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RAILWAY POLITICS IN MONTREAL, 1867-1878*

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Confederation presented Canada's railway entrepreneurs with a new set of ground rules. As well as stimulating the commercial spirit and optimism for Canada's future it instituted a formal federal structure. In Ottawa the growing obligations of the Macdonald government to provide rail communications to the West and the Maritimes presented new opportunities for ambitious railway-builders. At the same time, the fledgling provincial governments had weighty responsibilities; they controlled municipalities and crown lands, as well as railways running within provincial boundaries. Businessmen moved quickly to establish working relationships with the new governments. In Quebec, this may have been less important than elsewhere since the Chauveau government was so subservient to Ottawa. Macdonald's influence on the Quebec government enabled prominent Montreal Conservatives like Hugh Allan to influence provincial legislation from Ottawa.

Always turbulent, Montreal had a population of 107,225 in 1871.¹ In the Confederation period she reinforced her position at the hub of the expanding Canadian railway and steamship network. Steam, the iron horse, and the aggressive entrepreneur were a heady combination that few public figures, in or out of Quebec, cared to challenge. With the currents of the industrial age in their favour and with their conglomeration of power, railway-builders had great political leverage in the new Canadian state. Above all, they sought substantial government subsidies, favourable railway legislation, and a stable political and economic climate. There was a general acceptance in Quebec, as almost everywhere in North America, that public funds should be used to subsidize railway development. The provincial administrations of Chauveau, Ouimet, De Boucherville, and Joly all gave ample evidence of their acceptance of this principle. Railways were also a centralizing factor in the decades after Confederation. Aside from the magnetic and uniting effect of the railways they built, the entrepreneurs by driving Quebec deeply into debt with railway subsidies forced it to turn to Ottawa.

Montreal was strongly influenced by the expansive, competitive and ultimately monopolistic nature of railways. Toronto, Boston, and New York all had ambitions that conflicted with those of Montreal.

Within the province, Montreal's success implied domination over Quebec City, Three Rivers, and the Ottawa Valley. In part, the political divisions between Quebec City and Montreal represented deep and incompatible economic aspirations. At the same time as Montreal's railway expansion brought her into conflict with other provincial centres, there was little harmony within the city. The elite — politicians, entrepreneurs, and clergy — agreed that the city must dominate in the new Dominion and that power must be kept out of the hands of radicals and troublemakers. The best example of the latter was the defeat of Médéric Lanctot in 1867.² Beyond that, there appears to have been little internal consensus. The defeat of Cartier in 1872, the bitter hostility between the forces of the Grand Trunk and those of the north shore railways, the rise of the Parti National, the clerical divisions, and the competition between the eastern and western sectors of the city, make it difficult to maintain a concept of "une elite homogène et fermée."³

Between 1867 and the chartering of the Pacific Railway in 1872 there were almost as many schemes in Montreal to tap western trade as there were entrepreneurs in that ambitious city. Since the Grand Trunk line followed the St. Lawrence River the obvious alternate rail route to the west was up the Ottawa Valley. As a consequence any company with a charter for a railway in the Ottawa Valley was sure to attract the interest of Montreal promoters. Montrealers feared that the Ottawa Valley trade would be diverted by the Brockville and Ottawa Railway or the newly-chartered Kingston and Pembroke Railway. The Grand Trunk Company supported the proposed Montreal and City of Ottawa Junction Railway.⁴ To be built on the west side of the Ottawa River this railway would join Ottawa to Coteau Landing on the main Grand Trunk line. In the anti-Grand Trunk camp two of the more aggressive competitors for the Ottawa Valley trade were the Canada Central Railway and the Montreal Colonization Railway.

Chartered in 1861, the Canada Central was by 1870 dominated by Montrealers such as Louis Beaubien and J.J.C. Abbott. With Abbott as its free-wheeling Vice-President, the Canada Central negotiated with its competitors and with governments in Toronto, Quebec City and Ottawa for a route between Montreal and Ottawa. Originally, the company had planned to build along the south shore of the Ottawa River from Rigaud to Ottawa. However, the county of Vaudreuil offered little assistance and the government of Quebec refused to make any land grant to a railway which ran to Ottawa on the Ontario side of the river. As well, Conservative newspapers were pressuring

Montreal City Council to subsidize a north shore route. Faced with this opposition the promoters in June, 1870 decided to build on the north shore of the Ottawa River between Montreal and Grenville.⁵ The question of whether the railway would cross into Ontario at Hawkesbury or continue along the Quebec shore to Hull was left open. This enabled the promoters to pressure counties on both sides of the river.

The Montreal Colonization Railway offered another potential route to Ottawa. Chartered by the provincial government in 1869, this railway was to be built from Montreal to St. Jerome, a village on the edge of the Laurentians. The terms of the charter were flexible. The railway had permission to build into the centre of Montreal or to the east-end harbour at Hochelaga. From the St. Jerome terminus extensions could be built north into the Laurentians or west to the Ottawa River. In 1871 the Canada Central and Montreal Colonization railways came to an agreement: the latter company would build along the north shore of the Ottawa River to Hull while the Canada Central would concentrate on extending its line from the Ottawa Valley to Lake Huron.⁶

Purportedly a colonization railway, the Montreal Colonization Railway had on its first board of directors a familiar group of Montreal entrepreneurs. Louis Beaubien was the originator of the project and its most vigorous supporter in the first years. Conservative M.L.A. for Hochelaga and a prominent property-owner in the area, Beaubien was an important member of the anti-Grand Trunk circle and a close associate of Hugh Allan. Joseph Edouard Lefebvre de Bellefeuille and Charles Coursol were Conservative Montreal lawyers. The latter showed a typical diversity of interest. Mayor of Montreal (1871-72) and president of the St Jean Baptiste Society (1872-76), Coursol was a director of La Banque du Peuple and later the Credit Foncier du Bas-Canada. Peter Murphy, a director of the City and District Savings Bank, Charles Legge, engineer-in-chief, and Duncan Macdonald, a contractor, were among the first directors. Other directors dropped out of the company as the Allan forces became stronger. Robert J. Reekie, David Pelletier, and the mayor of St. Jerome, had left the board by 1872 as did John Young and Olivier Berthelet. Berthelet had been president of the Railway but seems to have been only a figurehead. Elderly and sick, he was primarily interested in the Zouaves, the militia, and the St. Jean Baptiste Society. Young was a prominent Montreal Liberal and a long-time opponent of the Grand Trunk. While he continued to support the Montreal Colonization Railway, he would not serve on the board of directors with Allan.

To these entrepreneurs, the Montreal Colonization Railway was variously a colonization scheme, a feeder line for their steamship interests, a competitor for the Grand Trunk, a route to exploit northern timber and mineral resources, a source of construction contracts, an eastern section of the projected railway to the Pacific, or a means of reinforcing Montreal's position as entrepôt of the St. Lawrence. Although chartered as a wooden colonization railway, the Montreal Colonization Railway was envisaged by its promoters as part of a larger railway network to the West; in 1870 the provincial legislature permitted the railway to receive aid under the Colonization Railway Aid Act even if it was constructed of iron.⁷ At the same time the railway received strong support from another quarter, the Catholic clergy of the Montreal area. Curé Labelle was the most enthusiastic clerical supporter of the Montreal Colonization Railway but many other priests gave the railway their blessing. They saw it as a method of opening the North and of repatriating French Canadians from New England. Priests in the Laurentian communities had been behind many of the petitions calling for the chartering of the railway. The Bishop of Montreal was well aware of the significance of railway development. The site for Montreal's new cathedral in the 1850's had been chosen partly out of deference to its accessibility to the railway station. Writing to the Superior of the Sulpicians, Monsigneur Bourget explained that:

En fixant mon choix pour le site de la cathédrale sur le terrain du cimetière actuel, je n'ai en vue qu'une chose. C'est de la rendre plus accessible au clergé et au peuple. Le *terminus* du chemin de fer, qui va se trouver en face de ce terrain, ne permet pas de douter que ce ne soit là lieu le plus commodément situé pour la résidence du premier pasteur, à cause de l'importance qu'il ne peut en conséquence manquer de gagner.⁸

Through his support for the Montreal City and District Savings Bank the Bishop may have come into contact with bank directors and railway entrepreneurs like Luther Holton, Peter Murphy, Henry Starnes or Henry Mulholland. In 1859 Bourget congratulated Langevin for his efforts to raise capital for the North Shore Railway. Both Vicar-General Truteau and the Sulpician Superior signed a petition in 1870 favouring a one-million-dollar subscription by the City of Montreal for a railway to Ottawa.⁹ The diocese of Montreal acquired stock worth \$533.33 in a railway to Joliette but it appears to have obtained these as payment of a debt; in 1873 the Seminary in Montreal held 200 shares in the North Shore Railway.¹⁰

Further evidence of the Bishop's attitude may be seen in his relationship with Curé Labelle and Edouard Lefebvre de Bellefeuille. The latter, secretary of the Papal Zouaves, pamphleteer against the new civil code, and defender of the Bishop's ultramontanism, served

at the same time as secretary of many of Hugh Allan's companies. He used his influence with the Bishop to free Curé Labelle from his parish duties so that he could help in the campaign for a railway subscription in Pontiac County.¹¹ Curé Labelle advised the Bishop regularly on political matters and in 1872 represented Bourget in Quebec on the Sulpician question. The struggle with the Sulpicians and the university question were the Bishop's primary concern and the actions of Labelle in these matters did not always please him. However, the two were in apparent agreement on the railway issue. It seems doubtful that either de Bellefeuille or Labelle would have participated so actively in the promotion of the Montreal Colonization Railway without their Bishop's approval.

Le Nouveau Monde was another index of the attitude of the higher clergy. With ecclesiastics forming at least two thirds of its stockholders, this newspaper reflected the Bishop's hostility to unions and other agents of social unrest.¹² An advocate of protection, the growth of manufacturing, and railway development *Le Nouveau Monde* interspersed its coverage of ultramontanism and the Guibord affair with detailed company and railway engineering reports. Hugh Allan was a favorite entrepreneur and railways to the north were described as "une oeuvre nationale." *Le Nouveau Monde* had hopes that Montreal might become the entrepôt between Asia and Europe.¹³

With strong church support and with the resolution of the struggle between the Montreal Colonization Railway and the Canada Central, the entrepreneurs turned to Montreal for financial aid. Municipal subscriptions were a traditional source of public funds for railways. Before Confederation dozens of Canadian communities had been wooed, pressured or blackmailed into supporting railway projects. The 1871 municipal code of the province of Quebec authorized incorporated cities or towns to assist the construction of railways, colonization projects, bridges, piers or roads.¹⁴ Subject to approval by the municipal electors and the Lieutenant-Governor in Council, municipalities were empowered to take shares, lend money, or guarantee company loans. With her position as entrepôt of the St. Lawrence and with an administration noted for its orientation to the commercial interests, Montreal was besieged with requests from railway promoters. Foremost among these was to be the Montreal Colonization Railway.

In 1869 the *Gazette* led off the campaign for a substantial municipal subsidy for a railway to Ottawa. It pointed out that capitalists could not be expected to build a railway to Ottawa or the forests north of Montreal without "liberal assistance" from the Government and

municipalities. Questioning Montreal's proposed one million dollar subsidy to the Montreal Colonization Railway, the *Gazette* favored an outright gift of three-quarters of a million dollars since "every dollar granted by way of bonus reduces the capital and enhances the values of the private stock held by individuals for investment." Mayor William Workman joined in the promotion. Attacking what he called "the settled supineness of our merchants," he warned Montrealers "to be doing before it is too late."¹⁵

Montreal City Council in December, 1869 authorized its finance committee to meet railway company representatives to consider means of encouraging what were termed "public works." A few months later the Council received requests for aid from both the Canada Central and Montreal Colonization railways. By November, 1871, City Council faced five requests for aid. The Montreal Colonization Railway was represented by Peter Murphy, Louis Beaubien, Edouard Lefebvre de Bellefeuille and Hugh Allan. C.J. Brydges presented the Grand Trunk's claim for \$200,000 to aid railway construction within the city; the North Shore Railway, represented by Joseph Cauchon, asked for a municipal grant of \$250,000. Not to be outdone, the Montreal and Ottawa City Junction Railway, the Lake Coteau to Ottawa Railway, and the St. Francis and Megantic Railway, the latter represented by Alexander Galt, laid proposals before the civic administration.¹⁶

In July, 1870, many of the city's elite attended a meeting called to promote a one million dollar municipal grant to the Canada Central Railway. With the mayor in the chair and de Bellefeuille acting as secretary, the meeting included Thomas Ryan, Henry Starnes, Walter Shanly, Gédéon Ouimet, J.S. Macdonald, C.S. Cherrier, Louis Beaubien, Duncan Macdonald, M.P. Ryan, Peter Murphy, and Henry Bulmer. The resolution in favour of a municipal grant that would enable the linking of Montreal and Ottawa was moved by Cartier. The Liberal elite including A.A. Dorion, John Young, and Luther Holton, was present and spoke in favour of a subsidy.¹⁷

The increased cooperation and interlocking between the directors of the Canada Central and Montreal Colonization Railways meant increased pressure on the city. In November 1870, de Bellefeuille, Murphy, and Abbott met with the city's finance committee.¹⁸ In the same month a delegation presented a petition to the alderman and councillors of the Centre Ward. Of 580 voters in the ward 470 had signed in favour of a one-million-dollar municipal grant to the Montreal Colonization Railway. Early in February 1871, a public meeting was called to discuss the proposed grant. The orchestra of Saint-Pierre provided music and several Oblate fathers were present for the lively

discussion. To the proponents of the grant it was a question of Quebec over Ontario. Opponents were dismissed as pro-Ontario or as tools of the Grand Trunk. Some civic politicians did speak against the grant. William Rodden, who had interests in Plantagenet, Ontario, was known for his support of a railway along the south shore of the Ottawa River. Another alderman expressed fears for the city's finances.¹⁹ On February 8, 1871, the directors of the railway met with city council. One opponent on city council charged that it was "extraordinary" to build a railway without a definitive survey or any idea of the ultimate cost. Abbott replied that they were basing their estimates on American examples.²⁰ In March 1871, a delegation from Ottawa and the counties along the north shore of the Ottawa River visited Montreal. The group included L.R. Church, James McLaren, Alonzo Wright, John Cameron, F.R. Fleming, the Rev. M. Guillaume and other representatives from Ottawa, Hull, Aylmer, and Buckingham. They added their support to the demands for a large municipal subscription from Montreal for a railway through their communities.

In the fall of 1871 Hugh Allan became president of the Montreal Colonization Railway and moved personally into negotiations with the city. One of the most powerful entrepreneurs in Canada, Allan was director of the Bank of Montreal (1849), the Montreal Railway Terminus Company (1861), the Merchant's Bank (1861), the Citizens Assurance Company (1869), the Montreal Telegraph Company (1872), Canada Rolling Stock Company (1870), Montreal Warehousing Company, the Richelieu and Ontario Navigation Company (president 1876-82), the Canadian Pacific Railway (1872), the Canada Marine Insurance Company (1868), the Montreal Credit Company (1871), the Montreal and Champlain Railroad (1872), the Canada Life Assurance Company (1872), and the Montreal Steamship Company. Allan estimated his fortune at around six million dollars, one-half of which was invested in the carrying trade.²¹

Allan had great commercial power, influence with politicians at all levels, an open wallet and lieutenants who knew how to dispense its contents to best effect. He had contacts with sources of capital in Britain and the United States. In his own bailiwick he had been one of the owners of the *Gazette* and had subsidized *La Minerve*. As a young immigrant Allan had lived in Ste. Rose for two years where he had learned to speak French. His closest neighbour in that village was Curé Labelle's father. Allan assured French Canadians that they were welcome to his companies: "I assure you, to whatever nationality you may belong, you will have full justice in everything I have to do with; I know nothing of nationality; I am desirous of getting the best men in the best places and of giving everybody fair-play."²²

He gave a somewhat different impression of his method of dealing with French Canadians in a frank letter to an American colleague:

... means must be used to influence the public, and I employed several young French lawyers to write it up for their own newspapers. I subscribed a controlling interest in the stock Montreal Colonization Railway and proceeded to subsidize the newspapers, both editors and proprietors. I went to the country through which the road would pass, and called on many of the inhabitants. I visited the priests, and made friends of them, and I employed agents to go amongst the principal people and talk it up.

I began to hold public meetings, and attended to them myself, making frequent speeches in French to them, showing them where their true interest lay.²³

Allan assiduously cultivated the clergy. He was delighted to oblige a priest who asked him to authorize a special stop of his steamer in Three Rivers. This would permit the new bishop of Three Rivers, Louis Francois Lafèche, to disembark on his return from Rome in his own diocese instead of ascending to Montreal. Allan's favorite cleric was Curé Labelle. At a dinner party held in his honour in February 1873, Allan interrupted toasts to himself to pay tribute to Labelle, a head-table guest. Allan toasted the curé as "the root of the whole matter" and "true to his colours." Curé Labelle responded by describing Allan as "a new Hercules."²⁴

Allan was well-treated by both the nationalist and ultramontane press. *Le National*, formed in April, 1872 to support the Montreal campaign of the Parti National, was an enthusiastic advocate of commercial development. Like the Conservative press it supported Allan's Pacific Railway, and a one million dollar municipal subscription to the Montreal Colonization Railway. *Le Nouveau Monde*, despite its ultramontane interests, continued to favour Allan's efforts. It advocated the deepening of the channel between Montreal and Quebec to facilitate steamer traffic, the construction of a new railway bridge over the St. Lawrence, and the chartering of a railway to the Pacific. In particular, it supported Allan's efforts to obtain a one million dollar municipal grant for his railway. This grant would aid the east end of the city and *Le Nouveau Monde* concluded that "ceux qui veulent vous faire piquer des requêtes contre le chemin de colonisation, ne sont pas les amis de notre prospérité."²⁵

Allan's participation in the Montreal Colonization Railway was not simply a means of blackmailing Cartier, as Pierre Berton has suggested: the stakes were much higher than the defeat of the ailing Cartier. The fears of Allan that the Grand Trunk would organize a rival steam-ship line, the government's commitment of British Columbia and its decision that the railroad should be built by a private company,

the favourable route of the Montreal Colonization Railway, and its strong influence with the provincial government as a "colonization" railway all made it an attractive eastern link for Allan's Pacific Railway.²⁶ While the latter railway was under construction the Montreal Colonization Railway could be used to direct the Ottawa Valley and Laurentian trade to his shipping interests in Montreal. As well, Allan was director (1872) and held one-half of the stock in the Ontario and Quebec Railway Company.²⁷ Chartered in 1871 this railway was to run from Ottawa to Toronto via Carleton Place, Madoc and Peterborough. It would provide competition to the Grand Trunk in Southern Ontario and using the track of the Montreal Colonization Railway between Ottawa and Montreal would funnel trade to Allan's ships. Allan's properties in east-end Montreal and along the north shore of the Ottawa River would also benefit from railway development.²⁸ On his election as president of the Montreal Colonization Railway Allan requested a private meeting with city council. Following this conference Allan left to seek capital in Europe. He kept pressure on the city by writing the other directors that English capitalists were prepared to construct the line if Montreal subscribed one million dollars.

Allan, however, was not to obtain his million from the taxpayers of Montreal without a bitter fight. His opponents were powerful and skillful in the wiles of municipal and provincial politics. They appeared first under the guise of the Montreal and St. Jerome Colonization Railway. Organized hastily, this company issued its prospectus the day before the first reading of the Montreal by-law to grant one million dollars to the Allan interests; its obvious purpose was to scuttle the subsidy. Pledging to build a railway from Montreal to St. Jerome "upon purely commercial principles," the promoters promised to finance their line without any municipal aid. Construction costs of \$500,000 would be raised from private capital and the province's colonization railway grants.²⁹ The provisional directors of the Montreal and St. Jerome Colonization Railway were a well-known group of Montreal entrepreneurs: Henry Starnes (president), George Stephen, A.W. Ogilvie, Alex McGibbon, John Atkinson, Maurice Cuvillier, J.F. Sincennes, and Charles P. Davidson (secretary).

Henry Starnes was a prominent financier and politician. He was mayor of Montreal for two terms (1856-7), representative of Chateauguay in the Assembly (1857-63), Legislative Councillor (1867), Lieutenant-Colonel in the militia, Montreal harbour commissioner (1855-6, 1866-7), vice-president of the Board of Trade and active in the St. Jean Baptiste Society. According to Cartier he was one of the

two most "indispensable" Bleus in the Montreal region.³⁰ In 1872 Starnes served as 'bagman' in Cartier's election campaign and handled the \$70,000 which Allan gave to Cartier. A prominent member of the financial community, Starnes was a director of the Richelieu Navigation Company (1872) la Banque du Peuple, the Montreal Warehousing Company (1872), Canadian Engine and Machinery Company, the Metropolitan Bank (1871), the Art Union Publishing Company (1872), and the Montreal City and District Savings Bank (1870). Although an opponent in 1872 of a one million-dollar subsidy to the Montreal Colonization Railway, Starnes had earlier supported a municipal subsidy and he shared other business interests with the Allans. He was a director of the Montreal Warehousing Corporation of which Hugh Allan was president and Abbott was solicitor. Starnes and Andrew Allan were provisional directors of the Sugar Beet Company and both were directors of the Consumers Gas Company.

According to the *Gazette*, A.W. Ogilvie and Robert James Reekie were the leading promoters of the Montreal and St. Jerome Colonization Railway. Ogilvie, founder of the important flour mills of that name, had been M.L.A. for Montreal West (1867-71). He was a director of the Richelieu Navigation Company (1872), Western Loan and Trust, Montreal Loan and Mortgage, Sun Life (1873), and New York Life (1872). Reekie had been a director of the Montreal Colonization Railway in 1869 but was now associated with the Grand Trunk interests in the Montreal and Ottawa City Junction Railway.³¹ President of the Canadian Engine and Machinery Company, Reekie was a director of Canada Guarantee (1872), the Rolling Stock Company (1873), the City Bank (1874), the Accident Insurance Company (1874), Mutual Life (1872) and was a shareholder in the Bank of Montreal (1872). However, like Starnes, Reekie had shared the director's table with the Allans in both the Canada Rolling Stock Company (1869) and the Canada Railway Station Company (1871).

The opposition presented city council with two petitions attacking the proposed municipal subsidy to the Montreal Colonization Railway. The first petition followed by only a few weeks the election of Allan as president of the railway. The petition's backers included many who had supported a municipal grant to the Canada Central Railway only a year before. The Molsons seem to have been a leading force behind the petition. The power of the Molsons in Montreal need not be emphasized: aside from their well-known banking, shipping and brewing interests the family had been connected with the Champlain and St. Lawrence Railway, the Champlain and New York Railway, the Montreal and New York Railway, the Montreal and Champlain Railway, the Lake St. Louis and Province Line Railway, the St. Law-

rence and Ottawa Grand Junction Railway, the St. Lawrence and Atlantic Railway, and the Grand Trunk.³² William Molson's son-in-law was D.L. Macpherson of Toronto who would lead the opposition to Allan's Pacific Railway. H. Stephens, H. Mackay, R. Esdaile, Alex McGibbon and Henry Judah were among the supporters of the petition. Judah, Esdaile and Molson were directors of the Consumers Gas Company. H. Stephens in 1861 had been associated with Allan in two companies, the Merchants Bank and the Montreal Railway Terminus Company. Judah also had links with Allan. He was a director with Andrew Allan in the Sugar Beet Company and with Abbott in the South-East Railway Company.

In April 1872, when the Montreal city council was in the final stages of approving the one million dollar subsidy a second petition was presented. Some new names appeared on this petition making it an even more impressive roll call of Hugh Allan's opposition than that of the previous November. Thomas Cramp, a partner of David Torrance, signed as did Romeo H. Stephens, Henry Munro, William Clendinning, William Murray, Henry Lyman and Joseph Hickson, Secretary of the Grand Trunk. John Hamilton's name appeared on the final petition. A mill-owner in Hawkesbury and a former director of the Canada Central Railway (1870), Hamilton had bitterly opposed Abbott in the struggle over a north or south shore route along the Ottawa River.³³ He was also a director of the North Shore Railway and St. Maurice Navigation Company (1870). In October 1872, he reappeared in the Allan forces as a provisional director of the Canadian Pacific Railway. David Torrance was another opponent of the subsidy. Best known for his shipping interests, Torrance was a director of the Bank of Montreal (1872), the Richelieu Navigation Company (1872), the Consumers Gas Company (1872), the Montreal Railway Terminus Company (1861), and the Canada Guarantee Company (1872). In 1872 he was named a director of Macpherson's Inter-Oceanic Railway Company. As a shipper, Torrance had to reckon with the power of the Grand Trunk.

The opponents of the subsidy with their petitions, public meetings, and diversionary tactics had been able to block the subsidy in the fall of 1871. In the spring of 1872 a month of furious lobbying culminated in the passage of a by-law granting one million dollars to the Montreal Colonization Railway. On March 13 city council received a petition from citizens supporting the subsidy. Representatives of both the Bishop of Montreal and the Seminary of Montreal signed this petition. Hugh Allan addressed a letter to the council excusing his absence and giving his personal guarantee that the money would be well spent.³⁴ Another petition was presented by a group of real estate owners who

opposed the by-law. On March 21 Allan's opponents unveiled their alternate scheme, the Montreal and St. Jerome Colonization Railway. The same day city council received a request from the reeves of the Ontario counties of Prescott and Russell for aid to the Ottawa, Vaudreuil and Montreal Railway. Two opponents of the Montreal Colonization Railway on city council proposed a postponement of the vote on the by-law until the company produced an authentic list of the directors showing the stock held by each. This stipulation was accepted by the company and a full list was published. Another obstructive tactic was to raise the amount other municipalities and groups must subscribe before Montreal's subsidy became due. Efforts to raise this amount to 100,000 shares were defeated in favour of the more attainable objective of 50,000 shares.³⁵ On April 3, 1872 the by-law committing Montreal to subscribe 100,000 shares to the Montreal Colonization Railway was finally passed and in early May it was approved by the municipal voters.

Even before the public vote was held the opposition initiated another tactic. J.J.R. Molson took suit against the City of Montreal for exceeding its powers in passing the by-law. On June 31, 1873 after months before the courts, this suit was finally dismissed.³⁶ Hearings before the railway committee of the provincial legislature gave the opponents another opportunity for obstruction. The municipal by-law had to be approved by the Quebec government and de Bellefeuille, Abbott, Joseph Coursol and Thomas White all appeared before the committee to defend the subscription. They levied the familiar charges that the Molson suit and opposition to the Montreal Colonization Railway originated with the Grand Trunk. The provincial government's ratification of the Montreal subsidy in December, 1872 led to an appeal to Ottawa for disallowance. Opponents argued that the Montreal Colonization Railway was a federal responsibility because of its proposed interprovincial links with the Canada Central Railway. Their petition against the city's "defective and vicious" by-law stated that the railway was founded upon the "extravagant and impracticable" presumption of a bridge over the St. Lawrence at Hochelaga. Edmond Barnard, who represented the group in Ottawa, also charged that many unqualified voters had voted on the by-law. Finally, the petition stated that some provisions in the by-law went beyond the city's authority while others such as that offering cheap firewood were deceptive.³⁷ De Bellefeuille and Alderman Loranger represented the railway in Ottawa. They argued that the subsidy to the Montreal Colonization Railway was entirely a provincial matter and was similar to subsidies already granted in Ontario. Despite rumours that the federal government would disallow the provincial bill, this possibility was not seriously considered

in Ottawa. Weeks before a decision was announced in Ottawa Hector Langevin told Curé Labelle to "dormir tranquillement." Langevin also urged Macdonald to announce as soon as possible that no disallowance would be made so that Allan's efforts to get capital in England would not be hindered.³⁸

It is often difficult to determine the specific reason for the opposition of some individuals to the one million dollar subsidy to the Montreal Colonization Railway. In some instances there was personal hostility to Allan or to Allan's generous support of the Conservative Party. Other opponents were important taxpayers who objected to financing railways from the municipal purse. For example, in a petition presented to city council on March 20 it was argued that in addition to raising municipal taxes the railway would retard park development, water works construction, and the deepening of the harbour. There was also competition within the city between the forces of the east and west end. The Montreal Colonization Railway with its terminus in Hochelaga would clearly aid the manufacturers, property-owners and harbour interests of the east end. For example, Victor Hudon who operated a cotton mill in Hochelaga and John Young who owned property in the area of the harbour both had ample reason to support the railway. Manufacturers along the Lachine Canal in the western part of the city were presumably less enthusiastic. Competing interest groups, such as William Rodden and John Hamilton who favoured a railway along the south shore of the Ottawa River, objected to the subsidy. There were also the general cynics such as the correspondent to the *Gazette* who argued that before granting a million dollars "we ought to have some guarantee that we will get something more than a R.R. Depot at Hochelaga, and a few miles of a railroad to enable amateur fishermen and others to visit the scenery of the well-known 'Back River.'"³⁹ However, the most powerful and consistent source of opposition originated with the Grand Trunk.

The Grand Trunk had a direct interest in any potential competitor and particularly in a railway planned to tap the trade of the Ottawa Valley and to form a link in a network to the Pacific. In 1869 C.J. Brydges, General Manager of the Grand Trunk, wrote to Alexander Galt about a railway to the West and speculated on the possibility of involving the Hudson's Bay Company or of obtaining a government grant.⁴⁰ Brydges had also invested in the Montreal and City of Ottawa Junction Railway. During the organization of Allan's Pacific scheme in the winter of 1872 Brydges refused to participate, despite Allan's efforts to interest the Grand Trunk in taking shares.⁴¹ Allan was convinced that the Grand Trunk was behind the growing opposition to his company and its American backers.

The Grand Trunk's power was even more pervasive than Hugh Allan's. C.J. Brydges was an old hand at applying political and economic pressure. With its influence on employment, its purchases of rolling stock and supplies, its access to capital in Montreal and London, and its myriad of relationships with businessmen and politicians the Grand Trunk could make its opinion felt in all quarters. Luther Holton knew Montreal well and his comments on the Grand Trunk's influence on David Torrance, the shipping magnate, are interesting. He explained Torrance's opposition to the Montreal subsidy for the Montreal Colonization Railway by noting that, while not subordinate to the Grand Trunk, Torrance "like nearly everybody else in Canada, ... necessarily had business relations with it."⁴² The Grand Trunk's most important political ally in the struggle against Allan was George-Etienne Cartier. Afflicted with Bright's disease and exhausted from the rigours of his ministry, Cartier was to be a prominent victim of this struggle between the entrepreneurs. In the federal election of 1872 he was defeated in his riding of Montreal-East.⁴³

Cartier's defeat did not deter Grand Trunk efforts to block construction of Allan's railways. The Molson suit against the Montreal subsidy continued before the courts and unsuccessful appeals were made to Ottawa for disallowance of the Quebec act approving the Montreal by-law. The Grand Trunk was more successful in obstructing Allan's search for English capital. The Pacific scandal, deteriorating world economic conditions, and the influence of the Grand Trunk in English banking circles made Allan and Abbott reluctant even to circulate their company's prospectus. The Montreal Colonization Railway never was able to raise capital before its collapse and the government takeover in 1875.

Montreal's aggressiveness in railway matters and her growing monopoly over the province provoked strong tensions. Quebec City in particular reacted vigorously to attempts to block her from western trade. Although the North Shore Railway had been conceived to aid Quebec City, Montreal entrepreneurs were determined that the railway serve the opposite purpose of tying the provincial capital into the Montreal orbit. Forest and agricultural products from the north-shore area would be drawn to the harbour of Montreal; Quebec City would become a market for Montreal's manufactured goods. In 1878, one newspaper urged that Quebec City members of both parties unite in the face of "the selfish attitude of Montreal and its grasping demands..."⁴⁴ Montreal's *La Minerve* was tired of Quebec City's continual carping. The ancient capital had an expanding harbour

complex, a rail link via Richmond to the Grand Trunk, as well as the Intercolonial and North Shore railways. If this was not enough, concluded *La Minerve*, why not move the provincial seat to Montreal?⁴⁵

In the internal battles among the Montreal railway interests French Canadians were to be found in all factions. Beaubien and White, Cartier and Brydges, Allan and Labelle — the issue is complex. Like their counterparts elsewhere on the continent, Montreal's railway entrepreneurs were oriented to markets, resources, capital, and a changing technology. The loss of control by French Canadians over railways in the Montreal area seems due more to the exigencies of capital flow, the interprovincial and ever-expansive nature of railways, and the necessity for international banking, manufacturing, and commercial contacts. Several groups of entrepreneurs were determined to have the predominant link to the Pacific Railway terminus at Nipissing and to lock Quebec into their transportation systems. This had to be achieved within the context of a new federal structure and in a province that was largely French and Catholic. To win their prize, railway builders used whatever rhetoric was necessary. In French Canada this meant linking railways to colonization; that symbol in Quebec seemed to have the same effect in loosening the government's pursestrings as terms such as "sea to sea," "western expansion," and a "Pacific Railway" had in encouraging subsidies in other provinces. Although the Montreal Colonization Railway was envisaged as the eastern segment of the Pacific Railway, the entrepreneurs were able to obtain substantial colonization subsidies from the provincial government. French-Canadian nationalism was another useful tool and whenever possible Montrealers emphasized their city as the representative and guardian of Quebec. For example, they cried foul and charged Alexander Mackenzie with an anti-Quebec policy when he showed a lack of sympathy for the railway plans of the Montreal Bleus. Privately, they appeared willing to abandon their Quebec commitment and to opt for a direct "Ontario route" to the Nipissing terminus. Joseph Cauchon and other Quebec City entrepreneurs were never impressed with Montreal's sincerity in defending the provincial cause. Cauchon bitterly pointed out that some Montrealers "thought they were the whole of the Province of Quebec — a party who desired to ignore the lower sections of the Province, and rule them out from having any voice or share in the matter."⁴⁶

Internal division within Montreal was evident throughout the period. Montreal entrepreneurs rounded up petition-signers to block subsidies to their opponents, they organized rival railway companies and initiated law suits; each faction had its favoured politicians. On the issue of a municipal subsidy for the Montreal Colonization Railway

the elite of Montreal divided on the basis of their particular interests. Hugh Allan's takeover of the railway, his well-known sympathies for the Conservative Party, the railway's east-end terminus, and the fears of some large taxpayers all contributed to the division. The Grand Trunk was a pervasive factor. Its influence can be seen in the blocking of the Royal Albert Bridge project in 1875. Conceived as a competitor for the Grand Trunk's Victoria Bridge, the new bridge would cross the St. Lawrence near St. Helen's Island and would give the Montreal Colonization and North Shore railways a link to railways to the United States. Important members of the Montreal Board of Trade and the Harbour Commission contended that the bridge would block traffic in the harbour and would raise shipping insurance rates. They attacked it as part of a plan to destroy the port at Montreal and to move it east to Hochelaga. In March 1875, the chartering of the bridge was postponed.⁴⁷

The ability of the entrepreneurial group to influence governments at all levels was another characteristic of Montreal politics. There was an easy flow between the hierarchy of politicians and entrepreneurs. Typical were Cartier, Chapleau, J.C.C. Abbott, and Louis Beaubien. Many politicians were attached to a railway interest although their actions were often couched under the guise of colonization, regional development or nationalism. The railway interests were also able to bring into line uncommitted politicians such as Premier de Boucherville. In the spring of 1875 the Montreal Colonization Railway was sliding into bankruptcy. The Jacques Cartier Bank, the provincial and municipal subsidies to the railway, and the reputations of some of the government's most important Montreal friends were at stake if the railway collapsed. To ensure its completion the De Boucherville government took over the railway late in 1875. As part of the settlement the province paid off the entrepreneurs; total private investment in the railway turned out to be under \$19,000.⁴⁸

Finally, evidence of the clergy's active interest in railways permits the extension to the Confederation period of William Ryan's interpretation. The Montreal, Ottawa Valley and Laurentian clergy safeguarded the interests of their Catholic communities by supporting colonization railways and an expanded transportation system centred on Montreal. Clerics in Quebec City supported the railway interests of their constituents. Like the Bishop of Montreal, the Archbishop of Quebec understood the significance of railways. Although the ultramontanist issue had strained his relations with the Bishops of Three Rivers and Montreal, Archbishop Taschereau wrote to Bishop Laflèche about a railway planned for the St. Maurice Valley. He asked if Laflèche would

like to incorporate the St. Maurice region into his diocese since the railway would orient the valley toward Three Rivers. In September 1871, the Archbishop in a circular to the curés of Portneuf county gave a clear statement of his position on the North Shore Railway.⁴⁹ Writing only a few days before the county's vote of a \$100,000 subscription to the railway, the Archbishop reminded his priests that since the clergy favoured material prosperity they should not be indifferent to "cette grande entreprise." He urged them to enlighten their parishioners to the advantages that would result from this "oeuvre de patriotisme." In May 1873, 124 shares in the North Shore Railway were held by the Archbishopric, 200 shares by the Sulpician Seminary, 48 shares by the Seminary of Quebec, and 40 shares by the Ursulines of Quebec.⁵⁰

The government's takeover of the Montreal Colonization Railway and the North Shore Railway in 1875 only signalled a new phase in the seamy history of railway development in Quebec. Provincial debts would escalate, governments would fall, Chapleau, Sénécal, and McGreevy would move to centre stage, and the Grand Trunk would take renewed action. By 1885, after boondoggling and profit-taking on all sides the two railways had been incorporated into the Canadian Pacific Railway System.

NOTES

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¹ Canada, *Census of 1870-71*, Vol. V, p. 33.

² Marcel Hamelin, 'Médéric Lanctot,' *Dictionary of Canadian Biography*, Vol. X, p. 424. Gaetan Gervais, 'Médéric Lanctot et l'Union nationale,' M.A. thesis, University of Ottawa, 1968.

³ Guy Bourassa, 'Les élites politiques de Montreal: de l'aristocratie à la démocratie,' *Canadian Journal of Economics and Political Science*, Vol. XXX, February, 1965, p. 35.

⁴ *Montreal Gazette*, April 4, 1872.

⁵ *Ibid.*, July 4, 1870.

⁶ C. Massiah (ed.), *Quebec Railway Statutes*, p. 73, charter of Montreal Colonization Railway, vic. 32, cap. 54, 1869; report of annual meeting of Canada Central Railway, *Montreal Gazette*, August 15, 1871.

⁷ *Journals of the Legislative Assembly of Quebec*, January 31, 1870, p. 24.

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⁸ Léon Pouliot kindly pointed out the existence of this letter to the author; it is to be found in the Archives of the Archbishop of Montreal, R.L.B. 8, Bishop Bourget to Billaudère, February 25, 1854.

⁹ Archives of the Archbishop of Montreal, H. Langevin to Bourget, August 15, 1859; *Le Nouveau Monde*, November 5, 1870.

¹⁰ Archives, Archbishop of Montreal, Corporation episcopale, RPBB, p. 9; *Le Journal de Québec*, May 21, 1873; Gustavus Myers, *History of Canadian Wealth*, Vol. I, p. 166, makes reference to substantial clerical subscriptions to railways in 1850 including £35,000 from the Hotel Dieu Nunnery and Seminary of Montreal and £223,500 from the Bishop of Montreal. In 1860 George Brown wrote that the Seminary in Montreal held stock worth \$100,000 in the Grand Trunk. *Brown Papers*, G. Brown to Hatch [sic] January 16, 1860.

¹¹ *Labelle Papers*. Bourget to Labelle, March 27, 1873.

¹² Gérard Bouchard, 'Apogée et déclin de l'idéologie ultramontaine à travers le journal *Le Nouveau Monde* 1867-1900,' *Recherches Sociographiques*, X, 2-3, 1969, p. 263.

¹³ *Le Nouveau Monde*, October 6, 1871.

¹⁴ Municipal code of the Province of Quebec, Vic. 34, cap. 68, 1871, *Statutes and Enactments concerning Railways having Reference to the North Shore Railway*, p. 149.

¹⁵ *Montreal Gazette*, December 14, 1869, November 3, 1871, January 13, 1870.

¹⁶ Minutes, Montreal City Council, March 28, 1870; *La Minerve*, November 3, 1871.

¹⁷ *Montreal Gazette*, July 7, 1870.

¹⁸ *La Minerve*, November 25, 1870.

¹⁹ *Le Nouveau Monde*, February 7, 1871.

²⁰ *Montreal Gazette*, February 9, 1871.

²¹ *Royal Commission on the Canadian Pacific Railway*, 1873, p. 158, 174.

²² *Montreal Gazette*, May 1, 1872.

²³ H. Allan to G.W. McMullen, *Royal Commission on the Canadian Pacific Railway*, 1873, p. 212.

²⁴ F. Baillargeon to Allan, Rose and Co., July 29, 1870, quoted in *Le Journal des Trois-Rivières*, August 4, 1870; *Montreal Gazette*, February 25, 1873.

²⁵ *Le National*, April 24, May 31, December 13, 1872; *Le Nouveau Monde* November 2, October 23, 28, 1871.

²⁶ P. Berton, *The National Dream*, p. 73. Allan held steamship contracts with the Grand Trunk, but by 1873 was involved in bitter, public battles with the company. See, for example, his lengthy correspondence with C.J. Brydges in the *Gazette*, January 5, 1874.

²⁷ *Montreal Northern Colonization Railway. Yea or Nay?* n.d. anon, Archives, City of Montreal.

²⁸ J.I. Cooper, *Montreal: A Brief History*, p. 49.

²⁹ *Montreal Gazette*, February 14, 1872. The proposed financing of this railway is not clear since Montreal city council minutes note that the petitioners would build a railway from Montreal to Hull for the land grant already given plus a grant of \$4,000 a mile. Minutes, Montreal City Council, March 13, 1872, p. 171.

³⁰ Cartier to H. Langevin, July 11, 1867, *Chapais Collection*, Box 8; Starnes' sister was married to Louis Sicotte.

³¹ *Montreal Gazette*, March 22, 1872.

³² Alfred Dubuc, 'William Molson,' *Dictionary of Canadian Biography*, Vol. X, p. 523; Luther Holton assured the railway committee of the Quebec Legislature that the Molsons could not be identified with the Grand Trunk, *Montreal Gazette*, December 12, 1872.

³³ See, for example, Hamilton's letter to the editor, *Montreal Herald*, February 13, 1871.

³⁴ *La Minerve*, March 21, 1872.

³⁵ Minutes, Montreal City Council, March 21, 1872, p. 188.

³⁶ *Montreal Gazette*, July 1, 1873.

³⁷ Among the petitioners named by the *Gazette*, March 24, 1873 and *La Minerve*, March 26, 1873, were J.H.R. Molson, Harrison Stephens, William Murray, Thomas Cramp, Henry Lyman, Hector Munro, Alfred Pinsonneault, Alfred Larocque, Joseph Tiffin, Theodore Hart, R. James Reekie, Theodore Doucet, Ernest Stuart, and David Torrance.

³⁸ *Labelle Papers*, H. Langevin to Labelle, March 11, 1873; Macdonald Papers, 96849, H. Langevin to Macdonald, March 11, 1873.

³⁹ *Montreal Gazette*, November 12, 1872.

⁴⁰ *Galt Papers*, C.J. Brydges to Galt, July 13, 1869.

⁴¹ *Chapais Collection*, C.J. Brydges to Cartier, March 5, 1872.

⁴² *Montreal Gazette*, December 14, 1872.

⁴³ The details of Cartier's defeat can be found in Brian J. Young, 'The Defeat of George-Etienne Cartier in Montreal-East in 1872', *Canadian Historical Review*, December, 1970.

⁴⁴ *Quebec Morning Chronicle*, January 16, 1878.

⁴⁵ *La Minerve*, January 23, February 4, 1878.

⁴⁶ Canada, *House of Commons Debates*, March 5, 1874, p. 536.

⁴⁷ *Montreal Gazette*, March 17, 29, April 6, 1875; *Le Nouveau Monde*, March 10, May 14, 15, 1875.

⁴⁸ *Montreal Gazette*, July 13, 1875.

⁴⁹ Archives of the Seminaire Saint-Joseph, Archbishop Taschereau to Bishop Laflèche, March 19, 1872; *Mandements, Lettres Pastorales et Circulaires des Evêques de Quebec*, vol. 1, p. 74, circular to curés of Portneuf, September 21, 1871.

⁵⁰ *Le Journal de Quebec*, May 21, 1873; the Seminary of Quebec had at least \$1500 invested in the Quebec and Gosford Railway. Archives of the Seminary of Quebec, North Shore Railway file, May 8, 1871.