that had been
scheduled to leave Canada that summer. This military
strength was augmented in September when two more infantry
battalions and a reinforcement draft of 500 men joined the
British Army in Canada. These reinforcements were reluct-
tantly approved by the Conservative Government in Britain as
it became increasingly evident that they did not want to be
responsible for the defense of Canada. This position was
clearly indicated by the Chancellor of the Exchequer,
Benjamin Disraeli, when he stated that: "It can never be
our pretense or our policy to defend the Canadian Frontier
against the United States". Disraeli further revealed
that support was given only because the British Government

64 LeCaron, pp. 34-40.
65 Hitsman, p. 204.
66 Ibid., p. 205.
felt that a successful Fenian raid would have resulted in an insurrection in Ireland. 68

In response to the fact that the Frontier Police had not provided adequate intelligence regarding Fenian activity, Macdonald increased the strength of the force. It was augmented to include sixteen detectives stationed along the border in Canada West. 69 In the United States detectives were stationed in Chicago, Buffalo, Lockport, Rochester and Brooklyn. 70 To assist the police the services of the North American Detective Agency in New York were employed to report on Fenian activities. 71 Intelligence reports were now pouring in to Macdonald's office. However, rather than indicating new operations being directed against Canada, the reports revealed great schisms and differences that were fracturing Fenian efforts. Weakened by these internal struggles, the Brotherhood was unable to mount an effective campaign.

American reaction to the Fenian raids evolved at two levels. Officially, the United States Government opposed the Brotherhood's actions against the Canadas. But the government did not wish to alienate the Irish faction in America that represented a large voting minority. This was

70 Ibid., 27 December 1866, p. 222.
71 Ibid., "Wm. H. Scott to A. Campbell," 31 December 1866.
particularly true in view of the Congressional elections coming in 1868.\textsuperscript{72} For this reason, American policy was developed to allow the Fenians to operate, yet ensure that they were not successful. At the executive level support was given the Fenian cause by President Johnson.\textsuperscript{73} Yet at the local level the U.S. Army and Navy directly intervened in Fenian operations. A delicate balance had to be maintained and if local forces reacted too quickly against the Fenians they were met with rebuke from Washington.\textsuperscript{74}

Johnson's policy is seen in a number of incidents. The President's reaction to the Niagara raid was to issue a proclamation to arrest the Fenian conspirators. Yet it was not delivered until four days after the Fenian retreat even though the President was fully informed of all the actions.\textsuperscript{75} Johnson's delay specifically allowed the Fenians enough time to escape the border area.\textsuperscript{76} Another example is revealed in the Neutrality Laws that were signed between Great Britain and the United States on June 6, 1866. These

\textsuperscript{72} The greatest periods of Fenian activity transpired during election years, i.e. 1866, 1868 and 1870.

\textsuperscript{73} D'Arcy, pp. 200-1.

\textsuperscript{74} The government was politically embarrassed by the prompt action of the military in seizing arms and arresting people prior to instructions from Washington, e.g. seizure of arms in Ocean Spray on 17 April 1866 by Commander Cooper of U.S.S. Winooski, and detention of Fenians at Buffalo by Gen. Meade, June 2, 1866. Neidhardt, p. 47, 71.

\textsuperscript{75} Neidhardt, p. 71.

\textsuperscript{76} Lecaron, p. 35, 59.
laws would have allowed for the arrest of the Fenian leaders in the United States, yet the treaty was subverted because the Executive Office refused to invoke it.

The political pressure exerted on the U.S. Government by the Fenians was substantial. During the crisis of 1866, William A. Dart, U.S. District Attorney for Northern District, State of New York, provided Macdonald with information as to Fenian movements along the U.S. border.77 The Brotherhood became aware of Dart's actions and Johnson was told that the Irish in America would vote against his party if Dart was allowed to continue his activities. On the 3rd of November 1866, President Johnson removed Dart from the position of District Attorney, on the basis that Dart was hindering the Democratic cause in New York State by his actions.78 This reaction by the President reveals the political consideration that influenced Johnson's policy regarding the raids.79

The year 1867 was a peaceful one on the British American frontier. The Irish Republican Brotherhood was disintegrating into warring factions agitating against each other, while attempting an invasion of Canada. These divisions within the Fenian ranks led to conflicting intelligence

77 D'Arcy, p. 264.

78 Ibid. Dart, although removed from office, continued to provide Macdonald with information.

79 For more information on the President's attitude to the Irish vote, see Neihardt, pp. 93-108; also LeCaron, p. 59.
reports as to their intentions. This in turn kept Canadian reaction fluctuating from a confident belief in peace to near hysteria due to possible raids. The Fenian threat proved to only be rhetoric; no direct campaign was mounted. Between the swell of war and peace the British Colonies finalized their negotiations for union. On the 1st of July 1867, the Canadas, Nova Scotia and New Brunswick united to form the Dominion of Canada.

Initially this union had little effect on the defense policy that had been established by the Canadas against Fenian invasion. John A. Macdonald had singly directed the operations of the Frontier Police during the colonial period and at Confederation he became Prime Minister and Minister of Justice. In this latter position he continued to maintain total responsibility for the counter-intelligence network. Canadian defense continued to be directed against the Fenian movement through the use of intelligence provided by the Frontier Police, which in turn would direct the placement of the militia. If the militia was not capable of repulsing an invasion, Canada could rely on the British Army for assistance. Canada was enjoying a peaceful and secure position; however, events were transpiring outside the nation that would cause the new Federal Government to re-evaluate its defense policy.

On January 1, 1868 John O'Neill was elected President
of the Irish Republican Brotherhood in America. O'Neill was a strong leader who wanted to re-unite the dissenting factions within the movement. To do this he proposed to march against Canada. O'Neill's apparent decisiveness and his desire to go to war did cause many of the Fenians to set aside their differences and join in the common cause. Many of them felt that the year 1868 was to be a year of victory. Fenian nationalism was regenerated. The new threat was recognized by Macdonald not because of rejuvenated Fenian rhetoric, but because he saw the upcoming Presidential election as supportive of the Fenian cause. On February 4, 1868 he wrote Colonel Ermatinger:

The United States are now convulsed with the presidential election contest, and excitement will continue until next December. Both Republicans and Democrats will fish for the Irish vote and therefore will work as much as possible at any action of the Fenian body. This concern of possible Fenian action was not shared by the British Government. England decided that because the British Army had been inactive in Canada for many months several battalions would be withdrawn. Essentially, Britain was following the Imperial Defense Policy of 1859. Unable to effect it earlier because of continuing threats

80 LeCaron, p. 58.
81 "Macdonald to Ermatinger," 4 February 1868, quoted in Neidhardt, p. 112.
against the colonies, Britain chose the opportunity at this time because the colonies were now joined in Confederation. It should be remembered that one of the principal reasons Britain desired a union of the colonies was to be rid of the defense obligation. Commencing with the withdrawal of the battalions in February, Britain planned a gradual diminishment of military presence in Canada. 83 Gladstone's policy of forcing Canada to develop its own defense system was being instituted.

The Macdonald administration was shocked by this development. In an attempt to stave off the reduction of the British Military establishment, the Canadian Government promised to pay for the fortifications that had been proposed by the Jarvis report in 1862. Furthermore, the Militia Act was passed by the Federal Government to increase the number of troops. 84 This had also been recommended by the same report, yet Canada only reacted positively when faced with the actual withdrawal of the British Army. The British Government was not sympathetic to Canadian gestures or arguments. The policy of gradual withdrawal was to remain in effect and Canada was forced to accept more responsibility for defense. The Federal Government had reason to be concerned about this action as only two years previously the

83 Hitsman, p. 212.

84 Ibid., p. 204. This Act extended the principal of the volunteer system existing in Quebec and Ontario to include the rest of the country.
Canadian forces had been defeated by the Fenians.

In view of these events Macdonald's government had to place greater reliance on the Frontier Police to provide accurate, up to date, information. Certain changes were effected in the Frontier Police in Quebec, but they reflected a political rather than a logistic move. Macdonald appointed E. Clarke in June 1868, to replace Ermatinger as Police Magistrate at Sherbrooke. 85 Instead of reporting to Macdonald as Ermatinger had, Clarke operated under the direction of Charles Coursol, Judge of the Superior Court at Montreal, who was now responsible for all Frontier Police activities in the Province of Quebec. Coursol, in turn, reported directly to Macdonald. This change was not effected in accordance with the Police Act that was passed by the Federal Government on the 22nd of May 1868. 87 Macdonald had decided not to invoke that act and the Frontier Police continued to operate with the majority of the functions performed by McMicken.

Macdonald's intrinsic problem with Canadian defense was to strengthen the intelligence operations. In view of the increase in Fenian activities south of the border, Macdonald directed McMicken to establish communications with the Michigan Central, Southern Michigan, and the Detroit and

85 Dominion Police Files, R. G. 18, P. A. C., Vol. 3315, 1-68.
86 Ibid.
87 Statutes of Canada, 31 Vic. Cap. 73, p. 291.
STRUCTURE OF THE BRITISH-CANADIAN INTELLIGENCE NETWORK - 1868

GREAT BRITAIN  
(Colonial Office)

ARCHIBALD,  
Consul General, New York, 
i/c British Intelligence, 
America

Agents and Informers

Lord Monck, 
Governor-General 
of Canada

J. A. Macdonald, 
Prime Minister, 
Minister of Justice

Ontario  
G. McMicken, 
Magistrate

Quebec  
C. Coursol, 
Judge

H. LeGaron

Agents

Agents
Milwaukee Railways. By establishing contact with those companies, Canada would be informed of any large Fenian movements on those lines. This was not the first time the government asked commercial enterprises to provide intelligence. The Montreal Telegraph Co. with offices along the border and in the United States had been doing so since 1865. It was the first time, however, that American companies were asked to become involved in the conflict.

The glaring weakness in Macdonald's defense policy was the lack of competent intelligence from within the Fenian headquarters. The Frontier Police were unable to penetrate the hierarchy of the Brotherhood to obtain information on the operational plans directed against Canada. It was this fact, above all others, that allowed the Fenian successes in 1866. Unless Macdonald could overcome this deficiency his defense plans could very well fail again. An informer with knowledge of specific Fenian plans could give the Canadian forces the time needed to establish a defense in a specific sector. As hard as the Frontier Police tried, however, they were unable to develop such a source of information.

The solution to this problem was finally solved by British Intelligence. Since the termination of the Civil War in 1865, a young Englishman by the name of Thomas

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88 D'Arcy, p. 297, cf. 63.
89 Ibid., p. 264.
Beecher made notes of Fenian activities that were passed to the Colonial Office.\textsuperscript{90} Beecher operated under the alias, Henri LeCaron, and his main source of information in the Fenian movement was through his friendship with John O'Neill. When O'Neill became President of the Brotherhood, he invited LeCaron to join the movement and assured him a position of responsibility. LeCaron did join O'Neill and was given the rank of Major in the Irish Republican Army (I.R.A.).\textsuperscript{91} Acting in the capacity of Military Organizer, LeCaron reported directly to British Intelligence through Archibald.

To reinforce Macdonald's intelligence forces, the Colonial Office decided to have LeCaron report directly to the Canadian Government. On June 8, 1868 LeCaron visited McMicken in Ottawa and terms of employment and communications were established.\textsuperscript{92} Initially LeCaron was to report directly to the Governor-General, Lord Monck, but on June 29, McMicken was instructed to maintain contact with him.\textsuperscript{93} With LeCaron as "chief informant" for the Frontier Police,

\textsuperscript{90}LeCaron, p. 29. The information was initially passed by his father from letters sent by Beecher. Beecher was unaware that letters he thought to be general in nature were used in this manner. Direct contact was only made by British Intelligence at a later date.

\textsuperscript{91}Ibid., p. 65. The Irish Republican Army was the military arm of the Irish Republican Brotherhood. The ties were very close as O'Neill was President of the I.R.B. and Commanding General of the I.R.A.

\textsuperscript{92}Ibid.

\textsuperscript{93}D'Arcy, p. 297n.
Macdonald finally obtained information directly from the hierarchy of the Fenian movement.

The initial reports from LeCaron caused the government concern. The estimated Fenian strength was 600 circles with 3,600 collectors gathering money to purchase two batteries of Gatling guns, 1,000 Colt Navy revolvers, 100 rifles and 3,000 altered breech loaders. Information from all sources indicated that the Irish Republican Army was attempting to recruit one large force to enter Canada as a Grand Army, prior to the Presidential elections in the United States. LeCaron was able to inform McMicken of the most intimate details of the Fenian preparations. Remaining close to O'Neill, he was able to determine the extent of the arsenal, the number of men available to fight and the finances of the Brotherhood. LeCaron's ability to obtain precise information allowed him to correctly report to McMicken on October 11, 1868 that, due to the lack of available cash, the Grand Army's movement on Canada was definitely postponed until the following spring.

LeCaron was rapidly becoming the central figure in the defense policy of Canada. Not only was he reporting on Fenian intentions and actions in the United States, but LeCaron was also providing the names of leading Fenian

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94 D'Arcy, p. 297n.
96 Ibid., p. 303.
members in Canada. His usefulness as an informant, however, was greatly strengthened when he was appointed Assistant Adjutant General of the Irish Republican Army. In preparation for the spring offensive, LeCaron was sent to Canada to inspect the terrain and to actually plan the impending Fenian attack. As this position necessitated constant travel, John C. Rose was directed by McMicken to be continually at LeCaron's disposal for "the transmit of any documents requiring secrecy and dispatch".

The Fenian preparations for an attack continued and LeCaron was again promoted within the I.R.A. to the position of Adjutant General, with the rank of Brigadier-General. LeCaron's major function in this capacity was to travel along the U.S. border, hiding arms and ammunition to be used in the assault. His usefulness as an informer had reached a pinnacle: LeCaron could report on the entire battle plan of the Fenian Army. Not only did he have access to the political plans of the Brotherhood, but LeCaron was also responsible for planning the Fenian attack against Canada. This was the most successful position a British agent could aspire to in order to obtain pertinent information.

97 LeCaron, pp. 66-67.
98 Ibid., p. 74.
99 Ibid., p. 75.
100 Ibid., p. 82. At this time, LeCaron received $60/mo. from the Fenians as Military Organizer and $130/mo. as an informer to Canadian authorities.
Macdonald could now effectively deploy the militia in accordance with reliable intelligence reports and this became Canada's first line of defense.

The high quality of information provided by LeCaron and the Frontier Police alleviated Canada's dependency on British troops for protection from the Irish Republican Army. This fact became abundantly clear through differences on defense policy that arose between Macdonald and Lieutenant-General Sir Charles Windham who was now commanding British forces in North America. In February 1869, Windham, in response to reports of impending Fenian action, requested Sir George Cartier, the Minister of Militia, to call out 3,000 volunteers. Cartier refused to do this as his perception of the Fenian threat was not the same as Windham's. Macdonald, although he concurred with Cartier's response, did agree to call out the troops, but only "if more serious information should be received".

Obviously Macdonald's intelligence as to Fenian intentions was correct. Contrary to Windham's assessment of an imminent attack, there was absolutely no disturbance along the border whatsoever. But the point made by Macdonald had far deeper ramifications. The central issue of this

102 Ibid., p. 166.
103 Ibid., p. 167.
disagreement between Windham and the Canadian Cabinet was who would be the sole judge of the seriousness of any emergency. It was a point won by Macdonald in refusing to call out the volunteers, and revealed the more significant question of who was to control Canadian defense, the Cabinet or the Commander? The root of the problem lay in the division of powers regarding defense measures. Canada controlled the militia as to when and how many men would be called out. However, as soon as the militia was in the field they were entirely controlled by the British Commander. Therefore, once an emergency was invoked, Canada had no control over defense operations.

The new Gladstone ministry was more than happy to accommodate the Canadian position and ordered the withdrawal of all garrisons except that of Quebec City. This was not the effect Macdonald desired. The threatened withdrawal of troops from Toronto caused panic among the citizens of Ontario and Macdonald vehemently opposed the dismantling of the British Army in Canada. But again it was not for the military value of the Army that Canada wished it to remain. It was because the British Army had become a political symbol of unity with Great Britain. Canadians felt that as long as the Army remained, Great Britain would continue to support Canada.

The defense issue came to a head over the use of Fort

Wellington at Prescott, Ontario in August of 1869. Windham was afraid that the British garrison would be successfully defeated by the Fenians. He suggested that the small fort should either be enlarged by the Canadian government or destroyed. He also requested that Canadian volunteers assist in its defense. Macdonald did not agree that the garrison was in any danger. His argument, based on intelligence reports, was that the Fenians did not wish to engage the British Army. Therefore he reasoned that they would not land at any place in Canada where the troops were stationed. Macdonald's response to the defense of Fort Wellington was to place a detective across the river at Ogdensburg who would advise the Canadian authorities as to the "collection of any number of men there". This action was simply a political manoeuvre to ensure that Canadian defense rested in Canadian hands, for the agent sat in Ogdensburg for a year and a half with nothing to report.

Windham retaliated to what he considered the subverting of his authority. He withdrew the entire British garrison from Fort Wellington, a fort he felt was the central key to the British defense of Canada. After taking this action

106 Ibid., p. 170.
107 Ibid.
Windham contemptuously reported on Canadian defense policy to the British Cabinet: "they believe that they can rely upon receiving early information of any project of invasion from various sources in Ogdensburgh". 109

What Windham was not aware of was the extent of intelligence available on Fenian activities. The only information he received was from Archibald in New York, sent through Lord Monck. 110 Intelligence gathered by the Frontier Police, which included LeCaron, was controlled by Macdonald who chose what information to communicate. As Macdonald wanted to control Canadian defense policy he chose to pass on little information. By alienating the British commander through the lack of intelligence and by not calling out the militia, Macdonald effectively kept these two forces necessary for developing defense policy out of British hands. Furthermore, when an emergency did arise, Macdonald and not Windham had the reliable intelligence on Fenian intentions. Therefore Macdonald would be in a position to direct defense operations for he alone knew the attack plans.

During the defense policy conflict, Macdonald instituted a number of structural changes in the operation of the Frontier Police. But they did not reflect strategic or tactical moves as much as political realignment. Clarke's


110 Ibid., p. 168, cf. 2, "On April 17, 1868, Windham writes to the War Office that he gets his Fenian information only from Lord Monck,..."
position as Police Magistrate at Sherbrooke was terminated. Stating that "the special circumstances have ceased to exist," Macdonald relieved him of his duties on May 31, 1869. Frontier Police duties in the Province of Quebec were now the sole responsibility of Charles Coursol in Montreal. This change was, in all probability, based on economic factors. The high quality of information being provided by the agents in the United States no longer necessitated a border patrol in Canada. However, it soon became apparent that Macdonald wanted to create a federal police force. In July, McMicken submitted a report outlining his suggestions for such a force. Although Macdonald did not follow all those recommendations he did put into effect the Act respecting Police in Canada which had been passed on the 22nd of May, 1868. This was done on November 23, 1869 when McMicken and Coursol were appointed Commissioners of Police for the Dominion of Canada.

- Although they were appointed Commissioners for the entire Dominion, McMicken and Coursol maintained their separate jurisdictions, in Ontario and Quebec respectively.

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112 Ibid. McMicken to Macdonald, 8 July 1869.
114 Canada Gazette, 4 December 1869, p. 1.
Essentially the structure of the Police was not changed as they both continued the same duties they had performed under the Frontier Police. The only difference in their positions was that their authority was no longer based on legislation passed by the Provincial Legislature of the United Canadas, but on legislation passed by the Dominion of Canada. In this capacity, the Frontier Police became the Dominion Police. The majority of the duties continued to be the responsibility of McMicken who was now stationed in Ottawa. However, as the police responsibilities began to expand to include other duties, the intelligence unit became known as the "outside service".\footnote{116}

To augment the ability of McMicken and Coursol to effectively deal with the Fenians, the Federal Government conferred upon them the power to enforce and regulate the Act relating to extradition.\footnote{117} This was immense power to place in the hands of the two Magistrates, for not only did they direct the intelligence operation, but when a Fenian was apprehended McMicken and Coursol would act as judge and jury at their hearing. Albeit, they were only to deal with instituting extradition proceedings against those persons who contravened the laws of Canada by participating in an attack, but the least that can be said was that "justice" was to be rapid. Obviously Macdonald did not wish to see

\footnote{116}{R.C.M.P. Commissioner's Report, 1920, p. 7.}
\footnote{117}{Canada Gazette, 22 December 1869.}
any court proceeding that could cause political turmoil or turn into a 'cause célèbre'.

During the spring of 1870, reports from the intelligence service indicated that the Fenians had finally become sufficiently organized to launch their invasion of Canada. LeCaron, distributing arms along the border, wrote an eight-page report to McMicken outlining the Fenian battle plans. O'Neill had set May 24, Queen Victoria's birthday, as the date to begin his conquest of Canada. The Fenian plan was to invade Canada from Malone, New York, and Franklin, Vermont. The objective was to capture Fort St. Jean on the Richelieu River.

When the Irish Republican Army took to the field, it was entirely infiltrated by British and Canadian agents. As early as April 11, 1870 Macdonald was completely informed of all Fenian plans from a number of sources. The attack finally materialized on May 25 and was met at the border by the Canadian Militia with 13,489 men under arms. The

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118 D'Arcy, p. 334.
119 Ibid., p. 350.
120 A conservative estimate of the number of "spies" operating against the Fenians would be approximately thirty-five persons. Some were agents (Canadian and British) and others were informers operating for money. This number does not include the many 'patriotic' people who wrote general letters regarding Fenian actions.
121 D'Arcy, p. 345.
122 Ibid., p. 354.
Fenian attack was unsuccessful. After the attack was repulsed, the Fenians fell back across the border. General O'Neill was immediately arrested by U.S. Marshalls and charged with violating the neutrality laws.\textsuperscript{123}

Without a leader and totally infiltrated by agents, the Fenian movement against Canada came to an end. O'Neill did try to organize a movement against Manitoba in the wake of the Riel Rebellion, but it likewise met with no success. It did cause Macdonald, however, to appoint McMicken as Commissioner of the Manitoba Provincial Police. He assumed this position in 1871 and was supported by two constables from the Dominion Police.\textsuperscript{124} At the same time, the agents operating in the United States were retired.\textsuperscript{125} It had been a full year since there was Fenian activity in the east and Macdonald did not believe there would be a recurrence of trouble. The "outside service", however, although it was dormant, was not officially disbanded. This did not occur until 1874 when the Liberal Government, under Mackenzie, was in office.\textsuperscript{126}

The counter-intelligence network formed to oppose the Confederate and Fenian raids was constructed and operated solely by Macdonald. He maintained direct contact, not only

\textsuperscript{123}D'Arcy, p. 355.
\textsuperscript{124}R.C.M.P., Commissioner's Report, 1920, p. 7.
\textsuperscript{125}R.C.M.P. Records, P. A. C., Vol. 3315, File 34-70.
\textsuperscript{126}R.C.M.P., Commissioner's Report, 1920, p. 7.
with Coursol and McMicken, but also with many of the agents in the field. Although some reports were directly sent from agents to Monck, or Cartier, it was done very infrequently. Macdonald maintained tight control over the operations of the Frontier Police. The intrigue must have greatly fascinated him, for when there were Fenian rumblings in 1881, Macdonald immediately hired LeCaron, McMicken and a Mrs. E. Forest to investigate the causes. These agents were hired personally by Macdonald and sent to the United States. But they were not reporting to the Dominion Police or any other government agency. All intelligence reports were sent directly to Macdonald marked "personal and in confidence." This practice soon stopped, however, as the Fenian movement was truly seen to be dead.

The agencies directed by Macdonald went through two distinct phases, the characteristics of which were dictated by the different threats to Canadian sovereignty and how the government perceived those threats. By investigating Confederate actions the Frontier Police was operating as a counter-intelligence agency because the target was foreign agents jeopardizing Canadian neutrality. The basic position adopted by the government was one of defense. However, the operational methods; patrols and investigations, were those of a police force. Canada saw the Confederate actions as

127 D'Arcy, p. 401.
128 Ibid.
those of criminals because the government did not wish to become involved in the American Civil War. Furthermore, the Confederates were not posing a direct threat in attacking Canada. Consequently a solution was adopted that was sufficient to maintain Canada's political position without an overreaction that could place that position in danger from other sources.

The defense system changed when the opposing force or perceived threat changed. The Frontier Police that was developed to defend Canada from Fenian actions operated in a far different manner. It was also a counter-intelligence agency because the prime function was defense against an intruding foreign agency. But the manifestations and characteristics of the I.R.B. were far different from those of the Confederates. The Frontier Police had to accommodate its operations to meet the new conditions if it was to attain its objective. The objective was information on the designs and operations of the agency attacking Canada. Because the I.R.B. did not primarily operate in Canada but in a foreign country, the Frontier Police had to operate in a secret fashion of infiltration and source development outside of Canada. As a result, the Frontier Police had to fully operate as a counter-intelligence agency and initiate the full intrigue of spying, codes and secret agents. However, the position maintained by the Frontier Police was entirely defensive and it is this factor that differentiated it from General Dix's agency. Canada was not at war and did not
attempt to subvert the Fenian movement in the United States. Consequently the Frontier Police remained a counter-intelligence agency even though it operated outside of Canadian territorial sovereignty.
Chapter 2

The Public Safety Branch
The counter-intelligence system developed within the Frontier and Dominion Police by the Macdonald Government was a direct response to an external threat to Canadian sovereignty by foreign agencies. When that threat subsided or ceased to exist, the intelligence unit diminished its operations on a ratio equal to the perceived danger. After 1881, Canada did not witness attacks on its sovereignty from external forces and, accordingly, did not re-activate the "outside service".

Internal problems did exist. The Riel Rebellions of 1870 and 1885 placed great stress on the Canadian government. These forces did not lead to the formation of intelligence services as the difficulties that arose were of a social and political nature that occurred within the Canadian political system. The Federal government in power was threatened, but not the sovereignty of Canada. Therefore the government concluded that there was no need for an intelligence agency.

What did result from these stresses and growing pains of a Canadian nation was the formation of a decentralized law enforcement system. The government continued the policy of forming a special police force to counter a specific problem. For example, the Water Police had been formed to stop crime on the Montreal Waterfront; the Railway Police to protect the building and operations of the railways; and in 1873 the North West Mounted Police to bring law and order
to the territories in the North West. Each police force was
directed by a Commissioner of Police who reported to a cor-
responding department of the government.

Only two forces, the North West Mounted Police and the
Dominion Police were concerned with general law enforce-
ment over a large territory. Of these two, the Dominion Police
with headquarters in Ottawa, was the primary federal police
force in Canada, although it basically functioned in Quebec
or Ontario. By 1910 its duties included the protection of
government property, the enforcing of laws against counter-
feiting, the white slave traffic, and the maintenance of a
finger-print bureau. Operationally, the Dominion Police
acted as a co-ordinating body directing inquiries and speci-
fic requests to the various federal, provincial and munici-
pal law enforcement agencies throughout Canada.

Although relatively effective in maintaining communica-
tions and a degree of uniform law enforcement across a rural
Canada, the system of a decentralized agency was beginning
to falter by 1913. The problem was the degree of autonomy
the various police forces maintained. Each force felt that
it was time consuming and inefficient to report through
Ottawa when communications could be effected directly be-
tween each other. Unable to encourage the various forces to
support the Dominion Police by an Order-in-Council, the
government amended the Dominion Police Act and legislated
that the Commissioner at the Dominion Police was to be Chief
Commissioner of all Police throughout Canada.\(^1\) In this respect, all federal police forces, including the Royal North West Mounted Police, theoretically reported to the Dominion Police.

On August 4, 1914, Great Britain declared war on Germany.\(^2\) Canada, for the first time in its history as an autonomous nation was involved in a major war.\(^3\) Legislation maintaining a defensive position regarding resident 'enemy aliens' was passed two days after the British parliament did so. This adhered to the government's immediate policy that great importance should be placed on the "defense and security, peace, order and welfare" of Canada.\(^4\)

The problem of controlling the immigrant sector was compounded on the 12th of August when war was declared on Austria-Hungary.\(^5\) This greatly increased the number of what were considered to be 'enemy aliens' residing in Canada. To control the possibility of a subversive threat from this sector, the government issued a proclamation on the 15th of August, 1914, "respecting immigrants of German or Austro-

\(^1\)Debates of the House of Commons, Ottawa: King's Printer 1913, p. 8566.
\(^2\)Ibid., August 19, 1914, p. 20.
\(^3\)Ibid. Canada was automatically at war with Great Britain's declaration.
\(^4\)Ibid., "C. J. Doherty, Minister of Justice," August 19, 1914, p. 21.
Hungarian nationality".

The declaration stipulated that:

All subjects of the German Empire or the
Austro-Hungarian Monarchy in Canada
engaged or attempting to engage in espio-
nage or acts of a hostile nature, or giving
or attempting to give information to the
enemy, or assisting or attempting to
assist the enemy, or who are on reasonable
grounds suspected of doing or attempting
to do any of the said acts; be arrested
and detained. 6

This legislation, developed by the British government,
was designed to allow government forces to counteract espio-
nage and sabotage activities instituted by enemy nationals.

However, on the pretext of maintaining "defense and security"
the government went beyond the existing legislation which
only regarded immigrants in particular, to assume total
authority over all residents of Canada. Eighteen days from
the commencement of hostilities, on August 22nd, 1914,
the government, again copying British legislation, passed
"An Act to confer certain powers upon the Governor in
Council and to amend the Immigration Act". 7

Section One stated: "This Act may be cited as The War
Measures Act, 1914". Passed in the spirit of mobilizing
Canada's war effort, the War Measures Act totally controlled
the Canadian population to that end. Power was given to the
King of England or the Governor-General to arbitrarily de-
cide if "war, invasion, or insurrection, real or apprehended

7 Ibid., chap. 2, p. 5.
exists or has existed for any period of time". 8 The only evidence necessary was that a declaration be made by either of these persons. Furthermore, powers were conferred on the Governor-General to make any orders and regulations necessary to counteract the perceived threat. Hence, the government could define the rules to suit their view of events, for this Act allowed the Cabinet to by-pass the parliamentary system and enact any legislation it saw fit. In theory, the power of parliament was abrogated and fully controllable by the Crown or government in power.

Under war conditions the arbitrary authority of this Act may be justifiable, however, it cannot be denied that extreme power was placed at the disposal of a government that had not developed the legislation according to the Canadian ethos or experience. The War Measures Act was designed to suit conditions existent in Britain and not in Canada. By placing this degree of control in the hands of the government, the citizens had to assume that it would be used wisely and in the best interests of the nation. In this regard, the government revealed the intended areas of legislation, but they were careful to note that the outline did not restrict the Act. The following subjects were enumerated:

a) censorship and the control and suppression of publications, writings, maps, plans, photographs, communications and means of communication;

b) arrest, detention, exclusion and deportation;

c) control of harbours, parts, and territorial waters of Canada and movements of vessels;

d) transportation...and the control of transport of persons and things;

e) trading, exportation, importation, production and manufacture;

f) appropriation, control, forfeiture and disposition of property and the use thereof.

Following the passing of the War Measures Act, the Cabinet rapidly invoked the following acts by Order-in-Council:

3 Sept. - Regulations for the prevention of the use or possession of firearms, ammunition, etc. by enemy aliens;

12 Sept. - Prevention of espionage, etc.;

24 Sept. - Telegraph and telephone lines controlled by the authority of the Minister of Justice;

28 Sept. - Control of enemy aliens by registration;

6 Nov. - Censorship.

The enforcement of the War Measures Act and the


10Ibid., pp. clxvii-clxxi; Ibid., 1916, 6-7 George V., vols. 1-11, pp. cvii-clxxiii.
subsequent orders issued under its authority was the responsibility of the Justice Department and offences to the Act were punishable under the Criminal Code of Canada. To maintain uniform control, the ultimate authority was vested in the Chief Commissioners of the Dominion Police who coordinated activities across Canada.\textsuperscript{11} Chief Commissioner Sherwood geared the Dominion Police for enforcement. Initially Sherwood enlisted the assistance of all police and detective forces in Canada and acted as liaison between these agencies and the government. Although this had always been the function of the Dominion Police, Sherwood was now in a position of authority as he alone was directly responsible to the government.

Called the Special Dominion Police Force by Members of Parliament, Sherwood's organization established new territorial dimensions. The forces had been traditionally centered in Ottawa with offices in Montreal, Halifax and Esquimalt, but with the government's decision to register all enemy aliens, the Dominion Police was established throughout Canada. Offices were opened in all thirteen Military Districts and civilian agents were hired to assist the Police.\textsuperscript{12} Essentially these offices were posts that maintained liaison


with local law enforcement agencies such as the R.N.W.M.P., to register and maintain surveillance of enemy aliens. To conduct investigations, Sherwood developed the Secret Service.

In essence, the Secret Service was nothing more than the detective section of the Dominion Police. To this end it was developed along the same lines as McMicken's "Outside Service" but the type and method of investigation was far different. Whereas the "Outside Service" was a counter-intelligence operation directed against foreign invasion and operated outside Canada, Sherwood's force was only concerned with internal factors that might disrupt the war effort. This detective force was designed to be at the disposal of all government agencies that desired investigations to be conducted. In this function, it was known as a Secret Service principally because it carried out secret investigations for the government. However, the potential scope of its involvement in intelligence matters was enormous.

The War Measures Act allowed Sherwood unusual latitude to mould a formidable counter-intelligence agency. The legislation was principally directed against espionage,

13 A number of references have been found regarding the meaning of secret service: Any person employed by the government to conduct investigation, as an employee or on a contract basis, was referred to as conducting secret work. R.C.M. Police, R. G. 18, Vol. 1767, "Cole to Commissioner," 16 February 1914.
sabotage and subversion. By following the directions and
directions and attitude of the government, the Dominion Police did not
institute the counter-espionage system that became evident
in British operations. The intrinsic difficulty rested with
the attitude of the Canadian government. Instead of direct-
ing operations against German efforts, the government based
its defense policy on what it perceived as the immediate
threat to Canadian security. As a result the efforts of
the Dominion Police and related agencies, centered on re-
gistering, investigating and maintaining surveillance of
enemy aliens, but not in locating and tracing German agents.
The direction of the Canadian forces was domestically orient-
ed and not international in scope, even though the threat
eemanated from outside the country.

All enemy aliens who came to the attention of the
Police were investigated to ascertain whether they posed a
threat to Canadian security. If they showed a passive
attitude, which appears to have been a criteria, they were
issued with an identification card to show that they had
been registered. If, on the other hand, the immigrant re-
vealed a strong pro-German spirit, he was interned. V. Kemp,
a constable serving in the Royal North West Mounted Police
gives the following example on how an enemy was located:

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14 Statutes, 1915-1916, "Imperial Orders-in-Council".
On such visits we were usually greeted with docility or even with obsequiousness. This time things were a little different. Hearing raised voices in the small hotel, we entered. A group of men stood around listening to the exhortations of a loud-mouthed orator. Our entry was timely. The speaker, who had obviously been drinking greeted us with:

"Hoch der Kaiser! Red-coated swine."

Into the group sailed Bekker, his fists flying. Down went the voluble German. It was a few minutes work to check those present for the credentials compulsorily carried by all such aliens and to remove the erstwhile rabble-rouser for eventual internment.

This is not to suggest that all police forces acted in the same manner. However, a passive attitude toward the investigator and loyalty to Canada was the measure that determined whether an enemy alien would or would not be placed in prison. This in itself posed a great problem for if every enemy alien who displayed any degree of German nationalism was imprisoned, the prisons would soon be over-run. As a result the Canadian policy was not one of continual internment. Many of the aliens were paroled and had to report to the police or Justices of the Peace. The enemy alien registration system was not only designed to prevent sabotage and subversion, but to curb any expression of discontent. Ideas running counter to "Canadian thinking"

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15V. Kemp, Without Fear, Favour or Affection, Toronto: Longmans, Green & Co., 1938, p. 56. These strong actions were common to R.N.W.M.P. enforcement tactics. The Dominion Police attitude is not known but it is presumed, because of the co-ordinating and decentralized nature of the organization, the same methods were not commonly used.

resulted in an immigrant's imprisonment until his attitude improved. Essentially he was being punished and coerced to remain silent and passive.

Undoubtedly the close surveillance of enemy aliens was effective in stopping subversion and sabotage by overzealous or extremely nationalistic immigrants. To some degree the government's position of maintaining strong surveillance on enemy aliens was reinforced when shotgun shells, discovered in a German immigrant's possession, were found to be German-made dum-dum bullets.\textsuperscript{17} But this was only one factor in the overall commitment to defense. The other form of counter-intelligence instituted was the maintenance of patrols and guards in areas designated important to the war effort, e.g., factories, canals, ports and the international border. This type of preventive system practiced under the Dominion Police was an integral part of Canada's security program, but it was only a small function of a counter-intelligence operation, and was based on a limited concept of defense. Its sole purpose was to counter sabotage and subversion from a specific sector, and, as such, was only successful as a deterrent. The entire facet of counter-intelligence directed towards locating plots and agents was not conducted by the Dominion Police, but was left to the British Secret Service, which, by 1914, had formed a formidable agency.

This agency had been established on the recommendation

\textsuperscript{17}\textit{Kemp}, p. 57.
of the Committee of Imperial Defense in 1903 that met to consider the Imperial Defense Policies following the Boer War.\textsuperscript{18} The result was the creation of Military Intelligence 5 (M.I.5), a new counter-intelligence organization within the military that would work in conjunction with the Special Irish Branch operated by Scotland Yard.\textsuperscript{19} M.I.5 was specifically oriented to reveal foreign espionage agents and plots against Great Britain. As Canada was an integral part of the British Empire and war effort, British Intelligence was available to the Canadian authorities.

In 1914, with the declaration of war, M.I.5 agents were sent to operate in Canada and in the United States to protect British war interests against German sabotage efforts.\textsuperscript{20} The British Secret Service soon determined that the German operation in North America was directed by Count von Bernstorff, German Ambassador to the United States, and Captain Franz von Papen, Military Attaché in New York, with assets totalling $150 million for propaganda and sabotage in Canada and the United States.\textsuperscript{21}


\textsuperscript{19}The Special Irish Branch of the Scotland Yard was an anti-subversive unit designed to infiltrate and contain the Irish Republican Brotherhood and I.R.A. in Ireland. Initiated in 1872, it grew to include all subversive organizations. \textit{Ibid.}, p. 63.

\textsuperscript{20}Debates, May 13, 1939, p. 4043.

\textsuperscript{21}\textit{Ibid.}
STRUCTURE OF THE SECURITY AND INTELLIGENCE SERVICES, 1915

Borden Cabinet

British Government

Minister of Justice

President, Privy Council

Minister of Militia

M.I.5 London

Chief Commissioner

Dominion Police

Prov. Attorney Generals

Provincial Police

Royal North West Mounted Police

Municipal Police
In London, British Intelligence had established a bureau of cryptology under Captain John Hall of the Royal Navy.\textsuperscript{22} This office, known only as Room 40, intercepted and decoded diplomatic messages between Berlin and von Bernstorff in Washington. Through this method, Canada was informed of pending German operations. On December 12, 1914, for example, the following cipher telegram was intercepted:

Secret: The transportation of Japanese troops through Canada must be prevented at all costs if necessary by blowing up Canadian railways. It would probably be advisable to employ Irish for this purpose in the first instance as it is almost impossible for Germans to enter Canada. You should discuss the matter with the military attaché. The strictest secrecy is indispensable.

Zimmerman\textsuperscript{23}

In compliance with this request von Papen hired agents and plans were instituted to blow up the Canadian Pacific Railway tunnel between Revelstoke and Vancouver.\textsuperscript{24} Another plan was developed to destroy the Welland Canal. These schemes were unsuccessful as the Canadian authorities, forewarned by M.I.5, increased the military and police patrols in these zones. Entering into the target areas, the agents found the tunnel and canal too well guarded to proceed with


\textsuperscript{23} Debates, May 13, 1939, p. 4043.

\textsuperscript{24} Ibid.
the operation. However, German agents were successful in blowing up a section of the Peabody Overall Company in Wallorville, Ontario. Investigation by the Dominion Police revealed that a man named Lefler had been recruited by one of von Papen's agents. Lefler was responsible for this bombing and had also placed one behind the Windsor Armouries in which Canadian troops were billeted. This latter bomb failed to explode, but Lefler was arrested and confessed.

The strategic value of bombing an overall factory was limited. However, it does reveal the German design to attempt widespread bombing to promote destruction and terror in North America. These incidents were not isolated, but followed a specific pattern. During the first two years of the war, Canadian authorities documented five sabotage attempts against Canada and sixty against the United States. The Canadian reaction was to tighten surveillance of enemy aliens and suspected German targets. Patrols on the border were increased as the government concluded that agents attempting to enter Canada would do so from a neutral United States.

25 Debates, May 13, 1939, p. 4044. An agent called Koolbergen was to attempt the destruction of the tunnel but found it too well guarded. It may also be that his 'nerve' for such action failed as he turned himself in to Canadian authorities.

26 Ibid.

27 Ibid., p. 4047ff. During the discussion of possible war with Germany a number of references were made regarding the counter-espionage system conducted during the First World War.
The Canadian security system was relatively successful. The Zimmerman telegram reveals the difficulty Germans had in entering Canada. However, it should be noted that Canada was not a primary target for German Intelligence. Indeed, Canada was obviously a minor concern. It should also be noted that German Intelligence concentrated almost entirely on sabotage. Little was done in the area of espionage (that was detected), and total control of the immigrant population negated any attempts of subversion.

To co-ordinate the intelligence operations between Canada and Great Britain, A. P. Sherwood, Chief Commissioner of the Dominion Police, was requested to report to England "to confer with Officers of His Majesty's Government with regard to matters of Secret Service and Intelligence". This meeting was instigated by Stewart Menzies, head of M.I.5, and representatives from all countries in the Empire attended. The result of the conference was the development of a communication system and the uniform direction of all British Intelligence services throughout the world. This conference did not change the operational direction of the Dominion Police, but Sherwood was given complete access to British Intelligence in England and in New York. Furthermore, communications were now established directly

29 Deacon, p. 184.
between the various intelligence agencies and no longer had to go through diplomatic channels.

By the end of 1915, German activities in North America had largely ceased. Information provided by M.I.5 resulted in the eviction of von Papen from the United States in August.\textsuperscript{30} The loss of the principal German organizer resulted in sabotage activities slowly grinding to a halt. The decline of German activities caused the Canadian security forces to enter a period of stagnation. Guards were still posted and patrols maintained, but there was nothing to report. Enemy alien registration was functioning smoothly and became a matter of constant routine.

The monotony of the war on the home front began to take its toll. The initial impact and excitement of Canada at war, which had been a unifying factor, began to wane. The first indications were revealed in the lack of cooperation Sherwood was receiving from various departments within the Canadian government.\textsuperscript{31} The Dominion Police, established to conduct all investigations for the government, was not being utilized. This became evident when Sherwood was handed numerous "accounts rendered by a Detective Agency for Secret Service work, done for the

\textsuperscript{30} Deacon, p. 143.

Militia Department, aggregating many thousands of dollars... Other departments were also bypassing the Dominion Police by using detective agencies. The same problems of control that surfaced in 1913 became dominant.

The authority Sherwood held when the War Measures Act was passed dissipated as the war progressed and other departments increased the scope and size of operations. Sherwood had not taken the initiative and did not build the Dominion Police into a strong centralized agency that the War Measures Act would have allowed him to do. Instead, it remained a small service organization. As such, Sherwood was unable to effectively direct and centralize government efforts, as his only authority over the various offices was obtained through the goodwill shown by these departments. Although he maintained liaison with the American and British Secret Services, and had retained Pinkerton's Detective Agency to conduct investigations in the United States, Sherwood's services were seldom used.

The most evident example of this is to be seen in the relationship between the Dominion Police and the Royal North West Mounted Police. Sherwood's contact with this force was through the R.N.W.M.P. Comptroller located in Ottawa. Sherwood had no direct communication with the Commissioner stationed in Regina. Any requests to the

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33 Ibid.
R.N.W.M.P. were quickly and efficiently carried out. The R.N.W.M.P., however, made no similar requests to the Dominion Police. If the Commissioner of the R.N.W.M.P. required information, he contacted the Comptroller who, in turn, requested the information from the various departments, be they Canadian, American or British. Although the Department of Justice supported Sherwood's contention that his authority was necessary for all secret service work, he was unable to put it into effect. As a result, the effectiveness of the Dominion Police was diminished for it was not respected by other police agencies in Canada. Yet, the Dominion Police was not the only federal police force that was declining in efficiency and activity.

The Royal North West Mounted Police were responsible for Canadian security in Alberta, Saskatchewan, Manitoba and the North West Territories. As the local law enforcement agency in these areas their duties regarding security were the registration of enemy aliens and police patrols of the international border. This system was effectively maintained throughout the war. However, in 1916, it became apparent that there was mounting opposition to the actions of the R.N.W.M.P. The governments of the three prairie provinces notified the Federal government of their intention to cancel the agreement which allowed the Federal force to police

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34 Order-in-Council, P. C. 2196.
those areas.  

Throughout its history, the R.N.W.M.P. always had a hopelessly small number of men to cover a very large area. As a result, the force developed a conscious policy of eliciting "respect" from Canadians and foreigners by creating an image and a myth of the futility in attempting to oppose the R.N.W.M.P. In fact, the force sold itself as a faultlessly effective mechanism which could be neither doubted nor questioned. This myth was accepted by Canadians outside the jurisdiction of the R.N.W.M.P., but by the residents of the prairie provinces it was not.

An effective opposition developed to the overbearing attitude and inefficiency of the force. The existing contracts between the provinces and the federal government for the R.N.W.M.P. to provide law enforcement were to expire on March 31, 1916. Negotiations between the three provinces and Ottawa resulted in an Order-in-Council, both cancelling the service agreements and relieving the R.N.W.M.P. of their duties. This order was to take effect on January 1, 1917 in Saskatchewan and Manitoba, and on March 1, 1917 in Alberta.

The decision to alleviate the R.N.W.M.P. of regular law enforcement duties in the Western Provinces was prompted both by the desire for greater provincial autonomy and by the belief that the force was not efficiently enforcing the


\[36\] Ibid.
law. Prior to the creation of the Provincial Police, Saskatchewan went so far as to form their own police to enforce liquor legislation, a responsibility of the R.N.W.M.P. 37 Part of the difficulty lay in the fact that enforcement of liquor legislation created adverse and unpopular publicity for the Force, which it did not desire, and required substantial manpower to guarantee the enforcement. Manpower was a significant problem in that, since the outbreak of the war, many of the force’s members had joined the regular armed forces. By August 1917, the strength of the force, although authorized at 1,200 men, was down to 742. 38 With less to do after 1917, the constables had a great deal of free time on their hands and agitated against an unwilling Commissioner to enter the armed forces.

The force was not disbanded, due in large part to the respect in which it was held by Federal members of Parliament. It was merely relegated to full time supervision of enemy nationals and maintaining an effective patrol of the international boundary. The patrolling of the border between Canada and the United States became much more important in 1917 than previously. As two central factors developed for intensifying this action.

The first was the passing of the Military Service Act which allowed for the conscription of young men into the

37 R.N.W.M.P., Commissioner’s Report, 1917, p. 3.
38 Debates, 18 August 1917, p. 8.
armed forces. The R.N.W.M.P. wanted to prevent "the egress from this country of men subject to draft". 39

The second reason was the appearance of young Americans entering Canada on the pretext of wishing to assist in the labour force. The first reports on these Americans were submitted by the R.N.W.M.P. during the harvest season of 1916. The Commissioner reported that "organized bands of tramps known as the International Workers of the World" (I.W.W.) were attempting to enter Canada to "terrorize" the farmers. 40 Little was known about the I.W.W. other than the "anarchical and dangerous activities" they were conducting in North Dakota on behalf of labourers. 41 By the fall of 1917, however, the government recognized the potential threat from this front as more members of the I.W.W. were attempting to enter Canada to participate in labour difficulties that were emerging in the western coal mines. 42 In order to stop these people from organizing in Canada all members of the Dominion Police and R.N.W.M.P. were appointed Immigration Inspectors. 43

The labour difficulties in the West were only a small indication of the problems Canada was facing as it entered

40 Ibid., 1917, p. 86.
41 Ibid.
42 Ibid., 1918, p. 9.
43 Ibid.
the New Year. Labour strikes were occurring - sporadically at first - throughout Canada. The Military Services Act led to the Conscription crisis. Emotionally, Canada began to tear itself apart. To maintain production and manpower for the war effort, the government was passing more legislation under the War Measures Act. Canadians were becoming tired of war. Yet the government, pressured by Great Britain for more men and ammunition, kept constant pressure on the population. To assist the Dominion Police in enforcing the Military Services Act in Quebec twenty members of the R.N.W.M.P. were moved to Montreal. In an effort to maintain the war effort the government was taking strong action. Yet the actions of the government are contradictory. On one hand, they were pushing the Canadian people to greater efforts, whereas on the other, they allowed the instrument used to enforce the law - the police - to disintegrate in strength and stature. Chief Commissioner Sherwood of the Dominion Police was unable to cope with the lack of support his organization received and the demands placed on it by the government. In September of 1918 he retired. The direction of the Dominion Police was placed under the Provost Marshall, Canadian Militia. The Dominion Police was

essentially relegated to enforcing the Military Services Act and enemy alien registration.

The R.N.W.M.P. was faring no better. With the closing of detachments in the west, members of the force agitated to have the R.N.W.M.P. enter the armed forces as a cavalry unit. 47 Commissioner Perry, in charge of the R.N.W.M.P., finally supported this demand as no viable future was seen for the Force as a police unit. The government, however, was not able to create a new cavalry regiment as it was not accepted by the British War Office. 48 It was decided that members of the force would be permitted to volunteer for overseas service to reinforce the Canadian Cavalry Brigade on the Western Front. On May 15, 1918, twelve officers and 726 men were transferred to the Canadian Expeditionary Force. 49 Of this number 495 were new recruits in the Force. The government now saw the R.N.W.M.P. as a military unit and with the decreased police duties, was considered expendable. In Canada, the Force performed the same functions as the Dominion Police, patrol duties and enemy alien registration and investigation. At this juncture of Canada's war effort both federal police forces had developed significant military overtones.

47 Not all detachments were closed as federal enforcement was still conducted. But the work load was greatly diminished.
49 Ibid., 1919, p. 9.
On August 17, 1918, Commissioner Perry was authorized to mobilize a squadron of cavalry for service in Siberia. One hundred and seventy-four members sailed for Vladivostok as Canada's contingent to defeat the "Red Bolshevik" threat to the orderly way of life in the western world. The R.N.W.M.P. was now reduced to 336 men, the lowest strength since its formation in 1873.

As the Federal police forces were fading in strength, effective opposition to Prime Minister Borden's war policy was mounting. The central issue was the National Registration Plan and the Military Services Act. The protest by French Canada to this massive compulsory mobilization was seen by the government as critical political opposition. However, a more serious threat was developing within the labour sector that was directly threatening Canada's war production capacity. Unionism, which was an ineffective force prior to the war, developed into viable organizations by 1917. The effect of the conscription policy was to unite Canadian labour from warring factions to a common cause opposing arbitrary mobilization. This was commenced by the formation of the labour parties which entered the Provincial elections of 1917, in Ontario. Although these

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51 For a comprehensive view of the labour movement during the war see: Martin Robin, Radical Politics and Canadian Labour, Kingston: Queen's University, 1968, pp. 119-159.

52 Ibid., p. 134.
parties were unsuccessful in electing members of the legislature, they did generate significant support in the west and in Ontario. But more significantly, a "new mood of militancy and a spirit of independence took root as the war crisis developed."

The reaction of the Borden government was an attempt to elicit the support of the new labour parties that were forming in the provinces. Pressure was applied to corporations to recognize unions, and labour representatives were invited to sit on federal boards concerned with the war effort. However, too little had been offered by the government too late. Radical labour parties became the order of the day. The success of the Bolshevik revolution in Russia had a significant impact on the Canadian political scene. On the labour front, it facilitated the infiltration of socialist ideologies into labour movements. More socialist oriented labour parties were forming to enter provincial and federal politics. To the Federal government, Bolshevism was equated with socialism and in the wake the Russian experience translated to mean revolution.

The actions of the two prominent forces, federal

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53 Robin, p. 137.

54 Some of the main organizations were: War Trade Board, Canada Registration Board, Reconstruction and Development Committee, Labour Appeal Board, and Canadian Railway War Board. Robin, p. 140.

55 Ibid., p. 145.
government and labour were diametrically opposed in ideology and temperament. Labour unrest was reinforced by a strong pacifist and anti-military feeling, whereas the Borden government was becoming more militarily oriented. Radical labour leaders refused to accept the Military Services Act and agitated against it. Essentially the labour sector was beginning to challenge the government.

In May 1918, the Federal government appointed C. H. Cahan, a Montreal lawyer, to conduct a survey across Canada to determine if seditious groups were developing which would obstruct the war effort. He reported in July that enemy aliens had "very generally refrained from committing any acts in contravention of the orders and regulations made under the provisions of the War Measures Act, and other acts... made for the conduct of such alien enemies with resident in Canada." Concerning the social and labour unrest he concluded:

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56 Robin, p. 164.
57 Ibid, p. 165.
I am convinced that the unrest now prevalent in Canada is due to the weakening of the moral purpose of the people to prosecute the war to a successful end; to the fact that people are becoming daily more conscious of the bloody sacrifices and irritating burden entailed by carrying on the war; and to the growing belief that the Union Government is failing to deal effectively with the financial, industrial and economic problems growing out of the war which are, perhaps incapable of any early satisfactory solution.

The Dominion Police and the R.N.W.M.P. supported Cahan's conclusions. Reporting on the activities of the I.W.W., Commissioner Perry stated that the social unrest was not caused by this organization:

A few I.W.W.'s managed to evade the restrictions, but they soon made their presence known, and they were relentlessly dealt with. Isolated attempts were also made to interfere with the operations of the coal mines, but without success. The serious difficulties which have existed between the operators and the miners were not caused by them.

However, the government was not convinced that the social unrest was not caused by foreign agitators. On June 6, amendments were made under the War Measures Act to the Defense of Canada Regulations: "No person shall without lawful authority or excuse be in communication with or

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attempt to communicate with an enemy agent...."  

This was followed on August 5 by defining enemy alien as "every alien of enemy nationality over the age of 16 years, residing and being in Canada."  

Although enemy aliens were not called enemy agents, the government's thinking was tending in that direction.

On September 25, 1918, the Borden Cabinet issued Order-in-Council, P. C. 2384, pursuant to the War Measures Act: RE: Unlawful Associations.  

The following organizations were declared illegal:

The Industrial Workers of the World;  
The Russian Social Democratic Party;  
The Russian Revolutionary Group;  
The Russian Social Revolutionists;  
The Russian Workers Union;  
The Ukrainian Revolutionary Group;  
The Ukrainian Social Democratic Party;  
The Social Democratic Party;  
The Social Labour Party;  
The Group of Social Democrats of Bolsheviki;  
The Group of Social Democrats of Anarchists;  
The Workers International Industrial Union;  
The Chinese Nationalist League;  
The Chinese Labour Association;

Severe restrictions were placed on speech, association and publication of any literature in the language "of any country with which Canada is at war, or in the language or any of the languages of Russia, Ukraine or Finland". This legislation supposedly directed against the socialist

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61 Robin, p. 165.

62 Statutes, 1919, p. lxxvii.
ideologies had two profound effects. It successfully disrupted many unions because they, and their meetings, were conducted in the outlawed languages; and it changed the concept of enemy aliens. In 1914 the idea of enemy alien was a person of German, Austrian or Hungarian nationality. Now an enemy alien was also seen to include anyone who spoke Russian, Ukranian or Finnish. Russia had signed a peace treaty with Germany and Canada was at war in Germany and Russia (Sibéría). However, the objective of this legislation was to neutralize the advancement of socialism. The government's concept of enemy alien, although not stated, actually included "by association" any foreign national who promoted a socialist ideology.

The Borden Cabinet was reacting to what it saw as a conspiracy instigated in Germany or Russia to overthrow the government through political, social, industrial and economic change. Unable to comprehend the social upheavals, the government had searched for a plot directed against a Canada at war. The obvious answer was bolshevism that was seen to be effectively disrupting war production and challenging the government. Cahan had reported that the social and labour unrest was not caused by enemy aliens, but he had also cautioned against the emergence of the socialist ideology. In a report on the Social Democratic Party the subversive aspect is more than evident when he stated that

\[\text{Statutes, 1919, p. lxxvii.}\]
this organization was "the party of Red Revolution, advocating submission to German might, subversion of all constitutional government, robbery of personal property, and the accomplishment of its avowed aims of sabotage and the general strike." Equating bolshevism with social unrest generally the government concluded that it was a plan designed to destroy the Canadian political system.

To counteract this threat Cahan stated that the "most stringent measures to curtail the importation of such doctrines and the prohibition of oral addressing of such doctrines at public or private meetings; and the declaration of unlawful association and censorship of newspapers under the War Measures Act", must be instituted.

To enforce the Unlawful Associations Act, C. H. Cahan was appointed acting Commissioner of the Dominion Police. In a letter to the Minister of Justice, he stated his opinion of the ability of the Dominion Police to enforce this law:

64 Bercuson, p. 46.
65 Robin, p. 166.
66 Debates, 13 May, 1939, p. 4047.
Chapter 3

Criminal Investigation Branch
The mandate issued by the government to the Royal North West Mounted Police on the 12th of December 1918 was specific: The Order-in-Council stated that:

the enforcement of federal laws and the enforcement of all Orders-in-Council passed under the War Measures Act for the protection of public safety, in respect of North Western Ontario, Manitoba, Alberta, Saskatchewan, and British Columbia, be vested in the Royal North West Mounted Police.

These were very broad powers to give a police force that was on the verge of being disbanded. Nor only did it include all the powers directed to the Public Safety Branch of the Department of Justice, but as well the Unlawful Associations Act and the legislation concerning espionage, arrest and detention, and possible control of telephone and telegraph lines passed under the War Measures Act in 1914. This is significant because these powers were not being conferred upon a decentralized organization such as the Dominion Police during a period of war. The R.N.W.M.P. may have been diminished in size, but it remained a highly centralized para-military organization. Furthermore the Force under Commissioner Petty had never lacked initiative or aggressiveness in extending its jurisdiction as a federal agency.

For example, in September 1918, the R.N.W.M.P. had initiated operations against the Socialist Party of Canada.

1Order-in-Council, P. C. 104(a), 27 December 1918.
Two members of the Calgary detachment were directed by the Commanding Officer to infiltrate the S.P. of C. to determine the leadership and direction of the labour movement. The principal agent was a Constable Zaneth who was furnished by his C.O. with a card identifying him as a member of the I.W.W. Zaneth was to penetrate the S.P. of C. in an attempt to integrate himself within the hierarchy of the organization. Utilizing the assumed name Harry Blask, Zaneth commenced his operation among the miners of Drumheller on September 12, 1918. In order to achieve his objective, Zaneth had to assume a role and work full time "underground." To this end he was successful. As an agent, he passed out literature for the S.P. of C. and befriended those who were prominent in the socialist labour movements. Zaneth quickly established himself as a staunch member of the Socialist Party of Canada and by diligent work was elected Vice-President of the Federal Labour Workers.

Zaneth was supervised (controlled) by a Sergeant Waugh

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3Debates of the House of Commons, 4 April 1922, p. 671.

4Ibid: The infiltration of the S.P. of C. was an enormous accomplishment. D. J. Bercuson reveals the difficulty of infiltrating this organization in Confrontation at Winnipeg, Montreal: McGill-Queen's University Press, 1974, p. 84. The S.P.C. "was a small elitist organization which placed a premium on its members' knowledge of Marxian theory. It was not easy to join the S.P.C.; a member had to demonstrate both a solid grasp of socialist theory and the purity of his motives."
from the Calgary detachment. His duties were to maintain contact with Zaneth and to debrief him on information regarding the social unrest. Waugh was also directed to infiltrate the fringe area of the labour movement. This did not mean that he was to become directly involved in the movement, but to attend public meetings and talk to members to ascertain what was transpiring. In this manner Waugh became acquainted with the United Mine Workers of America and personally developed contact with P. M. Christopher, President of District 18, which covered Drumheller. The U.M.W.A. was considered important by the Force because it was large and aggressive.

The policy Commissioner Perry was establishing through the investigations of Zaneth and Waugh was intelligence on labour operations. The R.N.W.M.P. did not have the authority to disrupt or impede the labour movement; in fact there was no law at this time against union and labour parties. Even with the passing of the Unlawful Associations Act the R.N.W.M.P. could take no direct action without the authority of the Dominion Police. Nor did the Commissioner want to

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7 Order-in-Council, P. A. C., P. C. 2384, Section 7(a), September 25, 1918.
arrest and detain members. His prime objective was to confirm the government's conspiracy theory that enemy aliens were causing social disruptions, as fact rather than as supposition. Indeed, this became an obsession with the R.N.W.M.P. that remained long after the social crisis in the West had dissipated.

The passing of the Orders-in-Council on the 12th of December legitimized the Commissioner's actions in the labour field. The orders he considered of primary importance were: a) registration and control of enemy aliens; b) distribution and possession of prohibited literature; and c) suppression of unlawful and seditious associations. It is interesting to note that although the war had terminated, the Commissioner still considered it to be of paramount importance to "watch the settlements of enemy nationality and foreigners whose sentiments might be disloyal and attitude antagonistic". To enforce these acts the Commissioner began to recruit former members of the Force being demobilized from the armed forces and the R.N.W.M.P. soon reached the authorized establishment of 1,200 experienced men. However, the Commissioner could not take effective command in Western Canada until the Dominion Police officially

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8 Masters, p. 33. Testimony of Sgt. Waugh at the sedition trials revealed this fact.


10 Ibid., p. 10.
withdrew and turned over all detachments and files.

While the Commissioner was reorganizing the Force, the
efforts of Zaneth and Waugh remained the core of police
operations concerning unlawful associations. On December 22,
they both attended a meeting called under the joint auspices
of the Trades and Labour Council and the Socialist Party of
Canada at the Walker Theater in Winnipeg. Zaneth attended
in the capacity of member of S.P. of C. and Waugh as an
observer. Their reports to the Commissioner revealed the
growing strength of the S.P. of C. particularly when compar-
ed to the less radical efforts of the Dominion Labour Party
and the Social Democratic Party. The meeting was called to
denounce the Unlawful Associations Act and the sending of
military forces to Russia. The radical nature of the S.P.
of C. became very evident in motions passed that demanded
the release of political prisoners and supported the Prole-
tariat of Soviet Russia. The promotion of these ideas fed
the conspiracy/enemy alien theory the Force was looking for.
The meeting was largely attended by Anglo-Saxon, Polish,
Ukrainian, Hungarian and Finnish workers. The protests they

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Masters, p. 34. Indicated in testimony of Cpl. Zaneth,
also Robin, p. 169 n. 47.

This meeting was also attended by Sgt. Longdale of Mili-
tary Intelligence. This organization was established in all
Military Districts across Canada. Initially it was formed
to trace down evaders of conscription. With labour attacks
on government policies, Military Intelligence began surveil-
lance of various labour movements. M.I. officers attended
meetings openly and took notes on the proceedings. By May
1919, Military Intelligence in Western Canada was function-
ing under the Directions of the R.N.W.M.P.
came to vent were directed against the Borden government and in violation of the Unlawful Associations Act. The meeting went beyond challenging the government by advocating its destruction.\textsuperscript{12}

There was no action taken against this meeting, but the R.N.W.M.P. did see the actions of the party leaders as seditious.\textsuperscript{13} Information provided by Zaneth and Waugh was reported and filed away. The foreign aspect of the meeting was duly noted, for the composition of labour meetings was important to the R.N.W.M.P. When reporting on the U.M.W.A., Waugh specifically mentioned that "in the majority they are Russians and Austrians / very few Germans of Slavic descent. The principal leaders are radical socialist Englishmen".\textsuperscript{14}

On January 9, 1919 all records and offices of the Dominion Police in the Military Districts of Winnipeg, Victoria, Regina and Calgary were transferred to the R.N.W.M.P.\textsuperscript{15} The Force took complete jurisdictional control over Western Canada. Upon assuming this command, the Commissioner began to organize the R.N.W.M.P. to face the social crisis on hand. His first act was the creation of the Criminal Investigation

\textsuperscript{12}Masters, p. 34. Indicated in testimony of Cpl. Zaneth, also Robin, p. 169 n. 47.

\textsuperscript{13}Manitoba Free Press, Nov. 29, 1919. Preliminary hearings during the seditious trials. Masters, p. 5.

\textsuperscript{14}Ibid., p. 33.

Branch under Assistant Commissioner W. H. Routledge. This branch was primarily concerned with enforcing the laws against the distribution of prohibited literature and unlawful and seditious associations, as established under the War Measures Act.

The term 'criminal' that was applied to this branch is misleading. The R.N.W.M.P. was not responsible for criminal matters in Western Canada. That was the responsibility of the Provincial Attorneys' General and the Provincial Police. The term criminal came from the government's attitude toward people who broke the federal law. To the federal government this meant those laws passed under the War Measures Act, which were the only laws the R.N.W.M.P. had the authority to enforce. The section directed by Routledge was an investigation branch designed to counteract the operations of various persons and organizations who contravened these laws.

In effect, the Criminal Investigation Branch was an intelligence agency designed to suppress prohibited literature that attacked the government and to infiltrate associations to determine if they were to be classified as seditious.

Routledge's initial action was to station men in all areas where labour difficulties were occurring. This was done openly with members maintaining casual contact with

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civic authorities and union members. Their reports reflected information that was available to open surveillance. As in the case of Sgt. Waugh, the investigators remained on the periphery of the movement. In some cases they directed the operations of members of the R.N.W.M.P. who had infiltrated organizations. However, there appears to have been few members who were able to do this. The intrinsic value of the investigator who attended meetings was his ability to develop contacts and 'sources of information'. If he was good at assessing people's characters, various other agents and sources could be developed who would obtain information from areas normally denied the investigator.

The Criminal Investigation Branch at this stage of development was in its infancy. However, as it was based on the government's attitude on prevailing conditions, C.I.B. established a definite direction. As it was investigating labour unrest in general, intelligence was being officially organized and directed against a segment of the domestic population. The labour unrest fermenting across North America was incomprehensible to the government that only understood politics in simplistic terms of obedience to the


18[18Only two cases have been documented where R.N.W.M.P. members were able to infiltrate the labour movement during this period. The first was Zaneth and he was closely followed by Cst. Leopold in Regina. This latter case will be discussed in Chapter 4.
constituted and 'democratic' authority of parliament. The Cabinet and the R.N.W.M.P. were unable to comprehend the complexity of social crises.

The difficulty in understanding exactly what was transpiring was not facilitated by the labour organizations. As in any crisis, moderates are rarely heard through the din of violent rhetoric spewed by radical factions. The R.N.W. M.P. faced the same difficulty of discerning between rhetoric and fact as the Frontier Police did in 1866; they could not distinguish the divisions between various labour parties and unions. This in turn resulted in the R.N.W.M.P. not being able to develop a clear analysis of the situation.\(^{19}\) The fundamental difficulty was that C.I.B. was not facing a well defined target, but a general social movement.

In its intelligence capacity, the Criminal Investigation Branch reported what it saw. This in itself presented no problems except in the area of analysis. However, seditious literature presented the C.I.B. with problems, - how were they to define what was seditious?\(^{4}\) Instructions as to what constituted seditious literature were only obtained from the Canada Gazette and not from the representative of

\(^{19}\) There is an inherent difficulty in analyzing a crisis if competent sources are not available at the center of the organizations involved. At this stage, C.I.B. had no one in a position of authority in the labour movement.
the Dominion Censor in Winnipeg. Because of the proliferation of material being produced by the labour movements, C.I.B. was unable to stay abreast of what was thought to be seditious material. Copious amounts of material were being circulated that the Censor in Ottawa had not seen.

To overcome this difficulty, Routledge gave instructions that copies of suspected material were to be submitted to the Department of Justice. If that department concluded that a conviction could be obtained on the basis of the material, charges were then laid under the Criminal Code. This complicated matters because of the lack of effective communications between the government and the R.N.W.M.P. which resulted in the field work being conducted on a unilateral basis by members of the Force at the scene. Even by presenting the material to the Justice Department, time that could not always be given, was required. A decision that had to be rendered immediately, therefore, was based on what the constable perceived as the intent and not the specifics of the law. To take any action, he alone had to


22 Punishment for offences under the War Measures Act came under the Criminal Code.
decide if the literature was seditious or not.

Reports to C.I.B. from Sgt. Waugh and Cst. Zaneth on socialist meetings in Alberta revealed a tendency toward centralization of numerous labour movements through which evolved a co-ordinated labour policy. One of the motions passed at the Walker Theater meeting in December had been for the creation of a Western Labour Conference at which all parties could participate. There was strong support for this conference throughout the western provinces and it was finally decided that it would be held on the 22nd of March 1919, in Calgary. A few days before the scheduled meeting, Zaneth and Waugh attended a meeting in that same city sponsored by the British Columbia Federation of Labour. Their reports of this meeting confirmed many of the fears the government held on the alien and conspiratorial aspects of the labour movement. In fact, this meeting turned out to be one of the most radical protests held in contravention of government orders-in-council and prematurely upstaged the forthcoming Western Labour Conference.

At the outset of this meeting, resolutions were passed declaring war on behalf of Labour against the capitalistic classes of the world. The conference placed itself in full accord and sympathy with the aims and purposes of Russian

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23 Robins, p. 169.
24 Masters, p. 34.
Bolshevik and German Spartacan Revolutions,\textsuperscript{25} and endorsed the principle of "proletariat dictatorship".\textsuperscript{26} By maintaining strong overt support for these concepts the radical leaders were strengthening the government's view that a foreign conspiracy was present. However, the most important factor to emanate from this conference was the proposal to create one single union for all industries in Canada.

This objective, established by the more radical leaders, to form "One Big Union" was a tactical means for countering the federal government. Sgt. Waugh reported that this would be done through one massive general strike.\textsuperscript{27} The resolution to create this union that was passed at this meeting was endorsed a few days later by the Western Labour Conference.\textsuperscript{28} By taking this action the labour movement was negating the possibility of achieving change through the existing system. One Big Union thereby established itself as the primary target of government and C.I.E. action. The R.N.W.M.P. had hitherto been unable to locate the agency of the conspiracy in Canada. The creation of One Big Union advocating sedition and revolution was concluded by the Force to be that agency. The only remaining factor was to

\textsuperscript{26}Ibid., p. 22.
\textsuperscript{27}Masters, p. 22.
\textsuperscript{28}Robins, p. 173.
find the link between O.B.U. and a foreign agency.

Faced with such militant announcements, it is small wonder that the government felt threatened. The general appearance of the conference was one of anarchy. The radical aspect was only instigated by a small militant Socialist Party of Canada minority within the labour movement. 29 No active members of the Dominion Labour Party were present at the meeting and the Federated Labour Party was against a policy of confrontation that the One Big Union espoused. 30 Instead the F.L.P. advocated political action within the system to achieve the goals of labour. However, the radicals carried the day and organizers spread out across Western Canada to promote the One Big Union.

As the advocates of One Big Union were organizing a propaganda blitz across the West, the government was attempting to defuse the situation. On April 2, the particular Order-in-Council known as the Unlawful Associations Act was repealed. 31 This was the last remaining Order-in-Council that had led to labour protest in 1918. The repeal of this order, however, went unnoticed as O.B.U. organizers continued

29 Robins, p. 177.
30 Ibid.
31 Order-in-Council, P. C. 702, 2 April 1919.
to push for sympathy strikes. The Unlawful Associations Act had previously only been a catalyst that united nationwide labour attention against the government's policies. However, the Labour objective was no longer the negation of the Act, but comprehensive social change. The militant labour leaders tasted victory with the proposed formation of One Big Union and were imbued with a sense of power. Reason and patience were not the order of the day.

The Criminal Investigation Branch responded to the organizational efforts of One Big Union by the development of structural policies. Sergeants were stationed in all cities where there were indications of labour unrest, to report on O.B.U. activities. The basic method of intelligence gathering continued through infiltration and investigative reporting by members of the branch. However, they were asked to provide more information on union activities.

By April 14, the R.N.W.M.P. truly created a secret service. Certain members of C.I.B. who were directly involved in intelligence gathering were directed to complete

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32 *R.C.M.P. Records, P. A. C., Vol. 3314, "S/Sgt. Joyce to O.C. Regina District," March 1919-3i May 1919. S/Sgt. Joyce was a member stationed in Moose Jaw to report on the labour scene. He was reprimanded several times because he was not reporting on the unrest and O.B.U. activities. Joyce attempted to have the Officer Commanding understand that there was nothing to report. He revealed that the local union was active, but not participating in O.B.U. activities, and only concerned with its own affairs. Joyce saw no conspiracy and couldn't understand Regina's insistence on finding something that wasn't there.*
and sign an Oath of Secrecy form.\footnote{R.C.M.P. Records, P. A. C., Vol. 2170, "Ritchie to Routledge," 17 April 1919.} This is important as it revealed a significant shift in government policy. By having certain members of C.I.B. take the oath the R.N.W.M.P. was creating a special intelligence section within the Criminal Investigation Branch. The C.I.B. continued to be directed against criminals who contravened the Orders-in-Council, passed under the War Measures Act, but the Intelligence Section no longer took part in this operation. The Intelligence Section was totally involved with what the government perceived to be a subversive movement that advocated the destruction of the established ruling order in Canada. It was directed to gather intelligence and not to enforce the federal laws. As a result this section was diminished in size and devoted its time and efforts toward its sole objective which was the obtaining of information.

The Intelligence Section was shrouded in secrecy to the point that its activities were not only unknown to the militant and radical proponents in Canadian society, but even kept secret from other members of C.I.B. Thus the Intelligence Section became isolated from the overall operation of the C.I.B. and R.N.W.M.P. This allowed the intelligence efforts to become omnipresent. A person outside the intelligence community was unable, therefore, to assess either the strength or direction of the section, which caused
widespread speculation that intelligence agents were ubiquitous.

The shroud of secrecy that enveloped the intelligence Section caused operational problems. Specifically, a problem was encountered to maintain the confidentiality of communications throughout Western Canada. The basic form of communications was telegraphy, but this method allowed interception by telegraph operators. This could prove disastrous for the Intelligence Section as the Commissioner concluded that many of the telegraph operators were sympathetic to the aspirations of O.B.U.\textsuperscript{34} The Commissioner decided to use a code system that had first been used in 1914 when R.N.W.M.P. constables were conducting police investigations in the United States.\textsuperscript{35} The use of code or ciphers created a message that was a jumble of letters and could only be deciphered with a specific 'key'. To reveal that the message concerned intelligence matters, members were instructed to commence the telegram with the word "Branch".\textsuperscript{36}

The code system did not prove to be as successful as the Commissioner had anticipated. Many of the messages could not be deciphered. Routledge instructed that greater attention was to be given in composing the message and to

\textsuperscript{34}R.C.M.P. Records, P. A. C., Vol. 2170, "Comptroller to Commissioner," 24 April 1919.

\textsuperscript{35}Ibid., Vol. 1767, "Circular Memo," 11 May 1914.

\textsuperscript{36}Ibid., Vol. 2170, "Comptroller to Commissioner," 24 April 1919.
proofread it before sending. This lessened the problem, but Routledge continued to receive messages in which sentences could not be deciphered. The R.N.W.M.P. suspected the operators were sending errors intentionally, but the Force could not prove that the difficulty did not emanate from sending a message that was only composed of random letters and not of words.

On May 1, the workers of the building and metal trades in Winnipeg went out on strike for wage increases, reduction in working hours and union recognition. This was the incident that galvanized the labour tensions into action. When the Metal Trades Workers brought their case before the Central Trades and Labour Council there was strong agitation among the delegates to support the cause with a general strike. A referendum taken on May 9 revealed that more than 11,000 members of 52 locals supported a general strike -- 524 were opposed. The question of a general strike was debated by moderates and radicals. Finally on May 13, delegates of the Labour Council voted to go ahead with the general stoppage. On May 15, more than 30,000 workers left their jobs at 11 A.M. The Winnipeg General Strike had commenced.

During the first week of the strike various forces in Winnipeg gathered into two opposing forces. The strikers

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37 Masters, p. 40.
formed the General Strike Committee to co-ordinate strike policy and was composed of 300 representatives from local unions. This committee elected fifteen members to form the Central Strike Committee which directed strike action. Of this committee only one person, R. B. Russell, was a member of One Big Union. The strike had been called and was largely directed by the Central Trades and Labour Council of Winnipeg.

In an attempt to maintain essential services in the city the Citizens Committee of One Hundred was formed and soon broadened under the name of Citizens Committee of a Thousand. This committee was composed of leading civic leaders and businessmen in Winnipeg. Initially it attempted to remain neutral and was only concerned with maintaining public utilities in the city. In practice, however, it opposed the Strike Committee. As the strike gathered momentum the Citizens Committee emerged as labour's chief opponent. On May 19, the first edition of its daily newspaper appeared on the streets and revealed a strong reactionary attitude toward the strike. It proclaimed on page one that the dispute was not a strike, but a revolution; that the disruptions were "a deliberate, criminal and fantastic attempt to make a revolution, engineered by aliens and...

39 Russell was also a leading member of the Socialist Party of Canada.
British renegades. The Citizens Committee equated bolsheviks with O.B.U. and the Trades Council. This attitude reiterated the government's conspiracy theory which is not surprising as the Committee maintained very close ties to General Ketchen, Officer Commanding, Canadian Militia, and Superintendent Starnes, Commanding Officer, R.N.W.M.P., Manitoba.

When the strike commenced the Intelligence Section took decisive action to ascertain what was transpiring. Four members of C.I.B. intelligence were located in Winnipeg under the direction of Detective Sergeant A. E. Reames. These men were not stationed at R.N.W.M.P. offices, but operated from the Headquarters of Military District No. 10. This reveals the segregation that was developing between this section and R.N.W.M.P. general operations. Their initial objective was to attend union meetings "in an attempt to obtain information relative to the contemplated actions of the strikers". Although this was easily done the information produced by this action consisted of innuendo and rumour. C.I.B. members were reporting all information they received without attempting to verify it. One Detective

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40 Ber cuson, p. 123.

41 Ibid.


Constable went so far as to report a conversation he overheard on the street between two unidentified men. This type of reporting resulted in the intelligence office being flooded by information that only reflected the excitement and, at times, disorganized rhetoric of the strikers.

In order to obtain comprehensive information C.I.B. intelligence relied almost exclusively on secret agents. These agents were not members of the R.N.W.M.P. but civilians who provided information motivated by patriotic principle, or money. When the strike started on May 15, C.I.B. had a minimum of sixty-three agents reporting on the labour movement. In some cases, agents were actually established in sensitive positions. Agent 63, for example, was a member of the Central Trades and Labour Council of Winnipeg and it was to this person that the Intelligence section turned in an attempt to distinguish between the facts and rhetoric that were being reported.

At this stage of intelligence development a dramatic change in method of operations evolved. It is important to note that intelligence gathering until then was subjective in nature and dealt with organizations, meetings, and general information as to the direction of the labour movement.

The turn of events precipitated by the Winnipeg Strike

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45 Ibid., "Starnes to Commissioner," 18 Nov. 1919, "agent 63 to devote energy to ascertaining if there is truth to rumours."
caused Assistant Commissioner Routledge to redefine the objectives of C.I.B. intelligence. Intelligence reports were now to contain identities not only of principal speakers at meetings, but identities of people who formed the audience. The objective was clear, identify and document individuals who appeared 'radical'. This is the first instance where the Government of Canada, through the R.N.W.M.P., began to direct intelligence operations against individual citizens, based on political conviction and action, and signified the origin of personal history files.

The personal history file developed by Routledge incorporated a cross indexing system with other files and was composed of two sections: a) personal information as per a set form; b) single copies of any reports in which the man's name appeared. By utilizing this cross indexing system, C.I.B. intelligence documented an individual's activities over a period of time. This became the central core of R.N.W.M.P. intelligence gathering as it allowed for a relatively clear analysis of a person's political involvement and convictions. This system, which is still used today, developed into an ongoing memory bank where patterns of activities could be formulated. On May 20, five days after the strike commenced, Routledge was informed that

the C.I.B. office in Regina had opened six hundred files on specific individuals. 48

The attitude of the Federal government to the strike was one of apprehension. On one hand, the government did not want the strike to spread across Canada; on the other hand, the Cabinet did not want to become openly involved. As a result the government on the surface took a laissez-faire approach and allowed the provincial and municipal authorities to deal with the strikers. This position was maintained until the 22nd of May 1919 when the Postal workers joined the strike. Arthur Meighen, Minister of the Interior and acting Minister of Justice, and Gideon Robertson, Minister of Labour, visited Winnipeg and on the advice of the Cabinet announced that all post office workers who did not return to work would forfeit their jobs. 49

Three quarters of the postal workers ignored this ultimatum and remained off the job. The government, under the leadership of Robertson, 50 adopted a hard line on the strike, and refused solutions involving any sort of compromise such as recognizing unions as a bargaining agent. The Strike Committee indicated that the only purpose of the strike was to obtain collective bargaining rights for the

49 Robins, p. 180 n. 12.
50 This was an unofficial position by Robertson who directed a large portion of government action during the strike.
unions. This was an indication by the Strike Committee to negotiate an end to the disruptions. But Robertson was not willing to concede anything to the strikers that would show weakness on the part of the government. On May 25, he stated that:

This is not an opportune time to make a declaration in favour of the principle of collective bargaining as it would be grasped as an excuse by strikers to claim they have forced the government and thereby proved success of sympathetic strike.

Robertson went on to add:

I anticipate that the general strike will either be called off very shortly or a last desperate move to make it successful. If it proves a failure the One Big Union movement intended to be launched at the Calgary convention on June 4 will I think also fail. 51

Obviously Robertson was more interested in seeing the destruction of One Big Union than an end to the strike. However, his view of an early end to the strike was not shared by other members of the government forces. Arthur Meighen appointed A. J. Andrews, a Winnipeg lawyer, as a Special Deputy Minister of Justice, with the authority to direct government policy regarding the strike. 52 By taking this action Meighen was revealing the government's attitude to the strike and assured that it would not come to a timely end. A. J. Andrews was a prominent member of the Citizens

51 Penner, p. 233.
52 Ibid., p. xv.
Committee and was well known for his conservative temper, his fear of labour radicalism and his identification with the opponents of labour. By appointing him Special Deputy Minister, the government gave tacit approval to the attitude of the Citizen's Committee and its policy in opposition to the strike, thereby virtually negating any possibility of mediation.

This tough attitude was also taken by General Ketchen who, in the face of sympathy strikes occurring across the west, advocated direct intervention by the government. On May 26, after conferring with the Ministers in Winnipeg, General Ketchen communicated to the Prime Minister that the only solution was to have the "agitative leaders arrested for instigation and intimidation". This action was supported by A. J. Andrews who approached the Intelligence Section to see the personal history files on the strike leaders.

Superintendent Starnes notified the Commissioner that:

Andrews and Burbidge have been looking over some of our files with a view to seeing if there would be grounds for starting prosecution against some of the leaders, particularly Rev. Wm. Ivens.

It is at this point in time that the Intelligence Section of the C.I.B. became the instrument of the Ministry of Justice. Intelligence was no longer being used strictly

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53 Penner, p. 233.

as a base to formulate government policy, but was being used by the Justice Department to institute direct counteractive measures. The important factor is that the Justice Department was not attempting to arrest someone for committing a crime. What they were doing was looking at a person's history to see if a crime had been committed so that they could arrest him. The motivating factor was not criminal justice but to suppress the actions of an individual.

By June 4, Robertson's prophesy had not come to pass. Neither the organizing activities of O.B.U. nor the strike in Winnipeg faltered. In fact greater support was given labour by sympathetic strikes as far west as Vancouver. The Cabinet in Ottawa decided that the government would have to directly intervene in the strike. On June 5, James Calder, Minister of Immigration, introduced Bill 52 amending the Immigration Act. Within an hour this amendment passed the House and Senate allowing for the deportation of 'undesirables' who were not born in Canada. 55

The government was obviously entrenched in the alien conspiracy theory it had been nurturing for a year. The immigration amendment was a direct affront to immigrant Canadians and emphasized the government position that the social problems were caused by enemy aliens. The inherent difficulty in this policy was not the legality of such action, but the morality in the absence of a foreign connection.

55 Robin, p. 181.
By just attacking immigrant undesirables and not being able to prove a conspiracy the government was open to charges of authoritarian oppression. As a result, the government asked the Intelligence Section to reveal a foreign connection to the strike, particularly how it was being financed. On the 10th of June Superintendent Starnes reported that:

Secret Agents, and members of the Detective Staff, are endeavoring to ascertain as to whether money is coming in from outside sources to assist the strikers. 56

The government was unable to prove a foreign connection or conspiracy. Late in November a report was submitted by the Dominion Police to the effect that "several shipments of money are expected from China for One Big Union," but it was never verified. 57

The haste with which the Calder immigration amendment was legislated was not reflected by the actions of government forces in the west. It was not until June 15 that the Comptroller notified the Commissioner to prepare the Intelligence Section to enforce the amendments:

Very important that adequate secret service force be maintained in Winnipeg, Vancouver, Calgary and Edmonton to trace out and look after all undesirables. You are authorized to employ all additional men you require for this purpose. Military authorities will be able to furnish you with additional men for secret service.  

June 16 was a day of intense activity on the part of C.I.B. intelligence. In order to maintain closer surveillance the Commissioner issued a directive that all telegrams sent to labour agitators were to be censored. The force had instituted a system where copies of all letters to agitators were sent to the Comptroller by the Post Office, but no system for telegram censorship had previously been established:

Please furnish the Superintendent of your local telegraph companies with the street address of list of agitators, whose telegraphic correspondence you wish censored.

This instruction resulted in the telegraph offices being inundated with requests to censor any and all persons on the whims of the field investigators. No system of control was established. Finally, protests by the telegraph companies caused the Commissioner to request that permission  

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to censor be made through his office. However, the immediate value of the censorship was to deny strike leaders any forewarning of impending government action.

On the same day, June 16, the Comptroller received a reply from the Commissioner as to R.N.W.M.P. preparations:

Secret Service well established in places mentioned and will add to number as required. Have one hundred and twenty on our list who should be deported, thirty-six in Winnipeg. 62

Routledge sent specific instructions to all C.I.B. members on the procedures that were to be followed, and all military and immigration officials were placed under the direction of the R.N.W.M.P. for the arrest and transportation of "prominent agitators" to internment camps in British Columbia and Ontario. Actual deportations would commence when:

You will receive a telegram from the Commissioner at Winnipeg which will read as follows:

"Our (date)"

and will mean that deportations have commenced in Winnipeg. It is possible that demonstrations will take place at larger centers in your District immediately the news is known, and you should, therefore, take necessary precautions. 63

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61 This control was established in July 1919, a month after the strike terminated.


Totally prepared to institute mass arrests across Western Canada, the R.N.W.M.P. never complied with these instructions. Late in the evening of June 16, the government changed its tactic and Detective Sergeant A. E. Reames was ordered to obtain warrants for the arrest of prominent leaders in Winnipeg. In the early hours of the morning, June 17, twelve of the strike leaders were arrested on blank warrants, and interned in the Stoney Mountain Federal Penitentiary. No charges were initially laid. This action was taken on the authority of Robertson and Andrews. While these arrests were being effected C.I.B. members smashed into the Labour Temple and searched the residences of all those arrested. They were seeking information or literature that would prove the strike was seditious and revolutionary. The offices of the Western Labour News and the Ukranian Labour Temple were also raided in the same manner.

Why the government changed its policy of June 16 and did not institute mass arrests across Canada is not known. It was possibly due to the apparent lack of coordination between Ottawa and federal forces in Winnipeg. The mass arrest policy was developed by the Minister of Immigration, whereas the arrest of only the strike leaders had been advocated by Andrews and Robertson as early as May 25. In all probability it was because by only arresting the leaders the

64 Masters, p. 102.
65 Penner, p. 157.
government members at the scene felt that the strike would fold without the mass reaction anticipated if many arrests and deportations took place. Whatever the reason, the lack of communications resulted in the arrests being illegal. Mr. Meighen notified Andrews that proper authorization was necessary from the Minister of Immigration before arrests could be effected.\(^6\) This had not been done. In an attempt to legalize the arrests, Calder sent his official authorization to take into custody all those persons who had been arrested the previous night.\(^7\)

Now that the leaders had been arrested the government had to decide what to do with them. Andrews wanted them deported, but thought that to ensure the legality of the deportations they should have a trial. He also suggested that to neutralize the possibility of demonstrations in their support they should be let out on bail providing they would not participate in the strike for its duration.\(^8\) As Meighen still questioned the legality of the arrests the Cabinet decided to follow this policy. However, only six of the leaders were released. Those with non anglo-saxon names remained in custody.\(^9\) In one stroke the government, through illegal methods and violence, cut the leaders off

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\(^6\) Penner, p. 236.
\(^7\) Ibid., p. 165.
\(^8\) Ibid., p. 166.
\(^9\) Ibid.
from the strike action. This was a direct result of the government decision to end the strike by confrontation and not through mediation as proposed by the strike committee. On the day following the arrests Senator Robertson wired Prime Minister Borden asking that certain amendments to the Criminal Code be hastened.\textsuperscript{70} These amendments were not enumerated, but Robertson felt that Commissioner Perry wanted to take general action throughout Western Canada as he had in Winnipeg on the morning of June 17. To be able to do this permanent laws were needed which gave the R.N.W.M.P. specific authority to arrest and detain persons suspected of conspiring against the government. This problem had been under study by a special parliamentary committee on sedition and propaganda which had been appointed before the strike commenced.\textsuperscript{71} The amendments that Robertson was referring to were embodied in a report from this committee and had been submitted to the government on June 10 recommending a return of the Unlawful Associations Act of September 1918. But rather than placing it under the authority of the War Measures Act the committee advocated that it be embodied in the Criminal Code.

June 21, 1919 the infamous Winnipeg Riot occurred. There is much speculation as to the actual cause of the violence, but most observers and researchers agree that the

\textsuperscript{70} Penner, p. 237.
\textsuperscript{71} Robin, p. 181.
Uncompromising rigid position maintained by Robertson, Andrews and Mayor Grey (of Winnipeg), did not allow a potential volatile situation to be diffused. At 2:35 P.M., in the face of growing demonstrations, Mayor Grey read the Riot Act and the R.N.W.M.P. was turned on the demonstrators. Four days later the strike came to an end, as the R.N.W.M.P. and Militia ruled the streets.

The termination of the strike did not cause the government to reassess its policy regarding the social problems in Canada. Having successfully defeated the Winnipeg Strike, the Cabinet enacted legislation that would guarantee no further disruptions. Two days after the collapse of the strike, June 27, Parliament passed into law the amendments to the Criminal Code that had been advocated by Senator Robertson. Section 134 of the Criminal Code was amended to increase the penalty for sedition from two to twenty years in prison.

Two new sections were added (subsequently combined to form section 98) which made it a crime to belong to any association whose purpose was to bring about governmental, industrial or economic change by force or which advocated or defended the use of force. Establishments could be entered and property seized without warrant and forfeited to the

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72 For a concise report of events leading to the Riot see Bercuson, pp. 173-5.

Crown. If it could be shown that a person attended meetings of such an association; spoke publicly in support of, or distributed its literature, "it shall be presumed, in the absence of proof to the contrary, that he is a member of an unlawful association". 74

No longer was the law based on the concept of 'innocent until proven guilty'. In the case of unlawful associations, an individual was guilty until he proved himself innocent, and failing this, was subject to 20 years in prison. The government assumed an extremely authoritarian position to crush any political, social or economic opposition to federal policy that did not emanate from within the ruling order.

Section 98 was directed against an ideology that advocated the use of 'force' to obtain social change. While this legislation did not define the term, any form of political dissidence such as public protest, demonstrations or strikes were viewed by the government as 'force', not so much by the sheer numbers of people involved, but by the notion that these incidents were fomented and perpetuated by the ideology of bolshevism. Bolshevism in turn was seen to be embodied in the O.B.U. and was equated with socialism. 75

When the Central Strike Committee expounded the

74 Lorne and Caroline Brown, p. 42.
75 Bercuson, p. 123.
Marxist philosophy that the modern industrial society was divided into two classes that were struggling against each other, the R.N.W.M.P. took this to mean that labour was instigating a class war. Rhetoric was reported as fact. Superintendent Starnes stated at the termination of the strike that the labour agitation was a race or class conflict being fought in Canada. The foreign conspiracy aspect is more than implicit when he informed the Commissioner that:

This is not a strike but the beginning of class war on Canadian soil. Bolshevism is not technic (sic) but moral, the answer must be "Bolshevism is the deadly weapon of Teutonic races against any other races". 76

Only by identifying a culprit from outside the social milieu could a reason for the upheaval be satisfactorily explained. That there might be something wrong with the existing system did not enter into the thinking of those in authority. This would be tantamount to questioning their own function. The position revealed by Starnes was for a crusade against the immorality of alien bolshevism. This attitude permeated the R.N.W.M.P. who were directed by the government against this ideology and what the authorities saw as its political arm -- One Big Union.

Utilizing the powers conferred under Section 98 of the Criminal Code, the R.N.W.M.P., directed by information provided by C.I.B. intelligence, instituted a system of terror

against the O.B.U. throughout Western Canada. C.I.B. raids were conducted on the offices and homes of individuals connected with the O.B.U. and other labour groups. In Winnipeg, Brandon, Fort William, Vancouver, Calgary, Lethbridge, Edmonton and Regina, individuals witnessed the speed and violence of R.N.W.M.P. agents breaking into offices and homes, seizing files and literature deemed seditious, and summarily arresting those found within. The Borden Government which legislated against the use and advocacy of force in Canadian society, invoked that same legislation in a policy of suppressive violence against the citizens of Canada.

Superintendent Starnes favoured Section 98 as he believed that any action would be justifiable to defend the Canadian system of government. This was true particularly in view of the fact he saw that the conflict was initiated as a German plot to destroy Canada.

Some members of the government, however, were not as dogmatic in their approach to the problem. A. J. Andrews desperately attempted to reveal a foreign connection within One Big Union. When an agitator by the name of Carl E. Berg was arrested in Winnipeg, Andrews attempted to show that foreign conspirators were working for O.B.U. as Berg, an American, was a member of the International Workers of the World in Chicago.

The report from the Dominion Police in November claiming that money was expected from China for the O.B.U. indicates that a search for a foreign connection was being conducted by all government agencies throughout Canada. Andrews' quest to justify government action carried on into 1920. A book written by V. St. John was seized in a C.I.B. raid. As the author was Secretary-Treasurer of the I.W.W., Andrews concluded that "this book undoubtedly connects the O.B.U. with the I.W.W." How the possession of a book reveals a political conspiratorial connection was not indicated, but if it did, pity the man in whose possession it was found, for authoritarianism was running rampant. Arrests and convictions were instituted across Western Canada. One man was even convicted of possessing seditious literature when *The Republic* by Plato was found in his library.

The role played by the Intelligence Section in R.N.W. M.P. activities concerning Section 98 of the Criminal Code was significant. When the strike terminated, this service had evolved from the general investigations conducted by C.I.B. members to a small efficient section within C.I.B. that provided precise intelligence reports on dissidents. It was information contained in these reports that the Criminal Investigation Branch acted on. Intelligence reports

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79 See Debates, 14 March 1923, p. 670; p. 1142, J. S. Woodsworth.
on labour organizations that revealed an uncooperative attitude to government policy were used as justification to raid the offices of those movements and personal History files were reviewed to ascertain an individual's position.

Operationally, Intelligence Section continued to monitor political dissident organizations through postal censorship and telegram interceptions. But, perhaps the most significant operation was source development. The fundamental information gathering method used was investigations by members of Intelligence Section and the development of sources of information. Various types of these secret agents were developed that ranged from casual informants to professional paid operatives.

The degree of importance the agent attained was regulated by the initiative he displayed, his ability to penetrate the target organizations and the quality of information provided. On this basis, some of the agents became expendable to the Force, while others were protected under all conditions. H. Duskaluk, a Ukrainian from East Kildonan, Manitoba, was a secret informer for the R.N.W.M.P. who was directed to testify at the sedition trials of those arrested on June 17. Duskaluk's utility as a secret agent was judged to be worth less than obtaining a conviction. But one of the agents developed during the strike continued to operate for the Intelligence section until well into the Second World

80 Debates, 4 April 1922, p. 692.
War. His services were so appreciated that he was given civilian member status and retired with a government pension.

The value of the secret agent to the Intelligence Section is almost without measure. In many cases it was this agent who gained access to areas normally denied the Force. It was the secret agent who confirmed suspected developments in organizations C.I.B. intelligence could not openly survey. As R.N.W.M.P. actions under Section 98 spread, many organizations went "underground" and it was only the secret agent who maintained contact with it, continuing to report on the direction, operations and individual supporters.

A factor of immense importance in the use of secret agents evolves not from the direction the agents take, but simply because secret agents are used. The specific organization that the R.N.W.M.P. is interested in is aware that "spies" are operating. This generates a paranoid feeling by the organization that it is being infiltrated, which in turn creates an air of suspicion within the group as it does not know who is a "spy" and how much information is being lost. It was by using this unknown factor that fear and suspicion were used by the R.N.W.M.P. in Winnipeg. Strikers were aware that "spies" were infiltrating their meetings and

81 Source 1.
this fact created an aura of indecision. 82

One of the tremendous difficulties faced by the Intelligence section during this period was distinguishing between the role of an intelligence officer and that of a policeman. It was Detective Sergeant Reames who lodged complaints and obtained the warrants against the strike leaders. As he was in charge of intelligence operations in Winnipeg this was significant for it revealed that the intelligence agency was taking direct action against dissident individuals. Intelligence was not simply providing the government with information, but was aggressively pursuing and disrupting a perceived threat to the government.

At the preliminary sedition hearings in July, not only Reames came forward to give testimony but also Zaneth, Waugh and McLaughlin. 83 The intelligence members were testifying as to the illegal activities of certain Canadians, a role normally done by policemen. This is not surprising as members of Intelligence Section were acting in both capacities. At this stage of intelligence development the roles had not been totally segregated. But there is no doubt that the government's desire to obtain convictions precipitated this action by intelligence agents. These efforts by the government and R.N.W.M.P. cause serious questions to arise as to

the type of intelligence agency that was created.

The Intelligence Section was created on the assumption that a foreign conspiracy existed to disrupt the social balance in Canada. In this case the section would be a counter-subversive organization. Subversion "is the undermining or detachment of the loyalties of significant political and social groups within the victimized state, and their transference, to the symbols and institutions of the aggressor". The foreign plot is implicit in the meaning of subversion, and significantly differs from dissidence which is inherent and promoted in a democratic political system. Subversion connotes that a foreign aggressor is attempting to subvert the social system. But the Government of Canada was unable to establish this fact as the crisis actually resulted from prevailing social conditions and an ideology that was not directed by a foreign agency. Consequently, the Intelligence Section was not countering the operations of a foreign intelligence agency.

The only conclusion that can be reached is that the role of the Intelligence Section was intelligence. That it was not directed against a foreign conspiracy, but against dissident forces in Canada. That by conducting surveillance, instigating raids and arresting dissident numbers of society, the Intelligence Section was the political arm of the govern-

ment in power. The Intelligence Section, assisted by the Criminal Investigation Branch, was an agency designed to suppress political opposition in a specific sector of society.

The reaction of the Borden Cabinet to the efforts of the C.I.B. and Intelligence Section was extremely favourable. To maintain the system of control they had established the R.N.W.M.P. was given the mandate to extend its jurisdiction in the West to include all of Canada. This was a monumental decision that emanated from the violence of the Winnipeg strike for as late as November 1918, the government had been advocating decentralized law enforcement. Yet within eight months, the need for strong centralized policing by an efficient, centralized, semi-military organization was seen as the answer to combat social dissension and unionism that was thought to be directed by bolshevism. In this respect, Starnes was right; a class war was in progress. But the class war was not imported. The government did not seek a solution to the labour problems inherited from the war. The fear of industry-wide unions and violent rhetoric was produced by a country that had spent four years at war. Unable to comprehend the social changes, the Cabinet invoked a rigid system to control government policy. As a result the opposition was suppressed. Yet most Members of

85 Debates, 13 May 1939, p. 4047.
86 R.C.M.P. Commissioner's Report, 1921, p. 7.
Parliament basically agreed that "the government has been too lenient with a certain class of people".\textsuperscript{87}

\textsuperscript{87}Debates, 12 May 1919, p. 2325. Mr. Tweedie.
Chapter 4

The Intelligence Branch
On February 1, 1920 the Dominion Police and the North West Mounted Police amalgamated to form the Royal Canadian Mounted Police. In reality, it was not an amalgamation, but an absorption of certain Dominion policemen into the Mounted Police. The Commissioner, however, now became responsible for all federal law enforcement in Canada. When summarizing the duties of the R.C.M.P., Commissioner Perry revealed that one of its main functions would be to maintain an Intelligence Service, although there was no explicit statutory authority for its continuation. The essential reason for developing an intelligence unit in 1919 had been the enforcement of the War Measures Act. This was repealed on January 1, 1920, and the new basis for continuation of the Intelligence Service became Section 98 of the Criminal Code, concerning illegal associations. But even this was extremely questionable as the enforcement of the Criminal Code was the responsibility of the Provincial Attorney Generals and not the R.C.M.P., although the enactment of legislation of criminal law was under the sole jurisdiction of the federal government.

The only legal basis for the existence of the Intelligence Branch was by interpreting the R.C.M.P. Act which

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1 An Act to amend the Royal Canadian Mounted Police Act and to transfer to the Commissioner of the Royal Canadian Mounted Police the powers heretofore vested in the Commissioner of the Dominion Police, Statutes of Canada, 10-11 George V, Chap. 18, 1920.

stipulated that:

Section 12 - Every member of the Force shall be a constable in every part of Canada for the purpose of carrying out the criminal and other laws of Canada,....3

Section 18 of the Act provides that:

It shall be the duty of members of the Force subject to the orders of the Commissioner, -

a) to perform all duties which now are or hereafter shall be assigned to constables in relation to the preservation of the peace,....4

As the R.C.M.P. was already performing intelligence duties, this last section was seen as an authorization to continue that function, and the Secret Service became a permanent institution within the R.C.M.P. in 1920. With the demobilization of Military Intelligence in 1919, the R.C.M.P. became the only intelligence unit in Canada,5 and sought to establish contacts with the British Military Mission in New York and the United States Bureau of Investigation in Washington.6 It is interesting to note that the R.C.M.P. did not utilize or maintain the foreign contacts developed by C. H. Cahlan or Percy Sherwood. Indeed, the R.C.M.P.

3Debates, 3 October 1919, p. 839.
4Ibid.
considered the Dominion Police to be vastly inferior, relegated its members to guard duty on Parliament Hill and did not bother to obtain the old files dating back to 1868. It was the Force's view that the Dominion Police (a unit that had actually threatened the existence of the R.N.W.M. Police) should be considered nothing more than a group of patrol guards.

An Order-in-Council passed on February 2, 1920 stipulated that the Headquarters of the R.C.M.P. were to be transferred from Regina to Ottawa effective that date. This move caused a reorganization in the administration of the Force, which centralized the R.C.M.P. nationally and gave the government greater control in its direction. The Comptroller, who had previously directed the Force on behalf of the President of the Privy Council, became responsible only for the financial operations of the R.C.M.P.\(^7\) The Commissioner now reported directly to the President, a position usually held by the Minister of Justice, and was responsible for all operations of the Force. No longer communicating through an intermediary, the government now had direct access to a Commissioner who maintained his office in the same city as the government.

This reorganization also resulted in the creation of a Central Registry. Previously all C.I.B. files were kept

\(^7\) R.C.M.P., Commissioner's Report 1921, p. 8; Debates, 3 Oct. 1919, p. 827.
in the Commissioner's Office, but with the increased number
of reports flowing in, this proved to be unmanageable. As
a result, all correspondence and C.I.B. files, including
those of the Intelligence Section, were reclassified in one
central location.

By September, the Commissioner reported that there
were four principal branches under a single administrative
head: Criminal Investigation Branch, Financial Branch,
Supply and Adjutants' Branch and Central Registry. The
Criminal Investigation Branch became the operational force
and the Commissioner described the duties of this Branch as:

a) the enforcement of all laws where the government is
directly interested or responsible; b) the protection of
public buildings of the Dominion and the Navy Yards; c) the
Intelligence Service, and, d) the maintenance of law and
order in all territories and Dominion Parks. The
total responsibility of C.I.B. was described by
the government as being composed of two distinct functions;
"the maintenance of law and order being one Branch of the
Force, the ferreting out and discovery of crime being an-
other...." This latter function is that of the Intelligence

10 Ibid.
11 Debates, 29 April 1921, p. 2800, Mr. Guthrie.
Branch and reveals the attitude many members of Parliament maintained regarding secret intelligence work. As a result of Section 98 of the Criminal Code, dissident organizations were not seen to be political, but criminal. The Intelligence Branch, therefore, was not only deemed necessary but applauded for its "preventive policing" method of infiltrating these groups. Preventive policing in this context meant the infiltrating of an organization and the isolating or apprehension of certain leaders so as to disrupt the group in its intended direction. If a group was sufficiently disrupted, it would not "break the law" by passing out seditious literature or by holding unlawful assemblies.

The R.C.M.P. mandate to enforce the law across Canada was due to the increase in social unrest at that time. The Union Government felt that due to the experiences of the Winnipeg General Strike, a strong military force was necessary to control riots and demonstrations. There was no consensus, however, as to the type of military force required. Essentially, the same question of military vs. police vs. militia, which had evolved during discussions on social control in 1918, again surfaced.

Norman C. Rowell, President of the Privy Council, argued that amalgamation of the police forces was necessary for this purpose because of the social unrest in Canada, the disorganization of the Canadian militia and the resulting need
for having some organized body to maintain law and order. He reiterated his argument of 1919 that "if we had not the Mounted Police, we would have to have a larger military force". The government did not want to maintain law and order by the militia as it would entail a greater expense in maintaining large groups mobilized across the country. It would also present the appearance to Canadians that Martial Law had been invoked and a military occupation was in progress.

The opposition to the centralization of the R.C.M.P. was led by Mackenzie King, leader of the Liberal party. He charged that the government was trying "to make a standing army out of this police force, only calling it police instead of militia or an army". Even after King won the election of 1921, he maintained his position regarding the Force. Although he did not wish to dismantle the R.C.M.P., he decided to reduce the manpower of 1,808 officers and men. As members of the Force were to relate, a "policy of diminishing establishments had commenced with the election of 1921".

Mackenzie King attacked the Force and the Conservatives who had created it for their concept of a strong

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12 Debates, 7 June 1920, p. 3210.
13 Ibid., 3 October 1919, p. 836.
14 Ibid., 7 June 1920, p. 3199.
15 Kemp, p. 149.
centralized government. Prime Minister King advanced as one of "striking evidences of the centralizing tendencies of the Union government" the change made in the North West Mounted Police, whose headquarters were moved from the Northwest to Ottawa, and its character changed from that of a "police for unorganized territories" to a "federal and practically military force". 16

This was essentially a policy disagreement. King was against the amount of power vested in the Commissioner and not controlled by a statutory act. What disturbed him was the power held by the R.C.M.P. to quell any social disturbances in order to keep the peace. King was upset by the fact that the government retained very little control of the Force concerning riots and strikes. He argued that if the militia was used, the Militia Act would be invoked, thereby giving direct authority to the government. 17 But if the Riot Act was read the authority rested with the mayor or civil authorities and the Commissioner who directed the operation. Even if the Riot Act was not read, King pointed out, the R.C.M.P. could be sent out with nothing more than a request to the Commissioner from the civil authorities. Although King attacked the Conservatives and the Force for centralizing tendencies, he was actually upset over the fact that not enough power had been placed in Federal control.

16 Debates, 14 March 1923, p. 1140.
17 Ibid., 30 October 1919, pp. 838-839.
but remained with local authorities.

The Commissioner defended the Force with the same ghosts that gave it a new lease and direction to its operations in 1919 - an image of social uprisings and revolution instigated by foreign powers. His description was explicit in his report to the government for 1921 and he no longer needed to generalize, for he could now name both the culprit and its aims:

The machinations of the violent revolutionists continue; in the course of the year a "Communist Party of Canada" was organized, under the direct orders of the Third International at Moscow. This party, which describes itself as the Canadian section of the Third International, published some numbers of an avowedly illegal newspaper, and has been busy with agitation. A feature of the work of these extremists is their anxiety that there be widespread unemployment and suffering among the working classes, and their resolve to foment trouble among the unemployed. At several places they have rendered more difficult the task of the authorities in relieving unemployment and alleviating distress. They have, for example, where able, deliberately directed the efforts of the unemployed in directions calculated to embarrass municipal finances, in the hope of producing confusion. The significant feature of these activities is that they are but the execution of plans conceived outside the country, and furnished to and imposed upon our agitators from abroad. 18

No longer able to utilize the O.B.U. as a subversive threat against democracy, the Commissioner found a ready-made

18 R.C.M.P., Commissioner's Report 1922, p. 47.
tool in the Communist Party of Canada that was formed in 1921. Furthermore, the alien factor that the Force had searched for since 1918 could finally be established, in that the C.P. of C. was a member of the Third International. The fact that the Communist Party was based on the ideology of "continuing revolution" was used as a justification not only for the R.C.M.P. in general, but more specifically for the work of the Intelligence Section. In this manner, the Force visualized itself as the defenders of Canada and, as such, had a mission.

When Mackenzie King's government took office, the Force immediately realized that it was being threatened and, as reported by one member, "we held our breath and crossed our fingers". Recruitment into the Force was halted and its very future came under question by the government. In fact, the entire question of national defense came under review, and the result was a bill introduced by the King government to unify all military forces in Canada under one department. King was advocating a Department of National Defense, under one Minister, that would include "the Militia,

19 The violence manifested in an ideology is of ultimate importance to the R.C.M.P. The structure of present day S&I is based on the "revolutionary" aspects an ideology promotes. Consequently, importance of the danger of an organization is based on its aims and direction, and not on its membership or appeal to dissident citizens.

20 Kemp, p. 79.

21 Ibid.
the Military, Naval, Air and Police Services of Canada." King was advocating greater centralization than the Borden government, but by including the police services, he was attempting to limit the authority of the R.C.M.P. by amalgamating it with a number of other government services. He was not against the concept of centralization, but wished to diminish the authority of the R.C.M.P. However, his attempt to contain the police powers of the Commissioner was not successful as the bill elicited such a protest in the House of Commons it was never voted upon. The Force was saved from banishment into the military, but an attack from another quarter was developing.

King was not the only one who felt the Commissioner had too much power. J. S. Woodsworth of the Independent Labour Party, Member of Parliament for Winnipeg, agreed with King on that point, and further criticized the Force on the basis of civil liberties. Woodsworth was one of the leaders who had been arrested during the Winnipeg strike, and had first hand knowledge of the tactics used by the R.N.W.M.P./R.C.M.P. But he not only attacked the "arbitrary authority vested in the Mounted Police," he also argued more specifically against the illegal tactics used by the Intelligence Section.

22Debates, 4 April 1922, p. 677.
23Ibid., 14 March 1923, p. 1142.
24Ibid.
Woodsworth stated that the R.C.M.P. was not maintaining the law but was, in fact, becoming the law. He cited examples of raids conducted without legal warrants and literature seized that contained such books as *The Life of Jesus Christ* and reproductions of Christian art. Anything that appeared to be of a socialist nature was confiscated, even H. G. Wells' *Socialism and the Great State*. Woodsworth also pointed to the fact that charges for possessing seditious literature were rarely laid although the material was never returned. When literature was seized, it usually disappeared into a Mounted Police library forever.

Woodsworth was consistently vociferous in his criticism of the methods which the Force employed and was particularly insulted over the use of spies in the labour sector. As a representative of labour, he argued that the Intelligence Branch caused a considerable amount of unnecessary "friction in our communities". He used many of the same arguments as the O.B.U., but did so with devastating effectiveness to a national audience. He gave special attention to the acts of Corporal Zaneth, as he was actually a member of the Intelligence Branch and applied the same principles to the Force in general.

Woodsworth was not alone in attacking the actions of the R.C.M.P. Other Members of Parliament within the Liberal party were equally upset by their methods. But these

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members were not as concerned with the Intelligence Branch as they were upset with the violent manner in which the Force was breaking strikes. Unfortunately, Woodsworth's intense, aggressive attack tended to alienate them from his cause. Members of Parliament who agreed with Woodsworth's contention became so embarrassed by his apparent radical position and unyielding attack on the Force, that they offered him no support in his cause which was placed before the House.

On April 10, 1922 Woodsworth presented a motion in the House that, if accepted, would have removed the Royal Canadian Mounted Police from all provinces in Canada:

Mr. J. S. Woodsworth (Winnipeg Centre) moved:

That, in the opinion of this House, the activities of the Royal Canadian Mounted Police should be confined to Territories not included in any Province of Canada. 26

This motion supported Mackenzie King's position that the power of the Force should be curbed and the Force reinstated in the position of a territorial police. Woodsworth called for a return to the pre-war status and, therefore, a weaker R.C.M.P. But the government was unable to follow this course because of the strong support the Force had firmly established across Canada. Mayors and civic administrators supported the R.C.M.P. so strongly that the

26 Debates, 10 April 1922, p. 823.
government decided to continue decreasing the size of the Force, but would not withdraw it from the provinces. This decision by the Liberal government, although not guaranteeing the survival of the R.C.M.P. as the national police force, did reveal that substantial support was given the Force throughout Canada.

The continued agitation generated within and without of the House of Commons directly resulted in changes within the R.C.M.P. Commissioner Perry, frustrated by the attacks to which he and the Force were subjected, decided to resign. He was replaced by Cortlandt Starnes who had been Commanding Officer of Military District No. 10. The Force obviously was not going to back down in the fact of adversity as it was Starnes who directed the R.N.W.M.P. Forces in the Winnipeg general strike. But many of the members were pessimistic and requested retirement or discharge.

Although his motion to banish the R.C.M.P. to the Yukon and Northwest Territories was defeated, Woodsworth maintained his charges against the Force and attacked the financial expenses incurred by the Intelligence Branch:

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27 Kemp, p. 156.

28 R.C.M.P. Records, P. A. C., Vol. 2380. As Commanding Officer, Winnipeg, Starnes was totally responsible to the Commissioner for all R.N.W.M.P. activities in that area.

29 Kemp, p. 149.
<table>
<thead>
<tr>
<th>Service Description</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Services and expenses of special agents</td>
<td>$87,236.14</td>
</tr>
<tr>
<td>Employers' Detective Agencies, Services and expenses of operators</td>
<td>5,608.00</td>
</tr>
<tr>
<td>Pinkerton's Detective Agency, Services and expenses of operators</td>
<td>2,412.15</td>
</tr>
<tr>
<td>The Thiel Detective Service Company, Services and expenses of operators</td>
<td>1,473.92</td>
</tr>
<tr>
<td>O.B.U. Activities</td>
<td>234.62</td>
</tr>
<tr>
<td>O.B.U. Labour Unrest at Winnipeg</td>
<td>2,173.30</td>
</tr>
<tr>
<td>Special duty at Boston and Springfield</td>
<td>190.70</td>
</tr>
<tr>
<td>Investigating Bolsheystic and labour conditions</td>
<td>3,380.40</td>
</tr>
<tr>
<td>Expenses at Prince Albert, agitators and suspects</td>
<td>49.55</td>
</tr>
<tr>
<td>Lumber Workers' Industrial Union of the O.B.U.</td>
<td>356.10</td>
</tr>
<tr>
<td>Expenses at Edmonton, attending the Labour Church</td>
<td>4.00</td>
</tr>
<tr>
<td>Bolshevist and Labour conditions, At Lethbridge, attending a labour meeting</td>
<td>22.10</td>
</tr>
<tr>
<td>Agitators and, suspects</td>
<td>31.75</td>
</tr>
<tr>
<td>At Vancouver, attending labour meetings</td>
<td>18.86</td>
</tr>
<tr>
<td>Self Determination League</td>
<td>328.80</td>
</tr>
</tbody>
</table>

This information was available to Woodsworth as a result of the government changing the system of financial payments. Formerly, the expenditures for investigations made for the various departments reimbursing the Department of Justice. Under the new system, all expenses incurred were paid for as listed by the Mounted Police. The only result, however, was that Woodsworth embarrassed the Force so much that, henceforth, the intelligence budget was well concealed within the overall budget of the R.C.M.P. In this

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30 Debates, 14 April 1923, p. 670.
aspect, the Intelligence Branch truly became a secret service, for they were no longer accountable to the House for their expenses, but only to the Commissioner. The Commissioner reported to the President of the Privy Council but he did not reveal details of the operations unless specifically questioned.

Woodsworth continued his protest of R.C.M.P. abuse of civil liberties by revealing the extensive use of Detective Agencies, particularly American-based agencies. In 1921, for example, a Dr. Richard Cabot, Professor of Social Ethics at Harvard, published a study of union and labour infiltration performed by various Detective Agencies on behalf of management. Equating the abuses portrayed in this report with American agencies in general, Woodsworth deduced that the same methods were being used in Canada. The policy of using outside agencies by the R.C.M.P. was a well-established practice, particularly in the United States.31 As early as 1914, this fact was general knowledge and American companies were writing the Commissioner offering their services.32 But Woodsworth's charge that the R.C.M.P. used "American detective companies to keep up a system of close espionage upon labour movements" precipitated government orders to have this policy abandoned. Sir Lomer Gouin, as

31 Debates, 14 April 1923, p. 670, the budget reveals at least three American agencies used.

Member responsible for the R.C.M.P., reported to the House that "in the past it was the rule to employ private agents; now it is only occasionally that we do it". However, Woodsworth's campaign caused the government to order it stopped.

Since the beginning of intelligence duties by the R.N.W.M. Police, the Force found itself under constant criticism and attack from both the political opposition in Parliament and the labour sector. From December 1918 to March 1923, when Woodsworth again proposed to banish the Force to the Northwest Territories, the R.C.M.P. was struggling for its very survival against politicians on one side and labour on the other. This resulted in the alienation of the Force and the entrenchment of distrust towards politicians on behalf of members of the R.C.M.P. The Force viewed itself as standing alone in the face of revolutionary ideologies, the dangers of which the people of Canada did not comprehend. With little support from the government, the existence of the R.C.M.P. was saved by the public image the Force had created prior to the war. The R.C.M.P.

33 Debates, 14 March 1923, p. 1149.

34 Ibid. The practice of using private agencies has many advantages and is used by all intelligence agencies at various times.

35 This fact becomes very clear throughout the debates in the House of Commons as every Member who supported the Force mentioned the respect they had generated locally and internationally in maintaining the peace in the sparsely populated west.
recognized this and began a propaganda campaign which defiled their image. But the alienation continued because of the ongoing publicity generated by the activities of the Intelligence Branch and riot control. Members of the R.C.M.P. never fully comprehended why they were being attacked, as their police mentality would not let them transgress beyond the fact that they were only maintaining the law as described by the government. Receiving no overt support, the Force maintained a defensive position that only allowed them to distinguish between friends and enemies.

During the final days of the Woodsworth debates, the government revealed that it had no intention of changing the function or structure of the R.C.M. Police. The Force would continue all duties but under the policy of diminishing establishments. However, the Liberal Government was not pleased with the amount of adverse publicity generated against the Force during the debates. The decision to maintain the Force placed the government in the position of having to defend it and Gouin could not condemn the actions of the Mounted Police as a unit:

'I cannot contest any of the allegations made by the Hon. member, but supposing they are perfectly true—and I have no doubt that they are—this affords no reason for changing the system. If some of our men have abused their power they should be reprimanded or even dismissed, but to say that their action should be sufficient reason to discard our Mounted Police system is a proposition which I cannot accept. 36

36 Debates, 14 March 1923, p. 1149.
Gouin indicated that the Force would survive intact, but by placing the responsibility of illegal activities on the actions of a few members, he initiated an entire new defense system which the R.C.M.P. would use. The R.C.M.P. would not condemn their own actions as they firmly believed they were in the "right". They concluded that their basic problems evolved from the adverse publicity generated by their enemies. Therefore Gouin's position was maintained and the blame for specific incidents of abuse of police powers was placed on the few offending members. The onus of identifying the offending members was now transferred to the person or group who charged the R.C.M.P. with the infraction, for the Force publicly reasoned that it maintained a large body of men and some excess was naturally liable to occur. Without positive identification, the blame for acts that subverted civil liberties was placed on a few mystical, overzealous members.\(^37\)

To add to the confusion, the R.C.M.P. had never received specific instructions or guidelines from the government as to a position vis-à-vis labour and social unrest.

\(^{37}\) See n. 39.
In fact, neither Canada nor the United States were prepared for social upheavals and did not know how to handle them when they occurred. Resisting change, the government fell back on physical force to control the situation. For this, the R.W.W.M. Police was used. In maintaining an intelligence unit, the Force utilized offensive action in their operations. To obtain intelligence, particularly when operating offensively, illegal methods must be used. This in itself reveals the incompatibility of an intelligence unit within a police force, for one cannot convincingly argue that one may break the law in order to maintain the law, although the R.C.M.P. has at times attempted to do this.

The intrinsic problem lay in the need to obtain intelligence and the lack of guidelines established by the government. The government would not provide direction because it did not know the depth of the perceived threat. This is the inherent difficulty in dealing with dissident organizations and differs considerably from counter-intelligence. In counter-intelligence, one must have a well-defined target, such as an outside agency attempting to infiltrate the political, economic or social system. One may not know

38 Kim Philby, My Silent War, St. Albans' (England): Granada Publishing Ltd., 1969. Philby argues that "secret service" actually distinguishes the illegal aspect of intelligence from press type intelligence, p. 50. See also Orlov, Handbook of Intelligence and Guerrilla Warfare, p. 5.

39 The catch all phrase to defend such action is usually "for national security or in national interest".
their direction, but a definite objective is established in identifying and neutralizing their actions. An operation of this type is not conducive to anti-dissident programs as the dissident organizations are developed from within the social structure and are generally based on an ideology. It becomes very difficult to neutralize an ideology without raising the spectre of a police state.

Without specific instructions, the Force was operating on a generalized concept of the government's view of the social system in the face of adverse publicity; they were not supported by the government and attacked on the social front. The R.C.M.P. was forced to use public opinion as their guideline. Reinforced by the fact that favourable public opinion from a majority of Canadians alleviated the threat of banishment, the Force took its direction from the degree of adverse publicity generated about specific actions. This is revealed in the changes that occurred by the public exposure of the financial statements and use of detective agencies. In essence, the policy that was established was the continuation of any method as long as there was no public outcry.40

This had a significant effect on the operations of the R.C.M.P. as the full burden fell on the individual constables operating in the field. Ideologically motivated to perform

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40 This factor was extremely important to the R.C.M.P. and especially to the Intelligence Section that created most of the adverse publicity.
their function and socially motivated by rewards of promotion for success, members of the Force had to operate between the forces of total success or total failure, with the end result based entirely on their own judgement. They were judged not on the morality of their decision, but on whether they could obtain their objective without creating publicity. Essentially, the Force would try to protect a member, usually by denials and a quick transfer to some other part of Canada. If the pressure became too great, however, every man knew he was expendable.

Woodsworth's prolonged attack on the Force was motivated by his desire to see the intelligence operations and anti-riot squads abolished. He was also vehemently opposed to the concept of a centralized national police force with arbitrary powers. But his efforts did not halt the Force's activities. In fact, the reverse was true. Woodsworth's public attacks caused policy changes that resulted in more discreet field operations that were controlled less by the R.C.M.P. hierarchy and more by constables in the field.

While making his allegations against the Force, Woodsworth

41 The best examples of these rewards are to be seen in the rapid promotions received by Zaneth and later Leopold for their undercover activities. Both were promoted from Constable to Sergeant in a relatively short time. Zaneth 3 years; Leopold, 5 years. These promotions were received while working undercover.

42 It was not until 1977 that the Officers of the R.C.M.P. publicly accepted the responsibility of adverse publicity, RE: Supt. Donald Cobb, pleaded 'no contest' to authorizing an illegal 'break and entry'.
was obsessed with the secret nature of the Intelligence Section. Because of the secrecy involved, any indication of R.C.M.P. involvement in labour, naturalization or immigration was attributed to the "secret service". This in reality was not true, as by 1919 the Intelligence Section was not involved in naturalization and immigration.

With the restructuring of the Force in 1920, the Criminal Investigation Branch reported naturalization investigations to the Secretary of State, immigration investigations to the Department of Immigration and suppressed labour unrest at the request of civil authorities. The Intelligence Section was one small section of C.I.B. that was established to trace bolshevik sympathizers that were believed to be directed from Russia. It was not specifically involved with immigration or labour, but investigated the C.P.C. that was operating in these areas.

In the metropolitan areas, the Intelligence Branch was directed by a Detective Sergeant who reported directly to the Officer commanding C.I.B. This detective worked alone and has other responsibilities aside from intelligence. His major concern was the development and handling of sources.

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43 This division of responsibilities is made very clear by the Commissioner in his report of 1920.

44 Source 1. This continued to be the case as late as 1938, when, for example, the member in charge of Intelligence in Montreal was also responsible for the Bond (area where all evidence is kept until the case is heard in court and a verdict rendered).
(secret agents) and their infiltration into subversive and dissident groups. All investigations conducted outside these specified groups were the responsibility of C.I.B. investigators and not the Intelligence Section. The member in charge of intelligence was responsible only for his specific area, and if assistance was needed to attend meetings or demonstrations, he could draw on the bank of investigators in C.I.B. In the same manner, if an investigation had to be conducted outside his area, it was handled by the local detachment or C.I.B. member.

The major instrument of the Intelligence Section continued to be the informer or source that operated within the designated subversive organizations. The importance of this operation is revealed in the budget produced by Woodsworth. The total expenses of the Department were approximately $104,000—of which over $87,000 was spent on secret agents. Obviously, the R.C.M.P. had established an extensive network of sources. The Force has traditionally paid minimal compensation for this type of work. Furthermore, these expenses would not include the salaries of regular members working undercover.

In June 1921, the Communist Party of Canada was organized by Canadian members of the Communist Party of America and the United Communist Party of America. By

Source 1.

Debates, 14 April 1923, p. 670.
February 1922, this party was publicly operating under its political arm, the Workers' Party of Canada. It soon became evident to the R.C.M.P. that they had finally found an agency with connections outside Canada. Whereas the Socialist Party of Canada, the International Workers of the World and the various ethnic socialist clubs were based in North America, this new organization had direct ties to the Third International in Moscow. This very fact led to a renewed obsession by the R.C.M.P. with the C.P. of C. The Force had traditionally attacked socialism as a foreign ideology, but special attention was given the Communists because "they are not a Canadian group but take their orders from Moscow".

The R.C.M.P. infiltrated this organization at the onset when a constable in the Force actually became one of the organizers of the Workers' Party. John Leopold emigrated from Austria and joined the R.N.W.M. Police in 1918 as a Special Investigating Officer. Because of his command of languages, he went underground in 1919 using the name Jack Esselwein. Leopold became Secretary of the Committee for Medical Aid to Soviet Russia and Secretary to

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48 Even in 1970, the R.C.M.P. uses this argument to justify its actions against the C.P.C., Source 2.

49 Debates, 5 April 1937, pp. 2571-2572, Woodsworth and Coldwell documented Leopold's career in Hansard.
One Big Union in Regina. By 1921 he was ordered to infiltrate the emerging Communist Party. Also using the cover as a member of the International Brotherhood of Painters, Decorators and Paperhangers, he began organizing for the Workers' Party. Leopold appeared as a strong activist and as an avowed communist, he was elected as president of the Trades and Labour Council of Regina. Commonly regarded as one of the most active Communists in Saskatchewan, Leopold gained the total confidence of the upper echelons of the Party hierarchy. Having been chosen a representative of the Trades Union Congress of Canada, he soon became the first Secretary of the Communist Party in Regina.

Leopold's infiltration of the C.P.C. was the most successful attempt by a member of the R.C.M.P. to gain access to the decision-making apparatus of a subversive organization. But the total activist commitment exhibited by him revealed that he was going beyond an attempt to gain the confidence of the party and was actually instigating and leading many of its activities. His promotion to First Secretary placed him in a position of directing the Communist Party in Regina and signified a change in R.C.M.P. philosophy, as Leopold was no longer just informing the R.C.M.P. on the direction and policy developed by the party.

50 Greater success has been achieved but by sources or agents, and not by regular members. Perhaps the most successful occurred in the mid-sixties when two agents were established and actually directing the efforts of one of the major separatist parties in Quebec. Source 4.
The fundamental change occurred when the Force decided not to invoke Section 98 of the Criminal Code affecting seditious organizations. To have done so would have had no lasting effect as the party would have continued to operate, but in an undercover fashion, whose activities would have been more difficult to trace. Instead, as Leopold's success unfolded, it was decided that the best operation against an organization was to allow it to continue to operate openly while attempting to gain control of the party at the top level. If successful, the R.C.M.P. could completely direct and dominate the policy and direction the party established.\textsuperscript{51}

In 1927, Leopold was transferred by the party to Toronto where the Headquarters of the C.P.C. had been established. Operating within the central base of power, he continually revealed an extremely aggressive activist attitude that was considered as a sign of his dedication to the cause, by party leaders. One of Leopold's responsibilities was organizing demonstrations. One of these which took place in front of the American Consulate turned into a riot. Leopold was arrested, charged and found guilty of inciting a riot. Unwilling to destroy his cover, the R.C.M.P. was unable to intervene on his behalf. Furthermore, the conviction itself accentuated his party's convictions

\textsuperscript{51} Source 1. This became and still is a major priority of source development concerning the infiltration of all "subversive" political parties. The objective is not to force them undercover, but to "lead" the organization in a manner to render them ineffective.
as no party member would believe that the R.C.M.P. could allow one of its members to have a criminal record.

Leopold's rise to power in the Communist movement came to an abrupt end in Toronto when he was conversing on the street with another high-ranking member of the party and a school friend from his home town happened by. Having talked to his parents a few weeks before, and unaware of his undercover activities, this friend congratulated Leopold on his promotion to Sergeant and how well he was doing in the R.C.M.P.\(^{52}\) His cover being "blown", Leopold was immediately transferred to regular police duties in Yukon Territory, a post as far away from the Communist Party as the R.C.M.P. could find.

During his sojourn into the C.P. of C., Leopold's information on the international connection of Communist parties was confirmed when the British Secret Service arrested the Communist leaders in England and seized a massive array of documents in 1925.\(^ {53}\) These papers were of great assistance to the Force as they revealed a direct C.P. connection between Canada and Great Britain:

\(^{52}\)Source 2.

The Colonial Department (C.P.G.B.) has managed during the year to establish working connections in the following places:

- India, Egypt, Palestine, Syria, S. Africa, Canada, Australia, New Zealand and Ireland.

Information from these documents also illustrated the relationship of Communist parties belonging to the Third (Communist) International and their direction by that organization from Moscow. The documents included the direction of organizational tasks, agitation, propaganda, press, infiltration of labour unions and their guidance by Instructors of the Organizational Department of the E.C.C.I. Although the majority of this information had been ascertained by Leopold, the intrinsic value rested in the public attention given these documents and their revelation of the international scope of conspiracy instigated by Moscow. Unable to produce documents obtained in Canada for fear of jeopardizing existing operations, the Force was able to use this information in revealing the subversive nature of the Communist Party. This was particularly pertinent when defending the Force's actions in the face of political pressure.

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54 Report of Colonial Activities rendered by the Colonial Department, Communist Party of Great Britain, Communist Papers, p. 95.

55 E.C.C.I. was the Executive Committee, Communist or Third Internationale; a body of members of the various national sections of the International appointed by the World Congress of the International held at Moscow.
The revelation of a Communist conspiracy gave support to the R.C.M.P., even from its chief antagonist, Mr. Woodsworth.\textsuperscript{56} It also came at a good time for the Force. It needed more and louder support from the government as the morale was steadily decreasing, and more and more members were resigning. Under continuing criticism and suffering from Mackenzie King’s policy of diminishing the Force, the R.C.M.P. had been reduced to less than 900 men when the British documents were published. This was approximately one third the number of men when the Liberals took office just four years before.\textsuperscript{57}

During the period that the Intelligence Section was in disfavour, the Department of National Defense resurrected the Military Intelligence Branch across Canada. Essentially this Branch again maintained a system of monitoring newspapers and journals within their sector and adjoining states in the U.S.\textsuperscript{58} But the revolutionary and foreign aspect of the Communist movement caused Military Intelligence to

\textsuperscript{56} Debates, 12 June 1929, p. 3634. Woodsworth requests information on Communist activities obtained by the R.C.M.P. as his party was facing difficulty with Communist infiltration.

\textsuperscript{57} When the R.C.M.P. was formed in 1920 the establishment was 2,605 men. Debates, March 14, 1923, p. 1148.

investigate not only Communist meetings, but also labour unrest, in case the army had to be mobilized to quell riots and agitation in support of the police.

Each Military District had an established Intelligence Branch under the direction of the District Military Intelligence Officer, usually an officer with the rank of Captain. In order to infiltrate labour and political meetings, special agents were assigned to investigate on behalf of the army and weekly "history" reports were forwarded to Ottawa. Some of the information obtained was directly from the R.C.M.P. as the army maintained very close contact with, and placed great reliance on, the opinions and assessments of the Intelligence Section (R.C.M.P.). In fact, Military Intelligence continually extolled the operations of this section by repeating "the R.C.M.P. has the matter in hand" or "under control".

Regardless of the support generated by Military Intelligence and the British documents, the fortunes of the R.C.M.P. did not change. The Liberal Government, recognizing that a national police force was necessary, but unable to legislate effective changes because of strong opposition, continued to let the Force deteriorate in manpower and morale. In 1928, the R.C.M.P. re-established policing

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60 Ibid.
duties in Saskatchewan. The provincial government's decision to use the Force was not necessarily seen as a vote of confidence, but was based on economic factors. It was simply cheaper to have the R.C.M.P. do the policing than to maintain a provincial force. By 1930 the Force's manpower was down to 747 men. Cortlandt Starnes, tired, ill and demoralized, decided to resign his commission as Commissioner of the Royal Canadian Mounted Police.

The year 1930 was a significant period in the development of the R.C.M.P. and the Intelligence Section. The federal elections held in October resulted in the defeat of the King government, and the formation of a Conservative government led by R. B. Bennett. It was also the year that North America was beset by the economic disaster that has become known as the Depression. These factors had a profound effect on the type of intelligence that was to be used, as at the outset of its tenure it became obvious that the new government strongly supported the R.C.M.P. The tide of disfavour had turned.

The Conservatives had traditionally given strong support to the Force and faced with controlling social unrest brought on by the Depression, Bennett turned to the R.C.M.P. As in 1919 the direction the government established was not to find an equitable solution to the difficulties.

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61 Memorandum on the Royal Canadian Mounted Police, Ottawa: King's Printer, 1930, p. 3n.
but to overtly control the "threat to the social order" as Bennett saw it. For this purpose, the government authorized recruitment into the Force. This was effected immediately and the establishment increased to 1,245 in 1930, 1,351 in 1931, and 2,348 men in 1932. Having weathered the years of disfavour, the R.C.M.P., and particularly the Intelligence Branch, were prepared to take the offensive. The enemy? The enemy was the Workers' Unity League (W.U.L.), the political and ideological arm of the Communist Party of Canada (C.P.C.).

When the Depression commenced, a marked decline occurred in the ability of the major Canadian labour bodies to cope with the situation. Many of the unions were disorganized and struggling to remain in existence. Into this void came the C.P.C., an organization which had continually revealed an eagerness to organize the working class. As the W.U.L. was constructed specifically for organizing the masses, it quickly became very successful in leading strikes and militant action in industries across Canada. In 1930 it presented Bennett with a 100,000 signature petition for non-contributory unemployment insurance, a five-day week with a seven hour day, and a minimum wage of $25 per

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64 See *British Documents*, Chap. 4, p. 25.
week for all workers. The Workers' Unity League had also formed the National Unemployment Workers' Association which was effectively organizing the unemployed across Canada into a viable political force.

The immediate result of efficient Communist organizing was the predominant position the W.U.L. attained in social affairs. The Communists were extremely progressive and developed policies that were much more attractive to the unemployed than the apparent inertia shown by the government and corporate leaders. The Bennett cabinet had to either bring about drastic reforms in the economy, which is what the Communists advocated, or maintain the status quo and not borrow money on the international market so as to preserve Canada's credit rating.

This latter position was supported by the government which was dominated by industrialists who would not tolerate any social change that would affect the position of industry. The government would not compromise and, as labour was being lashed by unemployment, confrontation was inevitable in the face of a growing militant labour party.

Bennett maintained a rigid position and indicated the defense tactics it would use by appointing Major General H. MacBrien as Commissioner of the R.C.M.P. MacBrien was a


66 V. Kemp, Without Fear, Favour or Affection. Op. cit. Kemp gives a strong account of the "revitalizing" factor this appointment had on members of the R.C.M.P. and the "strong" character of MacBrien, p. 65.
right-wing conservative who had formerly been General Chief of Staff of the Canadian Armed Forces. His mandate became very clear in July 1931 when Bennett was confronted by a delegation from the W.U.L. demanding substantial government policies to relieve the unemployment situation.\textsuperscript{67}

Bennett's reply was adamant. He rejected all proposals of these "foreign agents" and threatened deportation for those not born in Canada.\textsuperscript{68} The government perceived a threat in the substantial support gained by the Workers' Unity League and resorted to the same tactics used in 1919. As the Communist Party had replaced the O.B.U. as the radical organizing force against the government, the policy of aggressive action was instituted to eradicate the party as a viable opposition. Within a month of the meeting with Bennett, the Cabinet, in cooperation with the Tory government of Ontario, decided to destroy the Communist Party of Canada by invoking Section 98 of the Criminal Code.

For ten years, Canadian authorities had tolerated the Communists as a political unit. Now that the policies of the Cabinet were subjected to tremendous social pressure, this radical party was described as the cause of the economic and social problems. But unlike the policy directed against the O.B.U., the government felt supremely confident in the action it was about to institute, for the Communist

\textsuperscript{67} Buck, \textit{20 Years}, p. 75.
\textsuperscript{68} \textit{Ibid.}
Party was a confirmed subversive organization.

On August 11, 1931 the R.C.M.P. carried out simultaneous raids upon Party offices and the homes of the Party leaders throughout the country. Based on information provided by the Intelligence Section, all members of the Political Bureau in Toronto were arrested and charged with being members of a seditious organization. Ironically, in drafting the indictment, only the Communist Party of Canada was mentioned and not the Young Communist League. This resulted in the C.P.C. being declared illegal, yet the Y.C.L. continued to operate. Based on documents seized during the raids and testimony provided by Leopold (four years after he left the movement) that the C.P.C. was directed from "outside" Canada, seven members of the Political Bureau were sentenced to five years imprisonment for being members of an organization now declared illegal, five years for being officers of that organization and two years for having engaged in a seditious conspiracy to overthrow the government.

Government and R.C.M.P. propaganda against bolshevism and communism had been so effective since the Winnipeg strike that no protest was heard against the use of Section 98. The government, in the absence of any sustained opposition, continued an aggressive policy to solve the social

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69 Buck, 30 Years, p. 83.
70 Ibid., p. 90.
crisis. Sections 41-42 of the Immigration Act (Deportation Act) were invoked to rid Canada of foreign immigrants who did not appreciate government policy. The government's position was that anyone who demonstrated political opposition to the Cabinet was to be silenced. The Deportation Act was used on immigrants and Canadians were charged under Section 98. In October, 1931 Melville Island Barracks at Halifax were turned over to the R.C.M.P. to be used as a detention center. Persons across Canada were seized without warning, their homes were searched for incriminating evidence, and they were transported in secrecy to Halifax. At Melville Island they were given a trial, held in camera, and summarily deported. In 1931 alone, 7,025 persons met this fate of which approximately 25% were deported for political reasons.

As the government campaign to rid Canada of "undesirables", mounted, an effective opposition developed under the leadership of A. E. Smith and the Canadian Labour Defense League (C.L.D.L.). This organization began an active campaign to defend the eight Communists arrested in August. However, as government rigidity to the social problems

71 Petryshyn, p. 45
72 Brown, pp. 64-65.
74 Petryshyn, p. 45.
increased, C.L.D.L. began a publicity campaign that went beyond Section 98 and attacked the Bennett policies in general. By February 1932, labour organizations across Canada were protesting the utilization of Section 98 and the Immigration Act. Delegations were sent to Ottawa to confront the government.

Bennett's attitude remained rigid. In fact, he continually maintained an extremely reactionary attitude towards the Communist opposition. Bennett went so far as to indicate that the "Saturday Evening Post" might be banned as seditious literature because it published an article under the signature of "that international bandit Trotsky". 75 Commissioner MacBrien strongly supported Bennett and the action the R.C.M.P. was instituting against "undesirables". MacBrien maintained that the unemployment problem in Canada existed as a result of Communist and foreign agitators. MacBrien resurrected the conspiracy-enemy alien theory:

"It is notable that 99% of these fellows are foreigners and many of them have not been here long, and I have always felt that if they do not like the way we live and want to uproot our institutions, the best thing would be to send them back where they come from in every way possible. If we were rid of them there would be no unemployment or unrest in Canada." 76

75 Debates, 25 May 1931, p. 1924.
The movement against subversive organizations essentially became a government attack on the freedom of speech. Although the Cabinet did not agree with this analysis, it was stated in the Commons that "every member is in favour of free speech, but free speech within the law". As the government was invoking the law at their will, they were advocating obedience to the party that had a majority in the House of Commons. This characterized a general authoritarian trend in Canadian politics that was not unique to the Federal government, but was also reflected in provincial and municipal legislation. The most infamous of these laws was the Padlock Law passed in Quebec in 1937, that was directed against communist ideology, although it later came to include any minority the government decried.

The Canadian Parliamentary system was entering a phase that England had experienced a hundred and forty years earlier.

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77 Debates, 7 July 1931, p. 3477.

78 All the major cities in Canada legislated against assemblies as did the provinces of Quebec, Ontario and Manitoba. The legislation was specifically directed against communist groups and passed prior to 1932.
The government invested the doings of a small knot of democrats—chiefly workmen—with the dignity of a widespread conspiracy to overturn the constitution. Ruling over a free state, they learned to dread the people, in the spirit of tyrants. Instead of relying upon the sober judgment of the country, they appealed to its fears; and in repressing seditious practices, they were prepared to sacrifice liberty of opinion. Their policy, dictated by the circumstances of a time of strange and untried danger, was approved by the prevailing sentiment of their contemporaries; but has not been justified in an age of greater freedom, by the mature judgment of posterity. 79

This attitude was certainly reflected by Prime Minister Bennett and Commissioner MacBrien who saw in Canada the resurrection of a socialist conspiracy—among the workingmen—to overturn the government. MacBrien strongly advocated the total suppression of this "hideous menace" throughout the country, through the general uprising of patriotic Canadians. He summoned the people to "turn out en masse to suppress the Reds". 80 This vigilante approach to social problems, based on emotionalism cannot be interpreted as a plea for functional democracy.

The role of the R.C.M.P. was obviously changing. No longer was the Commissioner content to promote the duties of a police force. By instigating a propaganda campaign against the unemployed and in favour of the government

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79 May's Constitutional History, quoted in Debates by J. S. Woodsworth, 5 May 1931, p. 1276.

80 "Fascism à la Canadienne," p. 224.
policies, MacBrien was not maintaining the neutral position that is normally expected of a police force. That the laws were unjust was not the responsibility of the R.C.M.P., but by defending these laws and asking for greater suppression, MacBrien changed the R.C.M.P. from an arm of the Justice Department into a political machine. The Force was now publicly supporting and advocating government policy.

There is no doubt that this change was brought about as a direct result of adverse publicity the R.C.M.P. was receiving for enforcing Section 98 and the immigration laws. However, if the Force thought that by this action they were not acting in a democratic fashion, they could have shown some resistance to government policy. Commissioner MacBrien in fact extolled the new power and "prestige" the Force was attaining and as opposition began to mount he became more authoritarian in his approach to the social crisis.

Opposition to the government and R.C.M.P. rose in a crescendo across Canada. A. E. Smith and the Canadian Labour Defence League were joined by the Ukrainian Labour-Farmers' Temple Association, the National Unemployed Workers' Association, Workers' Ex-Servicemen's League, the United Front and the Workers' International Relief Association, in protesting government action. But as these organizations were reported by the R.C.M.P. to be communist oriented, the

81 Debates, 19 June 1936, p. 3911. These organizations are listed by J. R. MacNicplas as having been some of the strongest opponents to Section 98.
government paid no attention to their cries of authoritarianism.

Not effective in obtaining favourable government opinion, these organizations were successful in generating strong support against Section 98 from a number of newspapers across Canada. Editorials began appearing in the "Winnipeg Free Press", "Toronto Herald", "Toronto Daily Star", "Halifax Chronicle" and the "Regina Leader-Post" denouncing government action. Unfortunately the growing opposition to the government did not have the desired effect of relinquishing the policy of oppression. Bennett was adamant in maintaining his position. In November 1934 he reiterated his policy:

> We know that throughout Canada this propaganda (communist) is being put forward by organizations from foreign lands that seek to destroy our institutions. Now ladies and gentlemen, we ask every true Canadian to put the iron heel of ruthlessness against a thing of that kind. 83

Such an attitude on the part of the Prime Minister could only indicate the impossibility of compromise. Confrontation occurred in the W.U.L. sponsored "Onward To Ottawa Trek" in 1935, by relief camp workers. Bennett's desire to halt this communist plot resulted in cancellation

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82 For a comprehensive view of the opposition that developed to Bennett's policies see Petryshyn, pp. 45-50.

83 Debates, 15 April 1935.
of this march which brought about the Regina Riot. 84

The intrinsic danger of the Bennett policy was to deny many Canadians the civil liberties they expected. The government revealed an extremely rigid, overbearing, unyielding position to the existent social problems that they could not comprehend. The same pattern of government inability to analyse the social difficulties of 1919 reoccurred. However, the "paranoia" exhibited by Bennett and Commissioner MacBrien against the "communist conspiracy" had a decisive effect not only in the social milieu but within security operations.

The single concentrated attack against communism did not allow the Intelligence Section to deviate from concentrating on that sector. Throughout this period the Intelligence section was composed of not more than eight members, which included an Intelligence Officer in Ottawa. 85 Spread across Canada this small force continued to generate information, through secret agents, on the Communist Party, and affiliates. To a large degree it was on information provided by the Intelligence Section that precipitated C.I.B. action in raids and deportations. In 1933, however, intelligence investigators became aware that German agents were entering Canada and organizing cultural groups that

84 Petryshyn, p. 52.
85 These figures are an approximation obtained from the Commissioner's Report, 1942.
showed overt support for the Nazi Party that had just attained power in Germany. Attempts by these investigators to alert the Commissioner and government to this new danger met with no success.

On the 10th of October 1934, the Canadian Society for German Culture made application to the Secretary of State for incorporation as a social club. The request was routinely passed to the R.C.M.P. for investigation. As the request for incorporation had come from a "foreign" oriented society the investigation was conducted by Cpl. A. Lamothe of C.I.B. intelligence. Lamothe obtained character references from the applicants and a general description of the organization.

He reported that the applicants were generally known for their extreme views and approval of Nazi Germany. Lamothe mentioned that the group was anti-communist and consisted of approximately 140 persons of which 50% were unemployed. He referred to a report submitted on the 5th of October 1933 regarding the same type of investigation instituted on the Friends of Nazi Germany. This group had also applied for incorporation, but was refused as it was described as a "Hitlerite Movement in Canada". Lamothe stated that the Friends of New Germany, Canadian Society.

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87 Ibid.
for German Culture and the German League of Canada were all one and the same society. 88

F. J. Mead, Commanding "C" Division, Montreal, read the report and appended the following comments:

It is very apparent that the above noted organization is anti-communist. It is also noted that 50% of the membership are unemployed and that some benevolent work is carried on by the organization.

I do not think that any good purpose would be served by withholding the charter asked for; as the unemployed membership could easily become recruits for the Communist Party, which, in my opinion, would be far more detrimental to the best interests of the state, than by coming under the influence of the above noted society. 89

Cpl. Lamothe was not content with this analysis. He conducted another investigation and reported to C.O. Mead that:

From general inquiries made, it is learned that the above mentioned society is mainly political in character; the rank and file are confirmed Nazis and its leader, Karl Gerhard, is said to be a paid organizer sent here by the German Government to spread propaganda. 90

In this report Cpl. Lamothe could not have been more explicit in revealing the subversive nature of the organization or the fact that the organizer was a German agent.

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89. Ibid.

90. Ibid., 29 August 1935.
Mead, however, did not see the inherent danger of German agents organizing subversive agencies. He referred back to his second paragraph of the original report where he stated that, "the unemployed membership could easily become recruits for the Communist Party, which, in my opinion would be far more detrimental to the best interests of the state, than by coming under the influence of the above (C.P.C.) noted society". 91

Mead's attitude reveals the singular concentration of the R.C.M.P. on the communist ideology. By refusing to acknowledge a threat emerging from German agents, indeed, supporting these agents as enemies of communism, R.C.M.P. officers forced the Intelligence Section to continue as a counter-subversive agency directed only against communist dissidence in Canada. This obsession with communism, to the exclusion of all other dangers, found its immediate expression in the attitude and direction of Commissioner MacBrien. In 1932 he had instituted the policy of lecturing against the evils of this ideology. As the opposition in Canada mounted against the actions of the R.C.M.P. more officers began to educate Canadians as to the emerging communist threat. With the approach of the federal elections in 1935 this policy intensified.

F. J. Mead who showed some sympathy to German activities

War and Communism," was reprinted in the *R.C.M.P. Quarterly* of January 1937. Col. Edgett stated that "Communism is the deadliest and most determined enemy of world peace - unless such peace be enforced under the iron rule of its own single world dictatorship". 107

The tool to combat Communism, in Edgett's view was Fascism:

And, if Fascism had not arisen and conquered in Italy, and subsequently had not Nationalism arisen and conquered in Germany, then today these two great countries would have been obliterated from the map in a flood tide of Bolshevism. 108

This was an extreme view but basically it was the same position that Mead maintained when faced with German agents operating in Canada. Communism was a far more serious threat, in the view of the R.C.M.P., the military and the majority of Canadians, than the rise of Fascism. This fact is not surprising as these two forces had, for the past five years, experienced extreme authoritarian control in Canada. But the danger lay in not recognizing the potential threat German and Italian Fascism were presenting to Canada. The lack of action to monitor the activities of these two nations in Canada resulted in a substantial increase in nazi propaganda and infiltration of agents.

In late December 1937, American authorities in Chicago

108 Ibid., p. 165.
discovered the operation of a German espionage network.\textsuperscript{109} Evidence obtained when the agents were arrested revealed that the network was also well established in Canada. Letters and documents revealing this operation were sent to the government of Canada, yet little direct action was forthcoming from the R.C.M.P. The Commissioner was totally preoccupied with the adverse publicity the Force was receiving in Parliament from the C.C.F. Party which was reported in the Press. Believing the R.C.M.P. was being attacked by communist forces, the Commissioner warned the public that criticizing the police was the work of subversive elements.\textsuperscript{110} He maintained that the police were only taking "definite action in maintaining law and order" and insinuated that anyone criticizing these efforts were either unaware of the true cause or were unpatriotic.\textsuperscript{111}

The single unwavering attack on Communism by the R.C.M.P. to the exclusion of seeing any other potential threats to Canadian security, was in some ways a strange phenomenon, yet, adhered to the Canadian ethos. One of the difficulties was that the direction given the R.C.M.P. at its creation was to counter Bolshevism. This fact more than any other became the 'raison d'être' of the Force. Consequently, under pressure from political opposition, the

\textsuperscript{109}Debates, 29 June 1938, p. 4417.  
\textsuperscript{110}R.C.M.P., Commissioner's Report, 1938, p. 12.  
\textsuperscript{111}Ibid.
Commissioner promoted the potential threat that this 'foreign' organization presented. Because of this continual justification the Intelligence Section remained a counter-subversive organization directed against one ideology.

The rise of fascism was not seen as a threat to most Canadians. Authoritarian government had not been and was not a repulsive idea to Canadians. This is particularly true when discriminatory action was directed to control minorities. A review of federal, provincial and municipal legislation in Canada since Confederation amplifies an attitude of discrimination or apathetic complacency when laws were enacted to control "the foreign element". The enforcement activities of the R.C.M.P. only exemplified this attitude which was either supported or ignored by a majority of Canadians. The only protest to discriminatory legislation and R.C.M.P. activities came from the injured parties and a few prominent Canadians such as J. S. Woodsworth who had the courage to stand against government action. Most Canadians were willing to believe that those who did protest such action were unpatriotic.

An interesting division developed between the direction given by the Officers of the R.C.M.P. and the actions

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112 As previously mentioned the "Padlock Law" in Quebec exemplifies this typical legislation that was instituted in many localities across Canada. See also J. Brossard, L'Immigration, Montreal: publications de l'Université de Montréal, 1967, for a historical perspective of discriminatory legislation against minorities in Canada.
of Intelligence Section. The officers, basically following a conservative attitude, remained directly opposed to communism. The Intelligence Section, doing the field work, was not bound by such narrow limitations and reported what it saw. Consequently, the Intelligence Section was aware of German agents operating in Canada. Cpl. Lamothe's report is a good example of the division that developed between the operational level and the administrative level of the Force. But as the Intelligence Section had to follow the directions of the R.C.M.P. hierarchy, intelligence gathering on German activities did not become a major concern. When information was obtained during normal investigations it was reported. Intelligence field operatives were extremely frustrated in perceiving a threat to Canadian security that was not acted upon by the government or officers of the R.C.M.P.

The Intelligence Section remained very small in man-power and officially oriented against communism. This became embarrassing when German agents were operating with no discretion and their presence became public knowledge. One of these operations was the establishment of the German National Winter Relief Fund. This fund, operated by the German Consulate in Vancouver, contacted German nationals in Canada, and openly urged them to give tangible public proof of their unity with the homeland, and their support of the reunification of Austria and the Sudetenland with
the German Reich. 113

The attitude of the Liberal government was one of 'laissez-faire'. Although they no longer wanted to limit the power of the R.C.M.P. the government did not establish a definite policy. Consequently, they attempted to ignore R.C.M.P. operations. This was compounded by the intense attack the R.C.M.P. activities were receiving from the C.C.F. Party and dissident organizations in Canada. 114 The political embarrassment of the verbal debasement of the R.C.M.P. also caused the government to ignore the potential threat created by German actions. This was compounded by the lack of communications between Intelligence Section and the government because of the attitude of R.C.M.P. Officers. Any information obtained on German activities was deemed unimportant by officers like J. F. Mead and was not presented to the government.

The government and R.C.M.P. attitude to the German threat only changed when the British government officially notified Canada of the potential danger. In a report compiled by M.I.5, an outline of German foreign operations was revealed. 115 The Auslands Abteilung (foreign section) of

113 Debates, 14 February 1939, p. 921.

114 The C.C.F. Party and the C.L.D.L. remained the strongest opposition the Force was to encounter. See Debates, RE; Criminal Code Amendments 1935-1938.

115 The Auslands Organization of the National Sozialistische Deutsche Arbeiter Partei in Canada, Ottawa: R.C.M.P., 15 February 1938, p. 2.
the National Sozialistische Deutsche Arbeiter Partei (N.S.D.A.P.) was established in Hamburg in June 1931, to conduct international operations on behalf of the party. Its leader, E. W. Bohle, described its objectives as "the welding together of all Germans abroad and of all seafaring party members into one great block". The essential vehicle of this movement was the Nazi Party.

To protect the honour of his party, Hitler appointed Committees of Enquiry and Arbitration which developed into an organization known as the Parteigericht (Party Court). The aim of these courts of the N.S.D.A.P. was the attainment of a system of National Socialist jurisprudence throughout German communities around the world. This was effected by controlling who became a member of the party and the actions of the membership. Although it was recognized that the Parteigericht was incompatible with the sovereignty of foreign states, the honour, discipline and good conduct within the N.S.D.A.P. was considered of greater importance. A leader from Germany was appointed in each foreign country or territory to be responsible and direct N.S.D.A.P. operations.

The Auslands Organization of the Nazi Party became welded to the German Foreign Office with the amalgamation of the two organizations on January 30, 1937. This had the effect of projecting the Party State, that had been created in Germany, to include Germans residing abroad, with the Consulates and Embassies becoming organs of that Nazi Party.
State. To gain control of foreign Germans the N.S.D.A.P. created the Deutsche Arbeits Front (D.A.F.-German Labour Front) under the control of the party organization, that registered all Germans (of pure Aryan blood) according to their various trades and occupations.

The impact of this report caused the R.C.M.P. to gather together all the information in Central Registry pertaining to German activities. This information was compiled into a single secret report entitled *The Auslands Organization of the National Sozialistische Deutsche Arbeiter Partei in Canada* and was presented to the government on the 15th of February 1938. \(^{116}\)

This report revealed that the Auslands Organization was formed in Canada (1933) by two envoys sent from Germany, K. Gerhard\(^{117}\) and Dr. R. C. Hennings. Canada was divided into two operational territories; the East with headquarters at Montreal under Gerhard (in 1936 by H. Weissbach) and the West at Winnipeg controlled by A. Von Der Decken. Offices were soon established in Toronto, Kitchener, Regina and Edmonton. The German Labour Front (D.A.F.) operated separately and established groups in Montreal, Toronto, Kelowna and Vancouver. The D.A.F. only accepted workers who had retained their German citizenship and were able to show that their

\(^{116}\) *The Auslands Organization..., p. 2.

\(^{117}\) This is the same person Cpl. Lamothe reported as a German agent in 1935 that Mead considered unimportant.
ancestry was free of Jewish blood from January 1, 1800.

The central objective of the Ausland Organization of the N.S.D.A.P. was to organize the Germans in foreign countries in support of the Third Reich by offering membership in the Nazi Party of Germany. The main organ became the Canadian Society For German Culture (C.S.F.G.L.) - Deutscher Bund - Kanada. Formed as a social club with no overt ties to the A.O.N.S.D.A.P. although totally controlled by it, the C.S.F.G.C. was directed at all Germans irrespective of citizenship or religion. The Society demanded of its members political independence from Canadian politics and, at the time of the report, consisted of 1,200 members residing in three main districts: Eastern, Central and Western Canada. The active direction of this organization came from Berlin through the leaders of the Auslands Organization.

It is obvious from both the British and R.C.M.P. reports that the German threat to Canadian security was far more significant than the Canadian authorities had anticipated. The immediate threat perceived by the R.C.M.P. was the appeal the propaganda these organizations generated among German Canadians who numbered in excess of 500,000 by 1936. The R.C.M.P. was forced to realize the eminent danger caused by the well organized German subversive agencies in Canada. The reaction to this knowledge was immediately reflected in the reorganization of the Intelligence Section.
The manpower of the section which had been maintained at approximately eight members throughout the thirties was doubled. In each division where an intelligence member had been stationed to report on communist organizations, a new member was added to specifically report on German activities. For the first time since its creation Intelligence Section was no longer attempting to only counter Bolshevism. The inclusion of the Nazi ideology created a new dimension in the section that was to have a profound effect on the intelligence operations in Canada. Countering proven German attempts to subvert the Canadian political system added a sense of legitimacy to intelligence, legitimacy that had not previously been accepted by Canadians who believed or advocated socialist politics.

The Intelligence Branch was enlarged again in the summer of 1938 when the R.C.M.P. became aware of Italian agents operating in Canada. As with the Nazis, Fascist agents operated through social clubs, specifically the Casa Italia. To counter this new threat a third person was added to most Intelligence Sections in the divisions. The Intelligence section now consisted of one officer and 20 other ranks to report on the Communist, Fascist and Nazi proponents in Canada. Each Intelligence Section was

118 Source 1.
119 Ibid.
120 R.C.M.P., Commissioner's Report, 31 March 1941, p. 56.
directed by a Sergent who reported through the Officer i/c C.I.B. to the Intelligence Officer stationed in Ottawa. This officer, in turn, reported to the Assistant Commissioner i/c C.I.B.

The single most important factor relating to the increase in intelligence operations was, without doubt, the cessation of a sustained opposition to R.C.M.P. activities. The rise of Germany signalled to many that war was imminent and a direct outside threat was perceived to Canadian security. The Communist Party continued to agitate, however, its energies were principally spent in attacking Fascism and participating in the Spanish Civil War through the Mackenzie-Papineau Battalion. The Intelligence Section continued to give priority to C.P.C. activities, but this operation became less evident as propaganda against the force began to diminish.

The rise of fascism and the government acceptance of danger from this source resulted in the belief of imminent confrontation, and polarized Canadian emotions to counter this threat. Intelligence was not only accepted but demanded. The question of patriotism and loyalty, a force the government had tried to invoke to justify its actions in the past, became dominant in the face of fascist aggression. To

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122 Debates, 14 February 1939, p. 921.
ROYAL CANADIAN MOUNTED POLICE - INTELLIGENCE

STRUCTURE 1938

President of the Privy Council
(Minister of Justice)

Commissioner

Deputy Commissioner i/c C.I.B.

Intelligence Officer

Commanding Officers, Divisions

Officer Commanding, C.I.B.

Intelligence Section
Sgt. in charge

Nazi Desk  Communist Desk  Fascist Desk
attack the Intelligence Section and the R.C.M.P. was now seen as an attack on Canada. Intelligence operations, which had been dispirited for so long, were now heralded as necessary, not only by the Conservative Party - its champion - but also by the C.C.F. Party and the Liberal Party.

The acceptance of intelligence by the political parties signalled that the Intelligence Section, which had become firmly entrenched in the R.C.M.P., would continue as a viable organization. Any doubts that remained with members of these parties, and there were many, disappeared when war was declared in September 1939. No one could convincingly argue that intelligence was not necessary in the face of overt aggression. The Intelligence Section was now operating as a counter-intelligence agency. But it is necessary to note that the type of intelligence accepted by the political parties was not the intelligence system that had been created during the Winnipeg General Strike. Intelligence Section was now established to protect Canada from subversion and espionage controlled by an obvious foreign power.

This was a fundamental deviation from the function for which the section had been formed. Presumably it was no longer being used to gather intelligence on dissident groups in Canada. However, one of the intrinsic problems faced by the R.C.M.P. was distinguishing between dissidence and subversion. Now that Intelligence Section was legitimized
as a counter-intelligence agency could it effectively function in this capacity and not revert to countering political dissidence, the basis for which it was founded?
Conclusion
The use of intelligence by the Canadian government evolved from the creation of a counter-intelligence agency in 1864 to the same type of agency in 1938. In both cases the agency was embodied in a police force and a classical example of counter-intelligence was put into operation. Canadian sovereignty was threatened by a foreign power which resulted in a defensive position by the government. To ascertain the degree and direction of the threat, information was needed so the government could establish an effective defense policy. The prerequisites of counter-intelligence were well established: an attacking foreign power, a defensive position by the government and information being sought as to the perceived threat.

Albeit, the actions of the Frontier Police in 1869 are much easier to analyse than those of the R.C.M.P. in 1938 simply because of the different nature and manifestations of the attacking force. The Confederates and Fenians were war parties and as such were an overt threat to Canadian sovereignty. The German agents operating in 1938 were a subversive problem, for they were not directly confronting Canada, but were attempting to create a substantial movement in the country which could result in fifth column activities and espionage of Canada's war potential. There was much more sophistication in the counter-intelligence of 1938 as the enemy was operating in Canada in a covert and overt manner. However, the intelligence methods were the same: infiltration and secret agents. Although the primary
objectives of each agency were to provide information, there was a substantial difference within the agencies as to its use. The Frontier Police only provided information - the government and the Militia took any action that was necessary. The Intelligence Branch in 1938 likewise provided information, but it went a step further and attempted to neutralize the agents and their efforts in Canada. Their responsibility was not only to identify, but to institute direct action. This is significant because it reveals the degree of autonomy the agency had attained by 1938. However, it should be noted that again this was essentially a result of the different type of threat the Intelligence Branch was facing as compared to the Frontier Police.

A counter-intelligence operation that would have been a synthesis of the Intelligence Branch 1938 and the Frontier Police 1869, was the Department of Public Safety that was established by C. H. Cahan in 1918. Modelled after M.I.5/ Special Branch Scotland Yard, Cahan recognized the necessity of dividing the covert aspects of counter-intelligence from the overt and public arm. It resembled the relationship between the Frontier Police and the Canadian Militia, i.e. one agency to provide the information and the other to act on it. It was because of Cahan's belief in separating the powers that he suggested the Dominion Police and R.N.W.M.P. be reorganized across Canada to act as the public arm of the counter-intelligence agency.

Cahan, perhaps more than any other government official,
recognized the imminent danger Canada was facing in the fall of 1918. He was one of the few people who was able to discern between rhetoric and fact, to analyse the social changes that were transpiring, not only in Canada, but in the western world. He reported that the danger to the government and Canadian society was not the social unrest prevalent in the industrial sector of the society. This problem was a fundamental social difficulty directly related to the war. The crisis lay with the importation of the Marxist ideology from Europe. It should be noted that this problem was not unique to Canada; Germany, France, Italy, Great Britain and the United States were facing the same difficulty, to varying degrees.

The central question was how to neutralize or arrest the emergence and manifestation of this ideology? This one question dominated the intelligence and political arena in Canada for twenty years.¹ Cahan was, in some ways, responsible for the final outcome for he emphasized the foreign aspect of the ideology and suggested the creation of a counter-intelligence agency to stop it. But his operational methods were far removed from the eventual policy the government established. Cahan wanted to treat the ideology in the same manner as a foreign agency attempting to operate in Canada would be dealt with: through infiltration and agents, and to identify those persons importing and spreading

¹Debates, February 16-May 1, 1933; Criminal Code amendments.
the ideology. If any action was to be taken it would be implemented by the Justice Department.

Whether Cahan's plan would have been successful is open to conjecture, but in all probability it would not have been able to stop the emergence of socialism. One could compare this problem to the Romans attempting to halt the increase of Christian converts - how do you stop the spread of ideas or beliefs? However, Cahan did present a sound policy in advocating the separation and settlement of the problems facing Canada. If his agency had been allowed to develop it would have at least been able to differentiate between the ideology and the social unrest.

The government, faced with an impending social crisis, did not accept Cahan's analysis. They did not accept it because the Labour sector had instituted a program of confrontations and demonstrations. The intrinsic difficulty rested with the attitude of the government. Emerging from the Victorian era and the concept of a natural order the government saw the actions of Parliament as supreme and directed towards the peace, order, and good government of the people. To have a segment of society challenge Parliament was not only unheard of, but unthinkable. Yet this is what the government saw the labour factions doing and concluded that it was not "good" for Canada. The question was a moral one in which the measure of "loyalty" was instituted to differentiate between friend and foe.

The loyalty question swept Canada and the United
States in an effort to halt the social changes that were brought on by the war. What the governments could not comprehend was that the war had changed the existing concept of the social structures. The war had changed Canadian thinking from the ideas and myths of the 19th century to the bread and butter issues of an emerging industrial 20th century. The Cabinet could not change to meet this new ethos and adopted a rigid stance to maintain the existing order. Consequently the government reverted to the same policies that had been instituted as early as 1849 - direct confrontation with a semi-military police force. The mandate that was given Cahan, and passed on to the Royal North West Mounted Police was specific in this aspect and did not differentiate between social unrest or international intrigue: "It shall be the duty...to suppress or extirpate...any malevolent activity, whether conceived or directed by the enemy or otherwise."  

To stamp out any evil activities was the government's policy, but the significant operational change was in allowing the R.N.W.M.P. to effect this through the creation of an intelligence unit. Two fundamental aspects developed that had far reaching consequences. The first was the creation of an intelligence and not counter-intelligence agency.

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3 *Orders-in-Council, P. A. C., R. G. 21, P. C. 104(a), and P. C. 2476, 27 December 1918.*
The government was not aiming at two fronts as Cahan had suggested, but had amalgamated the Bolshevik ideology with the social unrest prevalent in Canada. Consequently the government developed the foreign conspiracy theory by placing all the onus of the social upheaval on the actions of Marxist adherents. But the direction of the Intelligence Section was not international in that it did not attempt to locate the source of the ideology. It was local and only looking at what it saw as the overt manifestations. As a result the Intelligence Section conducted surveillance on an entire sector of Canadian society in an attempt to establish what was transpiring, while always trying to prove the validity of the conspiracy. Obviously the government, and those of the United States and Europe, did not comprehend the new emerging forces. Terminating four years of war they could only relate to a conspiracy to overthrow the government. Cahan's analysis aside, they believed in a conspiracy they were unable to prove, and acted accordingly.

The second consequence of allowing the R.N.W.M.P. to form an intelligence agency was that for the first time the government was no longer in total control of that agency. Whereas in the past the Frontier Police and the Public Safety Branch had one specific duty - counter-intelligence, and reported directly to the government - the Minister of Justice, the Intelligence Section of the R.N.W.M.P. was a small operation hidden within the overall authority of the Force. As the R.N.W.M.P. was semi-autonomous from government
supervision, the Intelligence Section was that much more removed from Cabinet direction. The ultimate authority on intelligence use did remain with the government. The operational control rested with the Commissioner and only came to the government's attention through adverse publicity. Consequently, as long as the operations remained secret the Intelligence Branch was relatively independent of government supervision.

These were extreme powers to confer upon an independent, semi-military organization that may have been justified during a period of national crisis; however, by allowing the Intelligence Section to become a permanent function after the crisis had ceased, the government inherited a problem of controlling this agency. Interestingly, this difficulty was only questioned by one Canadian - J. S. Woodsworth - and his actions did more to curb and temper intelligence policy than any other factor. Canadians in general did not demonstrate against the use of intelligence by the government. All the agitation directed at the Force resulted from the enforcement of Section 98 of the Criminal Code - unlawful assemblies. These demonstrations primarily occurred during periods of economic depression, 1918-1919, 1930-1935, when the government assumed a rigid position by attempting to control the situation by force. Herein lies the danger that Cahan was attempting to negate by creating two separate agencies for Federal law enforcement.

Cahan's dual policy of having one agency provide
information and the other enforce Federal law was suggested for a specific reason - the separation and division of powers. By forming two separate agencies a system of checks and balances would be instituted between police action and intelligence activities. The formation of the Intelligence Section in the Criminal Investigation Branch united intelligence and enforcement. Canada did not follow Great Britain's policy of separating these powers, consequently Intelligence Branch combined the duties of M.I.5 and Special Branch, Scotland Yard. To members of the Force the division of responsibilities was clear, but to the general public, intelligence, R.C.M.P. and arrest and detention became synonymous. The spectre of a police state, particularly regarding the enforcement of Section 98, was enormous.

During a crisis this phenomenon assisted the R.C.M.P. by giving them the appearance of power and total knowledge of what was transpiring. Many organizations were kept off balance and had difficulty operating. The effect was achieved by uniting the concept of intelligence coupled with violence. After the crises had passed, this resulted in tremendous pressure being placed on the R.C.M.P. in general and the Intelligence Section specifically for having contravened the civil liberties of Canadians. In this aspect the dissidents were correct because during the two crisis periods the Intelligence Section went beyond the position of simply providing information, to actively participate in suppressive measures. By embodying these two functions
in one agency, either group was supported and promoted by the other in order to attain their desired objectives.

Later the pressure applied on the Force, particularly in Parliament, had a profound effect on the operations of the Intelligence Section. This is simply because members of the Force took their directions not so much from direct orders of the Minister of Justice, but from the attitude of the government and particularly the Prime Minister. The more reactionary the government the more reactionary the Force became. The House of Commons, as a public forum, became the measure of what the Force could or could not do. So successful was J. S. Woodsworth in forcing the government to limit the activities of C.I.B. and Intelligence Section that the R.C.M.P. followed the debates to ascertain when and what area was under attack. If the government would defend the Force the Commissioner would take no action, but if it wouldn't, the member of the R.C.M.P. who had invited the adverse publicity was transferred away from an area that had obviously become sensitive. Publicity was, and is, the only force that has been able to limit R.C.M.P. actions. Yet even the degree of limitations is questionable for in many cases intelligence continued to operate, only in a more covert manner. In 1923 and again in 1938, the government was forced to instruct the R.C.M.P. not to use the same

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4 Source 2.
5 Ibid.
### CORRELATION OF INTELLIGENCE AND POLITICAL PARTIES

**IN CANADA 1864-1938**

<table>
<thead>
<tr>
<th>Party in Power</th>
<th>Intelligence in Operation</th>
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<tbody>
<tr>
<td>1867-1873 Conservative, Macdonald</td>
<td>1864 Intelligence formed by Macdonald to counter Confederates and Fenians. In existence through 1873.</td>
</tr>
<tr>
<td>1873-1878 Liberal, Mackenzie</td>
<td>1874 Secret Service disbanded.</td>
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<tr>
<td>1878-1891 Conservative, Macdonald</td>
<td>1880 Macdonald personally engaged agents to obtain intelligence in Chicago.</td>
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<tr>
<td>1911-1917 Conservative, Borden</td>
<td>1914 Formed Secret Service under Dominion Police used primarily for the enforcement of the War Measures Act.</td>
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<tr>
<td>1920-1921 Unionist (Conservative)</td>
<td>1920 R.C.M.P. formed as national force. Maintained Intelligence Branch.</td>
</tr>
<tr>
<td>1921-1926 Liberal, Mackenzie King</td>
<td>1922 Attack against Intelligence Branch and R.C.M.P. activities resulting in diminishment of manpower and effective operations.</td>
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<tr>
<th>Party in Power</th>
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<tr>
<td>1930-1935 Conservative, Bennett</td>
<td>Force doubled in manpower, attacks labour, raids political opposition, internment and deportation of political dissidents.</td>
</tr>
<tr>
<td>1936</td>
<td>1936 Curtailment of Section 98. Raids not to be conducted for seditious literature.</td>
</tr>
<tr>
<td>1938</td>
<td>1938 Intelligence members not to work underground.</td>
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</tbody>
</table>
operational tactic. When the Intelligence Section adopted a method such as postal censorship or infiltration the operation was not terminated after the crisis had passed. The objective of the agency was to obtain information and it was not concerned with the legality of the method. Consequently the legality of the act only became an issue when it became public knowledge.

A comparison of the policies of the political parties to the use of intelligence in Canada reveals that the Conservative Party under Macdonald, Borden and Bennett strongly advocated the function of an intelligence agency. They were instrumental in creating and developing intelligence services in Canada. The Liberal Party, on the other hand, did not maintain the same interest in using intelligence although they did not directly oppose the actions of the Intelligence Section. All the directives designed to limit the actions of the Intelligence Section were initiated by J. S. Woodsworth of the Independent Labour Party (later the C.C.F. Party) and instituted by the Liberal Party following a crisis period.

The Liberals maintained a compromise position between the authoritarian manifestations of the Conservatives and the C.C.F. civil libertarians. The King Cabinet was essentially against the use of Section 98, but it did recognize the need for an intelligence agency, not as much for the control of social dissidence, but rather as a counter-intelligence agency to maintain surveillance on the
Communist Party of Canada. This was considered absolutely necessary because of the foreign connection the R.C.M.P. had established between the C.P.C. and the Third Internationale in Moscow. However, it should be noted that when the Liberals gained office in 1935 they no longer manifested the same fervour against R.C.M.P. actions that they had exhibited during the debates of 1933. Changes were effected but they were minimal when compared to Liberal agitation against Bennett policies. Fundamentally, the King Cabinet maintained the police and intelligence systems created by the Conservative Party. Entering the eve of the Second World War assured the continuance of the Intelligence Branch. Political dissenters who had effected changes in government policies regarding intelligence could not fight the tide of patriotism directed against an external force attacking Canada. Intelligence use was accepted by all Canadians, for to attack its use would be disloyal to their nation. The distinction between counter-intelligence and intelligence could no longer be distinguished.
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