

THE DISALLOWANCE OF MANITOBA RAILWAY LEGISLATION IN THE 1880's

Railway Policy As A Factor In The Relations
Of Manitoba With The Dominion. 1878-1888.

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INTRODUCTION.

On July 15th 1870 the diminutive province of Manitoba was created, the symbol of victory for the inhabitants of Red River in their first struggle with the Dominion of Canada. Politically Manitoba and the Northwest Territories were now a part of the new Dominion, but geography could not be changed by Acts of Parliament. One thousand miles of rock, muskeg and tangled waterways effectively separated the eastern provinces from the prairie region. Existing routes across this wilderness were next to useless, as witness the time and effort involved in moving the Wolseley Expedition to Red River by the all-Canadian route. The only effective means of entry was by rail through the United States to St. Cloud in Minnesota and thence by cart or steamboat down the valley of the Red to the Canadian border at Pembina. If Canada was to profit by this new acquisition the land must be settled; if it was to be settled, means of ready access to the country must be provided. Communication and settlement were the two great problems facing Manitoba and the Northwest as the Canadian era of their history dawned.

Manitoba had, by the first census in 1871, a population of 12,228, the greater part of which was composed of; French half-breeds - Métis - settled along the right banks of the Red and Assiniboine rivers; and Scotch and English half-breeds settled along the left banks of the same streams. (1) This nucleus was augmented during the 1870's by a steady trickle of immigration, chiefly from Ontario but including some thousands of Mennonites and Icelanders. This new settlement moved out along the old trails and watercourses, extending throughout the south and west of the province. The Assiniboine was settled well beyond Portage la Prairie into the Territory of Assiniboia; other settlements were made west of the Red and north of the Assiniboine, such as Clamboy, Stony Mountain and Rockwood; some of the more bold pushed up the Whitamnd

(1) (A. S. Morton, "History of Prairie Settlement", p.p. 45 - 8. Canadian Frontiers of Settlement Series, Vol. II.)

river to found Westbourne, Woodside and Palestine (Gladstone); a large part of the land west of the Red and south of the Assiniboine was settled directly from the international boundary. Settlement was slowed in the mid 70's by plagues of grasshoppers, but revived again in 1877 when the pest disappeared. As settlers came in the produce of the province increased and local industry grew apace. By 1876 there were ten flour mills in operation in the province. In the same year 480,000 bushels of wheat and 753,000 bushels of coarse grains were harvested. In 1878 the wheat crop exceeded 1,000,000 bushels for the first time. By 1881, the population had increased to 65,954, while the hamlet of Winnipeg had become a thriving town of 7958. These figures are from the 1881 census, made after the extension of Manitoba's boundaries in March of that year. The territory added to the province included all the new settlement that had been made in the past decade.

During this period the problem of communication had been receiving considerable attention. The Macdonald government pledged themselves to the building of an all-Canadian railway to the Pacific as part of the agreement under which British Columbia had entered the Confederation in 1871. Macdonald's efforts to implement his promise involved him in the so-called 'Pacific Scandal', resulting in the accession to power of the Liberal administration of Alexander Mackenzie. The Liberals pursued a policy of caution in the building of the Pacific Railway. They proposed a system of piecemeal construction utilizing existent means of communication, linking water routes from Lake Superior to Selkirk by short rail connections. This plan

(2) (Morton, op.cit.p.57)

(3) (Ibid)

(4) (Dafoe, J.W., "Economic History of the Prairie Provinces", P.294)

(5) (Ibid)

(6) (Morton, op.cit.p.59)

(7) (Statutes of Canada, 1881.44 Vic.Chap.14)

(8) (Morton, op.cit.p.59)

(9) (Statutes of Canada, 35 Vic.Chap.71.)

(10) (Dafoe, op.cit.p.296)

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proved futile, but under the Mackenzie government Manitoba gained rail connections with the outside world. A line was built connecting with the St. Paul and Pacific railway at Pembina, running north to the junction of the Red and Assiniboine. (11) The first train over this line reached St. Boniface on December 9th, 1878. (12) Other lines were built in Manitoba at this time, but they were of little value to the settlers of the province. The Pembina line was extended to Selkirk; 90 miles of the line to Thunder Bay were built east from Selkirk, while 136 miles were built north-west from Fort William. (13)

This policy of slow construction did not meet with the approval of Manitoba. Concentration of settlement in the south and west of the province made rails an immediate necessity to those areas. A line connecting with American roads was recognized as imperative for the transportation of Manitoba's produce to world markets. This line was obtained, as we have seen, in December 1878. There was still, however, the need for branch lines reaching out into the settled country west of the Red and south of the Assiniboine in order that the grain of this area might be easily moved to the markets. In many cases a wagon haul of more than fifty miles, over practically impassable roads, had to be undertaken by the settler in order that his grain might reach the railhead. If the produce of the country was to be made economically available to the markets of the east, and eastern goods to reach the west on the same basis, then a substantial system of feeder railways must be built to drain the settled portions of the country. The Manitoba Free Press indicated the immense interest in railway facilities in the province, stating:

"Beside the immense interest which this province has in the early completion of the Pacific Railway and its branches, everything else affecting Manitoba appears dwarfed in importance." (14)

(13) (Glazebrook, G.P., "A History of Transportation in Canada" pp.260-61.

"The Relations of Canada and the United States" series, Toronto, 1938)

(14) (Weekly Free Press, May 18th, 1878, Ed."The Canadian Pacific")

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The local government had also taken an interest in the extension of railway facilities throughout the province. The Speech from the Throne in the 1878 session referred to the abundant harvest of the preceeding year as indicative of the need for railway facilities; "...whereby the farmer can have cheap transportation for his surplus grain to the eastern markets." (15)

The question of added rail facilities was a prime factor in Manitoba politics during the federal election of late 1878 and the provincial contest in December of the same year. The Free Press demanded; "...immediate construction..." of rail connections, both to the border and into the settled areas. (16) This journal was disappointed at the victory of Macdonald's Conservative party in the election, a strong Liberalism already manifested itself in the papers editorials. They saw little hope that the new government would provide the needed rail facilities, especially in the south of the province:

"In any event the country south of the Assiniboine has nothing to hope for. The Pacific can afford it no local facilities, build by which route it may. A local road is the only thing that will meet its requirements." (17)

It is to be noted that the idea of local construction of rail connections was already in the air. This tendency, that Manitoba must do something on her own if rails were to be gained, became a factor in the provincial electoral campaign. The election of December 18th 1878 marked the first appeal to the people of the new premier, John Norquay, who had succeeded the aimable H. A. Davis the previous October. Norquay, the first and hitherto the only native born premier, promised provincial aid to railways within the province:

"... for the transportation of the surplus product of the farmers to market..." (18)

(15) (Journals of the Legislative Assembly, Manitoba, 1878, p.1)

(16) (Daily Free Press, July 10th, 1878, Ed. "Manitoba Election Issues.")

(17) (Ibid. Oct. 23rd, 1878, Ed. "Manitoba Railway Interests.")

(18) (Ibid. Nov. 18th, 1878, p. Advt. "To the Electors of St. Andrews South")

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This stand gave Norquay the support of the Free Press during the election campaign. (19) The paper also hailed his victory at the polls. Two-thirds of the seats went to Norquay's supporters, an indication of popular approval of a policy of extended rail facilities. (20)

Party lines had not made a definite appearance in local politics. Among those listed by the Free Press as being opposed to the Norquay administration are Thomas Scott and A. W. Ross, who later sat in the federal House as Conservatives. (21) No strict division between Liberal and Conservative as yet obtained. It was only with the rise of the question of the disallowance of Manitoba railway charters that the two parties appear on clear out lines. R. O. MacFarlane, referring to the disallowance question, puts the facts clearly:

"Party politics came back, not on local issues, but on the basis of provincial rights, which in turn meant an alliance with the organized federal machines, depending upon which party was in office at Ottawa." (22)

The railway question did bring party divisions to Manitoba, but, as we shall see in the ensuing narrative, the same question finally transcended party lines with both Liberal and Conservative pledged to secure for Manitoba the right to charter and build her own local lines of railway.

The recently returned Macdonald government continued the Mackenzie policy of piecemeal construction, slowly extending rails west and east of the Red river. (23) They were pledged, however, to the early construction of the complete line and engaged in negotiations in London and Ottawa with a view to gaining capital and promoters for the work. (24) Meanwhile, in Manitoba, the question of local railways continued to hold the attention of the

(19) (Ibid. Dec. 5th, 1878, Ed. "The Government Policy")

(20) (Weekly Free Press, Dec. 21st, 1878, front page.)

(21) (Ibid.)

(22) (R. O. MacFarlane, "Manitoba Politics and Parties After Confederation", Proceedings of the Canadian Historical Association, 1940, p. 52)

(23) (Glazebrook, op. cit. p. 263)

(24) (Ibid. p. 264)

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public. The Free Press continually refers to railway facilities as, "... the question of the day...". The Free Press, still a supporter of Norquay, urged that the province first assure itself of the nature of the Dominion policy with regard to railway construction before embarking on any extensive scheme of local construction. (26) This suggestion was apparently pleasing to Norquay since he and Royal paid an official visit to the capital in February 1879. They went to discuss the question of 'better terms' for the province in regard to subsidies and control of public lands as well as the railway question. (27)

Before proceeding to the capital, the Manitoba delegates were provided with a memorandum prepared by the executive council for presentation to the Dominion Government. The statement of the memorandum in regard to railways would seem to indicate that the Norquay administration was not anxious to become involved in the expensive pursuit of railway building. The report reads as follows:

"In view of the number of Companies seeking charters for the construction of Local Railways, both from the Dominion Parliament and the Local Legislature your sub-committee are of the opinion that the action of the Canadian Parliament in regard thereto be first ascertained. It is of the utmost importance that no railway charter be granted by the Legislature of Manitoba, which would not be in accord with the policy to be adopted at Ottawa, as the Dominion Parliament has already shewn its willingness to assist largely in the construction of local Railways." (28)

This position was very acceptable to the Macdonald government. The committee of the cabinet, which was struck off to hear the Manitoba delegation, reported full agreement with the stand taken by Norquay and Royal. They stated:

"The Government think it very desirable that all railway Legislation shall originate here, and that no charter for a line exclusively within the Province of Manitoba, should be granted by its Legislature without the Dominion Government first assenting thereto." (29).

(26) (Ibid)

(27) (Journals, 1879, Appendix "Report of the Delegates to Ottawa," p.132 et seq.)

(28) (Ibid, Appendix B, pp.140-41)

(29) (Ibid, p.161, "Report of a committee of the Honorable the Privy Council approved by His Excellency the Governor-General in Council on the 18th April 1879.")

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In their report to the Manitoba government Norquay and Royal indicated that the above had their full assent:

"The policy of the Dominion Government in regard to railways in the North-West was most satisfactory in the interests of Manitoba." (30)

This series of reports and memoranda were placed before the Manitoba Legislature in May, 1879, but was not the object of adverse comment either in the press or in the House. Begg stated that the proposal, that all railway legislation should originate at Ottawa, escaped notice as an invasion of provincial rights because of a ministerial crisis which engaged the full attention of the province for the remainder of 1879. This crisis, which is not of direct concern to this study, arose on the attempt of Joseph Royal to restore the balance of power to the French element in the province. The attempt failed and French influence was broken in the provincial election of December 1879. (31)

It is apparent that the executive council of the province was willing to permit the burden of railway building to rest at this time on the Dominion. Ottawa also was anxious that no local chartering of railways should interfere with the plans for the Pacific railway. Ottawa's anxiety apparently went beyond their belief in the sincerity of Manitoba's voluntary renunciation of the power of railway construction. Norquay was probably sincere in his report of 1879, but during 1880 the press agitation for increased rail facilities grew in strength and the Dominion came under fire for its desultory policy of rail construction in the west. The Free Press led the verbal battle for increased rail facilities. Efforts to obtain a Dominion Charter for a line from Emerson westward into the Turtle Mountain country were without success. This line would have been of great service to the settlers in that area, but was quashed by the Government for the reason that it would tap

(30) (Ibid. Appendix A, p. 137)

(31) (Ibid. p. 29)

(32) (Begg, "History of the North-West," Vol. I, p. 339)

(33) (See Daily Free Press, Mar. 4th, 1880, Editorial note)

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(34)

the trade of the Canadian Pacific when that line was built. The Free Press again began to call for construction by the province as the only means where-
(35)
by Manitoba could obtain rails. As a result of this renewed agitation, Norquay, on his next visit to Ottawa, apparently entered into a private agreement with Macdonald to guarantee Manitoba's non-interference in railway matters during the construction of the Canadian Pacific.

There can be little doubt that such an agreement was made though there are differences of opinion as to the date. J. W. Daffoe gives the reasons why the deal was made between the two, but is mistaken as to the date. Daffoe wrote that Norquay was the ideal man to lead Manitoba's struggle for its rights:

"... but he was dissuaded from this course during a visit which he paid to Ottawa in 1882, by Sir John A. Macdonald, who had no desire to see his railway and land policies challenged by the government of Manitoba. Mr. Norquay ... permitted himself to be persuaded that a Conservative government, in open friendly alliance with the Ottawa administration, could better effect a settlement of the difficulties outstanding than a government in open opposition. (36)

The agreement in question might have been made in 1879, when, as we have seen, Norquay agreed to let Ottawa provide the lead in railway matters. This agreement was, however, very much in the open. The report confirming it
(37)
was tabled in the Manitoba Legislature. The need for further assurance to Macdonald became necessary only when Manitoba began to balk at the delay in the inaugurating of the Pacific railway scheme. This assurance then, was probably given during Norquay's visit to Ottawa in 1880, when the extension
(38)
of Manitoba's boundaries was discussed. The belief that such an arrangement was made much earlier than 1882, is borne out by a letter of Macdonald

(34) Ibid. April 10th, 1880, Ed. "Emerson and Turtle Mountain Railway Scheme Choked By The Government."

(35) Ibid.

(36) Daffoe, "Clifford Sifton in Relation to His Times," MacMillan, Toronto, 1951, p. 13.

(37) Journals, 1879, p. 29

(38) Daily Free Press, March 3rd, 1880, Ed. "Better Terms For Manitoba."

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to M. J. Griffin written October 31st 1881. Macdonald wrote Griffin, who
(39)
was then editor of the Toronto Mail, asking his support against opponents
of the C. P. R. charter in the eastern provinces. Macdonald wrote:

"Altho' this cannot be openly stated Norquay the Premier of Manitoba
made a positive agreement with us at Ottawa that his Government would
not allow any local Legislature (sic) infringing on the agreement with
the Syndicate -...."(40)

Thus Norquay had been persuaded that Manitoba's best hope lay in submit-
ting to the Ottawa government in the field of railway legislation in return
for favorable consideration of Manitoba's other claims, for boundary exten-
sion and upward revision of subsidies and grants. To discuss the disallow-
ance of railway charters in the province of Manitoba is largely to review
Norquay's effort to hold to this agreement with Macdonald.

During the summer and fall of 1880, Macdonald and Tupper conducted
negotiations with a group of capitalists interested in undertaking the con-
struction of the transcontinental railway. British participation was as-
sured through the support given the project by Morton, Rose and Company of
London. This firm was headed by Sir John Rose, an old friend and political
supporter of Macdonald. The interest of Morton, Rose, Kohn, Reinach and
Company of Paris and of John S. Kennedy of New York was almost solely fin-
ancial. For management the new Syndicate depended on the successful pro-
moters of the St. Paul, Minneapolis and Manitoba Railway, George Stephen,
(41)
R. B. Angus, J. J. Hill and Donald A. Smith. It is believed that this
group was suggested to Macdonald by John Henry Pope because of their success
with the Minnesota line and because they had considerable capital at their
(42)
disposal. It was James J. Hill who suggested the appointment of William

(39) (A Standard Dictionary of Canadian Biography, Vol. II, p. 177)

(40) (Macdonald Letter Books, No. 21, 1878-82, p. 527, Sir J.A. Macdonald to Griffin.)

(41) (Glazebrook, op.cit., p. 267)

(42) (Ibid., p. 264)

Van Horne, an experienced American railroader, to be general manager.

The formation of a company to build the Pacific railway naturally attracted considerable attention in Manitoba. From August, 1880 the Free Press contains frequent references to the reported negotiations, replete with rumors as to terms and personnel. (44) In September the paper reported the formation of a new group including the St.P.M.& N. operators. (45) Announcement of final agreement was made by Sir John Macdonald in October. (46) The Free Press was gratified at the prominence of Canadians in the Syndicate and especially at the inclusion of the successful promoters of the St.P.M.& N., through which Manitoba had first gained access to eastern markets. (47) The advantages and disadvantages of the contract for the Canadian Pacific Railway, provided much material for discussion in the local press as it came up for ratification by Parliament. As this discussion developed various points of opposition to the terms of the contract were raised.

These points of opposition were developed during the ensuing eight years to such a degree that they became a major issue in Canadian politics. Not only did Manitoba's railway problems provide much fuel for the political fires of the country but they also contributed greatly to an alteration in the policy of the federal government with regard to the exercise of the policy of disallowance of provincial legislation. The successful resistance of Manitoba in the case of railway legislation caused the abandonment of disallowance as a means of carrying out the policies of the Dominion.

(43) [Ibid, p. 263]

(44) [e.g. Daily Free Press, Aug. 24th, 1880, Ed. "The Pacific Railway Syndicate."]

(45) [Ibid, Sept. 14th, 1880, Ed. "The Syndicate"]

(46) [Ibid, Oct. 21st, 1880, Ed. "The Syndicate."]

(47) [Ibid]

THE CANADIAN PACIFIC CHARTER

In December 1880 the terms of the contract with the Canadian Pacific Syndicate were introduced into the House of Commons by the minister of Railways, Sir Charles Tupper. (1) It was at this time that the so called 'monopoly clause' first received attention by the public. At this juncture neither of the Winnipeg daily papers were concerned with the Canadian Pacific having a monopoly as such. The Daily Times objected to the idea of monopoly only because it did not go far enough. That paper wished the C.P.R. also to be cut off from building to the American border, fearing that if any line did so Canadian trade would be diverted to the United States. (2) The Free Press was inclined to ridicule this position, stating that:

"... the distinction involved is scarcely worth discussion in view of the other mighty interests concerned in the bargain." (3)

The local press did not see the inferences of the monopoly clause until they were pointed out in the course of the debate in Parliament.

The provision for monopoly in the West was contained in clause 15 of the Canadian Pacific Charter, which stated:

"For twenty years from the date hereof, no line of railway shall be authorized by the Dominion Parliament to be constructed South of the Canadian Pacific Railway, from any point at or near the Canadian Pacific Railway, except such lines as shall run South West or to the Westward of South West; nor to within fifteen miles of Latitude 49. And in the establishment of any new Province in the North West Territories, provision shall be made for continuing such prohibition after such establishment until the expiration of the same period." (4)

The inclusion of this monopoly provision was the result of mutual understanding between the members of the Syndicate and the Macdonald government. Stephen and his colleagues recognized the unproductive nature of the line north of Lake Superior and by means of this monopoly sought to protect themselves from the possibility of diversion of traffic to the south, or from any possibility of the lowering of rates through the competition of American lines. Glazebrook

(1) (Debates of the House of Commons, 1880, Vol. I, p. 30)

(2) (Winnipeg Daily Times, December 16th, 1880, Ed. "The Terms.")

(3) (Daily Free Press, Dec. 20th, 1880, Ed. "The Syndicate Bargain.")

(4) (Statutes of Canada 1881, 44 Vic. Chap. I, cl. 15)

writes:

"In making comments on the contract, McIntyre, Angus and Abbott dealt with the need of protection from foreign railways, and pointed out that traffic must run east and west. Any line to the boundary, they wrote, would only be to draw traffic from the Canadian Pacific Railway." (5)

Later in the same work, Glazebrook puts the C.P.R.'s position more strongly.

He pointed out that any attack on the main line to tap it was:

"...not only dangerous, but that it was unfair: dangerous because it threatened the ability of the whole line to carry the sections with no local traffic, and unfair because they claimed to have built north of Lake Superior only on the understanding that that they should not be attacked from the rear." (6)

The Macdonald government also saw a danger in the loss of traffic to the United States. They held to the belief that the Dominion of Canada had purchased the vast western territories and therefore reserved the right to exploit them in the interests of the rest of the country. Thus Ottawa wished to prevent any possibility of the trade of the west being diverted into American channels. This viewpoint is developed by Chester Martin in his "Dominion Lands Policy". (7) The terms of clause 15 seemed to meet this need fully.

In granting a monopoly to the C.P.R.:

"... the government was actuated by the desire to build up Canadian trade east and west - thus fostering the growth of such eastern centres as Toronto, Montreal, Quebec, St. John and Halifax - and to prevent the United States western roads from building feeders into Canada and drawing the traffic into the United States." (8)

The monopoly clause, then, was introduced into the Canadian Pacific charter the for/dual purpose of protecting the investment in the line north of Lake Superior, essential to an all-Canadian line, and of helping to maintain the west as a Canadian preserve. An interesting third reason is suggested by O.D.Skelton in "The Life and Letters of Sir Wilfred Laurier". Skelton asserts that

(5) (Glazebrook, op.cit.p.273.)

(6) (Ibid,pp.302-03)

(7) (Canadian Frontiers of Settlement Series, Vol.II)

(8) (Jackman, "The Economics of Transportation, University of Toronto Press, 1926,p.21.)

the clause was inserted to attract English capital:

"...English investors, who... hated a monopoly at home as they hated the devil but looked with favour born of experience of the working of competitive railways, on monopoly abroad..."(9)

In Commons clause 15 came in for a share of the debate, but its importance was dimmed by the lustre of the great amounts of land and money with which the government was endowing the Canadian Pacific Syndicate. The large items of \$25,000,000 and 25,000,000 acres of land, served to obscure those portions of the contract not specifically concerned with the actual spending of the people's substance. The Liberal organized Howland Syndicate promised to do the job without benefit of the monopoly provision, but it is safe to state, that at the time, the monopoly clause itself came in for little criticism compared with other features of the agreement.

In the course of the debate on the charter, Sir John Macdonald had occasion to speak of the monopoly clause. His words lived to plague him in the subsequent long struggle over the disallowance of Manitoba railway charters. Referring to clause 15, Sir John stated categorically that the provinces had nothing to fear from the monopoly it provided. He stated:

"In order to give them a chance, we have provided that the Dominion Parliament - mind you, the Dominion Parliament; we cannot check any other Parliament; we cannot check Ontario; we cannot check Manitoba; - shall ... give their own road ... a fair chance of existence."(10)

This statement was taken to mean that the Dominion Government would not interfere with the power of the provinces to charter railways within their own boundaries. Macdonald later had occasion to deny that this was his meaning. He stated on this later occasion that he had merely meant that the Dominion Parliament - not the Dominion government - could not interfere with the pow-

(9) (Skelton, op.cit.Vol.1,p.254)

(10) (Debates of the House of Commons, 1881, p.494.)

(11)
ers of the province. Whatever his original intention in this statement, Macdonald gave his explanation too late to avoid numerous accusations of lack of faith when Manitoba railway charters were disallowed. A possible explanation is that he spoke in the belief that his agreement with Norquay would make it unnecessary for him to use the power of disallowance in the interests of the C.P.R.

In the course of the same speech, Macdonald referred to the monopoly clause as being included only because it was essential to ensure the construction of an all-Canadian line. He declared that clause 15 could not be used to impose high rates on the west, and continued:

"If there be any attempt ... on the part of the Canadian Pacific Railway to impose excessive prices and rates, it is folly that would soon be exposed by the construction of rival lines east and west, which would open up our country in all directions and prove amply sufficient to prevent the possibility of a monopoly which has been a bug-bear to the honorable gentlemen opposite." (12)

He did not explain how these new lines were to obtain charters to build rival railways in the face of the C. P. R. monopoly clause. By that clause no Dominion charter could be obtained for any line running south of the C.P. R. for twenty years. Provincial charters, on the other hand, could not provide any extensive field for construction, since they were restricted to railways within the limits of the province.

Even more definite assurances of the innocence of the monopoly clause were given in the House a few days later by Thomas White, M.P. for Cardwell and later a member of the Macdonald government. Speaking on January 20th, 1881, he stated that that monopoly applied:

"... simply to the territory over which the Dominion Parliament has control. There is nothing to prevent Manitoba now, if it thinks proper, granting a charter for a railway from Winnipeg to the boundary line... and after this agreement is ratified, this provision does not take away from Manitoba a single right it possess'.... It has the same rights as the other Provinces for the incorporation of railway lines within the boundary of the Province itself ..." (13)

(11) Ibid., May 18th 1886, p.1348

(12) Ibid., 1881, p.493

(13) Ibid., p.576

Sir Charles Tupper also spoke of the harmlessness of the monopoly provision to the rights of the provinces, and referred to it as essential for the retention of the traffic of the North-west and the prevention of inroads by American lines. (14)

The extreme position among government supporters in the House of Commons was provided by a Quebec member, Ernest Cimon (Chicoutimi & Saguenay), who spoke of the need of the eastern provinces to use the North-west to pay for the C. P. R. and to justify the great investment the eastern provinces were making there. Said Cimon:

"We build a railway which will be of immense benefit to future inhabitants of the North-west. This monopoly was one of the considerations that secured and hastened the building of the road. It is, therefore, only fair that the people of the North-West should pay the working expenses by submitting to the monopoly of the Syndicate ..."(15)

Cimon would appear to have been an outspoken Canadian imperialist.

The Liberal opposition was by no means silent. Blake, Cartwright, the rapidly-developing Laurier, and the other Liberal greats levelled their big guns on each clause of the agreement in turn. Monopoly came in for its share as an evil in itself, but the chief Liberal point of attack was the possibility of exorbitant rates, due to monopoly coupled with the rate clause, number 20. This clause forbade the Governor-General-in-Council from interfering with rates until such time as the company's profits should exceed 10% on the capital required to construct the line. (16) Blake contended that the C.P.R. might well make money since:

"... it will take such a share of the profit of every farmer in the North-West as they choose to demand..."(17)

Cartwright followed the same tack, stating that the government would turn over to the Syndicate such power:

(14) (Ibid.p.70)

(15) (Ibid.pp.194-95)

(16) (Statutes of Canada, 1881,44 Vic.chap.l.cl.20.)

(17) (Debates, 1881,p.98)

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"...as to deprive the people of the North-West of the only practical security they will ever have of getting their produce to market in this generation at a fair and reasonable toll."(18)

Wilfred Laurier was equally eloquent in attacking the monopoly provision. (19)

He referred to it as, "...a monstrous monopoly," rounding out his oration by stating, in a prophetic voice, that clause 15 provided:

"A monopoly which may at some time be a cause of trouble to the peace and harmony of this country."(20)

It remained for Richard Cartwright to round out the Liberal objections to the monopoly with this forbidding sentence:

"You know that by your blundering you have caused one Red River Rebellion, and do you now want to provide material for a dozen with such a bill as this?"(21)

Though the Opposition continued to attack the Contract in this vein, its passage was a foregone conclusion. Even the device of forming a rival Syndicate, which professed its ability to do the job at a much cheaper rate, did little to delay the legislative progress of the measure. The bill passed on February 1st, 1881, becoming law as the Canadian Pacific Railway Act (22) and having suffered no substantial change. The vote was 128 to 49, a straight party division. In all the many pages of debate there is only one mention by a Manitoba member of the monopoly provision. Joseph Royal (Conservative, Provencher) recognized the monopoly and approved of it as a means of preventing tapping to the United States. (23) In the division at the passage of the bill, three of Manitoba's four members voted for the measure. (24) John Schultz (Conservative, Lisgar) is not listed.

Within six weeks of the passage of the C. P. R. Charter, Commons had its first opportunity to observe the operation of clause 15. The occasion

(18) (Ibid. p.147)

(19) (Ibid. p.192)

(20) (Ibid. p.194)

(21) (Ibid. p.150)

(22) (Statutes of Canada, 1881, 44 Vic. chap.1)

(23) (Debates, 1881, p.371)

(24) (Ibid. pp.812-813)

arose in connection with the Manitoba Boundary Extension Bill, the pertinent clause of which read:

"The said increased limit and the territory thereby added to the Province of Manitoba, shall be subject to all such provisions as may have been or shall hereafter be enacted, respecting the Canadian Pacific Railway and the lands to be granted in aid thereof." (25)

This implemented the provision in clause 15 regarding the extension of the monopoly to any new province created in the west. By the above clause of the Boundary Extension Act, Manitoba accepted the monopoly provision in the territory added by its provisions. When the Boundary Extension Bill was debated, this clause went unchallenged. The House was more concerned with the disputed boundary of Ontario and Manitoba at the time and no objection was raised.

The Manitoba Legislature was in session at Winnipeg when the C.P.R. charter was brought down at Ottawa. The prospect of the construction of the long hoped for national railway was not sufficient to overcome a not unnatural suspicion on the part of a few of the local members, of certain aspects of the contract. On December 23rd, 1880, E.G.G.H. Hay (St. Clements) and A. W. Ross (Springfield) moved the following resolution in the Legislature:

"That an humble address be presented to His Excellency the Governor-General-in-Council, praying that the terms proposed with the Syndicate be not entered into, inasmuch as the said terms will be found unacceptable to the people of Manitoba and the North-West Territories, more particularly with respect to part of clause 11, and clauses 14, 15 and 16." (26)

Of the offending clauses above, we are familiar with clause 15. Number 11 provided for the grant of 25,000,000 acres of land to the railway in alternate sections twenty miles deep along the main line in the prairie west. The objection here was to the fact that Manitoba might well have much of the province's land turned over to the railway, since Manitoba was at this time still fifty years distant from control of the public domain. Clause 14 gave

(25) (Debates, 1881, Vol. 1, p. 1443)

(26) (Journals, 2nd Session, 1880, p. 15)

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the railway the power to construct branch lines,"... from any point or points along the main line of the railway, to any point or points within the territory of the Dominion."⁽²⁷⁾ It was felt that this was conferring too broad powers on the railway, that it might interfere with the plans of the promoters of the Westbourne and North-Western Railway Company which was chartered at this session.⁽²⁸⁾ This line was to be built north-west from the Westbourne area, when the C.P.R. reached that area, to the northern or western boundary of the province.⁽²⁹⁾ Clause 16 provided for the exemption in perpetuity of all the company's property from Dominion taxation, the exemption to be extended to any new provinces created in the west.⁽³⁰⁾ Manitoba had agreed to accept the terms of the charter as applying to the new territory to be added early in 1881. This clause would mean the loss of possible taxation revenue in the new part of the province.

A spirited debate arose on this motion. The monopoly and rate clauses of the C.P.R. charter were especially singled out for attack, the fear being that Manitoba would be left without the branch lines so urgently required.⁽³¹⁾ Norquay, not wishing to offend Macdonald, moved an amendment to soften the opposition's complaints. Seconded by M. A. Girard, Norquay moved:

"That this House views with alarm some of the terms of the agreement between the Government and the Syndicate."⁽³²⁾ The resolution continued to the effect that the C.P.R. be only given the power to build the main line, with branch lines being chartered by the Dominion. This motion satisfied the small opposition group who withdrew their motion, carrying that of Norquay unanimously.

This partial acceptance of the charter by the Manitoba Legislature was greeted with enthusiasm by the ministerial Daily Times and with wrath by

(27) (Statutes of Canada, 1881, 44 Vic.chap.1,cl.14)

(28) (Statutes of Manitoba, 1880, 43 Vic.chap.35)

(29) (Ibid.)

(30) (Statutes of Canada, 1881, 44 Vic.chap.1,cl.16)

(31) (Daily Times, Dec.23rd,1880, & Daily Free Press, Dec.20th,1880)

(32) (Journals, 2nd Session, 1880, pp.15-16)

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the Free Press. The latter had previously been a strong supporter of Norway, as we have seen, but had already begun to break with him on the question of 'better terms' for Manitoba. They felt that Norway was not doing his best on behalf of the province's many claims on the Dominion, accusing him of selling out to Macdonald for party advantage and thereby sacrificing Manitoba's rights. In an editorial of December 23rd, 1880 the Free Press characterized the Legislature's motion on the charter as a:

"... barefaced attempt to snatch a verdict of approval for the Syndicate." (33)

The Free Press was not at this time concerned with the danger of monopoly so much as they were worried over the cost of the line north of Lake Superior, which cost they feared would have to be borne by the west, and with the clause (No.16) of the charter granting tax-exemption in perpetuity in the North-West Territories. Their fear with regard to this last provision was that it might be extended to the new limits of Manitoba. (34)

The only available check on the state of public opinion in the province at the time of the passage of the C.P.R. charter is to be found in the press accounts of a mass meeting held in Winnipeg, December 27th, 1880, with Mayor Alexander Logan in the chair. This meeting passed resolutions in praise of the all-Canadian nature of the railway, but it unanimously condemned the lack of strong control of rates and the power given the C.P.R. to build branch lines where others were forbidden to do so. This latter was the current complaint at the provisions of clauses 14 and 15. The stressing of the need of branch lines brought out once more the fact that Winnipeg's chief interest lay in the rapid development of communication with the settled areas to the south and west of the city. The resolution of

(33) (Daily Free Press, Dec.23rd,1880,Ed."ASpeedy Exposure.")

(34) (See Daily Free Press editorials, Dec.14,15,21st and 23rd, 1880, especially Dec. 21st, where they speak re the contract: "The stipulations insisted upon by the Dominion Government ... are an outrage upon this Province for which our Ottawa rulers must be held responsible.")

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A. G. Killam, a Winnipeg lawyer, which was accepted unanimously, read that the unrestrained power of the C.P.R. to build branch lines, was:

"... an unfair and unjust advantage over other companies, and will tend to prevent the formation of new companies to connect with the C.P.R. ... and will thereby paralyze private enterprise and prove disastrous to the best interests of the country." (35)

Since clause 15 prevented other companies from crossing the border, this meeting went on record as wanting that power denied to the C.P.R. as well. Apparently the gathering was in a patriotic fervor and wished to be sure of a truly Canadian railway with no possibility of the tapping of traffic by the nearby American railways. The Times had nothing but praise for the patriotic farsightedness of Winnipeg's citizens. (36) The Free Press, however, chose to regard the meeting as nothing more or less than an affair run by, (37)

"... Conservative Politicians..."

affirming that it was criminal to expect the Syndicate, even with the generous aid of the Dominion, to build the,

"...useless line north of Lake Superior." (38)

The Free Press held to the belief that the Syndicate should apply itself to the early completion of a line across the prairies with suitable branch line facilities as feeders, until enough traffic had been built up to make the line a paying proposition, meanwhile utilizing the existing connection through Winnipeg to the American railway systems to get to eastern markets. (39)

As the Canadian Pacific Railway contract became law and the Syndicate, headed by Stephen and Smith, began to put the great machinery of construction into operation, Manitoba's opinion of the terms of the charter was, as we

(35) (Daily Times, Dec. 28th, 1880, Front page head, "The Mass Meeting.")

(36) (Ibid, Ed. "The Pacific Railway Meeting")

(37) (Daily Free Press Dec. 28th, 1880, Ed. "The Syndicate Bargain")

(38) (Ibid)

(39) (Ibid)

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have seen, in a state of flux. Generally Manitobans were pleased at the prospect of definite action towards a direct rail connection with the east of Canada. More important to them, however, as primary producers isolated from the world markets, was the prospect of a network of branch lines covering the province and the adjoining North-West Territories. Such a network was essential to carry the growing trade of the province and to provide the incentive for new settlement. This is seen in the Manitoba 'Boom' of 1881-82, which burst upon the prairie scene as soon as the C.P.R. became a certainty. The need for branch lines brought the first misgivings as to the justice of the terms of the charter. Manitobans early began to fear that complete dependence on the Syndicate for the construction of these feeder lines might well lead to long delay in their building. Opposition to high rates could not appear until the rails arrived, though the fear that such a condition might arise had already been voiced. In frontier communities the pattern is always the same. First comes the demand for rails at any cost, then the cry that they cost too much, followed by efforts to get cheaper rates by whatever means come to hand, competition or public regulation. Manitoba in early 1881 was in the first stage, but was farsighted enough to have misgivings and prepare for the possibility of future trouble by laying the groundwork for its own local lines at the next session of the provincial Legislature. It is in this next period that we find Norquay in the difficult position of having to balance his commitments at Ottawa with the desire of his province for rails. Manitoba's position at this time is well expressed by Glazebrook:

"The presence of a group from the St. Paul, Minneapolis and Manitoba railway suggested a connection with American lines, and a consequent lack of competition which might keep down freight rates. To create the competition that it wanted, the province began to charter railways itself..." (40)

(40) (Glazebrook, op.cit.p.305)

The third session of the fourth Legislature of Manitoba opened May 2nd 1881. It is remarkable chiefly for the number of railway charters applied for and the number approved. May 4th, 1881 John Sutherland of Kildonan introduced two private bills on behalf of Peter McLaren, a pioneer promoter of the Emerson area calling for charters for two lines of railway. The first bill, for the chartering of the Winnipeg and West Lyme Railway Company, was withdrawn; but the second, for the Winnipeg, South-Eastern Railway Company, was approved at the close of the session. (1) The Winnipeg South-Eastern was empowered to build south-easterly from a point at or near Winnipeg to the international boundary. (2) A week later, on May 6th, Wm. Winram introduced two more charters. A. E. B. Bannatyne's charter for the Winnipeg Southern Railway was withdrawn, but Brydges' Manitoba Tramway Company received legislative approval empowering the company to construct tramways along all public highways and across any land. (3) During the same short session, Thomas Carney of Emerson was granted a charter for the Emerson, North-Western Railway Company, empowered to build westward from the town of Emerson to Mountain City, and from that point to any point on the western boundary of the province. (4) All projected lines, however, were not located in the southern part of the province. J. S. Aikins, (Rockwood) introduced and gained passage of a charter for the Selkirk and Rockwood Junction Railway, which was to be built from the town of Selkirk westward to Rockwood, a distance of some 25 miles. (5) The general interest in railway construction in Manitoba was reflected in a general railway act for the province, entitled "An Act Respecting Railways". (6) This act which became known as "The Manitoba Railway Act" set down regulations for the chartering and operating of railway companies within the province, giving them wide powers, subject of course to the legislative authority of the pro-

(1) Journals, 1881, P.48

(2) Statutes of Manitoba, 44 Vic.chap.37

(3) Ibid.44 Vic. chap.38

(4) Ibid 44 Vic. chap.39

(5) Journals, 1881,p.48

(6) Statutes of Manitoba 44 Vic.Chap.27, pp178-208

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vince. The above charters received royal assent on May 25th, 1881 when the session closed, and copies of all legislation approved at the session were sent to Ottawa by Lieutenant Governor Cauchon. At the time of the passage of the charters for these lines there was little press comment on the possibility of their being disallowed as contravening the Dominion's agreement with the Canadian Pacific. The press reports of the debates on the railway measures carry the objections of some members to the possible incompatibility of the legislation under discussion with the commitments of the Dominion, but neither the Free Press nor the Daily Times are moved to editorial comment on this possibility.

The press accounts of the legislative discussion on the charters carry only one account of a dissenting voice. G. P. Brown (Westbourne), Minister of Public Works, speaking in committee of the whole on May 20th, stated:

"Again, in order to prevent the business of the C.P.R. being carried off by American lines, the principle had been affirmed that railways were not to be allowed to run to the frontier except in special cases,....".

The Free Press account continued to quote Brown as stating that the granting of such a charter to the Manitoba Tramway Company required special consideration by reason of its generality. Greenway was quoted as concurring with Brown, but his chief complaint was at the idea of a tramway instead of a railway. (7) During the course of the summer of 1881 both local dailies refer, from time to time, to the urgent need of railway facilities, especially in the south-western portion of the province. They do not, however, raise the issue of monopoly or the possibility of disallowance. The Free Press for May 26th, 1881 has an editorial entitled, "The Anomalous Position of Manitoba", a favorite title for editorials in all the local journals at this time. This

(7) (Daily Free Press, Monday, May 25rd, 1881, also Winnipeg Daily Times for the same date.)

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editorial reviewed Manitoba's grievances but made no mention of railways, confining itself to the usual diatribes against Ottawa for holding the public lands and refusing a satisfactory settlement. An editorial written the next month called for the immediate construction of further branch lines. (8)

The possibility that the Winnipeg South-Eastern and Emerson North-Western charters might be disallowed became a matter for public discussion in the late Fall of 1881. It first appears in print in the Winnipeg Sun, a new daily of Conservative leanings, but little enamored of John Norquay. In its issue of Nov. 4, 1881 is found an editorial entitled, "Are We Not a Province?" which voices the first fears that all is not well with the province's legislation in the eyes of Ottawa. The Sun states:

"... we fail to see the weight of the contention that the Provincial Parliament has not the right to grant Railway charters ... it is a right defined in the constitution and no subsequent act, or the terms of any contract made by the Dominion, can affect or destroy it." (9)

This paper continued in the same vein two weeks later but was more hopeful, believing that John A. Macdonald had too much concern for the rights of the provinces to permit the wholesale disallowance of local railway charters.

But, said the Sun, should this prove to be the case:

"... it will be the duty of the people of this Province to assert their rights and to protect any railway company chartered within the province's competence. The Dominion Government may cancel the charters of our local railways, but the people must have the roads and nothing short of physical force can be brought to bear to prevent their construction." (10)

The Free Press was not slow in taking up the cudgel on behalf of the people of Manitoba, following closely behind their new contemporary, the Sun, with strong editorial comment on the evils of possible disallowance. Both papers said that disallowance is a right of the Dominion, "... under a strictly liberal construction of the B.N.A. Act, ..." but "It will be an outrage upon the people of this Province should these Acts be disallowed." The paper's

(8) (Manitoba Free Press, June 29, 1881. The same line was followed in the Times for the same date)

(9) (Winnipeg Daily Sun, Nov. 4, 1881)

(10) (Daily Sun, Nov. 19th, 1881, Editorial)

fear of a monopoly came out into the open for the first time in this editorial, "... if the charters to which we refer are cancelled, there does exist a monopoly which cannot be tolerated and must be destroyed." They concluded on a firm note, "Manitoba will not yield one iota in a matter of such importance." (11) The Free Press carried on along this line condemning the possibility of disallowance as being contrary to the essential federal nature of the constitution, (12) and as creating a Railroad monopoly in the west. In this latter connection the Free Press stated that, "... the intelligence and independence of the people are determined that a monopoly shall not be endured. (13)

Much editorial space in the Free Press was taken up with attacks on the pro-Norquay "Daily Times" which had been defending the right and duty of the Dominion Government to disallow the pertinent charters if they contravened the C.P.R. charter. (14) The Free Press pursued its fight against monopoly, which it saw in the threat of disallowance, into 1882. This paper collected editorial and public comment against disallowance from all over the province and gleefully published it in their editorial page. (15) The Times kept up its defence of the Conservative administration at Ottawa and attacked the Free Press with the fact that disallowance had been practised in railway charters by the Liberal Mackenzie government; that disallowance would be, "... in the interests of Canada as against the United States." (16)

The only available source of opinion on the possibility of disallowance, other than the local journals, is found in a petition of the mayor and council of the City of Winnipeg, to the Governor-General-in-Council, asking that

- (11) (Manitoba Daily Free Press, Nov. 29, 1881, Ed. "Disallowance of Prov. R'way Charters")
- (12) (Ed. "Provincial Autonomy," Dec. 9, 1881)
- (13) (Man. Daily Free Press, Dec. 13, 1881, Ed. "Disallowance")
- (14) (Daily Times, Dec. 9th, 13th, 17th, 23rd. See Editorials for defence of disallowance and of the Norquay administration)
- (15) (Man. Daily Free Press, Ed. Dec. 29th, & 31st, which quote anti-disallowance opinion from Morris, Portage la Prairie, Turtle Mountain, Pilot Mound, Emerson and Nelsonville)
- (16) (Winnipeg Daily Times, Jan. 8th, 1882, Editorial "Disallowance")

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the power of disallowance be not exercised in the case of the Winnipeg South-Eastern. Mayor E. G. Conklin and his aldermen appear to have heard that a move was on foot to have this charter disallowed and they appealed against such an event taking place:

"Your memorialists have heard with regret the rumours that efforts are being made by some interested parties to obtain from your Excellency the disallowance of ... the Winnipeg South-Eastern Railway Company. In view of the future prospects of this country and of the North-west, ... every possible facility for ingress and egress to and from our country is greatly to be desired, and any act of your Excellency's government tending to limit or check such facilities would delay the rapid development of our resources, would interfere in a serious measure with the settlement of our fertile plains, and would thus be damaging not only to our city and province, but to the whole Dominion. Your memorialists therefore cannot believe that the best interests of this city and province will be sacrificed to benefit any one corporation or company, be they whom they may."

"Believing, ... that the act incorporating the Winnipeg South-eastern Railway Company is strictly within the jurisdiction of the legislature of our province, we would most respectfully and earnestly urge upon your Excellency and council that the said act be not disallowed in the true interests of our city, of this province, of the great North-west and of the Dominion at large."(17)

Where Mayor Conklin and the council gained their information with regard to the possibility of disallowance is seen when it is remembered that the local press at Winnipeg began to comment on the possibility as early as November 4th, while their petition was not forwarded till November 16th. Their suspicions, however, were fully justified, since the C.P.R. had been actively working to secure disallowance for some time.

On the 15th, of October 1881, George Stephen addressed a confidential letter to Sir John Macdonald on the subject of these charters. Wrote President Stephen:

"My Dear Sir John:

The Northern Pacific people ... are now turning to the line (the South-eastern) in which Haggart and Peter McLaren are the moving spirits. The N.P.'s plan was to build a direct line from Duluth to the boundary, and there connect with the South Eastern, thus getting into Winnipeg when they would connect with the Schultz line. (the South-Western Colonization). You can see in a moment what havoc this would play with the C.P.R. as a through line. There is nothing for it, so far as I can see but at once to make it known to the promoters of all these

(17) Petition of Mayor and Council of Winnipeg to His Excellency the Governor General, Nov. 16, 1881. Sess. Papers, 1882, No. 166 & Hodgins, "Dominion and Provincial Legislation, 1867-1895, Ottawa, 1896, p. 825]

local lines running to the boundary that they cannot be permitted to come within the 15 miles thereof as provided in the contract between the Government and the Company. Abbott is at work today on a letter to the Government pointing out the effect of the several acts passed at the last session of the Manitoba Legislature upon the C.P.R...." (18)

The C.P.R. was convinced that these Manitoba charters were designed solely to connect Winnipeg and the West with the rival American line, Henry Villard's Northern Pacific. This suspicion had been earlier voiced by Stephen to the prime minister. In a letter of August 1881, Stephen wrote:

"Now if he (Villard) can manage to tap our traffic from Winnipeg West before it has become fully developed or got into its own proper channel, we might as well give him the line east of Winnipeg to Thunder Bay and save our money on the North Shore line." (19)

The C.P.R. demand for disallowance grew naturally out of their fear of 'tapping' by American lines, the very fear that had caused the monopoly clause to be inserted in the contract. The letter, being composed by Abbott, to which Stephen refers above, was sent to Macdonald over the signature of John Drinkwater, Secretary of the C.P.R., shortly after Stephen's letter advising disallowance. The board of directors of the company drew the attention of the government, through Drinkwater, to the charters of the Winnipeg South-Eastern, the Manitoba Tramway Company, and the Emerson North-Western. This official notification read in part as follows:

"...One of the most essential of the conditions ... was that no interference with traffic which the Company might reasonably be expected to carry over that division (Callander to Thunder Bay) would be permitted by the construction of railways tending to tap the traffic of Manitoba and the North-West Territories, and to divert it into American Channels." (20)

This complaint was referred to Schrieber, the Dominion's railway engineer, who reported to Brown, the secretary of the Department of Railways and Canals, on October 28th. Schrieber reported the routes of the three projected Mani-

toba lines and concluded that in being able to run to the Manitoba-Minnesota

(18) (Macdonald Papers, Stephen to Macdonald, Montreal, 15th Oct. 1881)

(19) (Macdonald Papers, "Stephen", Stephen to Macdonald, Aug. 27th, 1881; quoted in Glazebrook, op. cit. p. 307)

(20) (Drinkwater to St. John Macdonald, Oct. 18th, Sess. Papers, 1882, No. 48h(1) .)

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boundary they contravened, "... the spirit of the Canadian Pacific Railway Act, Section 15." (21)

The scene now shifts to the cabinet chamber at Ottawa. On November 2nd, 1881, Sir Charles Tupper reported to the cabinet recommending that the three charters be disallowed since they had been protested by the C.P.R. and by the Dominion's chief engineer, and would, "...injure the carrying trade of Canada," imperilling "...the best interests of Canada...". He referred to the fact that the Emerson and Turtle Mountain Railway Company had been refused a Dominion charter in 1880, since it was then, as at this time, contrary to the policy of the Dominion to allow diversion of traffic to the United States. (22)

The question was apparently referred to the minister of Justice since that official presented a report on the subject to the cabinet on January 4th, 1882. Sir Alexander Campbell reported only on the subject of the Manitoba South-Eastern, the disallowance of which he recommended on several counts. First, the South-Eastern charter was in violation of clause 15 of the C.P.R. charter; second, the charter made no provision for preventing building in the new portion of the province, a condition to which Manitoba had agreed in the Boundary Extension Act; (23) third, Norquay and Royal had agreed, in 1879, to the principle that railway legislation should originate only at Ottawa; and fourth, that there was also:

"... doubt ... as to the power of a provincial legislature to authorize the construction of a railway, the manifest intention of which is to connect the province with the United States, and practically to extend beyond the limits of the province." (24)

(25)

The other two charters were not disallowed until November of 1882, when they were vetoed along with the Manitoba Railway Act. Why the power of disallowance was exercised in the case of the South-Eastern at this time and not in the case of the other acts, is a matter for speculation. As we

(21) (Schrieber to Brown, Oct. 28, 1881, Sess. Papers 1882, no. 43h(2).)

(22) (Hodgins, Dominion and Provincial Legislation, 1867/1895, P. 226)

(23) (Statutes of Canada 44 Vic(1881) Chap. 14)

(24) (Hodgins, op. cit. pp. 827-28, "Report of the Min. of Justice, approved by the Gov. Gen. in Council. 12 Jan. 1882) (25) (Hodgins op. cit. p. 830)

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shall see, the other acts were disallowed for much the same reason as the first, yet with respect to them, action was delayed. It might be suggested that the South-Eastern, at the time, was considered most dangerous as a rival to the C.P.R. We have already quoted Stephen's letter to Macdonald on the subject of possible Northern Pacific infiltration into the West, (p.26) and it is altogether possible that the Winnipeg South-Eastern was the first to be cancelled, by reason of the suspicions held by the C.P.R. as to the inspiration behind its charter. The threat of the Northern Pacific, against the what/C.P.R. regarded as their preserve, appears from time to time throughout the long disallowance struggle, so that it is not unreasonable to attach some credence to the reason here given for the lack of consistency in the Dominion's exercise of its veto power. Glazebrook mentions this aspect of the problem in his "History of Transportation in Canada":

"More convincing was the argument that the real danger lay in the continued opposition of the Northern Pacific to the Canadian Pacific, and a threat to divert the traffic of the Canadian West to the south at Winnipeg." (26)

The Order in Council disallowing the Winnipeg South-Eastern charter (27) was published in the Canada Gazette for January 11th, 1882. The fact of disallowance was received with mixed feelings by the press of Manitoba. The Free Press rose to new heights of fury against the C.P.R., the Dominion government and the Norquay regime. News of the veto was first received in Winnipeg and published on the 17th of January, 1882. The Free Press heralded the event with a scathing editorial entitled, "The Outrage Consummated", which stated in part:

"The Monopoly Government can no longer rule this Province with a rod of iron. We are old enough and strong enough now to understand our rights and defend them with success.... The intention is to prevent any competition with the C.P.R. for the carrying trade of the Northwest; the result is to defraud our merchants and farmers out of the proper benefits of legitimate competition." (28)

(26) (Glazebrook, op.cit.p.307)

(27) (Can. Gazette, Vol.xv, no.29,p.977)

(28) (Man. Free Press Ed. Tues,Jan.17th,1882)

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The Times of the same date takes the exactly opposite view. They assert the necessity of the move viewed from a national viewpoint. They are, "... confident that the people of both political parties will most heartily concur in the action of the Federal Government," and refer to the Free Press as, "fanatical". (29) They continue in this vein with appeals to Manitoba to view the case on its merits; the Dominion is bound to observe the provisions of the C.P.R. charter; it must keep faith with the national line. (30) With regard to the Provincial rights, the prevailing cry of the Free Press, the Times states:

"The provinces have their rights which cannot be interfered with. But there is a point where the separate powers of parliament and Legislature meet. It is the business of administration to see that they meet in harmony. But in all cases the good of the nation must be placed above local consideration." (31)

The Times was roundly denounced by the Free Press for this stand and for its position that the South-Eastern was disallowed as a delaying measure; the Dominion wishing to wait until the traffic could support two lines. (32)

"Why do they improperly interfere with our local concerns", asked the local Liberal Journal. (33) To them disallowance is either, "right or wrong" there can be no ifs nor but about it. Delay is only a pretext, "short delay is an euphonistic name for complete disallowance." (34) The Free Press quotes the Liberal Toronto Globe to the effect that Manitoba had power under the B.N.A. Act to charter the disallowed line. (35) The Toronto illustrated weekly, Grip - a strong Liberal sheet - printed a Bengough cartoon to indicate its disapproval of the South-Eastern disallowance. (36)

val of the South-Eastern disallowance. (37)

(29) Winnipeg Daily Times, Ed. Jan. 17th, 1882, "South-Eastern Disallowance"
 (30) Times, Ed. "Disallowance", Jan. 18th, 1882
 (31) Times, Ed. "Disallowance" Jan. 20th, 1882
 (32) Times, Ed. Jan. 17th & 25th, 1882, under the heading, "Disallowance"
 (33) Man. Free Press, Ed. Jan. 18th, 1882
 (34) Ibid
 (35) Ibid
 (36) Ibid, Ed. Jan. 21st, 1882, p. 2.
 (37) Grip, Jan. 21st, 1882. The cartoon shows John A. Macdonald, dressed as Macbeth with the C.P.R. Syndicate represented as an obese Lady Macbeth. Macdonald holds a bloody dagger labeled, "Disallowance" over the South-Eastern which lies stabbed in a bed. Macdonald says, "I have done the deed! All of which is over the caption, "Macbeth hath murdered the Manitoba Charter.

Progress of Disallowance

At the time of the announcement of the South-Eastern disallowance, Norquay was in the east on one of his regular journeys in search of "Better Terms". He was interviewed in Toronto with regard to the event and showed that he sided with the action of Ottawa. Speaking to a representative of the Globe, Norquay indicated that he would not have permitted the South-Eastern to go through if he had thought it might be disallowed; and further:

"... he thinks it was indisputably within the rights of the Dominion Government to disallow the charter, 'without trenching at all on provincial rights', as the promoters manifestly intended to connect with a line in the United States, and he is of the opinion now that the people of Manitoba do not care much about the matter." (38)

The Times agreed with Norquay's sentiments, while the Globe disagreed heartily. (39)

The Times later went on to speak of Norquay's "... firm stand ... in favor of disallowance." (40)

Norquay expressed himself on the subject on at least one other occasion in the east; speaking to a representative of "Grip" he is reported to have stated in regard to this act of disallowance that, "...the people of Manitoba would soon get over it." (41)

That Norquay spoke after having seen Sir John A. Macdonald would seem to be evident. Begg states that the announcement of the South-Eastern's disallowance coincided with the visit of Norquay and his Provincial Treasurer, A. A. G. Larivière, to Ottawa in an effort to secure a more remunerative settlement of the question of the public lands of the province. (42) After his visit of 1882 to the Macdonald administration, Norquay was even more firmly in the Conservative camp, and was to remain there until forced to disassociate himself from the Ottawa regime by the rising tide of anti-disallowance sentiment.

(38) (Norquay as reported in the Globe, reprinted in The Daily Times, Edg. Ed. Jan. 31st, 1882, p.4)

(39) (Ibid)

(40) (Ibid, Feb. 2nd, 1882, Ed., "The Provincial Government and Disallowance")

(41) (J. W. Bengough, The Caricature History of Canada, Toronto, 1886, Vol. II, p.270)

(42) (Begg, op.cit. Vol.II, p.375)

Progress of Disallowance

The provincial session got under way on April 27th, 1882. The Speech from the Throne spoke well of the premier's recent trip to the capital, (43) and hopefully of the future well-being of the province. The rosy glow was soon dispersed. For the first time Norquay found himself faced with an organized opposition. During the recess between sessions, Thomas Greenway of Crystal City; a former Liberal member of Parliament from Ontario, recently returned to the Manitoba house for Mountain, had formed a small opposition group of Liberal leanings. Greenway, seconded by E.G.G.H. Hay, (St. Andrews) moved an amendment to the Address in Reply to the Speech from the Throne, that the following be added to the Address:

"That this House regrets that in a matter of such importance to this province, as the recent disallowance by the Dominion Government of the South-Eastern Railway Charter, granted by this Legislature at its last session His Honor the Lieutenant Governor had not been advised to enter a protest in the Speech from the Throne against such interference with our provincial rights. That in view of the great lack of railway facilities now afforded this city and Province and so much felt at the present time, it is deeply to be regretted that the said Act should have been disallowed, thereby indefinitely postponing the additional facilities, so essential to the development of this country." (44)

A debate lasting several days ensued. Norquay held that the Manitoba South-Eastern was ultra-vires of the province and thus rightly disallowed. He quoted section 92 (10) of the B.N.A. Act, about which, he said, "Lines to connect with others beyond the boundary, are thus by the British North American Act, expressly excluded from the legislation coming within the power (45) of any of the provinces. Greenway held, that admitting this to be the case, and the government was not constitutionally able to grant such a charter, no better time than the present could be found to enter a protest against such a deplorable condition, and that remedial legislation should be sought immediately. The motion was lost, though Greenway carried a total of seven

(43) (Journals, 1882, pp. 5 & 6)

(44) (Journals, 1882, pp. 10-11)

(45) (Daily Free Press, May 5th, 1882, p. 3, "Manitoba Legislation")

(46)
votes on the division.

Norquay's defence of the Dominion position on local lines in the province is reflected clearly in the railway legislation of the session, or rather in the lack of it. Early in May 1882, fifteen private bills calling for railway charters were introduced; only three of these were reported back from committee, and none was passed. (47) The only piece of railway legislation approved was an, "Act to Encourage the Building of Railways in Manitoba" which offered concessions to prospective railway builders, in order that lines might be built as rapidly, "... as may be consistent with the public interest." (48) This act dealt with procedure of incorporation, stock and bond issues, land grants, exemption from taxation, survey procedure and other relevant matters, and was designed to facilitate the organization and construction of rail lines within the province.

The summer of 1882 passed with little or no public or press agitation on the subject of the disallowance of local railway charters. The issue was kept in the background by the great Manitoba "Boom" then in its last phase. The boom had its origin in a combination of circumstances; the arrival of rails at St. Boniface in Dec. 1879, a greater influx of settlers made possible by this event, and by the arrival of real estate speculators with capital. Lack of exact knowledge of the route of the C.P.R. through the west was itself a spur to speculators. Every hamlet might be a potential Chicago and so-advertized itself, or was so-advertized by the speculators. The boom culminated in the fall of 1881 but continued well into 1882, holding public interest in the west as no political struggle could hope to do. The collapse when it came, was complete and the people of Manitoba had only begun to dig

(46) (Ibid. May 6. 1882. p.3. "Manitoba Legislature".)

(47) (Journals, 1882, Index)

(48) (Statutes of Manitoba, 1882. 45 Vic. chap.30. p.52)

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themselves out from under when further acts of disallowance gave them an issue upon which to vent their wrath. (49) Mrs. McWilliams says of the results of the boom:

"Winnipeg entered into a period of depression and retardation which lasted for years and was shared to a greater or less degree by the whole province." (50)

Much of the violence of the subsequent "Better Terms" and "Anti-disallowance" agitation can be blamed on the boom collapse, with its many headaches, and also on the unfortunate failure of the crops in 1883. In fact grain prices were in the middle of a decline which continued until 1895. (51) None of these factors was designed to make the settler satisfied with his lot.

It was therefore on the fertile ground of discontent, that the next series of disallowances fell. Organized anti-disallowance agitation followed swiftly on the announcement of the disallowance of the charters of the Manitoba Tramway Company and the Emerson North-Western, plus the veto of the Act to Encourage the Building of Railways in Manitoba. Disallowance of these measures was recommended by the Minister of Justice in a report to the cabinet on October 31st, 1882. The actual disallowance was announced in the Gazette on the 3rd of November 1882. (52) Campbell gave as his reason for the cancelling of the two charters, the fact that they made no provision for extending the restrictions under the "Boundary Extension Act" to the operation of the charters; and that the proposed lines might well, as presently constituted, build outside the old limits of Manitoba in contravention of the provisions of clause 15, the monopoly clause, of the C.P.R. charter, Said Campbell:

"The policy of the government,.... acquiesced in by legislation in the province of Manitoba, is intended to prevent the diversion of the traffic of the North-West Territories to the railway system of the United States, and to endeavor by all means possible to secure it to

(49) (For accounts of the course of the boom, see McWilliams, M., "Manitoba Milestones": Dent, Toronto, 1928, pp.125-128 & Martin op.cit. pp.112-115)

(50) (McWilliams, Op.cit. p.128)

(51) (Macintosh, "Economic Problems of the Prairie Provinces," p.8, Canadian Frontiers of Settlement Series, Vol. IV.)

(52) (Hodgins op.cit. pp.828-50 & the Canada Gazette Vol. xvi. no. 18, p. 744)

Canadian railways." (53)

With regard to the Act to Encourage the Building of Railways in Manitoba, disallowance was exercised on much the same grounds. The Act did not extend the restrictions of the Boundary Extension Act to any line which might be chartered under its provisions. Campbell was very explicit in condemnation of the measure:

"In order that the Act should conform to the legislation of Parliament in regard to the Canadian Pacific Railway, provision should have been made that no company thereby incorporated should be authorised to construct a line of railway south of the Canadian Pacific Railway, from any point at or near that railway, unless the line ran south-west, or to the westward of south-west, and terminated at a point distant at least fifteen miles from the 49th parallel of latitude." (54)

It is to be noted that Campbell makes no attempt in the above to indicate that the restriction essential to the act's validity, should refer, under the terms of the Boundary Extension Act, only to the territory thereby added to the province.

That this series of disallowances was not an entirely unexpected blow to the people of Manitoba can be assumed from the fact that the C.P.R. had applied for the disallowance of the two railway charters as early as March of 1882. At that time, Edward Blake, leader of the Liberal party, asked in parliament if any action had been taken on the request of the C.P.R. for the disallowance of two Manitoba railway charters. Sir Charles Tupper replied, (55) "No action as yet." The original letter of the C.P.R. board of directors, (p.26 above) asked the disallowance of all three lines. Blake was apparently referring to a subsequent request regarding the Manitoba Tramway Company and the Emerson North-Western. This letter however was not published in the Sessional Papers with other correspondence relating to the disallowance of

(53) (Hodgins, op.cit.p.829)

(54) (Hodgins, op.cit.p.830)

(55) (Debates, 1882, p.558, Mar.27th,1882)

(56)

Manitoba Railway Charters.

The reception of these latest acts of disallowance in Manitoba was even more violent and vocal than that of the South-Eastern. The agitation, which had previously been largely confined to the press of the province, began to spread outward and downward among the people of the prairies. Begg, no enemy of the C.P.R., (57) described the popular reaction to the announcement:

"The intelligence of this sweeping act of disallowance was an unpleasant surprise to Manitoba, and created a storm of indignation among the impulsive of the population, who were ignorant of, or chose to ignore, the 'monopoly clause', as it was beginning to be called, of the Canadian Pacific Railway contract. Indignation meetings were held at Emerson, Portage la Prairie, Brandon and West Lynne at which resolutions were passed and suggestions made as to the proper mode of procedure in combating the disallowance policy." (58)

A report of these meetings was published by the Free Press, which was highly elated at this manifestation of popular support of their campaign against the local and national Conservative administrations. The account is headed "DISALLOWANCE", and subtitled, "Popular Indignation on the Subject"; At Portage la Prairie the meeting was addressed by Robert Watson, Liberal M.P. for Marquette, who blamed the whole business of disallowance on the dilatory policy of Norquay. Real fire was supplied by Joseph Martin, later Attorney-General in the Greenway government, who called the latest disallowance, "... the last straw;" and affirmed that, "Every man would resist this outrage upon the country". The meeting adopted a motion calling on Norquay to convene the legislature immediately to protest the Dominion's action and to re-enact the vetoed charters. A meeting held at West Lynne demanded the immediate dissolution of the legislature, and an election in which the province could show the unanimity of its anti-disallowance opinion. At Emerson on the

same evening, a gathering of citizens resolved that they did not recognize

(56) [A search of the Sessional papers for the entire period failed to reveal any record of such a letter: nor is there any reference to it any of the related papers available]m

(57) [Begg served as General Immigration Agent of the Railway in Great Britain for many years, commencing in 1882. See Hodges, J.B., Building the Canadian West, McMillan, New York, 1939, p.95]

(58) [Begg, op cit. p.384]

same evening, a gathering of citizens resolved that they did not recognize the right of the Dominion to exercise the disallowance power in the case of Manitoba's local railways. This meeting was graced with the presence and vocal talents of the Liberal leader, Thomas Greenway. Brandon reported that no meeting had been held at the time of writing, (Nov.7) but that one was expected the next week. The local correspondent, however, was moved to prophecy. He assured the public that, "This is the end of the Norquay regime ... for the people will not submit to monopoly."⁽⁵⁹⁾

The ministerial Times was slightly shaken by the new disallowance but assured its readers that it was all for the best, that the federal government was merely working for the best interests of the nation. In its front page news story announcing the Dominion's action it attempted to smooth things over:

"These three acts, therefore, are in conflict with the settled policy of Canada ... Under these circumstances, the government ... is compelled by its duty to Parliament, to advise the disallowance of the acts in question."⁽⁶⁰⁾

In their next issue the Times editors were moved to make editorial comment on the situation. Disallowance, they stated, was a "... serious matter...", and advised the premier to call the legislature immediately and have the vetoed charters re-enacted:

"... by way of vindicating the course of the Legislature in passing them, and of protesting against Federal interference in matters, which are, as Mr. Norway contends, of purely provincial concern ... The Legislature having re-enacted the charters, Mr. Norquay should immediately appeal to the people. By returning him to power they would show the Federal authorities that they approve of Mr. Norquay's protest against their action."⁽⁶¹⁾

The problem of reconciling federal disallowance with the rising anti-disallowance sentiment of the province was beginning to bother the administration's press. In the same issue is found an editorial titled, "Why Disallowance?"

(59) (The above is derived from the Weekly Free Press, Nov.10th,1882,p.3)

(60) (Daily Times, Nov.4th,1882,p.1)

(61) (Daily Times, Mon. Nov.6th,1882, Ed."Disallowance")

which urges caution:

"All we can do is protest in a constitutional way, and endeavor by fair and responsible arguments to obtain some sort of relief from or compensation for the evils which Disallowance entails upon us." (62)

In the course of the editorial argument of the Times, quoted on the previous page, reference was made to the fact that Norquay had himself contended that charters such as those just cancelled, were a purely provincial concern. The reference was to a speech of Norquay's delivered a fortnight previously at Emerson. The premier appeared at a political rally and spoke following an address by Greenway. The opposition leader condemned the local government as being a mere tool of Ottawa, and the premier of neglecting the rights of the province. Norquay defended his policy in regard to railways for the province; Greenway had accused him of neglecting the importance of immediate and extensive branch line construction; with the statement that the government was plagued with appeals for charters at every session, but of all the lines so far chartered none had been built except the Portage & Westbourne (later known as the Manitoba & Northwestern). With regard to the charter of greatest interest to his audience, Norquay was reported as follows:

"The government have granted a charter to the Emerson and Northwestern railway. They claim that the people of Emerson have the right to build the road and the government to grant the charter, (cheers), and if that charter be disallowed the Government will call the Legislature and re-enact the charter till the right shall be established. (Prolonged cheers)." (63)

On the question of lines chartered with the intent of crossing the boundaries of the province, Norquay still held that these were beyond local competence:

"His (Norquay's) position with respect to roads crossing the boundary is this; No Provincial Legislature can of itself charter a road going beyond the boundaries of that Province. That is a question which the Dominion Parliament must also pass upon." (64)

(62) (Times, Ibid)

(63) (Daily Times, Oct. 27th, 1882, p.3)

(64) (Daily Times, Nov. 3rd, 1882, Ed. "The Railway Question")

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Soon after the Emerson North-western and the Manitoba Tramway charters were disallowed election rumors began to be heard. These rumors were aired in the local press, each paper welcoming the event and heralding the prospect of victory. (65) There can be little doubt that Norquay had decided to go to the country on the issue before the still-a-borning Liberals could marshal a dangerous opposition. The "Commercial" a weekly business paper recently inaugurated at Winnipeg spoke editorially of the coming election as early as November 13th, 1882. (66) Official dissolution was not announced until early December, with polling to be held January 23rd. (67) Party lines were beginning to be drawn definitely in Manitoba. The press spoke regularly of "Liberal" and "Conservative" as labels applied to the government and opposition groups, and to individual candidates. (68) Yet it might be noted that the Free Press, usually the most lavish with party labels, when publishing the list of candidates, made use of the designations, "Opposition" and "Ministerial". (69)

Norquay and his associates campaigned on a platform of defense. The premier held to the position taken in his Emerson speech (Page 36) and to his position as reported by the Times. (Page 36) He pointed out that a policy of conciliation with the federal government had gained Manitoba much in the way of increased subsidies, and was rapidly bringing the transcontinental road nearer. His colleagues followed suit; Wm. Murdoch, self-styled, "Independent Conservative", declared that the C.P.R. should be protected in what-

(65) (Free Press, Nov. 24th, 1882, Ed. "The Issue"; Times same date)

(66) (Commercial, Nov. 13th, 1882, Ed. "The Dissolution of Parliament")

(67) (Weekly Free Press, Supplement, Dec. 8th, 1882)

(68) (Free Press, Dec. 1st & 8th, Jan. 1st, 12th, & 22nd; Times Jan. 1st, 3rd & 24th '82)

(69) (Free Press, Jan. 22nd, 1883, p. 2)

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ever manner the Dominion authorities saw fit, as it was a work of national
(70) importance. Things augured well for Norquay. On nomination day five
(71) ridings returned acclamations and all of them were ministerial.

Greenway, and the now largely Liberal opposition, campaigned on a plat-
form of provincial rights. These, they claimed, were being flouted by the
administration. On the question of railways, by far the most important
single issue of the campaign, he plumped for the right of the province to
charter and build lines wherever it saw fit. Speaking at Portage la Prairie,
the Liberal leader is reported to have said:

"He looked upon the disallowance of the railway bill (An Act to Encour-
age the building of Railways) as a declaration that we were to charter no
railways at all ... The Legislature of Manitoba becomes a farce if such
things are to continue."

"He would take the matter at once to the Imperial Government, or to
the law courts if necessary, and so get Manitoba's rights defined ...
He called upon the electors as Manitobans to rise in their might and show
by their actions what they thought of this disallowance of all their char-
ters." (72)

The newly formed "Provincial Rights Association" entered candidates in several
ridings, such as Portage la Prairie where Jos. Martin carried their banner,
and Winnipeg South, where the candidate was A. G. Killam, a Winnipeg Lawyer. (73)
This organization was merely an adjunct of the Liberal party in the province
since all its candidates followed the official party line as laid down by
Greenway, who spoke in their favor during his swing about the province.

The Free Press became more openly Liberal as polling day drew near. In
their New Year's review of events in the North-West during the year 1882, they
laid the ills of the country at the door of the Conservative party. The remedy
of these ills was also stressed. Manitoba was urged to:

"... honestly unite in assisting the Liberals of the Dominion in their
fight against that spirit of encroachment on provincial rights charac-
terizing the Conservative party." (74)

(70) (Free Press, Jan. 9th, 1883, also election Advt., Ibid., Jan. 22nd, 1883)

(71) (Free Press, Jan. 22nd, 1883, p. 2.)

(72) (Free Press, Weekly, Nov. 24th, 1882, Supplement)

(73) (Free Press, Weekly, Dec. 1st, 1882, & Daily Free Press, Jan. 9th, 1883)

(74) (Free Press, Jan. 1st, 1883, Ed. "The North-West in 1882")

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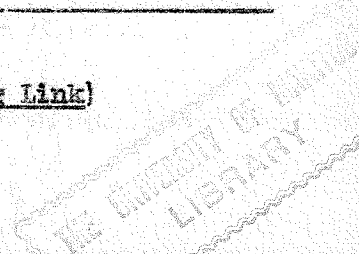
The Times was content on the same day with accusing the Provincial Rights Association of advocating secession, one of the few designs which they had yet to ascribe to the Free Press. (75) During all the campaign the Commercial took a pessimistic view of the proceedings. They could not see that an election would settle anything. Their's was an attempt to reflect the opinion of the solid business men of the west; a contract was a contract, the Dominion must honor its obligations, so Manitoba must take legal measures, and failing these, negotiate some alternate solution with the C.P.R. itself. (76) They chided the people of Manitoba on one occasion, accusing them as being guilty of, "inconsistency and ingratitude" in the disallowance issue. The C.P.R. had brought money into the province and was a reasonable organization to deal with, as witness their construction of the link between Emerson and West Lynne, crossing the Red River. (77) The Commercial did not mention that the "Connecting Link" consisted chiefly of a bridge over the Red which cost the Emerson ratepayers \$200,000.

The election was a clear victory for Norquay. He carried twenty out of thirty seats; though the opposition's ten seats gave Manitoba the largest dissenting group in its legislative history to that time. This endorsement no doubt prompted Norquay to continue his policy of conciliation towards Macdonald even when local feeling had altered to an extent that proved fatal to him in the end. This election marked the high point of "Honest John's" career. Henceforth, though he survived another contest three years later, his support, both popular and legislative, began to slip away as the tide of feeling against the "Monopoly" and high rail rates rose surely to engulf him. The ministerial press was jubilant; Greenway was eliminated, an era of good feeling and prosperity had dawned:

(75) (Times, Jan. 1st, 1883, Ed. "The Election")

(76) (The Commercial, Eds. Nov. 13th, 26th, Dec. 26th, Jan. 9th)

(77) (Commercial, Dec. 26th, 1882, Ed. "Emerson's Connecting Link")



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"Mr. Greenway's star sank yesterday to rise no more.... The people have decided to give the Syndicate a fair chance ..."(78)

The Free Press were in no way discouraged. They attributed the defeat to the lack of organization of the Liberals, as compared with the Conservative's extensive preparation born of long years of experience in deluding the electors. Their post-election editorial was full of hope, for the future of their party, and the downfall of their opponents:

"Let the lessons of the late defeat be laid to heart, and it will yet be the privilege of the Liberal Party to free Manitoba... from the bonds forged for them by Tory Tyranny."(79)

(78) (Times, Jan. 24th, 1885, Ed. "The General Result")

(79) (Free Press, Jan. 25th, 1885, Ed. "The Provincial Elections")

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CHAPTER
IV
PROGRESS OF DISALLOWANCE, 1883-1886.

Though the 1883 election was the first in which party labels were generally used, party allegiance apparently had little to do with the stand taken by those elected on the question of the disallowance of railway charters. The "Parliamentary Companion" for 1883 clearly indicates this point. In the autobiographical sketches of the members of the fifth Legislature of Manitoba, we find that the disallowance issue was alive enough to be commented on by many of the legislators. For example, Alexander Murray, (Assiniboia), later elected Speaker, lists himself as a "Liberal-Conservative", and believed "... the Railway policy of the Dominion Government to be in the interests of the Province of Manitoba." (1) H. Tennant (Morris) lists himself as a "Conservative ... opposed to the disallowance of Railway Charters in the Province of Manitoba." (2) The Liberals, on the other hand, seemed to be of one opinion on the railway question. They are all opposed to disallowance.

The new Legislature convened on May 17th, 1883. The Throne Speech made no direct reference to the question of railway disallowance. The issue was indirectly brought in when the House was told it would be asked to consider a resolution asking for a Dominion-Provincial conference;

"... with a view of suggesting such amendments as experience may have shown to be necessary to secure an equalization of the general terms upon which the union of the Provinces was effected, and a clearer definition of the respective jurisdictions of the Federal and Provincial Legislatures than is affected by the British North America and other organic acts." (3)

This was the only concession made by the Government to the need of deciding the question at issue with the Dominion. The opposition did not let the opportunity pass. Mr. Greenway, speaking in the debate on the Reply to the Speech from the Throne, attacked Norquay for condoning what he called, "... Ottawa's flagrant disregard of provincial rights..." (4)

(1) The Canadian Parliamentary Companion, 1883, p.308

(2) Ibid. p.539

(3) Journals 1883, p.11

(4) Daily Free Press, May 22nd, 1883, p.3, "Legislative Assembly"

S. J. Jackson (Rockwood), a follower of Greenway, brought the railway question up once more with an amendment to the Address in Reply to the Speech from the Throne. He moved that the Lieutenant-Governor present a protest to the Governor-General to the effect that:

"... this House cannot but regard the disallowance of Acts wholly within The Legislative Authority of this Province as an infringement upon the rights and privileges of its Legislature..." (5)

The motion continued with a declaration of the province's insistence on its right to charter railways anywhere in Manitoba except in the new area of the province where the right had been voluntarily relinquished by the terms of the Boundary Extension Act. Mr. Jackson's amendment was defeated by a vote of 18 to 8.

The opposition continued its baiting of the Norquay government on the question of railway disallowance and of "better terms" generally, at every opportunity. A. C. Killam, (Winnipeg South), making his debut in the House, accused the eastern provinces of regarding Manitoba as a colony, "... feeling that they had bought us and that in some respects we were their colony" (7). Killam was no doubt referring to a recent statement by Sir Charles Tupper, made in the House of Commons in the course of his annual report on the progress of the C.P.R. At that time Tupper stated:

"I say that the interests of this country demand that the Canadian Pacific Railway should be made a success; and the man who does any act by which that success is imperilled takes a course which is hostile to the interests of Canada. But somebody may ask what about the interests of Manitoba? Are the interests of Manitoba and the North-West to be sacrificed to the policy of Canada? I say, if it is necessary - yes." (8)

Killam was one of the first to seize on this unfortunate utterance of the Minister of Railways and Canals, and to use it as indicative of the lack of feeling on the part of the Ottawa government for what Manitoba considered to

(5) (Journals, 1883, pp.21-22)

(6) (Journals, 85, p.24)

(7) (Daily Free Press, May 24th, 1883, p.3 "Legislative Assembly")

(8) (Debates of the House of Commons, 1883 (May 4th), p.971)

be her legal rights. He was, however, by no means the last. These words lived to plague the minister and his colleagues throughout the disallowance struggle, being quoted in the press, before gatherings of the Manitoba farmers, and by the Opposition in Commons itself. (9)

A statement of the Norquay Government's position on railway legislation was made by one of its ardent supporters and future leader, Dr. D.H. Harrison, (Minnedosa). He contended that under the railway clause (meaning subsection 10(a) of Section 92) of the British North America Act, no province could charter lines to extend beyond its borders. Manitoba had the right to charter lines from point to point within the province, but such right applied only to the original boundaries of the province, since Manitoba had accepted the conditions of the C.P.R. charter as applying to the territory added in 1881. Thus the Emerson North-Western, The General Railway Act and the Manitoba Tramway Act had been rightfully disallowed since the conditions accepted in 1881 had not been incorporated in the acts disallowed. (10) Norquay followed this statement with the declaration that his government would support the re-chartering of the disallowed acts, providing their provisions did not conflict with the provisions of the Boundary Extension Act or infringe on any powers which were ultra vires of the province. (11)

The House did not follow the Premier's lead to the extent of re-chartering the disallowed lines in conformity with existing restrictive legislation. It did, however, approve without division charters for ten new lines of railway at least four of which were of a nature likely to arouse Dominion opposition. These four were: The Manitoba Central Railway Company, authorized to

(9) (Debates, 1885, p. 2860, R. Watson, Liberal Marquette)

(10) (Daily Free Press, May 31st, 1883, p. 3 "Legislative Assembly")

(11) (Ibid. [redacted])

build from Winnipeg to Morris, then west or north-west to the western
(12)
boundary of Manitoba; the Selkirk and Portage Central Railway Company,
to build from Portage la Prairie northeast to Selkirk and south-west
(13)
through the counties of Norfolk, Turtle Mountain and Souris; the Portage
and Southern Railway Company, to build from Portage la Prairie, south-west
(14)
to the South-western branch of the C.P.R.; and the South-western
Junction Railway Company, authorized to build from Garmen to Nelson on the
(15)
South-western Branch of the C.P.R. Since only one of the above char-
ters, that of the Manitoba Central, ever passed beyond the paper stage,
they are only of theoretic value. They are, however, indicative of the
growing need for branch line construction in order that the settled dis-
tricts might have access to a market for their grain.

The suspicion has been raised that many of these charters were obtain-
ed solely for the purpose of providing their promoters with an object of
nuisance value, which might be sold at a later date to some organization
(16)
interested in actual construction. This might well have a firm foundation
in fact, since, though the promoters were men of standing in the community,
it is impossible to conceive that they were equipped financially to raise
the funds necessary for such a major capitalistic endeavor as the construc-
tion, maintenance and operation of a line of railway. (Names of promoters
are to be found in the statutes granting building privileges) On the other
hand it can be noted that a number of the members of the Manitoba Legislat-
ure are listed as directors of these companies. Of the ten lines chartered
in 1883, six list one or more legislators as directors. Seven M.P.P's
are to be found in this connection, several of them being listed on the
directorates of two or more lines. E.P. Leacock, Conservative of Birtle, is

(12) (Statutes of Manitoba, 1883, 46 & 47 Vic. chap 56)

(13) (Ibid. chap. 57)

(14) (Ibid. chap. 59)

(15) (Ibid. chap. 81)

(16) (See, J.A. Maxwell, "Federal Subsidies to Prov. Governments", Harvard Econom-
ic Studies Vol. LVI, Harvard 1937, footnote p. 86)

a director of three lines; S.J. Jackson, (Independent, Rockwood); Joseph Martin (Liberal, Portage la Prairie); Isaiah Mewhinney (Conservative, Burnside) and John Allan (Conservative, St. Clements) are noted as directors of two each. The minister of Public Works, the Hon. G. P. Brown (Westbourne), was a promoter of the Gladstone, Lake Dauphin and Duck Mountain Railway Company, which was to build from Gladstone to the Duck Mountains, with other lines to Neepawa and Lake Manitoba. In this instance, as in those of the others above, the line to be built was located in, or passed through, the constituency the member represented. It would seem that these men would be actively interested in gaining rails for their constituents as soon as possible. In no case, however, do the legislators form a controlling interest in the chartered companies. Their participation may be largely a matter of window dressing. (17)

After the adjournment of the Manitoba Legislature on July 7th, 1883 discussion of railway problems seems to have ceased to be a topic of interest to Manitobans. No further acts of disallowance were announced from Ottawa this year. The province gave its attention to the process of digging out from the collapse of the "Boom". Attention soon returned, and with increased vigour, to the question of Manitoba's position as a province. The crop of 1883 was seriously damaged by frost, adding new grief to the results of a drought-ridden summer. This blow, added to the still smarting wounds of the "Boom", brought about an increased agitation for the correcting of grievances, which was largely incorporated into the first representative farmer's organization to appear in the Canadian West:

"A hectic land boom had energized the West in 1881-82, only to be followed by a serious depression as artificial values collapsed, drought and frost visited the crops in 1883, and the country was sobered by actualities. An unappeased discontent thereupon seized hold of the

(17) The directorates of these lines are to be found in the chapters cited of the Statutes of Manitoba 1883)

farming communities, a direct result of which was the launching in southern Manitoba of an organization taking the grandiose title of the Manitoba and North-West Farmers Protective Union, and having as its objective the enunciation of policies that were calculated to relieve the farmers of some of their burdens." (18)

The Farmers Union had its beginning in preliminary local gatherings held throughout Manitoba in the fall of 1883, forming an executive and a central governing body at an organization meeting held at Winnipeg in December, 1883. The results of this meeting are set down in a pamphlet issued by the authority of the Provincial Council of the Union in January 1884. (19) At this convention, "... more than 100 representatives from various sections of the Province were present..." (20) These representatives discussed their many grievances and formulated a "Declaration of Rights" listing the farmers' disabilities and their solutions for these disabilities. They asked among other things, for the construction of a railway to Hudson Bay, the immediate building of lines to connect with the American railway system at the southern boundary and, "The right of the local government to charter railways in Manitoba, free from any interference." (21) The Farmers Union sent a delegation armed with its "Declaration of Rights" to Premier Norquay. His reply was anything but satisfactory to the delegates or to the convention which they represented. The reply, however, was implemented in a minute of council, dated December 22nd, 1883, and gives us the official government position on the railway question at this time. The official reply stated that the provincial government was always ready to render any assistance within its powers towards the construction of local lines within the province of Manitoba, but that the Hudson Bay Line was not feasible since it would require building outside the limits of the province. With regard to connections with American lines, the government was quite explicit. The text follows:

(18) L.A. Wood, A History of Farmers' Movements in Canada, Ryerson, Toronto, 1924, p.123

(19) See pam. "The Manitoba and Northwest Farmers Union. Resolutions adopted at the Farmers Convention held in the City of Winnipeg, 19th and 20th December, 1883" Brandon January 1st, 1884. Provincial Library, Winnipeg

(20) Ibid. p.7

(21) Ibid. p.11

"That the advisers of His Honor are further of the opinion that the chartering of local railways to connect with the American system south of the boundary would be an exercise of power not conferred upon the Province by the Constitution; that in as far as the right of the Province to charter railways within its limits, they are of the opinion that the same can be freely exercised, subject to such conditions and limitations as are expressed and provided in the Act to provide for the extension of the boundaries of the Province."(22)

Mr. Norquay was still the defender of the Dominion Government's policy of "no tapping" of Canadian traffic to American lines. He offered the hope of branch line construction within the old limits of the province in spite of the provisions of the monopoly clause, probably believing that the cry for rails was still stronger than the complaints at high rates. In this connection it might be noted that rail rates in the West had been raised an average of 59% in March 1883. (23)

The Farmers Union was not reconciled by this reply of the government of Manitoba. They head the minute of council, "The Art of Political Shystering reduced to a Nicety", and struck off a committee to carry their grievances to Ottawa to lay them before the seats of the mighty in the capital. It is interesting to note that one of the three Ottawa delegates was Joseph Martin, Liberal, M.P.P. for Portage la Prairie; an anticipation perhaps of the later tendency of the Farmers Union to become almost completely identified with the Liberal party. (24)

The Ottawa delegation was able to present its "Declaration of Rights" to Sir John Macdonald in early February 1884, but gained little or no satisfaction. They were in the capital at the same time as Norquay, who was seeking increased subsidies in lieu of public lands, and attempted to arrange the submission of a joint-memo to the Dominion government. Norquay did not cooperate and was duly censured at the next Farmers Union convention. (25)

The delegates were assured by Macdonald that there could be no redress on the

(22) Ibid. p.12

(23) Innis, H.A. History of the Canadian Pacific Railway, Toronto, 1923, p.186, also Sessional Papers 1883, 27 i.p.3. Innis states that this raise was "... ostensibly justified on the grounds of increased costs of operation." Ibid, p176

(24) Man. & N.W.F.U., op.cit. p.12

(25) Begg, op.cit. Vol. III, p.86

(26) (Wpeg. Daily Sun Mar. 6, '84 report of Ottawa Delegate to Farmers' Convention)

question of monopoly, since the Dominion was bound to protect the C.P.R. from foreign competition until the main line had been completed and put on a paying basis. (27)

This is the first mention of the Dominion government's new position on the monopoly clause. It was given full consideration by Sir Charles Tupper in the House of Commons, on February 5th, 1884, in the course of his plea for favorable consideration of a further loan to the C.P.R. Tupper then stated:

"I am glad to be able to state to the house that such is the confidence of the Canadian Pacific Railway Company, in the power of the Canadian Pacific Railway to protect itself, that when the line is constructed north of Lake Superior, the Government feel it will not be incumbent upon them to preserve the position they have hitherto felt bound to preserve, that of refusing to consent to the construction of lines within the Province of Manitoba, connecting it with the American railways to the south."(28)

Though Tupper here stated that the end of the disallowance policy would come on the completion of the line north of Superior, it came to be generally recognized among the interested parties, that disallowance would cease on the opening of transcontinental traffic on the main line of the C.P.R. This was the opinion carried to Manitoba by the Farmers Union delegates to Ottawa, (29) and was that voiced by the C.P.R.'s president in the railway's annual report for 1884. In this report to the shareholders, Stephen wrote:

"The opening of the through line to the Pacific Ocean for regular traffic in the spring of next year, will be the full accomplishment of the national and political objects which the Government of the Dominion had in view in subsidizing and aiding the construction of a transcontinental line through Canadian territory; the Company will then have fulfilled all its obligations to the Government under its contract; it will be in the same position as any other purely commercial enterprise; and will depend for its prosperity upon the development of traffic and prudent management."(30)

(27) (Regs. op.cit. Vol. III, p. 86)

(28) (Debated, 1884, p. 109)

(29) (Daily Sun, Winnipeg, March 6th, 1884.)

(30) (Annual Report of the C.P.R. for 1884, Montreal, June 1885, pp. 24-25)

An effort was made by the Liberal opposition in Commons to have the monopoly clause struck out of the C.P.R. charter as a concession for the 1884 loan to the railway. Robert Watson, (Liberal, Marquette) moved in amendment to the bill in aid of the C.P.R.:

"... that as a condition of granting the proposed aid to the Canadian Pacific Railway Company, it should be stipulated that the Company shall no longer claim, that no lines of railway should be permitted to be constructed within Manitoba South of the Canadian Pacific Railway, except such lines as shall run South-West or to the Westward of South-West, and that no lines of railway should be permitted to be constructed within fifteen miles of latitude 49..."(31)

The Macdonald government was not prepared to alter their policy to such an extent. The amendment was defeated by a vote of 112 to 49. Of Manitoba's five members, only Watson supported the amendment. A. W. Ross, (Lisgar), (32) Thos. Scott, (Winnipeg), Jos. Royal (Provancher), voted with the majority, Hugh Sutherland, (Selkirk), is not listed. Col. Scott, speaking against Watson's motion, stated that Manitoba wished to be rid of the monopoly and that railway competition and branch lines were a real necessity; but he considered that most of the agitation in Manitoba was inspired by what he termed, "a set of wire-pullers", whose only interest was to discredit the governments of Manitoba and the Dominion. (33) Scott further stated at this time that Manitoba's members had opposed the monopoly clause when the C.P.R. charter was first introduced into parliament. If they were opposed at that time

(31) (Debates, Feb. 22nd, 1884, p. 473)

(32) (Ibid, p. 495)

(33) (A. W. Ross is listed in the Parliamentary Companion as a Liberal, and so considered himself throughout a lengthy career in Parliament, but he broke with his party on the occasion of their resistance to the chartering of the C.P.R. and supported the Macdonald government's railway policy henceforth.) his

(34) (Sutherland hoped for Dominion aid for Hudson's Bay Railway, and though nominally a Liberal usually voted with the Conservatives majority on Railway policy.)

(35) (Ibid, p. 493)

it was a silent protest, since of Manitoba's representatives at that time, only Joseph Royal spoke on the question of monopoly during the charter debate, and he supported clause fifteen as necessary to prevent tapping to the United States. (36)

The promise that disallowance would cease on the completion of the main line did little to abate the growing dissatisfaction in Manitoba. The Farmers Union convened in Winnipeg on March 5th, 1884 for its second convention, with the questions of monopoly and branch line construction prominent on the convention's agenda. The delegates to Ottawa reported their lack of success in the attempt to wring material concessions from the Macdonald government, and the convention proceeded to pass resolutions condemning the policies of both Norquay and Macdonald. (37) They called on all Manitobans to combine "... to obtain our just rights and unite as one man to secure them." (38) This plea was apparently favourably received in Manitoba since Begg states the convention to have been a fairly representative group which the province, "... watched with great interest..." (39) Popular opinion also supported the Union in its unanimous resolutions against the Dominion's policy of holding the province's crown lands and its policy of disallowance in regard to local railway legislation. (40) Much of the support thus gained was forfeited when the convention passed a resolution advising prospective settlers to stay out of Manitoba until her wrongs were righted. In the opinion of the convention "land lock" and "monopoly" made settlement inadvisable. (41) Begg condemns this resolution as "A stupid mistake committed in a moment of impulsive fanaticism." (42) This judgment of Begg's is

(36) Debates, Jan. 11, 1881, p. 37

(37) Winnipeg Daily Sun, March 6th, 1884

(38) Begg, op. cit. Vol. III, p. 88

(39) Ibid

(40) Martin, op. cit. p. 117

(41) Begg, op. cit. III, p. 88

(42) Ibid, p. 89

only to be expected since his chief interest was immigration, having served for many years as the C.P.R.'s General Emigration agent at London. However, this resolution did much to discredit the Farmers' Union, especially in the eastern provinces and among commercial circles in the West to whom immigration always spelled prosperity. This anti-immigration resolution and a growing suspicion that the Union was being used by Liberal politicians as an instrument to discredit the Conservative administration of Macdonald and Norquay lost the Union much prestige and it ceased to be representative of the opinions held by the Manitoba farmer. Subsequently in 1884, the farmers union amalgamated with the Manitoba Rights League, and though its voice continued to be heard from time to time during the next two years, it came more and more to be regarded as a Liberal party instrument until it became defunct in 1886.

Sir John Macdonald's opinion of the Union is clearly given in a letter to William McDougall written in July of 1884. At this time he wrote McDougall, a highly uncomplimentary view of the organization. Said Macdonald:

"While in Winnipeg you will doubtless see some of the broken down Speculators who pose as Farmers' Union men and who some time ago talked 'Secesh'. The good crop and a little reflection has I am told opened the eyes of the real bona fide farmers and that the Union now consists only of these speculators and some political agitators such as Greenway..."

With Macdonald holding this view of the Farmers' Union it is easily seen why the Union's deputations were given scant attention at Ottawa or at Winnipeg, where Norquay still maintained friendly relations with the federal government.

In connection with the Farmers' Union's numerical strength no definite computation is available, though 300 delegates attended the March 1884 convention in Winnipeg. Speaking in the House of Commons on February 22nd, 1884,

(43) (Hedges, J.B. "Building the Canadian West", p.95)
 (44) (L.A. Wood, op.cit.p.124)
 (45) (Ibid.p.124)
 (46) (Begg notes that, in 1884 the Farmers' Union was generally in accord with the Winnipeg Reform Association, a Liberal organization. Begg, op.cit. Vol. III, p.120)
 (47) (Macdonald papers, letter book, no.23, 1884-86, p.24 Macdonald to Hon. W. McDougall. By "Secesh" Macdonald is referring to a resolution calling for the secession of Manitoba from Confederation which was introduced at the Farmers' Union convention but withdrawn due to lack of support. See Winnipeg Daily Sun, March 6th, 1884, p.5, and Mar. 7th, 1884, p.5.) (48) (Wood, op.cit.p.123)

Robert Watson stated that the Union represented "... about 20,000 of the
(49) people of Manitoba." It is to be noted that he does not claim 20,000 members
for the Union, merely that it represents that number of Manitobans. When the
Farmers' Union assembled for the March 1884 convention, the Winnipeg Daily Times
reported on the political affiliations of 52 delegates. The paper lists 26 of
them as Liberals or Reform party men, 12 as Conservatives and 14 as independent
in political thought. The Times also lists the birthplace and length of residence
in Manitoba of these delegates. Only four of them were residents of Manitoba
prior to 1870, while the average residence of the others is only five years. All
(50) of the delegates are British born, most of them being natives of Ontario. It
is apparent that the Farmers' Union was largely the creation of the more recent
settlers. The pre-confederation settlers and native Manitobans had little to
do with its deliberations. Many local Liberals were prominent in the Union, as
witness the fact that Joseph Martin and Finlay Young, both Liberal M.P.'s, to-
(51) gether with Clifford Sifton, were elected to the governing council of the Union.
It might also be noted that W. F. Alloway, Winnipeg banker and close personal and
political friend of Thomas Greenway, was one of the delegates of the Manitoba
(52) Rights League to the Farmers' Union Convention.

The 1884 Session of the Manitoba Legislature opened on March 12th, 1884,
as the Farmers' Union convention was ending. The House soon plunged into a dis-
cussion of Manitoba's position in Confederation, Norquay agreeing with the oppos-
ition that the province was being discriminated against, especially in relation
to public lands, though he would not go so far as to criticize the Dominion's
(53) railway policy. On April 30th the House adjourned to permit the government
to send a delegation to Ottawa which was to "... procure from the Government of
Canada a settlement of the Rights of this Province as claimed by its Legislature." (54)

(49) [Debates, Feb. 22, 1884, p. 472]

(50) [Winnipeg Daily Times, March 5th, 1884]

(51) [Winnipeg Daily Sun, March 8th, 1884, p. 3]

(52) [Daily Sun, March 12th, 1884]

(53) [Journals, 1884, p. 23]

(54) [Ibid, p. 26]

Norquay and the other delegates were to obtain the settlement of the questions of the public lands, subsidies and to assert "The right of the Province to charter lines of railway from any one point to another within the Province, except so far as the same has been limited by its Legislature in the Extension Act 1881. Norquay, accompanied by the Speaker, Alexander Murray, the Attorney-general, James Miller and the Public Works minister, Corydon P. Brown, proceeded to Ottawa, met with a committee of the cabinet and returned with a report which they presented to the Legislature on May 27th, 1884. Manitoba had gained no satisfaction for any of its demands. Besides having to wait twelve days before being heard, Norquay's representation's "...were received with a certain amount of impatience."

The Dominion's answer incorporated the statement that the federal government would continue to administer the public lands of the province for the stated purposes of the Dominion; the building of railways and the settling of the country. Manitoba was accused of ingratitude towards the Dominion which was magnanimously providing the province with a railway linking it to the rest of Canada. With regard to the right of the province to charter railways anywhere within the old boundaries of Manitoba, the federal government stated that Manitoba had agreed to the monopoly clause in the area added by the Boundary Extension Act, and further:

"...Having accepted the increased area upon the above conditions and knowing the long-avowed policy of Parliament to prevent the legitimate trade of the country and traffic of the Canadian Pacific Railway being diverted to the United States, the sub-committee consider that no injustice will be done to the people of Manitoba by the exercise of such supervision by the Dominion Government over the Railway Charters sought from the Dominion Parliament or passed by the Legislature of Manitoba, as will maintain this policy and the condition of the Canadian Pacific Act until the expiry of the term named therein, or until the road is opened and trade established, when, it is believed, it may be repealed or modified without injustice, and with the consent of the contracting parties." (57)

(55) (Ibid.)

(56) (Begg, op.cit., III, p.90)

(57) (Certified copy of a Report of a Committee of the Honourable the Privy Council, approved by His Excellency the Governor-General-in-Council on the 20th May 1884." Journals, 1884, p.140 & Sessional Papers, Canada, 1885, No.61)

In presenting the Dominion's reply Norquay was moved to wrath. He reviewed the many previous attempts which had been made to gain redress of Manitoba's grievances, stated that the province had been too long robbed of her rights, that if the present policy of the Dominion was to be continued he would carry Manitoba's case to the foot of the throne. His defiance of Ottawa was received with applause by the whole House. Greenway complimented him, hailed him as the champion of Manitoba's rights and pledged the whole-hearted support of the opposition in the fight for those rights. (58) The Dominion's terms were unanimously refused. A committee of the House was struck off to prepare a suitable reply. A bill was introduced to provide for direct taxation to meet the inevitable deficit which would follow the refusal to accept the increased subsidies on the terms offered by the Federal Government. (59)

The House committee presented its reply to Ottawa's terms on June 2nd. The reply was unanimously adopted amid the cheers of the members. The demands of previous attempts at settlement were reiterated and expanded. With regard to railway charters the legislature recognized its commitments under the Boundary Extension Act once again, but stated:

"... that they should be left to the full exercise of all her powers to charter local railways from one point to another within the old Province and within the added territory North of the fifteen mile limit." (60)

The refusal of the terms is couched in moderate but none the less definite language:

"... It is obvious that the proposition made by the Federal Government cannot be accepted as a settlement of the claims urged by the delegation charged with their submission at Ottawa; and while appreciating some of the concessions proposed, this House, impressed with a sense of its responsibility to the people of this country, and having in view the best interests of this Province, deem it its duty to decline the acceptance of the proposition for the reasons already adduced." (61)

(58) (Begg. op. cit. III, p. 93)

(59) (Martin, op. cit. p. 118)

(60) (Journals, 1884, p. 171)

(61) (Journals, 1884, pp. 182-3)

In the interim between the announcement of the terms by Norquay, and their formal refusal by the Legislature, a considerable amount of railway legislation was passed. Two new lines were chartered: The Emerson and North-Western Railway, to build from Emerson to Portage la Prairie and the western boundary; the Brandon, Souris and Turtle Mountain Railway, to build from Brandon, southwest and west to the western boundary, via Turtle Mountain. These charters were brought into line with the province's commitments by the inclusion of a clause prohibiting any building within fifteen miles of the international boundary outside the old limits of the province. (62) The Manitoba Central Railway Company's charter was amended to include the above restriction. (63) It was also empowered to build to the international boundary between the Red River and the first principal meridian, provided that no rails were laid outside the old limits of Manitoba. (64) This legislation, together with the other enactments of this session, was forwarded to Ottawa after receiving local Royal assent. The Legislature was prorogued on June 5th, and Manitoba entered a period of relative quiet, awaiting further developments.

At this point Norquay was at the peak of his popularity. By his rejection of the terms offered by the Dominion Government, and his insistence that "Manitoba's Rights" be recognized and granted, he had united the opposition behind him. (65) words of Begg, "... the popular idol..." The disallowance would cease on the completion of the main line of the C.P.R., helped to clear the air of dissention. Events moved slowly through the rest of 1884 and into 1885, with little further darkening of the political horizon in Manitoba. However, Norquay's stand against Ottawa had made him a few enemies within his own party. Some of the more ardent Conservatives in Manitoba regarded him as a traitor to the national party. They may well have been urged by the Macdonald government to discredit

(62) Statutes of Manitoba, 1884, 44 Vic. Chaps. 68 & 71

(63) Ibid Chap. 69

(64) Ibid. chap. 70

(65) Begg, op.cit. III, p. 156 115

Norquay since his actions were no doubt regarded as a breach of the agreement he is purported to have made, not to permit his Legislature to interfere with the Dominion's plans for the C.P.R. (66) The beginning of a party revolt against Norquay is noted by Begg:

"Mr. Norquay was at this time the popular idol, but a few of the ultra Conservatives, who regarded his defiance of the Federal authorities as a menace to the existence of Confederation, and certain malcontents in his more immediate circle, incited by jealous ambition, set to work to discredit him in the eyes of the electorate." (67)

The support accorded Norquay by the Liberal opposition began to fall away late in 1884. The immediate occasion of the desertion was the attendance of Norquay and Murray at a Conservative party convention at Toronto in December of that year. At this convention Norquay presented, on behalf of the Manitoba Conservative party, an address of congratulation to Macdonald on his having completed forty years of public life. (68) The Liberal Press in Manitoba seized on this as indicating that Norquay had sold Manitoba out, that he was in league with the powers at Ottawa, that he was willing to sacrifice the province's rights for his personal ambition.

After the Toronto convention Norquay and Murray proceeded to Ottawa in search of a more liberal settlement to replace the one turned down at the last session of the Manitoba Legislature. After considerable negotiation, agreement was reached, giving Manitoba more financial assistance. The Manitobans returned to Winnipeg in January 1885 expressing high hopes for the success of the new terms. (69) These were announced to the House of Commons by Sir John A. Macdonald himself, on the 23rd of February, as a final settlement of all outstanding grievances on the part of Manitoba. (70) The settlement was contained in two minutes of council. The first being the attempt of May 20th 1884 to arrive at an agreement, (71) and the second in-

(66) (See letter, Macdonald to Griffin, Sec.1.p.8 above)

(67) (Begg, op.cit.III.p.115)

(68) (Ibid, p.115)

(69) (Begg,op.cit.p.116)

(70) (Ibid, p.117)

(71) (See p. above)

cluding the increased demands of Norquay, made in January 1885. In consideration of an increase of subsidy and the assumption by the Dominion of Manitoba's costs in the recent boundary dispute with Ontario, Manitoba would agree to entertain the 1884 terms. The Macdonald government accepted this offer on one condition, that the new terms be accepted by the Manitoba Legislature as a final settlement of all questions outstanding between the Dominion and the province to the date of the settlement. This was the famous "Finality Clause" which aroused a great deal of agitation in Manitoba and contributed much to Norquay's fall from grace.

The "Finality Clause" is contained in a letter, dated, January 10th, 1885, from J. H. Pope, minister of Agriculture, to Norquay and Murray in reply to their demands. Pope wrote:

"That Parliament should be asked to concur ... on the condition that it be accepted by the Legislature of the Province of Manitoba as a settlement of all questions in discussion between the Province and the Dominion, up to the date of this letter." (72)

The "questions under discussion" were those contained in the minute of council of May 20, 1884. This document contained reference to the question of disallowance, so that the Dominion government demanded, as a condition of increased financial aid, that Manitoba accept its position and agree to federal supervision of railway legislation. The railway monopoly and the problem of the disallowance of railway legislation were not mentioned in the written demands of Norquay which formed the basis of this latest settlement. (73)

In Manitoba the announcement of the new terms^{was} received with mixed feelings. The Free Press, attacked Norquay bitterly once more, as having sold out the province's rights for a few additional dollars. (74) The minis-

terial press, The Times, was laudatory, viewing Norquay as the saviour of

(72) Sessional Papers, Canada, 1885, Vol. 12, no. 61

(73) Ibid

(74) Weekly Free Press, Feb. 26th, 1885, p. 4. Ed. "Exposed"

(75)

the province's finances, and as a champion of national unity. Generally however, the reaction was unfavourable, if press accounts of the time can be taken as indicative of the state of popular feeling. The unanswered demands, for redress of the railway problem, for control of crown lands for new extensions of the province's boundaries, caused, in the words of an eye-witness, "... much unfavourable comment." (76) This was not offset by the increased subsidies, for, "... this addition to the annual revenue was by no means all that they had anticipated." (77)

An opportunity was soon given for public opinion to make itself felt. The Attorney-General of the Norquay government, James Miller, had resigned (78) late in 1884, his place being taken by G. E. Hamilton. Mr. Hamilton sought election to the Legislature in the division of Winnipeg South. This seat became vacant in early February 1885 on the elevation to the court of Queen's Bench of the sitting member, A.C. Killam. (79) The Liberal, or Reform, candidate was none other than the editor of the Free Press, W. F. Luxton, who quite naturally carried with him the full support of his journal in the contest. He also received the aid of the more moderate "Winnipeg Daily Sun", which by now had definitely turned against Norquay whom they regarded as the political servant of the Ottawa government. (80)

In the brief period between the announcement of the new terms by Macdonald, and the polling in Winnipeg South, (voting took place March 3rd, 1885) both parties strove mightily to make the Ottawa settlement the chief issue in the election. The Conservative's urged support of Hamilton as an indication of support for the policies of the national government. "Our

(75) (Winnipeg Daily Times, Feb. 26th, 85, Ed. "A Comparison")

(76) (Begg, op.cit.p.119)

(77) (Ibid.)

(78) (Canadian Parliamentary Companion, 1885, p.325, gives date as Dec.10th 1884. The resignation was prompted by events unconnected with policy)

(79) (The fact that Killam was a Liberal in politics, see p.¹⁰above, gives rise to the suspicion that his bench appointment was made to pave the way for Hamilton)

(80) (Daily Sun, Feb. 24, 1885, Ed. "Dominion Control")

leaders at Ottawa are looking to us to keep up our end, and we must do it." (81)

And again in the same issue, "Every vote for Luxton ... is a vote against Sir John Macdonald and good government". (82) The Liberal press attacked Hamilton as a follower of Norquay, and Norquay as a follower of Macdonald, whose policy they condemned as derogatory to the rights of the province. (83) The Free Press had supported Hamilton in his recent successful campaign for the mayoralty of Winnipeg, (84) but turned on him when he accepted office in the Norquay government. The comment of the paper on his acceptance is entitled, "Mayor Hamilton's Mistake". (85) The Free Press opinion of Norquay's ability as a defender of the rights of the province was expressed in a front page news story of the 1885 terms. Under an inch high headline, "BETRAYAL!" was printed, "The Province Sold Out by Mr. Norquay." (86) In spite of the activities of the opposition, aided by the Farmer's Union, (87) Hamilton carried the election by a 77 majority. (88) The victory was not a sweeping one, but it was hailed by the ministerial press as a vindication of Norquay's policy. (89) The opposition press blamed the result on political pressure of Dominion, provincial and civic authorities on the electorate. "They have gained a merely nominal victory by the most reprehensible means," cried the Sun. (90) "They owe it to the meanest methods that could be brought into use," cried the Free Press. (91)

(81) (Daily Times, March 2nd, 1885, Ed. "Tomorrow".)

(82) (Ibid, Ed. "Specimen Bricks")

(83) (Winnipeg Daily Sun, March 2nd, 1885, Ed. "The Contest")

(84) (Weekly Free Press, Dec. 1st, 1884, p. 8)

(85) (Ibid, Feb. 26th, 1885, p. 4.)

(86) (Ibid, March 5th, 1885, p. 1)

(87) (Ibid, op. cit. p. 120)

(88) (Daily Times, Mar. 4th, '85, gives final count as 606 to 529)

(89) (Daily Times, Mar. 3rd, '85, Ed. "Notes and Comments".)

(90) (Daily Sun, Mar. 4th, 1885, Ed. "A Moral Rout")

(91) (Weekly Free Press, Mar. 4th, 1885, Ed. "Winnipeg South")

This success was taken by Norquay as popular confirmation of his policies. The Legislature was called into session in mid-March, (92) and the Premier moved, seconded by LaRivière, the acceptance of the terms offered by Ottawa. (93) The Opposition objected, aiming the greater part of their thrusts at the "Finality Clause". (94) Greenway accused Norquay of abandoning his patriotic principles of the previous session and, "... urged members to rise in their might and strike out the finality clause." (95) The debate carried on into the early morning hours of the 27th and was continued again on the next evening. The argument continued on into the dawn of the 29th when J. H. Bell, (Liberal-Springfield) moved that the terms be accepted on condition that they be not considered a final settlement of, "...the just claims made in the 'Bill of Rights'." (96) This motion was ruled out of order on the objection of LaRivière, (97) since Bell had spoken to the original motion and was unable, according to procedure, to move an amendment. (98) The haggard members finally voted on the original motion of unconditional acceptance at 5.55 a.m. on the 29th. The division was on strict party lines. None of his supporters deserted the premier. (99)

Though he had succeeded in getting the terms past the Legislature Norquay came under a hail of condemnatory resolutions from the Farmers' Union, the Manitoba Rights League, the Manitoba Reform Association and other organizations favouring resistance to Ottawa. (100) These groups cannot be considered as representative of the general feeling in Manitoba so far as their baiting of Norquay is concerned. It is probable, however, that the greater number of Manitobans were aroused against the actions of the Ottawa government. All this agitation, inspired for political purposes as much of it was,

(92) (Third Session, 5th Legislature, March 19-May 5th, 1885)

(93) (Journals, March 26th, 1885, p.20)

(94) (Ibid)

(95) (Bess, op.cit., III, p.129)

(96) (Journals, 1885, p.23)

(97) (Ibid)

(98) (Ibid.)

(99) (Ibid, p.59, vote was 17 to 9, 3 absent) (100) (Martin, op.cit., p.119)

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tended to reduce Norquay's prestige at home. He combat~~ed~~ed this opposition with legislation in aid of railways at the 1885 session, and with assurance that the policy of disallowance would certainly cease by 1886, when the C.P.R. would be running from coast to coast. (101) The measure in aid of railway construction provided for monetary aid, in the form of provincial bonds, secured by land grants made to the railways by the federal government, to roads of C.P.R. standard built within the province. (102) This aid, which was not to exceed \$7,500 per mile, was intended to provide an impetus to branch line construction and thus silence some of the criticism to which the government had lately been subjected. There was little other railway legislation passed at this session. The only charter of a possibly contentious nature was that granted the Rock Lake, Souris Valley and Brandon Railway Company, empowered to build north from the international boundary, within ranges 9 to 12 west of the first principal meridian, to Brandon. (103) This charter is notable in that Thomas Greenway was a director as was Clifford Sifton of Brandon. (104)

During the summer of 1885, Manitoba's plight came in for considerable debate in Commons. The occasion was the introduction and subsequent legislative progress of the bill to provide funds for the settlement with Manitoba. This bill included the idea of finality which had caused such an uproar back in Manitoba. The preamble, read "That for the final settlement of the claims made by the Province of Manitoba on the Dominion..." (105) Robert Watson asked the House not to view this settlement as a final one, even if Manitoba had accepted the terms. He said Manitoba would still charter lines within the old limits of the province since it was her right to do so, "... a right they

(101) (Begr. op.cit.p.124)
(102) (Statutes of Manitoba, 1885, 46 Vic.Chap.42)
(103) (Ibid, Chap.45)
(104) (Ibid)
(105) (Debates June 10th, 1885, p.2420)

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hold dear, and do not feel disposed... to part with for any consideration," (106)

A. W. Ross also spoke in defence of Manitoba's right to ask for a new deal in the future. He believed the terms were acceptable to the people of Manitoba, except that, "this government has driven a pretty hard bargain with regard to the finality clause." (107)

Edward Blake came to Manitoba's defence with an impassioned appeal in which he viewed the people of Manitoba in rags, their grain rotting in the fields, because of the lack of rail facilities. (108)

Blake reminded the House that Tupper had promised an end to the monopoly of the C.P.R. on the completion of the line north of Lake Superior. That line was now complete and Manitoba was still burdened by the monopoly. "Manitoba had a right to object; "I maintain that they would be unworthy of the position of British Freemen if they were contented as long as those rights were withheld." (109)

Sir John A. Macdonald himself took up the task of answering the Liberal leader. Macdonald claimed that the stories of privation and discontent which came out of Manitoba were largely exaggerated; he pointed out the pertinent difference between the chartering of railways and the building of them, showing that most of Manitoba's railways were only on paper. Disallowance had been exercised because the government was in duty bound to honor its agreement with the railway; "... it would be a breach of faith if that charter was broken without the consent of the shareholders and without an Act of Parliament to repeal those privileges." (110)

The power of disallowance had not been exercised since Tupper claimed it would cease. (111)

Sir John closed his defence with a statement that the terms were really very generous, that the settlement is not final one, that "... there will be room

(106) (Ibid. June 23rd, 1885, p. 2777)

(107) (Ibid. p. 2778)

(108) (Ibid)

(109) (Ibid. p. 2779)

(110) (Ibid. p. 2781)

(111) (Ibid)

for the settlement of individual claims, individual grievances." (112) Later in the session, Watson re-introduced his motion calling for the abrogation of monopoly as a condition of granting further aid to the C.P.R. This motion was defeated by a vote of 93 to 51, with Watson the only Manitoba member in the minority column. (113)

The whole question of Manitoba's position in Confederation fell into the background of public discussion during the spring and summer of 1885. The North-West Rebellion occupied the center of the stage to the neglect of all other problems. The trial and execution of Louis Riel served to hold public attention through the fall and into the early winter. In November the last spike was driven on the main line of the C.P.R. and the first through train to the Pacific was greeted with general rejoicing throughout the West. In Manitoba, in spite of the Riel distraction, feeling was becoming rapidly crystallized against the C.P.R. monopoly. The public was convinced of the injustice of the C.P.R.'s pretensions, even though they were backed by the might of the federal government. (114) It was expected that the Dominion would honour its promise to cease the policy of disallowance on the completion of the main line. This was however, not to be the case. Even as the main line was being put in efficient running order, the machinery of government at Ottawa was grinding out a new and sweeping act of disallowance. When this series of vetoes of Manitoba railway legislation was made public, the anti-monopoly agitation appeared with increased vigor in Manitoba, raging undiminished through the following two years, not ceasing until Norquay's government had been overthrown, and a settlement obtained by Thomas Greenway's Liberal administration. After Norquay had forced acceptance of the 1885 terms with the humiliating "Final- (112) (Ibid. p.2783) (113) (Ibid. June 25th, 1885, p.2868) (114) (See the Commercial, Winnipeg, Sent. 22nd, 1885, Ed. "Buried the Hatchet" which stresses the unanimity of opinion against monopoly in the West)

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ity Clause", he and his government gradually lost public confidence and were forced out through a combination of circumstances, among which their defence of the Dominion's Railway policy ranked high.

"The economic depression and the North-West rebellion, the skillfully directed charges of irregularities in the public accounts, and of surrendering vital principles to secure an immediate financial advantage, increased at every stage the embarrassment of the government." (115)

(115) (Martin. op.cit.p.119)

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The hope that disallowance of railway legislation would cease on the completion of the main line was soon to be shattered. As early as August 1885, interdepartmental correspondence was being carried on between the ministries of Justice and Railways and Canals on the subject of Manitoba railway charters, passed at the 1884 session of the Legislature. George Burbidge, the deputy minister of Justice, wrote to A. P. Bradley, the secretary to the department of Railways and Canals, asking the opinion of the latter department as to the advisability of disallowing the acts chartering the Emerson and North-western, the Manitoba Central, and the Northern Junction railways. Mr. Burbidge wrote:

" I am to state that the Minister of Justice sees no objection to leaving these Acts to their operation, except there are objections (sic) touching the general railway policy of the Dominion... he would be glad to be favoured with the views of the Minister of Railways and Canals." (1)

The reply of Mr. Bradley is dated February 20th, 1886 - some four months after the driving of the last spike - and it gives the opinion of the minister of Railways, Mr. J. H. Pope, that the charters of the Emerson North-western and the Manitoba Central should be disallowed in accordance with the general railway policy of the Dominion. (2) This letter was followed, on the 25th of February, by a report of the minister of Justice, Sir John Thompson, to the Governor General in Council, advising that the two charters in question be disallowed, since:

" The undersigned (Thompson) understands that the objection of the minister (Pope) to these Acts is based upon an apprehension that thereby the companies mentioned will thereby be able to divert trade from the Canadian system of railways to the railways of the United States..." (3)

The advice of Sir John Thompson and J. H. Pope was accepted by the cabinet with regard to the Emerson North-western and the Act permitting the Manitoba Central to build the international boundary within the old limits of Manitoba, Chapter 69

(1) (Hodgins, op.cit.pp. 839-841, & Sessional Papers, Canada, 1886, No. 61.)

(2) (A.P. Bradley to Geo. Burbidge, Ottawa, Feb. 20th, 1886, Hodgins, op.cit. p. 841.)

(3) (Report of the Hon. the Min. of Justice upon Chapters 68, 69, 70, approved by His Excellency the Governor-General-in-Council on the 22nd March, 1886, Ibid. p. 841-2)

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extending the restrictive provisions of the Boundary Extension Act to the Manitoba Central, was not disallowed. (4) The Order-in-Council, announcing the disallowance of the above two acts, appeared in the Canada Gazette dated March 27th, (5) 1886.

These new vetoes were not entirely unexpected in Manitoba. It is apparent that a belief in the possibility of the disallowance of the Manitoba Central and the Emerson North-western, had been current in the province for some days before the fact was announced. On March 19th, 1886, a mass meeting was held in Winnipeg to protest against the continuance of the disallowance policy. The mayor was in the chair until a chairman was elected, and a series of prominent citizens spoke in favour of Manitoba's being permitted to charter and build railways where she pleased. J. H. Ashdown moved a resolution condemning disallowance, specifically the rumoured disallowance of the Manitoba Central. He asserted the necessity for a rail connection with the American railway system, and concluded his motion with the statement that:

"... This meeting affirms and concurs in the position taken by the Board of Trade and the City council in relation to the vital importance of securing such communication." (6)

A similar suspicion is found in the "Commercial" a few days earlier. This paper, formerly of a conciliatory turn of mind toward disallowance, stated:

"If we are to have railway competition, and consequently no more disallowance, we can only have it when we make up our minds to no longer take no for an answer, and the sooner we come to this conclusion and prepare for the struggle the sooner will the result desired be obtained." (7)

(8)

The ministerial paper, "The Daily Manitoban", took notice of popular opinion as

(4) Report of a Committee of the Honourable the Privy Council, approved by His Excellency the Governor-General-in-Council, on the 22nd March, 1886, Ibid, p.842)

(5) (Canada Gazette, Vol. XIX, No.39, p.1366)

(6) Manitoba Daily Free Press, March 20th, 1886, back page news story under the head, "DISALLOWANCE"

(7) The Commercial, March 16th, 1886, "Not Without a Struggle".)

(8) (this paper succeeded the Times as the pro-Norquay Journal in July 1885, buying out the former)

to possibility of disallowance, with an editorial advising caution and asserting the right of the Dominion to disallow if it saw fit. (9)

The fact of the two acts of disallowance became known in Winnipeg on March 29th, and was received by the press with submission or rage, depending on the political leanings of the journals. The Manitoban was all caution. They advised no action until the full story was received from Ottawa, and asserted that it was better to follow Sir John Macdonald in spite of disallowance than to let the Liberals back into power. (10) The Free Press seems almost jubilant that its suspicions of the lack of faith on the part of the Dominion government have been realized. In announcing the disallowance of the Manitoba Central, the paper stated:

"Manitobans are now fairly face to face with the fact that the disallowance policy of the Government is to be continued. (11)

The paper continued in the same vein, calling on all Manitobans irrespective of party lines to stand firm "... against Administrative oppression." (12)

Rumours of impending disallowance had also reached the Legislature, in session since March 4th. (13) On March 24th, the House had heard the petition of J. H. Ashdown and other citizens of Winnipeg, asking that the House, "... petition the Governor-General-in-Council not to disallow the Manitoba Central Railway Act." (14) This petition was immediately followed by a motion of Greenway, seconded by William Winram:

"... That, whereas it is currently reported that the Federal Government still have in view a continuation of the policy of disallowance of local Railway Charters;

And, whereas the people of this Province have been led to believe that so soon as the Canadian Pacific Railway was completed such policy would be discontinued;

Be it resolved, That an humble Address be forwarded to His Excellency the Governor-General-in-Council praying there be no further interference with our rights as a Legislature in this respect." (15)

(9) (Daily Manitoban, March 26th, 1886, Ed. "Disallowance.")

(10) (Ibid. March, 29th, 1886, Ed. "Disallowance".)

(11) (Daily Free Press, Mar. 29th, 1886, Ed. "Disallowance".)

(12) (Ibid.) (13) (Journals 1886, Vol. XVII)

(14) (Ibid. p.53.)

(15) (Ibid. p.53.)

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Norquay and LaRiviere then moved an amendment to the effect that the Act to Encourage the Building of Railways in Manitoba had not been disallowed, and that it was hoped its provisions would be taken advantage of, in order that local lines might be built under its terms. The amendment concluded:

"And be it further resolved that this House deems it its duty to express the desire that charters now in force or hereafter granted to Railway Companies under special Acts of the Legislature within its jurisdiction may be left to their operation." (16)

It is to be noted that Norquay spoke of Acts of the Legislature, "...within its jurisdiction...". He still recognized the right of the Dominion to disallow railways whose charters are considered by Ottawa to be ultra vires of the province. The motion as amended by Norquay was carried by a vote of 19 to 8. (17)

The House was officially advised of the disallowance of the Manitoba Central and the Emerson North-western through a motion of the attorney-general, C. E. Hamilton, seconded by C. P. Brown. This motion asked that an humble address be sent to the Governor General, asking that the reasons for disallowance be communicated to the Legislature. (18) Greenway, seconded by Joseph Martin, moved an amendment to the effect that Manitoba had been promised freedom from disallowance by Sir Charles Tupper, on completion of the line north of Lake Superior; therefore the province asserts its right to legislate charters for lines such as those which had been disallowed. (19) This amendment was defeated by a vote of 17 to 7, the main motion being carried by the same vote. (20) The Address called for by Hamilton's motion was prepared and read to the House on April 7th, being then forwarded immediately to Ottawa. (21) Failure of the Governor-General, or of the federal government, to reply to this request of the Manitoba Legislature, brought on considerable unfavourable comment from the

(16) (Ibid.)

(17) (Ibid. page 54)

(18) (Ibid. pp.71-72)

(19) (Ibid. p.72)

(20) (Ibid. pp.72-3)

(21) (Ibid. p.94.)

(22)

Free Press in the ensuing weeks.

During May 1886 the Legislature was presented with a bill implementing the acceptance of the 1885 terms, including the "Finality Clause". On the second reading, the Opposition moved an amendment which would lay the whole matter of acceptance over until after the forthcoming provincial election. (23) Norquay

met this amendment with a statement to the effect that Manitoba's receiving the financial benefits of the terms depended on their acceptance by the Legislature at that session. (24) The Amendment was defeated on a party division of 16

to 8. (25) The bill of acceptance was passed without division on its third reading, becoming law as, "An Act Respecting the Settlement of Claims made by the Province of Manitoba on the Dominion." (26)

(27) The finality aspect was specifically included in the act:

"The Legislature of the Province of Manitoba accepts the grants and payments ... as a full settlement of all claims made by the said Province upon the Dominion, ... up to the tenth day of January, one thousand eight hundred and eighty five." (28)

The question of monopoly and disallowance came up for discussion once more before the end of the session. On May 28th, Greenway, seconded by William Winram, moved a resolution demanding that the C. P. R. surrender its monopoly unconditionally and at once, since it was inimical to the interests of Manitoba and prevented the province from assuming a position of equality among the other provinces of the Dominion. (29) This put the issue clearly up to Norquay, whose amending motion indicated he was sensitive to the strength of opinion within the province. He recited the national importance aspects of the C. P. R; that Manitoba charters were rightly disallowed in order that the Dominion be not guilty of a breach of contract; that it was apparent the disallowance policy

(22) (see Daily Free Press, May 21st, 1886, Ed. "Not Why, But Don't")

(23) (Journals, 1886, p.178.)

(24) (Daily Free Press, May 21st, 1886, under "Legislature.")

(25) (Journals, 1886, p.178.) (26) (Ibid, p.181.)

(27) (Statutes of Manitoba, 1886, 49 Vic., chap.38.) (28) (Ibid, p.259.)

(29) (Journals, 1886, p.221.)

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was to continue at least until the C.P.R. was operating from coast to coast; that the Railway Aid Act of Manitoba provided for the chartering ^{of} /railways by order in council; therefore it was up to Manitobans to take advantage of this act, since orders in council were not subject to disallowance. ⁽³⁰⁾ Norquay was apparently trying to find a way out of his difficulties. He concluded his motion with the declaration that, when the C.P.R. was open from coast to coast, steps should be taken by Dominion Parliament to secure the removal ⁽³¹⁾ of the monopoly clause. In any event his motion was accepted on another straight party division, 19 to 8. ⁽³²⁾ At this session no railway legislation was passed which would have permitted lines to build in the area prohibited by the provisions of clause 15 of the C.P.R. charter.

Coincidentally with the provincial session at Winnipeg, the federal Parliament was sitting at Ottawa. The question of Manitoba's position under the C. P. R. monopoly was again brought up for discussion by the indefatigable Watson. He again moved that the C. P. R. should relinquish the monopoly clause, in consideration of the financial aid to be granted the company. He reviewed the statements of government leaders on the question of monopoly, from Macdonald's "we cannot check Manitoba", to Tupper's promise that disallowance would ⁽³³⁾ cease on the completion of the line north of Lake Superior. His motion, that the bill in aid of the C.P.R. be sent back to committee, and that clause 15 be struck out of the C. P. R. charter, was the signal for an extensive debate on the whole question of the disallowance of Manitoba railway charters, Richard Cartwright and David Mills led the Liberal attack, while the defense was conducted by Sir John Macdonald. Cartwright accused the government of deceit in the handling ⁽³⁴⁾ of Manitoba, and Mills attacked the validity of the power of disallowance except

(30) (Ibid. pp.221-2)

(31) (Ibid. p.222.)

(32) (Ibid. p.222.)

(33) (Debates of the House of Commons, 1886, May 18th, pp.1343-44)

(34) (Ibid. p.1346)

in cases where the legislation in question was definitely ultra vires of the
(35)
province.

Attacks on his statement, made during the C.P.R. charter debate, that "we cannot check Manitoba", brought a lengthy reply from the prime minister. He defended his remarks at that time in his own inimitable manner, he had really meant something entirely different from the way his words were taken. The explanation is worthy of quotation:

"... Illusion (sic) has been made to the remarks of myself when the Canadian Pacific Railway charter was before us, and that I had stated we would not interfere with the action of the Manitoba Legislature. I did say so, and that is true. We cannot interfere. We were then legislating as a Legislature, we were proposing to pass the Canadian Pacific Railway Act, and part of the agreement which was before the House, and to which the sanction of the House was asked, was this clause: (here follows recitation of part of Clause 15)

And so on. So we were asked would this clause be obligatory on the Legislature of Manitoba? We said: No; we cannot legislate for the Province of Manitoba.

Mr. Mills (Bothwell) You cannot "check".

Sir John Macdonald; The Hon. Gentleman need not interrupt me. We can only legislate within our power. Suppose we placed in that Act a clause that the Manitoba Legislature should not for twenty years grant any charter for a railway except in a particular direction, that would have been an infringement of Provincial rights, and we would have heard no end of howl about it. I said that we could not interfere with the Manitoba Legislature. I said they can legislate in any way they please, and we can only pledge ourselves as to what the Dominion Parliament would do... But that does not interfere with, it has no connection with, the executive power given to the central authority to exercise the power of disallowance as regards any Act passed by any Legislature which is detrimental or injurious to the whole Dominion." (36)

In short, Macdonald claimed that when he spoke as he did in 1861, he spoke for the House of Commons and not for the cabinet or the Governor-General-in-Council. He defended the justice of disallowing Manitoba railway charters on the grounds that such disallowance was in line with his report on the exercise of the power of disallowance, made in 1863, when he was minister of Justice. (37)

(35) (Ibid. p.1346) (36) (Ibid. p.1348)

(37) (In this report, to be found in Sessional Papers, Canada, 1869, No.18, p.1-2 Macdonald advised the exercise of the disallowance power in cases where provincial legislation was considered contrary to the best interests of Canada as a whole. This policy had been followed by the Mackenzie government, a fact which Macdonald did not forget to flaunt before the Liberals)

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In concluding his remarks on Manitoba and disallowance, Macdonald indicated his firm opinion of the supremacy of the federal, over the provincial authority, (38)
"...I feel very strongly on this matter..." When the question, on Watson's (39)
amendment, was finally put, it was lost by a vote of 116 to 49. Scott and Royal voted with the majority, while the other Manitoba members, Sutherland and Ross, are not listed.

In Manitoba, after the prorogation of the Legislature, attention focused on the forthcoming provincial election. It was generally understood that Norquay would appeal to the people sometime before the end of the year. The local press plunged immediately into election propoganda on behalf of their favorites. The official platform of the Liberal party, or Manitoba Reform Association, became a standard item on the editorial page of the Free Press throughout the summer and fall of 1886. This platform contained a demand for relief from railway (40)
monopoly as a prominent plank. Candidates were nominated throughout the summer, so that when dissolution was announced on November 11th, 1886, the campaign had already been long underway. On the question of the C.P.R. monopoly there was very little division of opinion among candidates of whatever political faith. From Norquay down, they expressed themselves as being in favour of its elimination at the earliest possible date. Begg states:

"... he would have been a bold aspirant for legislative honours who dared to ignore it in his canvas or on the hustings. Better terms were almost lost to memory in the intensity of the feeling in favor of provincial rights, in the matter of railway charters." (41)

A diversion was provided in July, and again in August, by the visits to the province of Sir John Macdonald, making his first trip to the West on the first regular through train of the C.P.R. He spoke in Winnipeg on his way west, on July

(38) (Debates, May 18th, 1886, p.1349)

(39) (Ibid. p.1357)

(40) (Daily Free Press, July 15th, 1886)

(41) (Begg, op.cit.III,p.142)

14th, making no mention of the railway problems of the province. (42) The Free Press treated the prime minister with great respect and reserve. During his visit they made no uncomplimentary references whatsoever to him or his government. Their restraint earned them a sarcastic comment from the Toronto Mail, to which the Free Press replied with some heat in an editorial entitled, "Casting Pearls Before Swine". They explained that courtesy alone was the motive of their abstention. (43) On his return Macdonald spoke again in Winnipeg, this time mentioning monopoly, explaining his reasons for its necessity and promising relief as soon as possible. (44) The Commercial did not hold out much hope for relief from monopoly in its review of Macdonald's address, and were not motivated by the same restraint as was the Free Press. They attacked Macdonald bitterly:

"... he condescended to tickle our local vanity, bestow on us fair share of political taffy.... It is plain he is bound hand and foot by the C. P. R. to the policy of monopoly." (45)

With the Norquay administration pledged to end disallowance if returned to power, the Greenway faction was reduced to sniping at Norquay's failure to act decisively in the past and to alleging corruption on the part of members of the government. (46) The ministerial press urged the return of the government arguing that they had done well for the province so far and would do better in the future. There was not as much stress laid on the benevolence of the Macdonald administration as in the election of 1883. (47) It is apparent that Norquay was in the process of abandoning his Ottawa support. This election marked the first time in Manitoba when vote by ballot was used, giving the Liberals hope that they would profit by the decreased possibility of coercion. There had also been a redistribution effected at the last session of the previous Legislature,

(42) (Daily Free Press, July 15th, 1886, back page head, "Sir John's Welcome")

(43) (Ibid, July 24th, 1886)

(44) (Commercial, Sept. 7th, 1886, Ed. "The Chieftain Hath Spoken) (45) (Ibid)

(46) (Daily Free Press, Nov. 26th, 1886, Ed. "The Better Terms", also Martin, op. cit. p. 119, for an account of the Norquay anti-disallowance stand)

(47) (Daily Manitoban, Nov. 26th, 1886, Ed. "The Contest")

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increasing the number of seats from thirty to thirty-five and increasing the representation of the western part of the province. These factors gave the Liberals confidence and they awaited polling day eagerly. The Conservative forces were apparently equally confident. (48)

Polling was held on December 9th, and the result was not long in doubt. The next day the Manitoban was able to proclaim "VICTORY" and announce the return of the government with a safe majority, rejoicing over, "Triumphant Norquay" and asserting, "What an answer is this to the Premier's detractors and slanderers." The Free Press was obviously disappointed, but gained comfort from the increase in Liberal representation in the House. A final count showed that 19 Conservatives, 14 Liberals and 2 Independents were returned. The 2 Independents, David Glass (St. Clements) and Thomas Gellley (Cartier), consistently supported Norquay in the House so that he had a majority of seven seats. It is difficult to assess the importance of monopoly and disallowance in this contest since both parties pledged themselves as being against them during the campaign. A glance however, at the electoral map of the province, shows that in the western part of the province, especially those constituencies south of the C.P.R. main line and thus most affected by monopoly, the Liberals made considerable gains. They took two-thirds of the seats south of the C.P.R. and west of the Red River. On the other hand, in the eastern part of the province, least affected by Dominion railway policy, the vote went solidly Conservative. There can be no doubt that popular support had begun to desert Norquay. He passed from a majority of ten in a House of thirty members, to one of seven in a House of thirty-five. His policy of conciliation at Ottawa had taken its toll. (49) (50) (51) (52)

The smoke of the Manitoba electoral campaign had only died away when the

(48) (Ibid. Dec. 8th, 1886, Ed. "A Last Appeal")

(49) (Daily Manitoban, Dec. 10th, 1886, front page.)

(50) (Ibid. Ed.) (51) (Ibid)

(52) (Daily Free Press, Dec. 11th, 1886, Ed. "The Elections")

province found itself in the midst of a Dominion election. Four of Manitoba's five federal ridings were the scene of bitter contests. Lisgar returned A. W. Ross by acclamation. (53) The question of disallowance was again an important factor to all candidates. The choices of both parties expressed themselves as being in favour of ending disallowance and its progenitor-monopoly. (54) Begg goes so far as to state:

"Conservative and Liberal alike were forced to accept it as their shibboleth before they ventured to ask the vote of a single free and independent." (55)

A least one of the Conservative incumbents, however, accepted anti-disallowance with reservations. Joseph Royal, addressing himself to the electors of Provencher, spoke to the following effect:

"...(he) was in favor of the discontinuance of that policy, but not before such time as the protection given by Canada to the railway company (the C.P.R.) was thought to have no ground for being continued." (56)

Hugh Sutherland, seeking election in Winnipeg as a Liberal, had his record of not voting on questions involving monopoly and disallowance in the House of Commons held up as indicative of a negative attitude towards Manitoba's rights. (57) Generally speaking, the Liberal press made a much greater issue of the railway problem than did its Conservative rival. The Manitoban, throughout the Campaign, laid much emphasis on the alleged ineptitude of the Liberals when they were in power, and tended to gloss over the issue of railways. There is no editorial statement condemning either disallowance or monopoly as such throughout the entire course of the campaign.

Canada voted on February 22nd. Manitoba went along with the rest of the country, returning a sizeable Conservative majority. Of the four seats contested in the province, three returned Conservative and the other a Liberal. In spite

(53) (Canadian Parliamentary Companion, 1887, p.182)

(54) (Daily Free Press, Feb.9th,1887, Ed. "The Contest".)

(55) (Begg, op.cit.III,pp.142-3)

(56) (Debates, May26th,1887,p.583 - Royal quoting from an address delivered by himself during the campaign.)

(57) (Daily Manitoban, Feb.10th,1887, Ed. "Disallowance".)

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of the heated campaign carried on by the newspapers the vote was very light, (58)
less than one-half of the registered voters cast their ballots. In no case
was the result a really decisive victory for any candidate. Robert Watson
narrowly triumphed over Boulton, his Conservative opponent in Marquette;
Searth carried Winnipeg by only a narrow majority over Sutherland; Royal in
Frovencher fared slightly better, in spite of his quasi-support of disallow-
ance (see above) during the campaign. (59) Again the Free Press was disappointed
but this time more philosophic, characterizing the Conservative victory as,
"... the last leap of the flame before final extinguishment." (60) On the other
hand, the Manitoban saw in the result another manifestation of the prevailing
good sense of the Canadian people. (61) A stranger explanation for the Tory
success in Manitoba was given by the Commercial. This paper was openly Liber-
al in sentiment by the 1887 election. Their explanation was as follows:

"In regard to disallowance ... the people of this province to a man
are most determindly apposed (sic) to the policy of the government,
but they evidently concluded that supporters of the Government pledged to
oppose disallowance, would be able to accomplish more than members in
opposition." (62)

Having elected a Legislature and a parliamentary group opposed to the con-
tinuation of disallowance, Manitoba looked eagerly for early relief from mono-
poly, a subsequent extension of rail facilities and a substantial lowering of
rates. The hopes of the province were raised in the course of a visit paid to
Winnipeg by the Minister of the Interior, Thomas White, in early March. White
spoke to a delegation of "representative Conservative citizens" on the sub-
ject of disallowance, leading them to believe that if a line to the border was
chartered at the next session of the Legislature:

(58) (Canadian Parliamentary Companion, 1887, pp.177-83 for statistics)

(59) (Canadian Parliamentary Companion, 1887, p.184)

(60) (Daily Free Press, Feb. 24th, 1887, Ed. "The Result".)

(61) (Daily Manitoban, Editorial page, Feb. 24th, 1887)

(62) (The Commercial, March 1st, 1887, Ed. "The Dominion Elections")

(63) (Daily Manitoban, March 5th, 1887, Front page heading, "A Ministers Views")

"... that from the strong expressions of opinion from Manitoba and the North-west, in which friends of the government were found to be most emphatic, the probabilities were that the law would be allowed to take its course.(64)

White's statement was followed by a speech made on the 7th, to the Junior Conservative Association of Manitoba, which had presented him with an address asking an early end to the G. P. R. monopoly. White's remarks on the advantages to the west of railway competition were generally interpreted to mean that those advantages would soon be made available to Manitoba. (65)

Though White did paint an impressive picture of the ability of the G. P. R. to stand competition and of the greater prosperity such competition would bring to the west, nowhere in his speech, as reported in the Manitoban, or in the Sessional Papers, did he make anything like a categorical statement that the Dominion Government was contemplating a change of policy in this regard. (66)

During March a group of Manitoba Conservatives organized themselves into a definite anti-disallowance group under the title of the "Conservative Anti-disallowance Association". This group, which included E. P. Leacock, M. P. F. and W. B. Searth, M. P., pledged their support to both provincial and federal Conservative regimes on all questions except that of disallowance. (67)

The Liberal organization had long been pledged to ending the disallowance policy. At a caucus of Liberal members-elect of the new Legislature, a resolution was passed promising support to any government which might be formed in the province, that would enact the following legislation: (69)

"Charter lines of railway from the International Boundary in the old province to any other point in Manitoba, and further undertake to assert and enforce the rights of the Legislature in this respect, financially or otherwise, as the circumstances may require, that at the earliest possible moment additional railway facilities may be secured the Province. (70)

(64) (Ibid) (65) (see, The Commercial, Mar. 8th, 1887, Ed. "Railway Rumors" & "Sessional Papers, Canada, 1888 no. 58b. p. 7")

(66) (Daily Manitoba, MARCH 8th, 1887 p. 1 "Grand Speech")

(67) (Sessional papers, Canada, 1888, No. 58b. p. 7)

(68) (Daily Free Press, Mar. 31st, '87, back page, head. "Conservatives")

(69) (Begg, op. cit., III, p. 143) (70) (Ibid.)

This was the first of the Liberal demands, the others being, a fair redistribution measure, aid to the Hudson's Bay railway, economy in government and aid to immigration. (71) Norquay, apparently concerned with the growing unanimity of opinion in favor of competing lines of railway, entrained for the capital with the Manitoba Conservative M. P.'s to appeal to Macdonald for an early relaxation of the ban. (72)

Norquay interviewed the prime minister, being backed up in his plea by Scarth and Daly. He returned to Winnipeg for the opening of the Legislature but did not bring a definite statement one way or the other as to Macdonald's future course of action. (73) This is borne out by his statement to the press on his arrival in Winnipeg. He stated:

"I sincerely hope our joint representations will have the desired effect. At all events we shall take prompt action here The local Government will do everything in its power to establish connection with the boundary." (74)

Norquay had decided to fly in the face of Ottawa in order to bolster his waning popularity at home. Had he been given assurance by Macdonald that disallowance would not be exercised in regard to a charter to the international boundary, he would have certainly announced it at once as a personal triumph. Future exercise of the veto power proved that no such assurance had been given. Acton Burrows, editor of the Manitoban and close personal friend of Norquay, accompanied the premier to Ottawa. On their return, his paper stated editorially, that Norquay would proceed to charter railways to the border immediately, in spite of implied failure to get results at the capitol. Said the Manitoban:

"Mr. Norquay could do nothing at Ottawa but make representations. He has come back, however, to carry out the wishes of the people with regard to railway legislation. He will provide for the immediate chartering of such companies as may be considered necessary. More than that he cannot do." (75)

(71) Ibid (72) (Daily Manitoban, Mar. 25th, 1887, back page heading, "Personal Paragraphs" announced his departure for Ottawa.)
(73) (Daily Manitoban, April 9th, 1887, front page head. "The Premier Returns")
(74) Ibid. (75) (Daily Manitoban, Ap. 11th, 1887, Ed. "Disallowance")

However, Norquay decided that there was more he could do with regard to obtaining for the province the railway competition it desired. In the Speech From the Throne at the opening of the Legislature, it was stated:

"You will be asked to give your attention to the passage of a measure to authorize the Government of the Province to construct and operate or lease a line of railway from the City of Winnipeg to a point at or near the town of West Lynne" (West Lynne was located opposite the town of Emerson)

"You will be asked to provide the necessary authority for an appeal to the Imperial Government for relief should the policy of disallowing railway charters, intended to operate wholly within the limits of the old Province of Manitoba, be persisted in by the Federal authorities." (76)

Here was a double move to gain Manitoba her rights as she saw them. The building of a border connection as a public work to show the Dominion that the province was sincere in her demands; and the threat of an appeal to the foot of the throne if disallowance was again insisted on at Ottawa. To show that these were not just words, Norquay introduced and moved the first reading of two bills for railways to the border, as soon as the Lieutenant-Governor had withdrawn. (77) These were the charters of the Manitoba Central Railway Company and the Winnipeg and Southern Railway Company, both authorized to construct and operate a line of railway from Winnipeg to the international boundary in the vicinity of Emerson. (78) The rules were suspended and both bills read a second time, passing immediately into Committee of the Whole. (79) The two charters were read a third time and passed without division the next day, receiving Royal assent on April 19th. (80) In this rapid progress there was little debate. Greenway, however, congratulated Norquay on his conversion to the principle of Manitoba's rights for which the Opposition had so long struggled. (81) Immediately on receiving Royal assent the two Acts, at the request of the House, were forwarded to Ottawa for early consideration by the privy council. (82) It

(76) Journals, April 14th 1887, p.3.

(77) Ibid (78) Hodgins, op.cit. pp.857-8

(79) Journals, April 14th, 1887, p.5. (80) Ibid, pp.6 & 11.

(81) Begg, op.cit.III, p.145.

(82) Journals, 1887, p.12.

would seem that the Manitoba Legislature was daring the Dominion Government to disallow the charters.

This impression is strengthened by Norquay's action on the following day. On the 20th of April he moved the first reading of a bill to provide for the construction by the province of a line to the border at West Lynne. This government project would also be operated by the province, with running rights open to all railways, not exclusively to any one line. It was to be paid for by means of an issue of \$1,000,000 in provincial bonds. This measure met no resistance in the Legislature, being assented to on June 1st as "An Act to Provide for the Construction of the Red River Valley Railway." Under its provisions the provincial Railway Commissioner, Norquay, was empowered to carry on the work of construction as a public work in the event of the failure of private contractors to accept the task. To enable this to be done, the Public Works Act was amended to provide for the empowering of the Minister to construct any public work at the expense of the province, on the instructions of the Lieutenant-Governor in council, and to raise money for the purpose by borrowing on the credit of the province. By these two statutes the province could build the Red River Valley railway as a public work. As further expressions of the determination of the government to see a line to the border constructed; a resolution was adopted providing for the calling of a special session of the Legislature which would serve without pay to consider further measures if any obstacles were placed in the way of the completion of the railway; and an act passed whereby employees of provincial public works were to be considered as servants of the Crown. By this latter measure it was hoped to avoid the possibility of work on the Red River Valley Railway being halted by injunction.

(83) (Ibid. p.13.) (84) (Rege. op.cit.III p.146.)

(85) (Statutes of Manitoba, 1887, 50 Vic. chap. 4.)

(86) (Ibid. chap. 47. "An Act to Amend the Public Works Act")

(87) (Journals, 1887, p.134.)

(88) (Statutes of Manitoba, 1887, 50 Vic. chap. 28, sec. 7.)

These measures were supplemented during the course of the session by other resolutions of the House - without a dissenting voice - condemning disallowance and monopoly and demanding immediate relief. E. P. Leacock moved a resolution serving notice on the Dominion that Manitoba would no longer submit to interference in her railway policy. The C. P. R. was directly accused of taking advantage of the monopoly clause to maintain high rates and restrict the extension of branch line facilities. A copy of this resolution was forwarded to the Governor-General-in-council. At the close of the session a resolution was passed authorizing an appeal to the Imperial Government in the event of the continued exercise of the power of disallowance in regard to railway charters of the province. At the same final sitting it was decided that if the charter of the Red River Valley Railway was disallowed, the Railway Commissioner would undertake the letting of contracts and the actual construction in the same manner as any private railway company. The issue had been clearly drawn. Norquay had been driven by the pressure of opinion to desert the agreement he had made with Macdonald before the C.P.R. charter had been granted. He was, henceforth, clearly in opposition to the Ottawa administration.

The fact that Norquay's opposition to disallowance and monopoly was supported by the greater part of the people of Manitoba, was communicated to Macdonald as early as mid-April 1887. Lieutenant-Governor Aikins reported on the urgency of the situation:

"... The disallowance feeling is so strong now that should it be your policy to continue it to roads in the old Province of Manitoba by disallowing the charters passed this session the Government will most likely be forced to undertake the work at once. The Province would be with them as a unit on appeal on that issue. It seems to be if it could be avoided a pity that seeds of discontent should be sowed that will not only be injurious to the country but that may produce an antagonism to your Government in the future not only in this Province but farther west." (94)

(89) (Journals 1887, April 26th, pp. 21-22) (90) (Ibid) (91) (Ibid, p. 24.)

(92) (Ibid, p. 151, June 10th, 1887) (93) (Ibid)

(94) (Macdonald Papers, Aikins to Macdonald, 16th, April, 1887, "Private")

Aikin's statement of the unanimity of public opinion was supported by the whole press of the province. The Morning Call, lineal successor to the Manitoban in Winnipeg, stated:

"Disallowance is undoubtedly the topic of the hour here. No question has ever engrossed so large a share of public attention in this province. The people may be described as almost a unit in their opinions with regard to it. They are deeply, strongly in earnest about it.(95)

The Commercial speaks of the fact,"... that the long-wished-for feeling of unanimity on this question has been reached..." (96) The already venerable issue of East versus West was again brought to the fore as Manitoba's resistance transcended the bounds of national party lines. The Conservative Morning Call made mention of it in discussing the general problem of disallowance, (97) while the Commercial specifically accused the eastern provinces of predatory imperialism:

"The East has nothing for the West but to keep this country in bondage and under the heel of monopoly accordingly as its own blind selfishness directs it. Monopoly must be maintained in order that the East may continue to exact its pound of flesh from the West.(98)

This impression was increased during the provincial session by reason of several unfortunate statements made by C. P. R. general manager Van Horne and the line's president, George Stephen. In April Van Horne was reported as stating that no further branch lines would be built in Manitoba because of lack of funds and,"... the fact that the anti-disallowance agitation had interfered with the company's arrangements. (99) This was followed by a further statement by Van Horne that the anti-disallowance agitation was inspired by Winnipeg merchants for the selfish purpose of gaining cheaper rail rates for themselves. (100) This the Commercial hotly denied, pointing out that anti-monopoly meetings had been held in Portage la Prairie, Emerson and other

(95) (Morning Call, April 27th, 1887 Ed. "Disallowance".)

(96) (Commercial, May 3rd, 1887, Ed. "The Disallowance Question")

(97) (Morning Call, April 27th, 1887, Ed. "Disallowance".)

(98) (Commercial, May 17th, 1887, Ed. "disallowance")

(99) (Morning Call, front page news column, Ap. 23rd, 1887)

(100) (Commercial, May 10th, 1887, Ed. "Deception and Bluster")

(101)

towns, long before Winnipeg citizens had organized a protest. It remained for Stephen to create the greatest uproar, and to consolidate local opinion even more firmly against the C. P. R. During the debate in the House on the Red River Valley bill a telegram from Stephen to Norquay was read to the Legislature. Stephen threatened the removal of the main western shops of the railway from Winnipeg to Fort William:

"If the mischievous agitation in favor of diverting the business of the northwest into American channels is continued and the C.P.R. is to be treated as a public enemy by the people of Winnipeg..."(102)

Norquay's reply to this wire contained none of the bombast employed by Stephen:

"Sir George Stephen, Montreal.

Cannot understand how your company can construe contemplated action of Provincial Government to build a railway to southern boundary as breach of faith to holders of Canadian Pacific Railway securities. Government is acting on behalf of Province, uninfluenced by Winnipeg's attitude towards C.P.R., or C.P.R.'s contemplated removal of workshops.

(signed) John Norquay."

The premier refused to be coerced. Indeed he could afford to heed neither threats nor blandishments. Riding as he was, on a tidal wave of popular emotion any attempt to stem it would have swept him under. Stephen had underestimated the extent of feeling in Manitoba, his threat acted, in the words of Begg, "... like oil on a fire, it only seemed to intensify the feeling of hostility to

(104)

the road..." On the 26th of May a mass meeting, attended by some 2,000 citizens, was held in Winnipeg. Here Norquay was lauded for his reply to Stephen and the

(105)

C. P. R. monopoly roundly condemned. Wires from all parts of the province, sent in most cases by the mayors of towns or reeves of municipalities, echoed the senti-

(106)

ments which the meeting had been organized to express. The Commercial commented truthfully that the C.P.R.'s threats, "... and in furthering the cause of

(107)

those opposed to monopoly."

[101] (Ibid) (102) (Stephen to Norquay quoted by the Morn.Call. May 20th,1887 news story "Winnipeg Threatened")

[103] (Daily Free Press May 21st,1887,Ed."Manitoba Threatened")

(104) (Begg, op.cit.III,p.147)

(105) (Morning Call, news story May 26th,1887)

(106) (Ibid) (107) (Commercial, May 31st,1887,Ed. "Stephen's Bluster")

Meanwhile, Ottawa had again become the Mecca of the anti-monopoly forces from Manitoba. In April a delegation was sent by the Winnipeg city council, the Winnipeg Board of Trade and the Liberal-Conservative Anti-Disallowance Association to plead the cause of railway competition before Sir John Macdonald. (108) They were received and their case heard but they were given no definite answer. Macdonald told them that, since the monopoly clause was part of a parliamentary act, Parliament would have to decide as to its removal. He pointed out that Robert Watson had given notice of the introduction of a resolution calling for the abrogation of the monopoly clause, thus the government could not do anything until the House of Commons had registered its opinion. (109) The Winnipeg delegation returned unmollified. The Board of Trade representative, J. H. Ashdown, reported to the Council of that body and his report clearly indicates that he had not changed his mind on the immediate necessity for the abandonment by the Dominion of its disallowance policy. Part of his report is quoted below:

"Should the Dominion Government attempt to continue the tyrannical restrictive policy hereto adopted, it is a question for the authorities at Ottawa to consider how long - while hundreds and thousands of our fellow Canadians are scattered over the country to the south of us prosperous and contented; while many others from this side are continually joining them, and while the 1200 miles of rock and morass between here and Pembroke has little left but sentiment to unite us to the east - how long that sentiment is likely to prevail against many material interests and the feelings of exasperation so rapidly growing here. The situation is a serious one, and it certainly seems the part of wisdom for the Dominion to withdraw from the untenable position now held by them and allow the Province to grant such relief as our people, through their representatives, may deem necessary." (110)

The threat of separation from the Dominion is only thinly veiled in Ashdown's statement which had been unanimously adopted by the council of the Board of Trade. Neither Ashdown nor his colleagues can be dismissed as irresponsible agitators, they were the leading businessmen of the city driven to extremes

(108) Winnipeg Board of Trade, 9th Annual Report, p.20, Winnipeg Feb. 7th, 1888, Manitoba Provincial Library.

(109) Begg, op.cit.III,p.148

(110) Winnipeg Board of Trade, op.cit.p.19

by their belief in the absolute necessity of competing rail connections with their markets.

Watson's motion, calling for the deletion of clause 15 from the Canadian Pacific Railway Act, was finally taken up on May 26th, after repeated delays due to "pressure of business". (111) Once more he reviewed the whole course

of government statements on disallowance, comparing them with the various acts of disallowance and adding new statements such as that of Thomas White at Winnipeg. (112) He warned the House that, "... matters in Manitoba ... have

lately assumed a somewhat serious aspect." (113) In rebuttal Tupper stated he

had made his statement in 1884 on the end of the disallowance policy in the firm belief that the promise would soon be implemented. (114) His defence con-

tinued with the cry that the Opposition would have inserted an even stronger monopoly if the Howland charter had been accepted; concluding that the existence of Canada as a nation depended on the prevention of American interference via rail connections. (115) Cartwright invoked the shade of the North-West Re-

bellion, blaming that rising on the studious neglect of the government and hoping Manitoba wont be driven to extremes by a repetition of that neglect. (116)

Blake demanded the removal of the offensive clause in the interests of the best working of the constitution and to remove a strain on the state. (117) Macdonald

defended his stand on monopoly as necessary to national development basing the maintenance of the disallowance policy on the fact that it had several times been reviewed in Parliament, Parliament had sustained the government and Parliament itself had recently been sustained by the people; thus disallowance was the policy of the majority, whose wishes the government was in power to

(118) serve.

(111) (Debates, 1887, p.369 & P.385)

(112) (Debates, 1887 pp.543-44) (113) (Ibid, p.544) (114) (Ibid, p.553)

(115) (Ibid, pp.554-5) (116) (Ibid, p.561) (117) (Ibid, pp.568-76)

(118) (Ibid, pp.576-79)

Donald A. Smith, (Montreal West) spoke against Watson's resolution. He stressed the need for immigration; Canada needed an all-Canadian route to the western plains in order that immigrants would not be sidetracked by the temptations of the yet unfilled plains of Minnesota and Dakota. He claimed that this was one of the chief reasons that he and his associates of the Minneapolis and Manitoba Railway had undertaken the task of building the C. P. R.; they wished to fill the west with settlers. The obvious conclusion from his remarks was that the monopoly was a useful device to get settlers into the country and thus actually maintained in the interests of the West. (119) With the government arrayed against the abrogation of monopoly the result was a foregone conclusion. Watson's motion was defeated by a vote of 114 to 65. (120) Ross and Royal voted with the majority; Ross, elected by acclamation, had never been forced to commit himself on monopoly before the electorate; Royal claimed the time was not yet right for its removal though he believed it should be removed as soon as the government saw fit. (121) Faithful to their campaign pledges, Daly and Scarth voted with the Liberal minority along with the sole Manitoba Liberal member, (122) Watson.

In Manitoba events moved rapidly after the prorogation of the Legislature. The government made a contract with the construction firm of Ryan and Hancey to (123) build the Red River Valley Line, to be completed by the 1st of September. The first sod was turned on July 2nd by Norquay himself in the presence of a large gathering. (124) The celebration was entirely non-partisan. Norquay, Joseph Martin, E. P. Leacock, Mayor Lyman Jones of Winnipeg, Mayor Adams of Brandon, J. H. Ashdown and many others spoke on the occasion. (125) In fact, Norquay was presented with a suitably engraved gold tiepin, in honor of the occasion, by Lyman Jones who was

(119) (Ibid., pp. 581-2)

(120) (Ibid., p. 587)

(121) (Ibid., p. 583)

(122) (Ibid., p. 587)

(123) (Morning Call, June 30th, 1887, back page head, "The Contract signed.")

(124) (Morning Call, July 4th, 1887, front page head, "To the Boundary")

(125) (Daily Free Press, July 4th, 1887, back page head, "The First Sod")

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(125)

to serve as Provincial Treasurer in the Greenway Government. On the date that the above ceremony was reported in the local press, there appeared a report from Ottawa to the effect that the Federal cabinet had decided to disallow the Red River Valley Railway Act. This report was further confirmed the next day by an Ottawa dispatch stating:

(127)

"A Cabinet Minister admitted ... today that the government, owing to the action of Parliament, (in turning down Watson's motion) had no other alternative than to disallow the act." (128)

These reports did not deter the provincial government in its efforts to get construction underway. The Free Press notes the possibility of disallowance but is unafraid:

"There are reports current that the act has already been disallowed. What of it? Go on with the work." (129)

These reports soon were confirmed beyond doubt. By order-in-council, published July 16th, the Red River Valley Railway Act, and the Act to Amend the Public Works Act were disallowed. In both cases the Acts were disallowed on the ground they violated the, "...policy of the Parliament and of the government of Canada, ... by which it is sought to prevent the diversion of trade from the railway system of Canada to the railways of the United States." (131)

(130)

The Act to Amend the Public Works Act was disallowed on the same point of policy as the other since under its terms a line similar to the Red River Valley might be constructed as a public work of the province. A week later the power of disallowance was exercised with regard to the Act for Further Improving the Law. The objection here was to the placing of all persons employed on public works in the category of Servants of the Crown. Sir John Macdonald, who reported on this Act for the Minister of Justice, recommended disallowance on the

(132)

(133)

(134)

ground that it freed the persons concerned in public works from responsibility

(126) (Ibid) (127) (Morning Call, July 4th, 1887, front page head, "Disallowance")

(128) (Daily Free Press, July 5th, 1887, front page head, "Our New Railway")

(129) (Ibid, Ed. "The First Sod")

(130) (Canada Gazette, 16th July, 1887, Vol. XXI, No. 3, p. 92)

(131) (Report of the Hon. the Minister of Justice, approved by His Excellency the Governor-General-in-Council, 6th July 1887, Hodgins, op.cit. p. 855)

(132) (Ibid) (133) (Can. Gazette, July 23rd, 1887, Vol. XXI No. 4, p. 140)

(134) (see p. 14 above.)

or liability for their acts, thus constituting,"... a manifest interference
(135)
with private rights..."

Immediately after the disallowance of the Red River Railway Act, Norquay
proclaimed the line to be a public work under the terms of the Public Works
(136)
Act of 1885. By section 10 of this statute, which had been placed beyond
the Dominion's power of disallowance by the passage of time, Manitoba had wide
powers in the designation of what constituted a public work:

"The Lieutenant-Governor-in-Council may, from time to time, by pro-
clamation declare any other property real or personal, and any works,
... purchased or constructed at the public expense to be Public
Works, subject to the provisions of this Act, and they shall henceforth
be vested in Her Majesty and under the control of the Department." (137)

The work of grading the border railway continued apace on this basis through-
out the summer. No action to restrain the province was taken by the Dominion
government at this time; that is, no public action. The C. P. R. authorities,
however, took action at once to obtain an injunction in the courts against
the railway. They did not move openly to obtain their ends. Late in July it
was reported that a man from Montreal had purchased two lots, stretching from
the Red River to the C. P. R. tracks, north of Morris in the direct line of
(138)
the proposed Red River Valley Line. The alacrity with which these lots were
purchased after the buyer was assured they were in the line of march of the
new railway, aroused the suspicions of the local citizenry:

"It is said there is reason to believe that he is acting in the inter-
ests of the C.P.R. and that he will apply for an injunction to restrain
the building of the road through the land in question." (139)

These suspicions soon proved to be justified. On August 22nd, one Browning,
purchaser of the lots mentioned above, obtained an interim injunction against
the railway crossing his land, from Mr. Justice Taylor in the Court of
(140)

Queen's Bench. Browning, absent in Montreal, was represented by Winnipeg's
(135) Report of the Hon. the Minister of Justice, approv. by His Excellency the
Governor-General-in-Council, July 18th, 1887, Hodgins, op.cit. pp.855-7)
(136) (Manitoba Gazette, Extra, July 22nd, 1887)
(137) (Statutes of Man. 1885, 48 Vic. chap. 6, sec. 10)
(138) (Morning Call, July 29th, 1887, back page head. "Is It True?")
(139) (Ibid) (140) (Morning Call, Aug. 22nd, /87, Front page head. "Gone to Law!")

leading lawyers, J. A. M. Aikins and J. S. Ewart, who based their argument on the claim that the Red River Valley railway could not be built under the 1885 Public Works Act since that Act was not meant to include the building of railways. (141) This injunction caused no delay in the grading of the line as the contractors were strangely unavailable for receiving service of the papers. (142)

Norquay, en route east to raise money for the line, was interviewed at Chicago as to his attitude to these efforts to halt construction. The premier stated:

"We are going to get to the boundary line and that is all there is about it.... The Manitoba Government is right and will maintain its position." (143)

A few days later another bill of complaint was filed against the Red River line; this time by Sir Donald A. Smith who claimed that the line was crossing his land in the Morris area without permission. (144) Still the work of grading went on, in the words of Begg, "... it was finished before any of the suits could be heard or determined." (145) The C. P. R. attempted to stop the work, by commencing the building of a spur line from their Gretna branch, to cross the projected route of the Red River Valley Railway. (146) This stragem apparently fell through since no more is heard of it. It is possible that it was never attempted, as the only evidence is contained in newspaper accounts which inferred from the presence in Winnipeg of Van Horne, and at Morris of a considerable stock of C. P. R. rails and ties, that such an effort was being made. (147)

Litigation proceeded during the summer on the attempt of Browning to get a permanent injunction against the Red River Valley. It continued into the fall gaining little more than cursory attention in the local press. In fact there was little or no editorial comment on the proceedings. It is apparent that there was no point of contention. The province needed the border connection,

(141) (Ibid) (142) (Begg, op.cit.III, p.151)

(143) (Morning Call, Aug.20th,1887, front page head, "What Mr. Norquay Says")

(144) (Ibid, Aug.24th,1887, back page head, "R. R. V. R.")

(145) (Begg, op.cit.III, p.151)

(146) (Morning Call, Aug.17th,1887, front page head, "At Last")

(147) (See Morn.Call, Aug.13th,/87, front page head, "C.P.R. Magnates Coming", and Aug.17th, front page head, "At Last")

it was going forward in spite of the efforts of the C. P. R. and it would be completed. No furor was caused by the announcement that Sir John Thompson, on behalf of the Dominion, had filed a complaint against the line on the ground that it was crossing crown lands without the permission of the Federal Government. (148)

It had been rumored that Sir John Macdonald had appealed for Imperial troops to be used to coerce Manitoba into accepting the C. P. R. monopoly. (149) There had never been any basis in fact for such a rumor. But not even the Free Press, most violent of the papers, in its denunciation of Macdonald, had presumed to give credence to the report. It did gain considerable circulation however, enough to be the subject of a question in the House of Commons in London. (150) The Colonial Secretary, Sir. Henry Holland, was able to scotch the rumor by reading a cable from the Governor General, Lord Lansdowne, reporting that Sir John had not asked nor did he intend to ask, the aid of Imperial troops, or of any troops. (151) The fact, however, that such a wild statement could be seriously entertained by anyone in the province or outside it, is indicative of an aroused state of public opinion on the question of monopoly.

During the course of legal proceedings on the injunction it was brought out that Browning was acting on behalf of the C.P.R. Browning stated that he was motivated solely by patriotism and friendship for the C.P.R. His connection with the monopoly road did Browning's case little good. On October 4th, Chief Justice Wallbridge decided against Browning's appeal and dissolved the temporary injunction against the Red River Valley. The reason given was that Browning was acting as a puppet of the C.P.R. However, it was also

(148) (Ibid. Sept. 12th, 1887. front page head. "C. P. R. V. R.")

(149) (Ibid. Aug. 27th, 1887. front page head. "Low. Not Shotguns")

(150) (Ibid. Aug. 30th, 1887. front page head. "How Things Are")

(151) (Ibid)

(152) (Ibid. Sept. 1st, 1887. front page head. "Browning A Patriot")

declared that the R. R. V. could not be built as a public work within the
(153)
meaning of the Public Works Act, 1885.

By this time financial, rather than legal, considerations were slowing the work of construction. Such work as had been done had been paid for out of the general revenue of the province; Norquay meanwhile endeavoring to raise the needed funds by touring the financial centres of the east, both in Canada and the United States. He attempted also to float an issue of bonds on the London market. This attempt failed as had all others. There was little inclination on the part of the world's money markets to become involved, to their possible loss, in a quarrel between governments, especially when the would-be borrower was in the inferior position. Added to this difficulty was the fact that the cards had been stacked against Norquay, at least in London, by none other than Sir John Macdonald himself. Knowing that Norquay would need to borrow to carry out the plan to build the R. R. V., Sir John wrote to his friend Sir John Rose, the London banker, to the effect that Norquay was ruining the credit of Manitoba and of Canada, and not to let him borrow in the London market. The letter is well worth quoting at some length:

"Private.

Ottawa, 25th Jun^y, 1887

My dear Rose:

I cabled to you yesterday that the Government of Manitoba was destroying the credit of the Province". (Here follows an account of how, if the province's credit is harmed so is that of the Dominion.)

"The present Government of Manitoba are altogether careless of the prestige or prosperity of their Province. The members of that Government are all impecunious, and think only of a continuation in office. When you reflect on a legislature of 35 members with a population of some 110,000, coolly devoting a million of dollars to build a railway from Winnipeg to the frontier, between two lines owned by the C. P. R. running in the same direction, one on the east and the other on the west side of the Red River, when there is not business enough for one of the two existing lines, you can understand the recklessness of that body....

All of this is of course confidential, but you will do good service both to Canada and Manitoba by discouraging on 'Change' the

(153) (Ibid, October 5th, 1887, front page head "DISSOLVED!")

floating of this indebtedness. In all probability the Provincial Act authorizing the construction of the railway from Winnipeg to the boundary for which the million dollar loan is wanted, will be disallowed.

Please use this information without mentioning my name.

Yours sincerely

(signed) John A. Macdonald

The Right Honorable,
Sir John Rose, G.C.M.G." (154)

Norquay returned from his quest for funds on October 3rd. On the same day all work on the R. R. V. was stopped by order of the solicitors of the line prompted by the provincial authorities. (155) The premier was interviewed on his return as to the success of his mission. He replied frankly; "I was not able to float the bonds, that is all". (156) The stoppage of work due to lack of funds was, at this late date, especially ironic. The R. R. V. was meant to connect with the Northern Pacific at the border near Emerson. To this end the Northern Pacific had been building a line to the border from St. Vincent in Minnesota. This line reached the border on the evening of October 4th. (157) Though work on the line had been stopped Norquay was not yet at the end of his tether. It was decided to offer the bonds to the public in the expectation that a people who had cried so loudly for freedom from railway monopoly would gladly buy up the issue to ensure that freedom. Therefore, on October 11th, 1887, advertisements over the signature of the Provincial Treasurer, A. A. C. LaRivière, appeared in the local press offering bonds of the province to the amount of \$300,000 to be repaid at the end of one year. (158) These debentures were to be issued in the form of \$50, \$100 and \$500 bonds bearing interest at 6% per annum, payable half-yearly. (159)

The bonds were not snapped up by an eager public, as might have been expected from the apparent determination of Manitoba's citizens to have a border connection at any cost. It would seem that monetary sacrifice was not included

(154) (Pope, correspondence of Sir John A. Macdonald, "Toronto, 1921, pp. 403-4)

(155) (Daily Free Press, Oct. 3rd, 1887, front page head, "Work is Stopped")

(156) (Morning Call, Oct. 4th, 1887, front page head, "Norquay Returns")

(157) (Daily Free Press, Oct. 5th, 1887, front page head, "The Border Reached")

(158) (Morning Call, Oct. 11th, 1887, front page advertisement, "BONDS")

(159) (Ibid.)

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in the "any cost" agitation within the province. The bonds moved very slowly, by October 21st, only \$2,750 worth had been taken up. Public apathy may have been due in part to the lack of enthusiasm displayed by the local press. The ministerial Morning Call was at the best, half-hearted in its support of the bond issue. When the issue was announced, the Call stated:

"By this step the Government has offered the people of the Province an opportunity of showing their faith in the Red River Valley scheme in a practical way."(161)

Having thus thrown the challenge to the people of Manitoba they were content to sit back, coming forward only to attack the Free Press' claim that the bonds were issued solely to raise funds to cover deficits in current revenue and not to finish the R. R. V. In spite of this suspicion on the part of the Free Press as to why the money is wanted, they asserted that the bonds were a good investment. Neither paper made any effort to boost the sale of bonds by direct appeal to their readers. The Commercial gave the bonds the warmest reception of all the local journals. They voiced the approval of the idea of selling bonds to the people of Manitoba and stated:

"Whether they succeed or not in their aim, they have made a business-like effort in this move, and have furnished one of the best investments ever offered to Manitobans possessed of unemployed funds."(164)

Shortly after announcing the public sale of the R. R. V. bonds, the Norway Government entered into a contract with H. S. Holt of the firm of Mann & Holt, builders of the first 40 miles of the Hudson's Bay railway, for the construction of the R. R. V. by the first of December 1887. Under the terms of this contract proceeds from the sale of the bonds would be used to pay off

(160) Ibid. Oct. 21st, 1887, front page head, "Built this Year"

(161) Ibid. Oct. 11th, 1887, Ed. "Bonds Issued"

(162) Ibid. Oct. 13th, 1887, Ed. "The Bonds" in reply to Daily Free Press, Oct. 12th, 1887, Ed. "The Provincial Bonds"

(163) Ibid

(164) The Commercial Oct. 17th, 1887, Ed. "The Manitoba Bonds"

the existing indebtedness of the line, Holt would then complete it and operate the railway as an independent company with control of rates vested in the provincial government. (165) This new contract became the basis of discussion between the government and a committee of Winnipeg citizens for the purchase by the city of one-half the bond issue. This committee was composed of Mayor Lyman Jones, members of the City Council and prominent citizens such as J. H. Ashdown and Duncan MacArthur. (166) Discussion was long and fruitless. The Citizens' Committee demanded that the province give assurance that the line would be completed before the end of 1887 and that it be definitely independent in operation on completion. (167) These assurances the government was only too glad to give, but the Committee was not satisfied. They raised new objections as quickly as the government agreed to the previous ones. (168) The Committee voiced their suspicions of Holt, whom they professed to believe was acting on behalf of the C.P.R. in order that the monopoly road might get control of the R. R. V. (169) This bickering did not please the new contractor. He declared that the deal was off as far as he was concerned and returned to Montreal, having previously given his opinion of the situation, one which was thoroughly endorsed by the Call which quoted him approvingly as follows:

"You people up here talk entirely too much to get a railway. It is a surprise to me if you ever succeed, in view of the way in which you must talk, talk, talk about the matter". (171)

This indictment of Holt's would seem to be well founded.

The difficulty in getting the Citizens' Committee to purchase the bonds appears to have definite political significance. The Committee was headed by three of the more prominent Liberals of the city, Lyman Jones, J. H. Ashdown

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- (165) (Call, Oct. 21st, 1887, front page head, "Built This Year")
(166) (Daily Free Press, Dec. 5th, 1887 Ed. "The Citizens' Resolution")
(167) (Ibid, Oct. 31st, Ed. "The Railway Situation")
(168) (Call, Oct. 29th, 1887, back page head, "Fallen Through")
(169) (Ibid) (170) (Ibid, Oct. 31st, 1887, back page head, "The Railway Break")
(171) (Call, Oct. 8th, 1887m Ed. "Too Much Talk")

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and Duncan MacArthur. Jones later became provincial treasurer in the Greenway government. (172) MacArthur successfully contested Assiniboia as Liberal (173) candidate in the January 1888 by-election, while Ashdown was well known for (174) his support of the Liberal party. Though interested in obtaining competing rail connections, these and others of the Liberal party in Manitoba were more interested in securing the downfall of the Norquay government. It is not difficult to believe that they placed party considerations first, bending every effort to embarrass Norquay and regarding the R. R. V. as a secondary consideration. This accusation was current in the local press at the time. The Call made a deliberate accusation of the "partyism" in an editorial on the (175) failure of the negotiations. The Commercial was even more definite in its belief that political opportunism was the key to the situation. They wrote:

"There can be no doubt that the present deadlock in the progress of the R. R. V. railway is the result of political party feeling... All are openly in favor of immediate construction of the road, and yet it is doubtful if the leaders of either party would not block the whole enterprise for years if by doing so they could secure any decided advantage over their opponents." (176)

The negotiation continued to drag along after the return of the Premier (177) from the interprovincial conference at Quebec. This Conference was called by the Quebec Premier, Honore Mercier, to consider the readjustment of the relations between the federal and provincial governments. This conference was a Liberal device and was attended by the leaders of that party, which was in power in all the provinces except British Columbia, Manitoba and (178) Prince Edward Island. Norquay was the only Conservative premier who attended. The fact that he and Hamilton, his attorney-general, attended/their

(172) (Parliamentary Companion, 1889, p.339)

(173) (Journals, 1888, p.4)

(174) (He was an unsuccessful Liberal Candidate in the 1896 election. Parl. Companion, 1897, p.198)

(175) (Call, Oct. 29th, 1887 Ed. "The Red River Line")

(176) (The Commercial, Nov. 7th, 1887a Ed. "The R. R. V. Railway")

(177) (Call, Nov. 2nd, 1887, back page head. "Norquay Returns")

(178) (Pope, op. cit. p.398)

official capacities after Macdonald had refused to recognize the conference
(179)
or participate in it, is indicative of the definite break between Norquay
and the federal leader of his party. Incidentally, Norquay received the sym-
pathy of the other participating premiers at the conference. A resolution
was adopted, New Brunswick alone dissenting, deploring the action of the Dom-
inion in disallowing the Red River Valley Act. The resolution read:

"... that this Conference views with alarm this encroachment of the
Federal upon Provincial power and that this Conference desires
to express its sympathy with the Legislature and the people of
Manitoba in their struggle for the constitutional rights of their
Province." (180)

In addition to this resolution the conference went on record as being opposed
to the whole principle of federal disallowance of provincial legislation. By
a further resolution the conference demanded the amendment of the British
North America Act to remove the veto power from the Dominion, leaving the
power with the Imperial Government, " ... as before Confederation." (181)

The sympathy of the eastern provinces was of little help to Norquay.
The money to complete the R. R. V. was still not forthcoming. A further
impediment appeared on November 12th, when the Dominion was granted an in-
junction against the R. R. V., on the application of Sir John Thompson, res-
training the line from crossing Dominion lands. This injunction, added to
(182)
the others already granted or pending, made little impression in Manitoba.
The real trouble was lack of funds. Inability of the government to come to
a satisfactory arrangement with the prospective buyers in Winnipeg added to
its difficulties. The horizon brightened momentarily on the 24th of Novem-
ber, when it was announced that Holt had agreed to the conditions imposed
by the Citizens' Committee as to the early completion and independent opera-
tion of the R. R. V. With the acceptance of the Committee's conditions it
(183)

(179) Ibid!

(180) Proceedings of the Inter-Provincial Conference held at the City of Que.
Oct. 20-28, 1887."pam., Provincial Library, Winnipeg.)

(181) Ibid. p.27 (182) (Call. Nov.14th./87. back page head."Dominion Succeeds")

(183) (Call.Nov.24th.1887 back page head. "Contract Accepted")

appeared that the bonds would soon be taken up and work on the line resumed. This rosy glow was soon to be dissipated, any chance of selling the bonds destroyed and the Norquay administration forced from office under a cloud. The unexplained action of E. P. Leacock in addressing a memorial to the Lieutenant Governor, indicting Norquay's government for breach of trust and asking that the Legislature be convened to investigate his accusations, was the final blow to the waning prestige of the administration.

The name of E. P. Leacock, M. P. P. for Russell and close personal friend of Norquay, has appeared often in the preceding narrative. He was an ardent opponent of the C. P. R. monopoly and an active promoter of many charters for local railways. A Conservative, he had long supported Norquay in the House and on the hustings. A possible explanation of his action in turning on Norquay at this time is given by Beggs:

"But the Government were "in extremis", the treasury was empty, and the sycophants and fair weather friends of 'honest John Norquay', who had misguided his policy and flattered his mistakes, were now eager to betray and assist in his downfall." (184)

A similar reason is hinted at by the Morning Call in its editorial on the announcement of Leacock's petition. In brief, Leacock asked; for the summoning of the Legislature in accordance with the resolution of the preceding session that it should be called if any obstacles were placed in the way of the R. R. V.; for a review of the contract with Holt for the building of the line; and especially for an investigation of the circumstances surrounding the transfer of provincial bonds to the contractors of the Hudson's Bay Railway on the security of land grants which the Dominion had subsequently refused to make.

(184) (See, op.cit.III. p.155)

(185) (Call, Nov. 29th, 1887. Ed. "Safely Delivered.")

(186) (See p.15 above)

(187) (The text of Leacock's appeal is to be found in the Daily Free Press, Nov. 29th, 1887, back page head. "An Indictment.")

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The immediate result of Leacock's appeal was the final abandoning of negotiations between the Citizens' Committee and the provincial government with regard to the purchase of the R. R. V. bonds. By resolution, the Committee refused to accept the Holt contract declaring that their confidence in the local government had been shaken by Leacock's charges of irregularities in the transfer of bonds to the Hudson's Bay Railway Company. (188) The embarrassment of the provincial government was complete. All efforts to raise the money for the building of the border connection had proved fruitless, Norquay had been unable to fulfil his pledge to build to the border. On top of all this he was faced with serious charges arising out of the failure of the Dominion to authorize the land grant to the Hudson's Bay Railway after the province had turned over bonds on the security of that grant.

Though the question of the Hudson's Bay Railway bonds is not directly connected with the problem of disallowance, it proved the deciding factor in forcing Norquay from office and as such, demands review. In accordance with the terms of the contract with the builders of the railway, the province was to turn over \$256,000 in provincial bonds to the railway on the completion of forty miles of rail. This subsidy was to be secured by a Dominion land grant to the railway, transferable on the completion of the first forty miles. Before the bonds were turned over to the railway company, LaRivière proceeded to Ottawa to secure assurance that the transfer of the land grant would be made by the Dominion. According to his statement, made in the House in defence of his actions during the 1888 session, Macdonald and Pope assured him that the transfer would be made and on the strength of that assurance the bonds were transferred to the railway. (189) Whatever the truth of

(188) (Daily Free Press, Dec. 5th, 1887, Ed. "The Citizens' Resolution".)

(189) (Morning Call, May 14th, 1888, back page head, "LaRivière's Defence".)

LaRivière's assertion of Macdonald's promise, the transfer was in fact, not made. When Leacock brought the irregularity to light in his petition, LaRivière and Harrison hurried to Ottawa in an attempt to have the transfer made. But Macdonald denied having made any such promise, in fact LaRivière stated later:

"... I believe that he undertook to convince me that I never was in Ottawa." (191)

Since work on the road had not been completed to the satisfaction of the Dominion, the land grant was not authorized on the occasion of this second visit of LaRivière to the Capital.

While LaRivière and Harrison were absent in the east, attempting to save the government by getting Macdonald's assent to the Hudson's Bay Railway land grant, the Free Press kept up a continual attack on Norquay and his administration. They spoke of the, "... robbery of the bonds." Using the issues of the R. R. V. and the Hudson's Bay Railway bonds they harped on the theme, "Norquay Must Go." The attempts of the Call to salvage the government's reputation came to naught. The two cabinet ministers returned empty-handed to face a hastily called caucus of the government supporters in the Legislature. At this caucus, held December 22nd, 1887, Norquay and LaRivière submitted their resignations to the discomfited Conservative forces. The resignations were accepted with regret and Harrison became, by unanimous choice, the new leader.

The reasons for Norquay's resignation are well summed up by Chester Martin:

"Deserted at the crisis by those upon whose support he had relied, and crushed between a reckless public opinion in Manitoba and the Exigencies of his party at Ottawa, Norquay resigned the premiership in an effort to divert from the party responsibility which was scarcely indeed his own." (196)

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- (190) (Daily Free Press, Dec. 2nd, 1887, Ed. "The Political Crisis".)
(191) (Morning Call, May 14th, 1888, back page head, "LaRivière's Defence")
(192) (Daily Free Press, May 16th, 1888, back page head, "You're Another", for full account of Norquay's defence in the House.)
(193) (Daily Free Press, Dec. 2nd, 1887, Ed. "The Political Crisis")
(194) (Ibid., Dec. 15th, 1887, front page heading.)
(195) (Morning Call, Dec. 23rd, 1887, front page head, "The Caucus")
(196) (Martin, op.cit.p.120)

Failure to build the border railway, due largely to the obstructive tactics of the national leader of the Conservative party, and the bad faith shown by either Macdonald or LaRivière over the Hudson's Bay land grant, had finally driven Norquay to the wall. Even the theoretically impartial Lieutenant-Governor Aikins had reached the end of his patience. Writing to Macdonald in early November, he stated:

"... He (Norquay) is a desperate man and in a dreadful fix. Only a few days ago I had to refuse an order to use trust funds as ordinary revenue. My confidence is all gone."(197)

The Conservative caucus was apparently not particularly stormy. Even the Free Press reporter who was present could find little fault with the proceedings. (198) Norquay explained that the bonds had been transferred upon the telegraphed authority of LaRivière. He based the necessity for his resignation on the fact that:

"... if he and Mr. LaRivière remained in the Government,... the result would be that the entire party would suffer..."(199)

LaRivière gave his explanation of the meeting with Sir John and of the assurances he had been given, "... in Mr. Pope's office at Ottawa, and in the presence of Mr. Pope..." (200) He was not swayed by the denials of Macdonald and Pope that any such assurance had been given. Obviously someone was lying. The only clue as to whom it was, in the opinion of the Conservative M.P.'s, is given by the Free Press reporter, who states that one member said to him after the caucus:

"you see it's the old chieftain and we have to overlook such trifling irregularities."(201)

It would appear that the caucus was inclined to believe the LaRivière version of what had occurred. Any further investigation would depend on a thorough search of the Macdonald papers at Ottawa.

(197) (Macdonald Papers, Aikins to Macdonald, 12th Nov. 1887, Private.)

(198) (Daily Free Press, Dec. 24th, 1887, back page head, "Local Politics")

(199) (Ibid.)

(200) (Ibid) (201) (Ibid)

Be that as it may, the refusal of Macdonald to authorize the land grant was the final push that sent Norquay off the treasury benches. It spelt indeed the eclipse of the Conservative party in Manitoba for the ensuing decade. That Macdonald, appraised by Aikins of the unsound position of the Norquay regime, was willing to write off Norquay and hope that Harrison might be able to carry on the government, is, on the other hand, possible. This hope was held by Aikins and communicated by him to Macdonald on the formation of the Harrison government. (202) Norquay had, by breaking his agreement with Macdonald to keep the Manitoba Legislature from passing undesirable railway legislation, obviously made himself 'persona non grata' to the prime minister. By attending the Inter-Provincial Conference, called by the Liberals at Quebec, Norquay had further alienated himself from the chief of his party. Macdonald was not above punishing an unfaithful colleague by means such as those employed in this instance. Further, it would seem incredible that LaRivière would jeopardize his own, and his party's future, by the invention of a tale involving the leaders of the Dominion Government.

Harrison formed his government out of the remnants of Norquay's executive council. Besides Norquay and LaRivière, Wilson and Hamilton resigned their portfolios. Their resignations antedated those of Norquay and LaRivière their reason being dissatisfaction over the handling of the Hudson's Bay Railway deal. (203) Only one new appointment was made, that of Joseph Burke of St. Francois Xavier to be provincial Secretary. The resignation from his seat, Assiniboia, of Alexander Murray, necessitated a by-election in that riding as well as in St. Francois Xavier. (204) The whole history of the brief Har-

(202) (Macdonald Papers, Aikins to Macdonald, 28 Dec. 1887)

(203) (Daily Free Press, Dec. 24th, 1887, back page head, "Local Politics")

(204) (Journals, 1888 p.3.)

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rison government is wrapped up in the effort to win these two by-elections.

Harrison pledged himself to secure the early and successful completion of the R.R.V. (205) The failure of the Conservative government to build in the past told heavily against him. The Free Press accused the local Conservatives of having promised to abandon the R.R.V. in return for federal appointments for Norquay and LaRivière. (206) The accusation was apparently unfounded since Norquay was not appointed to Federal Office, remaining as leader of the Conservative Opposition in the Legislature up to his untimely death in July 1889. LaRivière fared better. Upon the elevation of Joseph Royal to the post of Lieutenant-Governor of the North-West Territories, LaRivière was returned to the House of Commons in the Provencher by-election, January 24th, 1888. (207) Harrison was also embarrassed in his efforts to secure a favorable verdict at the polls by the practical bankruptcy of provincial finances. The Liberals made great political capital out of the failure of the Merchant's Bank to honor a check issued by the Provincial Treasurer in payment of a claim on the fund for half-breed children. (208)

Of the two contests, greatest emphasis was placed by Harrison on that in St. Francois Xavier. In Assiniboia the Independent Conservative candidate, Ness, was opposed by the Liberal Duncan MacArthur, an ardent supporter of the R. R. V. (209) The Call, still ardently ministerial, was not overly impressed by the election of MacArthur and the defeat of the Conservative candidate. They stated the government had not ardently opposed MacArthur because they felt he was one of their supporters. (210) The Call may well have

(205) Morning Call, Dec. 23rd, 1887, front page head, "The Caucus"

(206) Daily Free Press, Dec. 26th, 1887, front page head, "How They Fixed It"

(207) Parliamentary Companion, 1889, p.193

(208) Daily Free Press, Jan. 2nd, 1888, back page head, "The Money Gone"

(209) Daily Free Press, Jan. 9th, 1888 Ed. "Assiniboia"

(210) Ibid.

been whistling past the graveyard, since in his subsequent Legislative career MacArthur voted consistently with the Liberals. (211) The Free Press was jubilant at the defeat of Ness. They headlined the account of the election: "A Knock-Out Blow". (212)

In St. Francois Xavier however, all the talent of both parties gathered for the fray. Harrison, Norquay and LeRiviere, Greenway, Martin and Roblin, all participated in the contest. (213)

Harrison met the Legislature on the 12th of January, The Throne Speech indicated that the government were resolved to secure a favorable solution to the problem of a competitive railway connection. The House was told that a petition outlining Manitoba's grievances had been sent to the Governor-General for forwarding to the: "... Queen-in-Council..." (214) (215)

The House was also informed that it would be asked to pass legislation to ensure the early completion of the R.R.V. Despite these efforts, the hand-writing was on the wall. The Assiniboia by-election had been lost, and even as the Speech from the Throne was being read, the voters of St. Francois Xavier were registering their choice. Burke was defeated, Francis being elected with a majority of 86. (216) (217)

Harrison accepted the defeat as a vote of non-confidence in his administration. At a Conservative Caucus held on the night of Jan. 13th, 1888, he submitted his resignation as leader of the party and told the dwindling Conservative faction that he had advised Aikins to call on Greenway to form a new government. (218)

Norquay was unanimously chosen to lead the party in Opposition. (219) Harrison met the House on the 16th and moved immediate adjournment, seconded by Greenway. (220) When the House met again on the 19th,

Greenway had formed a government and Manitoba had embarked on twelve years of Liberal rule. The Federal Conservative policy of disallowance of railway legislation had broken the Provincial Conservative Government.

(211) Journals, 1888 (212) (Daily Free Press, Jan. 11th, 1888, back page.)
 (213) (Ibid, Jan. 9th, 1888, back page head, "Their Game Spoiled")
 (214) (Ibid, Jan. 13th, 1888, back page head, "The Fight Begins")
 (215) (Ibid and Journals, 1888, p. 2.) (216) (Ibid)
 (217) (Daily Free Press, Jan. 14th, 1888 back page head, "Francis wins") (218) (Ibid)
 (219) (Ibid) (220) (Daily Free Press Jan. 17th/88 back page head, Premier Greenway)

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Before embarking on the study of the means whereby a solution of the disallowance question was reached, a review of the stand of the various interested parties on the problem is in order. We have dealt in some detail with the position of the governments of the Dominion and of Manitoba. The C. P. R., however, was intensely interested and on several occasions in the course of 1887 officers of that company made their position clear. ^{The} Most important of these statements was made in the form of a letter to the railway's shareholders, by Sir George Stephen, in September 1887. This letter, printed in pamphlet form, clearly indicated the intention of the C. P. R. to maintain its monopoly under the provisions of clause 15. ⁽¹⁾

Stephen declared that the power of chartering railways intended to make connections at the international boundary rested clearly with the Dominion, "... and as clearly beyond the power of the Province." ⁽²⁾ He reiterated the Dominion's position that the traffic of the West must be protected from "... the encroachment of lines from the south, during the infancy of the enterprise." ⁽³⁾ He emphasized the importance of the monopoly clause to the whole concept of the C. P. R., increasing the emphasis by the liberal use of italics:

"Without this provision for protection the necessary capital could not have been secured and the railway could not have been made." ⁽⁴⁾ He appealed to the older provinces, "... who were to be heavily taxed for the building of it." ⁽⁵⁾ Their interest in the line was worth protection, and the, "... protection afforded to the company protected them as well." ⁽⁶⁾ Manitoba is accused of ingratitude towards the railway that had contributed much to the building of Winnipeg, denying that the C. P. R. rates are high in comparison to comparable American lines. ⁽⁷⁾ The agitation in Manitoba he

(1) "A letter to the Shareholders of the Canadian Pacific Railway Company, George Stephen, Montreal, Sept. 12th, 1887." pamphlet, Manitoba Historical Society Collection, Provincial Library, Winnipeg.

(2) Ibid., p.2 (3) Ibid. (4) Ibid., p.3. (5) Ibid.

(6) Ibid. (7) Ibid., p.5 (8) Ibid., p.6 (9) Ibid.

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regards as inspired to a considerable degree by vote-seeking politicians, (8)
blaming its popularity on economic factors arising out of the boom of 1882-
83:

"... the natural and inevitable consequences of overspeculation have
been mistaken by many people in Winnipeg, and some other towns in
Manitoba, for the need of railway competition." (9)

Stephen's thesis, that the agitation in Manitoba was largely inspired for
political purposes, is shaken by his own statement admitting the majority
of Manitobans were behind the agitation:

"Nor can it be expected that the wishes of even a majority of the
100,000 people of Manitoba will prevail against the interests of
the 5,000,000 people of the Dominion." (10)

Generally, Stephen asserts the C. P. R.'s intention to support their rights
under the charter as strongly as possible, condemning the idea of a compe-
titive link at the border as, "... unfair, unjust, and a breach of faith
(11)
..."

This letter received a reply from Manitoba in the form of an open
letter to the C. P. R. shareholders published by the joint effort of the
Winnipeg and Brandon Board of Trade, over the signatures of their presi-
dents, James Ashdown and J. C. Robinson. (12) This reply asserted that the power
of disallowance was only to be used in the case of emergency, at least
(13)
this was the intention of the Fathers of Confederation. In reply to
Stephen's assertion that the agitation was inspired and not general in the
Province, the letter lists the organizations backing the demand for an end
to monopoly. These include; the local government; a unanimous Legislature,
(14)
"... fresh from the constituencies;" The practically unanimous people of
the province; "The leading newspapers of Eastern Canada and a large propor-
(15)
tion of the Canadian people." The letter continues with a listing of the

(8) (Ibid) (9) (Ibid) (10) (Ibid, p.7) (11) (Ibid)
(12) (An Open Letter to the Shareholders of the Canadian Pacific Railway Com-
pany, Winnipeg and Brandon Boards of Trade, Oct. 1st. 1887; text printed
in Morning Call, Oct. 3rd. 1887, P.3. "The Other Side")
(13) (Ibid) (14) (Ibid) (15) (Ibid)

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wires from Manitoba municipalities, condemning disallowance, which were received on the occasion of an anti-monopoly mass meeting in May 1887. ⁽¹⁶⁾ This refutation of Stephen's letter was sent to all shareholders of the railway and received considerable publicity, at least in Manitoba. Its importance to the anti-monopoly movement was considerable. Innis quotes from the pamphlet at length in his "History of the Canadian Pacific Railway", noting that it was largely supported in the memorial of the Manitoba Executive Council ⁽¹⁷⁾ to the Imperial Government.

This memorial, prepared in accordance with a motion of the Manitoba Legislature at its last session, ⁽¹⁸⁾ was forwarded to Ottawa for transmission to London in October 1887. ⁽¹⁹⁾ Over the signature of John Horquay, the document detailed the whole course of monopoly sustaining vetoes by the Dominion and the many protests of Manitoba. Manitoba claimed equal rights with the other provinces, among these being the right to charter local lines of railway. Manitoba had objected to the monopoly clause at the outset, only withdrawing objection when assured by Macdonald's "We cannot check Manitoba" ⁽²⁰⁾ statement that all would be well. Tupper's statement, made in 1884, that disallowance would cease on completion of the main line and White's statement in Winnipeg, of March 1887, are ⁽²¹⁾ all listed. Manitoba asks the right to be heard, "... before your Majesty in Council..." to explain further the injustices which have been done the province and to seek redress. ⁽²²⁾

These injustices are set down in two paragraphs of the memorial:

"29. That the will of the people has been attempted to be set aside by the exercise of the power of disallowance, in disallowing the said Red River Valley Railway Act, and said other railway charters.

(16) Ibid (17) Innis, op.cit., pp. 180-81 (18) Journals, 1887, p. 3.
(19) Sessional Papers, Canada, 1888, no. 58b.
(20) Ibid. & Hodgins, op.cit., pp. 860-62
(21) Ibid., pp. pp. 862-66
(22) Ibid., p. 866

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30. And that by reason of the said policy of disallowance of provincial railway charters, all classes of our people have suffered loss; distrust has been created where trust and confidence should have been inspired; trade and commerce have been mischievously unsettled and disturbed; immigration has been seriously retarded; the progress of the province has been checked, and our people feel that, in being deprived of their undoubted rights under the British North America Act, they have not the full freedom of British subjects. (23)

This memorial was handed to a committee of the Canadian Privy Council and an extensive reply prepared which was forwarded, along with the memorial, to London in January 1868. (24)

The Dominion's argument, prepared by Thomas White and John Thompson, based the whole case for the Dominion on the grounds of national interest. Though recognizing the equality of Manitoba as a province among the others, they claim the right to disallow Manitoba railway legislation intended to make border connections under the exclusive power of the Dominion to regulate trade and commerce - thus shifting from the ground of public policy. (25) The defence of the Dominion's position, undertaken by Norquay up to 1865, was noted, as were the similar statements of other members of the Norquay government such as Harrison, D. H. Wilson and Sutherland. (26) Manitoba's acceptance of the monopoly clause in the territory added by the 1861 boundary extension was made much of, ^{Norquay's} as was the acceptance of the 1865 terms. ^{Manitoba's} (27) An appeal was made to the interests of the Empire with an account of the growing trade of the C. P. R. with China and Japan:

"It has attracted attention as the most valuable highway, under British control, between the eastern and western possessions of the Empire. (28)

Most important, however, was the charge that the Northern Pacific Railway was behind the anti-monopoly agitation. The report stated:

(23) Ibid., p. 663 (24) Ibid., pp. 669 - 676
(25) Ibid., p. 670 (26) Ibid., pp. 670-72 (27) Ibid., p. 675
(28) Ibid.

"Its chief competitor, the Northern Pacific Railway Company of the United States, has been making great efforts to bear up against this new competition, and it is admitted that the efforts to strike the Canadian Pacific Railway in its centre, by an extension of the Northern Pacific Railway system from the international boundary line to Winnipeg, is not with the object of affording competitive rates to the people of Manitoba, but to secure a weapon by which to control the competition for trans-continental traffic from the Pacific coast,..." (29)

The sub-committee concluded that they were unable to recommend the abandonment of, "... the present policy of Canada, pursued by both political parties in the past..." and that the protection of C. P. R. traffic from American diversion should be continued. (30)

Action by the Imperial government was delayed until almost a month after a satisfactory settlement had been arranged by the interested parties. It is, therefore, of merely theoretical interest to this study. The Colonial Secretary's reply offered little comfort to Manitoba, if comfort had been needed. Lord Knutsford, addressing himself to Lansdowne, wrote:

"My Lord, - I have the honour to acknowledge the receipt of the memorial addressed by the Executive Council of Manitoba to Her Majesty in Council praying to be heard by Council with regard to the disallowance of the Red River Valley Railway Act and other railway charters, by the Dominion government.

After careful consideration of this question, I have been unable to advise her Majesty to refer the petition to the Privy Council, inasmuch as the disallowance of the various Acts and charters in question, appear to have been based upon the general and undisputed power vested by statute in the Governor General, acting under the advice of his constitutional ministers; and further, because the question which it is sought to have argued before Her Majesty in Council is not one of constitutional law, but is in truth one of policy, over which the Privy Council have no jurisdiction.

I request that you will communicate a copy of this despatch to the government of Manitoba.

Knutsford." (31)

There was no doubt in London as to the legality of the various acts of disallowance, nor was the Imperial government to become involved in questions arising out of the internal policy of the Dominion of Canada.

Though the Dominion's report had been forwarded to the Colonial Secretary

(29) Ibid., pp. 875-76 (30) Ibid., pp. 877-78

(31) Lord Knutsford to Lord Lansdowne, 19th April, 1888, Hodgins, op.cit.p. 882. Knutsford was the former Henry Thurston Holland, Col.Secy.1887-92

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(32)

on January 4th, 1888, it had obviously been prepared some time previously, since Norquay, LaRiviere and Wilson are referred to as, "... then, as now, ..." members of the government. (33)

The Conservative party was slipping from power in Manitoba even as these two statements of claim were crossing the Atlantic. [As the Manitoba government changed, so did the opinions of Dominion and C. P. R. leaders slowly come round to realization that a change of policy was necessary. As early as May 1887, after his return from the West, White wrote Stephen to the effect that the policy of maintaining the monopoly was a mistake. (34) In November of the same year Stephen informed Macdonald and Tupper that the C. P. R. had come to be regarded as an unpopular monopoly, that it could not remain in that position and would have to relinquish the protection afforded by clause 15. (35) A solution was offered by Stephen in the same letter. He stated that the company was desperately in need of cash:

"... \$15,000,000 will be required within the year 1888.... If the capital cannot be secured the company must collapse and go into bankruptcy..." (36)

(37)

Glazebrook adds that; "lack of revenue made the need acute." Thus as Greenway assumed the power in Manitoba, we find that the Dominion and the C.P. R. realize the need for the removal of the offending clause and that Stephen is ready to negotiate for its removal on the basis of further federal aid for the C. P. R. Belief that a settlement was in the wind had filtered down into the Manitoba press. The Commercial noted in December 1887 that everything pointed to a new agreement with the C.P.R. being made at the next session of Parliament. The agreement to include the elimination of clause 15. (38)

(32) (Ibid. p.869) (33) (Ibid. pp.870-72)
(34) (Macdonald Papers, "Stephen", White to Stephen, May 18th, 1887 Noted in Glazebrook, op.cit.p.308)
(35) (Ibid. Stephen to Macdonald, Nov. 11th, 1887. Glazebrook, op.cit.p.308)
(36) (Ibid) (37) (Ibid)
(38) (The Commercial, Dec. 26th, 1887. Ed. "In the Wind")

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Greenway wasted no time in forming his ministry. Joseph Martin became Attorney-General, Lyman Jones, Provincial Treasurer and James A. Smart (East Brandon) Commissioner of Public Works. The new government pledged itself to build the R. R. V. in spite of all obstacles which had been placed in its path hitherto, or which might be raised in the future. This policy received high praise from the Free Press:

"... if the Dominion Government think they have no sterner stuff than Mr. Norquay and his colleagues to deal with on this occasion, they will be afflicted with violent sudden surprise. ... The men now in power will sound no retreat." (39)

No effort was made to explain how the railway would be built. The ways and means were to be revealed at the proper time. The business of the House was suspended to permit the new members of the government to seek re-election. The necessary by-elections were to be held on February 16th, the Legislature being adjourned on January 26th, until March 1st. Greenway and his colleagues fared better in their effort at gaining the approval of the electorate than did Harrison's government. Greenway and Smart were returned unopposed, while Martin and Prendergast received substantial majorities.

Before the House met on March 1st, events in Winnipeg showed that public opinion was still active against the maintenance of monopoly. A meeting of the Winnipeg Liberal-Conservative Association was held on February 21st at which Sir John A. Macdonald was roundly denounced by an unanimous resolution of the members present. This resolution, moved by H. J. Clarke a former premier of the Province and forwarded to Macdonald, read as follows:

"Resolved, that the Conservative Association of Winnipeg earnestly draws the attention of the Right Honorable Sir John A. Macdonald, Premier, and the Government of Canada, to the self-evident fact

(39) Daily Free Press, Jan. 19th, 1888, Ed. "The New Government"

(40) Ibid., Feb. 4th, 1888, Ed. "The Road Will be Built" (41) Ibid.

(42) Ibid. (43) Ibid., Jan. 27th, '88, back page head, "To Fire Norquay"

(44) Ibid., Feb. 10th, '88, front page head, "Ministers Elected"

(45) Ibid., Feb. 17th, 1888, front page head, "Only 128"

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that the time has passed when mere personal or political friendship, or party sentiment, can cover, or smother, the real state of public feeling in Manitoba and the Northwest in respect to the power, assumed or otherwise, exercised by the Governor-General-in-Council of disallowing railway charters granted by the Legislature of the Province. We declare we will not submit to struggle any longer under the burden that is crushing the country to death; we therefore demand the discontinuance of disallowance, and that this Province of Manitoba be placed in the same position with regard to railways as are all other provinces forming the Dominion of Canada.
(46)

A Subsidiary resolution asked all the parliamentary representatives of Manitoba and the Northwest Territories to use every influence to secure an end to disallowance. (47) This condemnatory resolution was not made by unanimous consent of the executive of the Conservative organization. The Call, on the date of the meeting, carried an advertisement over the signatures of F. I. Clarke secretary and Stewart Mulvaney, 1st Vice-President, denying that Hespeler, the president, who called the meeting, was legally elected and advising all good Conservatives to stay away. (48) The Call reported the meeting but remained loyal to Macdonald, reiterating the claim of the secretary of the Association that Hespeler owed his election as president to a packed meeting. (49) Though the meeting was well attended and every effort made to make sure that only bona-fide members of the party gained admission, according to the Free Press, none of the local Conservative M.P.'s or M. P. P.'s attended. (50) In spite of some doubt as to the credentials of those who conducted the meeting, the fact that so strong a resolution could be passed by a gathering of Macdonald's own party indicates that the anti-monopoly feeling had definitely cut across party lines in Manitoba.

(46) (Ibid. Feb. 22nd, 1898, back page head. "The Conservatives")

(47) (Ibid) (46) (Morning Call, Feb. 21st, 1898, back page.)

(49) (Ibid. Feb. 22nd, 1898, Ed. "Tuesday Night's Meeting")

(50) (Daily Free Press, Feb. 22nd, 1898, back page head. "The Conservatives")

(51) (Ibid)

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On the same day as Macdonald received this rebuff from Winnipeg's Conservatives he was closeted in Ottawa with the retiring Lieutenant-Governor, Aikins. (52) Both Begg and Martin attach considerable importance to this visit of Aikins as a factor in the attaining of a settlement; Begg states:

"Lieutenant-Governor Aikins visited the Capital just at the critical period and his counsel could not have failed to carry weight with the Cabinet of which he had been a valued member. (53)

Martin makes the statement that:

"Early in 1868 Lieutenant-Governor Aikins,.... went to Ottawa with a purpose." (54)

But he fails to clarify the exact nature of that purpose. (55) It is apparent that Aikins did warn Macdonald of the state of opinion in Manitoba, a fact that should have been obvious to the prime minister since it had already caused the fall of his party from office in the province. Later, the Free Press carried an Ottawa dispatch to the effect that:

"It is strongly suspected here that Governor Aikins laid the plain facts of the case before Sir John and that he was influenced by his statements." (56)

Aikins' report to the government may well have had considerable weight in swinging its policy to one favoring the abrogation of monopoly.

There were, however, other persons at work in Ottawa attempting to arrange a settlement on behalf of Manitoba. Greenway's friend and advisor, W. F. Alloway, was in the capital before Aikins and apparently had found the ear of the government. Alloway was head of the Winnipeg banking firm of Alloway and Champion and actively interested in the promotion of local railways. (57) On Feb. 17th, 1868 he wired Greenway in code from Ottawa, that:

"Had hour pleasant conversation to be continued Monday." (58)

(52) (Ibid, front page head, "Aikins and Sir John.")

(53) (Begg, op.cit., III, p. 304) (54) (Martin, op.cit., p. 121) (55) (Ibid)

(56) (Daily Free Press, March 2rd, '68, front page head, "Our Case at Ottawa")

(57) (Canadian Album, "Men of Canada" Vol. III, p. 234.)

(58) (Alloway to Greenway, (Greenway Papers, No. 204, Provincial Library, Winnipeg, Uncatalogued.)

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On the 28th, he wired Greenway again:

"Final interview to take place tomorrow cant venture an opinion as to result." (59)

Though these messages do not indicate whom Alloway was dealing with, or what he was discussing, an extensive message - again encoded - was sent on the 29th, which explains the above messages. It might also be noted that Alloway was very free in his advice to Greenway. The wire in full is given below:

Ottawa, Feb. 29/88 16:20 hrs. Private
Hon. Thomas Greenway Winnipeg
Private. I have just received the following letter from Sir John Macdonald. With reference to our conversation of this morning I desire to repeat that the Government here is desirous of having all matters between the Dominion and Manitoba including the disallowance question discussed and if possible arranged. As verbal communication is more likely to produce satisfactory results than lengthened correspondence I would suggest that Mr. Greenway should visit Ottawa at an early date. I shall take care that a representative of the C.P.R. shall be in Ottawa at the time of Mr. Greenway's visit. Think it advisable you should act upon the suggestion made. By doing so you will show that every effort has been exhausted to secure the rights of the province before taking other action. An adjournment of the house for 15 days should suffice. Better bring Martin and another colleague answer immediately. W.F.
Alloway." (60)

A further wire of the same date informed Greenway that Stephen had been sent for to come to Ottawa and further advising a moderate course in Manitoba. It would be interesting to know just what Alloway meant by "other action", but unfortunately there is no hint either in the press or in Greenway's papers as to what was contemplated in case of failure to secure an amicable settlement. At any event, it is clear, Alloway had been dealing with the government at Ottawa before the arrival of Aikins, though he did not get definite encouragement until after Macdonald had seen Aikins.

Greenway acted on Alloway's advice. When the House met on March 1st, it was only to adjourn again until the 16th, on the motion of Premier Greenway. In moving adjournment, Greenway informed the House that he was ASK-

(59) (Ibid. No. 245, wire in code, translation attached) (60) (Ibid. No. 249)
(61) (Ibid. No. 250, Alloway to Greenway, wire in code, translation attached)
(62) (Daily Free Press at. 2nd, 1888, back page head, "Adjourned Again")

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ing adjournment:

"... for the reason that the government entertain hopes that in the meantime, the differences that exist between the Federal Government and the Government of Manitoba, including the vital question of disallowance, will be arranged." (63)

He also informed the House that he and other members of the government were proceeding to Ottawa at once, by invitation of the Dominion government. (64)

This new Ottawa mission was greeted with enthusiasm in Manitoba. The Commercial stated that all eyes were focused on Greenway at the Capital, noting that:

"The Government which would accept any arrangement not including the removal of monopoly, could not live in Manitoba. (65)

Begg is inclined to the belief that the settlement was as good as made before Greenway ever left Winnipeg. He states:

"... altogether, Mr. Greenway had his road paved for him, and had but to use his native tact and good sense to secure a victory where his predecessor had failed." (66)

Subsequent events indicated that the paving had not been complete and that Manitoba was yet to spend some uneasy hours before a settlement was reached. Alloway and Aikins had done considerable in the way of preparation for a settlement, but much remained to be done.

Greenway and Joseph Martin arrived in Ottawa on March 6th and immediately informed the government that they were ready to begin discussions. They informed the press on their arrival that: (67)

"...they would accept nothing less than an absolute surrender to the Manitoba Government of the right to charter roads in any part of the Province. (68)

The sequence of events can be read in the headlines of the Free Press for the ensuing two weeks. On March 6th, they wrote, "Sir John Too Busy", on the 9th, "He Asks for Time". On the 8th, the two Manitobans were received by the

cabinet, stated their case in the form of a memorandum, and were assured by
(63) (Ibid, quoting Greenway in the Legislature) (64) (Ibid)
(65) (The Commercial, Mar 12th, 1888 Ed. "The Ottawa Mission")
(66) (Begg, op.cit. III, p. 304) (67) (Journals, /88, Sess. papers, No. 4, Sec. A, pp. 7-8)
(68) (Daily Free Press, Mar. 7th, /88, front page head, "To Confer To-Day")
(69) (Ibid, mar. 8th, & 9th, front page headlines)

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Macdonald that a solution was in sight but that he needed time to negotiate
(70)
with the C.P.R. officials. They did not meet with Macdonald again until the
14th, when they were again informed they would have to wait the arrival of
(71)
the C. P. R. officials. In the meantime Greenway had been to see the
Governor-General, Lord Lansdowne, at his invitation, and came away with the
impression that Lansdowne would, "... exercise an influence in favor of
(72)
Manitoba's case." Greenway's patience was already becoming exhausted at the
delay. On the 12th, he was quoted to the effect that, "... He is getting
tired of waiting, and unless Sir John sends for him speedily he will come
(73)
home." On the 16th, he sent a further memorandum to Macdonald baulking
at the delay, stating he has to meet the Legislature and noting evidence of
Sir John's lack of faith. Apparently Macdonald had seen Stephen and then
had spoken to Greenway to the effect that things were coming along favorably.
Greenway subsequently met Stephen who assured him that the problem of Mani-
(74)
toba had not yet been discussed. The only reply received to this new memo-
randum was the formal acknowledgement by the Department of the Secretary of
(75)
State that the matter was to receive consideration.

The delay continued and with each day the ire of the Manitoba delegates
increased. On the 14th Greenway was quoted as having said that if no settle-
ment is reached he would not be responsible. He indicated that Manitoba's
(76)
public opinion was fully aroused. At the same time the Free Press con-
gratulated Greenway and Martin editorially for their staunch support of Mani-
(77)
toba's rights. On the 15th, a further reference is made to Lansdowne,
the Free Press reporter states that from a hint he had received, "Lord Lans-
(78)
downs said to be Manitoba's Friend in Need." On the 18th, the reporter in-

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- (70) (Ibid, March 9th, front page head, "He Asks for Time".)
(71) (Journals 1888, Sessional Papers, No.4, Sec.B, pp.9-10)
(72) (Daily Free Press, March 10th, 1888, front page head, "At the Capital")
(73) (Ibid, March 13th, 1888, front page head, "Greenway's Pluck")
(74) (Journals, 1888, Sessional Papers, No.4, sec.B, p.10)
(75) (Greenway Papers, Powell to Greenway, Mar.17th, 1888, uncatalogued, also Ibid.)
(76) (Daily Free Press, Mar.14th, '88, front page head, Crisis near at Hand) p.11)
(77) (Ibid, Ed. "The Ottawa Delay" (78) (Ibid, Mar. 15th, 1888 front page head,
"A GLIMMER OF HOPE")

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interviewed Sir John who stated that no decision had been reached. (79) On the
 19th, Greenway and Martin despatched a "final memorandum" to the govern- (80)
 ment. They deplored the fact that they had been kept waiting since the
 16th, with no official recognition. Greenway declared that he was not "... (81)
 suppliant for favors at the hands of the Government of the Dominion," that
 he merely was there to secure for Manitoba the rights guaranteed her by
 Imperial Statute. (82) Both he and Martin assert their loyalty to Canada,
 but state they can remain in Ottawa no longer. They will seek justice in
 London from the Queen-in-Council in accordance with action previously taken
 by the Manitoba government. (83) *The appeal made by Norquay*
 They concluded with the statement that they
 had tried to secure a solution and could not be blamed if there should be (84)
 trouble in Manitoba as a result of the Dominion's uncompromising attitude.
 The only reply to this memorandum was the usual statement that it would re-
 ceive consideration. (85)

Having delivered themselves of this final statement, Greenway and Martin (86)
 left Ottawa for Winnipeg via Toronto and Chicago. In Manitoba the Free
 Press viewed the situation with alarm. They regretted the inability of
 Greenway and Martin to make a settlement, but did not blame them or Manito-
 ba:

"What is coming next it is as yet impossible to say.... In any event
 the railway will be built, and if the near future is pregnant with disas-
 ter, Manitoba cannot be reproached with not having done all in her power
 to procure a peaceful arrangement of her difficulties.(87)

In Ottawa, what Greenway had been unable to gain by his presence was made
 possible by his absence. A full account of events following Greenway's an-
 nouncement of his departure was written him by Col. Thomas C. Scoble, vice-
 president and managing director of the Manitoba Central Railway, a border

(79) Ibid. March 19th, 1888. front page head. "Still Not Settled"
 (80) Journals, 1888, Sessional Papers No.4, sec. B, pp. 11-13 (81) Ibid, p. 11
 (82) Ibid (83) Ibid & pp. above (84) Ibid (85) Ibid, p. 13
 (86) Daily Free Press, March 20th, 1888 front page head, "They Leave Ottawa"
 (87) Ibid, Ed. "The Situation"

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railway whose charter had been disallowed (see above) who had apparently been in Ottawa attempting to aid the settlement of the disallowance question. Scoble notes that Greenway's departure caused some furor in the government ranks, but most important he brings the Governor-General definitely into the picture as aiding in the reaching of a settlement. We have noted above that Lansdowne's name had twice been linked with Greenway's visit in a light favorable to Manitoba's chances of a favorable settlement. George Bryce in his, "A History of Manitoba", makes the only other reference obtainable to the interference of the Governor-General:

"Lord Lansdowne, it was understood, brought great pressure to bear on Sir John Macdonald for settlement,..."(88)

Scoble's letter is as follows:

"Private

Ottawa, March 20/88

My dear Mr. Greenway,

Your letter and memorandum to the Government was mailed last night as Chapleau (the Secretary of State) was not in the House. It must have produced some effect, as Chapleau went at once to Sir John with this a.m., and they were closeted at Ernescliffe (sic) till afternoon. A cabinet council was called immediately after, and the question must have been considered, as I received the following note from His Excellency at about 3.30 p.m. in answer to a note I wrote him this a.m. saying that it was a matter of personal regret to you that you were forced to leave before there was any settlement, and that if he wished to see me before my departure I would hold myself at his disposal.

Private.

Government House, Ottawa
20th March 1888."

"Dear Colonel Scoble,

I have been so busy this morning that I have been unable to give myself the pleasure of asking you to come to my office for a few moments.

I regret to hear that Mr. Greenway has found it necessary to leave Ottawa without concluding the negotiations (sic) which I understand are still in progress with regard to the question of the Manitoba Railway system.

Would it not be as well, under these circumstances, that you should defer your own departure for a time.

The interests which are affected are so important, and extend so far beyond the limits of your Province, that it is scarcely reasonable to expect the question to be disposed of as if it were a mere departmental

(88) (Bryce, "A History of Manitoba, Canadian History Company, Toronto, 1906, p.219)

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or local detail and capable of adjustment without the fullest consideration. I am, dear Col. Scoble, yours truly, Lansdowne

I at once consulted Watson (Liberal M.P. for Marquette) and he advised me to telegraph me (sic) to Toronto, which I did as follows: "Am desired by highest authority to remain a few days, as action is being taken to settle matters. Will write explanatory letter to Grand Pacific Chicago. Answer that you received and understand this message" I repeat this, in case you should have left Toronto before my telegram is received.

Wainwright (Assistant General Manager of the Grand Trunk) came up this morning and saw Chapleau this p.m. Chapleau told him that nothing was finally settled, owing to the excessive demands of the G.P.R., but that the matter must be finally settled in a few days.

.... I am sorry that the message from His Ex. has disturbed our plans, but I am sure you will wish me to remain.

Wainwright writes Hickson (Manager of the Grand Trunk) to see Allan (President of the Manitoba Northwestern) to-night to make sure he does nothing about the M. & N. W. without farther (sic) consultation with us. Alloway has been sent for twice today to Dept. of the Interior. Between us, you should be well posted.

Yours truly,
Thos. G. Scoble." (89)

This document indicates that Lansdowne, if he did not directly interfere in the interests of a settlement, at least attempted to pour oil on the troubled waters. The fact that Scoble notes the participation of officials of the Grand Trunk Railway Company, as well as those of the Manitoba and Northwestern Railway, would seem to indicate a tie-up between these lines and the effort of Manitoba to secure an independent outlet to eastern markets. It may indicate an abortive attempt on the part of the Grand Trunk to get into the west through linking the M. & N. W. and the R. R. V. with its eastern lines by means of running rights on American lines from Chicago to the Manitoba border.

Though it cannot be definitely stated that Lansdowne or Scoble had any definite share in events, it is at least certain that Greenway's leaving Ottawa had the desired effect. At 4.10 on the afternoon of the 20th, Macdonald wired Greenway at Toronto:

(89) (Greenway Papers, No. 283, Scoble to Greenway, Mar. 20th, 1888)

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"I regret your hasty departure matters making as rapid progress as possible. I hope you will return and stay for a few days. Please answer." (90)

Being now the pursued, Greenway became wary. He wired that he would only return if assured of a definite settlement. (91) Macdonald had to give in. He wired Greenway, now at Exeter, that the main question would still take time, but that he believed, "... the principle of adjustment can be agreed on in a few days." (92) Greenway agreed to return and when he notified Sir John of his arrival, Sir John wrote that he would see him without delay. (93) Conferences were held and Greenway was assured that a settlement, involving the abrogation of monopoly, had been made with the C. P. R. (94) The Free Press stated that Greenway was promised, "... an official document that monopoly was wiped out..." (95) Actually he did not receive such a wide assurance. The abrogation of clause 15 required an Act of Parliament amending the C. P. R. charter. What Greenway received was a personal letter from Sir John, stating that it was entirely possible that legislation would be passed at that Session removing, "...almost if not entirely..." the causes for the disallowance of Manitoba's railway legislation. (96) Macdonald was cautious enough to avoid a definite refutation of the power of disallowance, even over local railway legislation. The letter goes on to explain that disallowance was merely a temporary policy necessary to the development of "... the traffic resources of Manitoba and the territories ..." (97) The greatly increased harvest of 1887 and the general prosperity of the West made added rail facilities necessary, so that:

"... the administration will not advise the disallowance of a bill similar in principle to the Act for the Construction of the Red River Valley railway." (98)

Manitoba had gained the right to charter and build a border railway. The local

(90) (Ibid, Macdonald to Greenway, wire in clear, uncatalogued & Journals, Sess. Papers No.4, p.14.)

(91) (Ibid) (92) (Ibid, p.14) (93) (Ibid, p.15)

(94) (Daily Free Press, March 30th, 1888, front page head, "A Bond of Freedom")

(95) (Ibid) (96) (Journals 1888, Sess. Papers, No.4, p.15 & Greenway Papers, Macdonald to Greenway, March 30th, 1888)

(97) (Ibid) (98) (Ibid)

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press was jubilant. The Free Press wrote a long editorial lauding Greenway (99) and the Liberals for having made the success possible. The Call was equally insistent that real credit belonged to the Conservative party, that Greenway had only registered a decision already agreed on by Ottawa's wise rulers. (100) The Commercial is inclined to place little faith in the curative powers of either party. They state that the victory is due entirely to:

"... the people of Manitoba, irrespective of party, (who) have shown clearly that the Province was determined to get rid of monopoly.... Briefly the credit for the removal of monopoly is due to the persistency and determination of the united people of Manitoba." (101)

The Commercial is probably the most nearly correct. The people had shown their dissatisfaction with the Conservative administration which had failed to secure an end to monopoly, by turning it out of office in spite of its pledges to build the R.R.V. They also showed their approval of the Liberal Government which had secured the desired result, by returning Greenway triumphantly in the election of July 1888 with 28 of the 38 seats. (102)

There still remained the necessity for Macdonald to come to a satisfactory settlement with the C.P.R. They expected to be reimbursed for the loss of their monopoly privilege. Stephen wrote Macdonald in late February that the C.P.R. was suffering as a result of the anti-monopoly agitation:

"... our own credit and financial standing are seriously weakened by the wicked and suicidal agitation. I am therefore ready to recommend that we should join the Government in any arrangement for the cancellation of these obnoxious monopoly clauses of our contract, if it can be done without inflicting on our company a loss greater than it can bear." (103)

Stephen again suggested a sum of 15 to 20 millions as being necessary to build (104) the C.P.R. to that point of efficiency where it could meet American competition. He later suggested, while Greenway was in Ottawa, that the Manitoba Government should buy or lease the Pembina branch of the C. P. R. as part of a general

(99) (Daily Free Press, April 2nd, 1888, Ed. "Victory")

(100) (Morning Call, April 5th, 1888 Ed. "The Settlement".)

(101) (The Commercial, April 23rd, 1888, Ed. "Who Killed Cock Robin?")

(102) (Parliamentary Companion 1889, pp. 347-9)

(103) (Macdonald Papers, Stephen to Macdonald, 25 February, 1888, "Private.")

(104) (Ibid)

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(105)
settlement. This proposition was also made directly to Greenway by Van Horne, who asked \$1,000,000 for the line. Greenway refused, stating that his government were determined to build the R. R. V. Apparently he was suspicious that the C. P. R. might still maintain some measure of control. (106)
Manitoba was not averse to the project that the monopoly be purchased from the C. P. R. perhaps since her funds were ^{not} directly concerned. As early as April 1887 the Commercial urged the granting of compensation to the company if it gave up its monopoly in the West. (107) During the negotiations at Ottawa the Free Press urged editorially that the monopoly be bought out. They felt, however, that the money should be used for branch line construction in the West. (108)

These negotiations with the C. P. R., as to terms for the relinquishing of monopoly, probably indicate the reason for the protracted delay in settling with Greenway. In its brief career the C. P. R. had been forced, almost yearly, to appeal to Ottawa for financial aid, in order that work on the line might be carried on. [In the preceding narrative it has been noted that debate in Commons on the C. P. R. monopoly invariably occurred during consideration of one or other of the many bills in aid of the C.P.R.] The patience of both Parliament and government was soon strained by these demands and each new bid for aid met increased resistance. In early 1885, before the completion of the main line, Macdonald wrote Tupper on the subject of these difficulties:

"I myself fear that the Week (Goldwin Smith's publication) is right when it says that however docile our majority, we dare not ask for another loan." (109)

Gibbon, in his "Steel of Empire", notes dissension in the Macdonald cabinet over the granting of any further aid to the railway. He wrote:

(105) (Ibid. 17th March, 1888)

(106) (Daily Free Press, Mar. 27th, 1888, front page head, "A Million Too Much")

(107) (The Commercial, April 5th, 1887, Ed. "Granting A Compensation".)

(108) (Daily Free Press, March 15th, 1888, Ed. "Buy It Out")

(109) (Macdonald to Tupper, Jan. 24th, 1885, Pope, op.cit. p. 332)

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"... Sir John ... found strong opposition in his own Cabinet to any further aid being given to this importunate, however well-deserving, beggar." (110)

This aversion of the government to new commitments with the C. P. R. was carried to the point where the cabinet deliberately avoided discussion with the company's officials." (111) We have then a background of continued C.P.R. demands, continually greater difficulty in getting them past an unwilling cabinet and through a House not overly impressed by the prospects of the railway or the country it crossed. It was then, probably with great difficulty, that Macdonald secured the assent of his ministers to a settlement requiring a substantial financial outlay. When Macdonald wired Greenway (112) that, "Complete settlement of the great question will take time,..." he no doubt had in mind the difficulties within his own party.

The fact that the C. P. R. was to get \$15,000,000 for giving up the monopoly privilege, became known before the settlement with Manitoba was completed. In an Ottawa despatch of March 22nd, 1888, the Free Press noted that the C. P. R. wanted that sum. (113) The full settlement was brought down in the House of Commons on April 26th, (114) Sir Hector Langevin moved, on behalf of Tupper who was ill, that in consideration of the C. P. R. giving up its rights under clause 15; the Dominion would guarantee interest at $3\frac{1}{2}\%$ on \$15,000,000 in C. P. R. bonds, the bonds to be secured by the unsold lands of the company; all proceeds from land sales would go to the Dominion to guarantee the principle of the bonds, the Dominion to pay the railway $3\frac{1}{2}\%$ on all such moneys; and finally, provision was made for the sale or lease of the Pembina branch to Manitoba, any funds from this sale to be held by the Dominion in a general fund to pay off the principal of the bonds. (115)

In the ensuing debate all the old charges of the past years were hauled

(110) (J.W.Gibbon, "Steel of Empire". N.Y., 1956, p.279 - an official C.P.R.Acct.)
(111) (Beckles Willson, "The Life of Lord Strathcona and Mount Royal", Cassell, London, 1915, pp.413-14. (112) (Journals, 1888 Sess. Papers, No.4, p.14)
(113) (Ibid. Mar. 23rd, 1888, front page head, "And Now The Terms")
(114) (Debates of the House of Commons, 1888, p.1001) (115) (Ibid)

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out and aired for the last time. Laurier accused the government of paying the C. P. R. for the loss of a monopoly they could not hold because of the determination of the people of Manitoba. He denied the principle of compensation, blaming the ills of the West on monopoly and the National Policy. He moved an amendment to the Agreement implementing his statements above, and was supported by Robert Watson who was at last able to say, "I told you so" to the government. Credit for the settlement was also taken by the Manitoba's Conservative members. T. M. Daly spoke in favor of the proposed settlement, pointing out that all Greenway had received was a letter promising that a line similar to the R. R. V. would be allowed to go through. On the other hand, he, Ross, Royal and Scarth wanted an end to the whole policy of disallowance, with the result that this bill is now before the House. It was apparent that Daly merely spoke as a gesture to help save the waning prestige of the Conservative party in Manitoba. He said in the course of his remarks:

"... I trust that the people of Manitoba will... appreciate the efforts of myself and my colleagues on this side of the House in connection with this matter..."(122)

Tupper spoke on the Agreement in moving the House into Committee of the Whole to discuss its terms. He defended the Monopoly Clause, chiefly on the ground that the Liberals would have included it in his place. He explained his stand in 1884 on the ground that bad seasons and unsettled conditions had forced both the Government and the railway to stand by the

(116) (Ibid. p.1339)
 (117) (Ibid. p.1344)
 (118) (Ibid. p.1345)
 (119) (Ibid. pp.1348-52)
 (120) (Ibid. p.1357)
 (121) (Ibid) (122) (Ibid. p.1345)
 (123) (Ibid. pp.1332-39, May 11th, 1888)
 (124) (Ibid)

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(125) monopoly provisions. Now the railway was willing to give it up and
 asked this loan to help it expand to meet the threat of competition. (126)
 He nowhere discussed the constitution^{al} aspect of the question. The vote
 on the agreement was a foregone conclusion, 112 in favor of accepting the
 Agreement, with 62 against. (127) Watson voted with the majority, as did
 (128) Manitoba's four other members.

In Manitoba the victory of Greenway and Martin was cheered on all
 sides. They were accorded an enthusiastic welcome at both Emerson and
 Winnipeg, replete with bonfires, bands and torch-light parade. (129) Green-
 way reported to the Legislature on his success and put through a bill
 (130) providing for the construction of the R. R. V. as a public work. The
 (131) Manitoba Government assumed, by this Act, the right to sell or lease the
 (132) line as it saw fit. He thereupon went to the country and on the
 strength of the broken monopoly was returned with a substantial majority. (133)

Meanwhile, rumors had been current that the C. P. R. intended to
 gain control over the new border line by whatever means they could find.
 Greenway received letters of warning from prominent men in his party, in-
 cluding the following message from Sir Richard Cartwright:

"I have had information from a quarter deserving regard, that the
 C. P. R. are plotting with Hill to get control of your Red River
 Road..." (134)

This letter was followed by one from Robert Watson along the same lines:

"I might state to you in strict confidence that I have heard
 that there is a proposition working between the C. P. R. and
 St. Paul M. & N. to get control of the R. R. V." (135)

As a result of these warnings Greenway sought a means of securing the new
 line from such interference. If the C. P. R. was dealing with the St. Paul

(125) (Ibid., p. 1333) (126) (Ibid., p. 1335) (127) (Ibid., p. 1372) (128) (Ibid)
 (129) (Morning Call, April 5th, 1888, back page head, "Bonfires and Band.")
 (130) (Journals, 1888, April 16th, p.)
 (131) (Morning Call, Ap. 26th, 1888, back page head, "Red River Valley R.R.")
 (132) (Ibid) (133) (Ibid, July 12th/88, front page head, "Temporary Defeat")
 (134) (Greenway Papers No. 356, Cartwright to Greenway Ap. 17th/88, "Private")
 (135) (Ibid., no. 365, Watson to Greenway, April 19th, 1888)

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Minneapolis and Manitoba Railway, the property of J. J. Hill, then what better security could be found than to turn the R. R. V. over to the Northern Pacific, the sworn enemy of Hill in the American Northwest? With this thought in mind, Greenway and Martin left for New York soon after the election with the avowed purpose of discussing the R. R. V. with Northern Pacific officials. Their mission was successful. On August 3rd, the terms of the agreement with the Northern Pacific were announced. By agreement between Martin on the one hand and Oakes of the Northern Pacific on the other, a new company was to be chartered in Manitoba under the title of the "Northern Pacific and Manitoba Railway Company". Martin, Manitoba's Railway Commissioner, was to be Vice-President; the new Company would purchase the R. R. V. on its completion by the Manitoba government; Manitoba would build a branch to Portage la Prairie from Winnipeg; two of five directors were to be appointed by the government of Manitoba; the rate-fixing power was to be in the hands of the Provincial Executive; and under no circumstances was the new company to sell stock to the C. P. R. or the St.P.M.&M. or their agents.

This move cost the Greenway government the support of the Free Press. This journal objected to the contract on the grounds that it gave a monopoly of the R. R. V. to the Northern Pacific, a condition which lead the paper to believe that the province was to be saddled with two monopolies instead of one. They wished running rights to be accorded the St. Paul Minneapolis and Manitoba as well as the Northern Pacific. This agitation against the deal with the N. P. was carried on throughout the first session

- of the Seventh Legislature, called to deal with its acceptance. This objec-
- (136) (Morning Call July 21st '88, front page head, "The Premier Talks")
 - (137) (Ibid, Aug. 4th, 1888, p. 3 "The Railway Deal")
 - (138) (Statutes (& Ibid) of Manitoba 1888-9, 52, Vic. chap. 2)
 - (139) (Daily Free Press, Aug. 8th, 1888, Ed. "A Vital Question") (140) (Ibid)
 - (141) (See Daily Free Press, Editorials, Aug. 13, 16, 18 & 27, 1888)

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tion did not mean that the Free Press was carrying a brief for the St.P. M. & M. In fact they stated that, "Both railways will take every cent they can get". (142) The Free Press believed that this agreement would not give Manitoba the free competition in rails desired and so continued to oppose the agreement until its acceptance by the Legislature. (143) In spite of the Free Press' agitation against the measure, it received legislative assent by a vote of 25 to 9, the government losing only three of their regular supporters. (144)

The competing border connection was, however, not yet obtained for Manitoba. The C. P. R. having failed in their efforts to lease or sell the Pembina branch to Manitoba, or to get control of the R. R. V. through the St. P. M. & M., made a 1st effort to prevent Manitoba gaining what she had so long striven for. They sought an injunction against the Portage la Prairie branch of the R. R. V. to prevent it crossing their line. They based their appeal on the grounds that the Act providing for the Northern Pacific & Manitoba Railway was ultra vires of the province, since it provided for a connection with American lines; and that the Province had not obtained consent of the Railway Committee of the House of Commons for effecting crossings of the C. P. R. line. (145) The Provincial Government was not inclined to accept this new stoppage. Martin called for volunteer police to protect construction crews in their work of putting in a crossing of the C. P. R. south-west of Winnipeg. (146) The crossing was laid at night only to be torn out on the morning by the C. P. R. crews. A Miniature civil war threatened. The Portage la Prairie historian, R. B. Hill, with his usual enthusiasm, stated:

(142) (Ibid. Aug. 31st 1888, Ed. "Prejudice".)

(143) (Journals 1888-89, 1st Session Seventh Legislature, p.18)

(144) (Ibid) (145) (Martin, op.cit. pp.123-24)

(146) (Daily Free Press, Oct. 25th, 1888, front page head. "Police Sworn In.")

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"Hundreds would have flocked to the assistance of the Government, even if it had meant the support of their measures at the point of a bayonet." (147)

Fortunately bloodshed was avoided and the matter left for the courts to decide. The issue was followed with great interest in the local press. (148)

The matter of the injunction was referred to the Railway Committee by the Manitoba courts and by the Committee to the Supreme Court. A decision in favour of Manitoba was rendered in December. The N. P. & M. Act was declared to be valid and a crossing of the C. P. R. equally valid, providing the permission of the Railway Committee was obtained. (149) (150)

With this decision the C. P. R. abandoned its obstructive tactics. Manitoba was henceforth free to charter and build lines of railway when and where the government of the province pleased. This last manoeuvre was in the nature of an anti-climax, serving only to arouse once more the opinion of Manitobans against the C. P. R. They regarded this move as merely the same monopoly in a new disguise. It was a clear victory for Manitoba, both in the so-called "Fort Whyte" crossing case and the larger issue of federal disallowance of local railway legislation. The situation at the close of 1888 may be summed up in the words of Glazebrook:

"The Federal Government got peace, the C. P. R. fifteen million dollars, and Manitoba freedom to build or charter other lines" (151)

(147) (R. B. Hill, "Manitoba", Briggs, Toronto, 1890 p/490.)

(148) (e.g. Daily Free Press, Oct. 30th, 1888, front page head, "The C.P.R. Triumph")

(149) (Martin, op.cit.p.124)

(150) (Daily Free Press, Dec. 24th, 1888, front page head, "Won by Manitoba")

(151) (Glazebrook, op.cit.p.309)

CONCLUSION

By the agreement with Macdonald and the decision of the Supreme Court in the "Fort Whyte" crossing case, Manitoba had gained the right to build railways anywhere within the province. The expected lowering of rail rates, which had prompted the greater part of the agitation in favor of the abrogation of monopoly, did not take place for some years. Rates remained at practically the same level as before. The Northern Pacific and Manitoba Railway Company, though it provided another link with eastern markets, did not bring about a reduction in rates. The parent Company, the Northern Pacific, entered into an agreement with the C. P. R. and between them they divided the traffic, leaving rates at substantially their former level. (1) Reduction in rates was not gained until 1897 when a general cut was instituted by the C. P. R. in return for Dominion aid in the construction of a line into the British Columbia interior by way of the Crow's Nest Pass. This was the famed "Crow's Nest Pass Agreement". (2)

The other aspect of the anti-monopoly agitation, the desire for the construction of a network of feeder lines in Manitoba, was also to take time in fulfilment. It was not until after 1896, when the filling of the American plains caused new settlement to seek land in the Canadian west, that any extensive railway construction was undertaken in Manitoba. Between 1888 and 1896 only 271.6 miles of rail were put into operation in Manitoba. The greater part of this construction was undertaken by the Northern Pacific and Manitoba, which built from Winnipeg to Portage la Prairie and from Morris to Brandon. The C. P. R. built only 12 miles of new line, an extension of the South-Western Colonization from Elm Creek to Garman. The only other building was done by a new company, the Great

(1) (Glasbrook, op.cit.p.309)

(2) (Defoe, op.cit."Sifton", pp.145-47)

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North-West Central, later part of the Canadian Northern system, which built 62 miles of rail from Chater to Hamiota in 1891. The building of feeder lines was forced to await the progress of settlement to the point where their construction became economical. The main period of branch line construction in the west is found after settlement went definitely on the upswing in 1896 and the settlement of the plains began.

Though the long agitation in Manitoba did not succeed in the immediate attainment of its economic objectives it was not, however, without important consequences. As we have seen, Norquay's failure to provide relief from railway monopoly caused the Conservative party in Manitoba to fall from power and to remain in opposition for more than a decade. The reasons for this were that Norquay had endeavored to improve the shaky financial position of the province by maintaining a firm alliance with the federal Conservative party. This alliance did gain for Manitoba a not inconsiderable increase in subsidies and certain concessions such as the turning over of swamp lands to provincial control. The amounts obtained, however, were not enough to satisfy land and rail hungry Manitoba. Denied the crown lands of the province as well as the power to build railways, Manitoba tended to forget the improved financial position and to regard Norquay as little more than a willing puppet of Sir John Macdonald. This attitude proved fatal to the Norquay government. It could not stand against an outraged public opinion.

The fact of Norquay's following the lead of Ottawa in railway policy was fully in line with the Dominion's attitude towards the prairie west. Macdonald took the view that the Dominion had purchased the wes-

(3) (The above figures are taken from, M.L. Bladen, "Construction of Railways in Canada", part II, From 1865 to 1931, Contributions to Canadian Economics, Vol. VII, 1934, University of Toronto Press, 1934.)

(4) (Ibid)

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tern territory and therefore reserved the right to exploit it as a sort of "colony" of Canada. Nothing was to be permitted to interfere with the right of the Dominion to handle the development of settlement and communications in the west. It was with a view to reimbursing the Dominion for the cost of the purchase of Rupert's Land that control of the public lands of the new province was vested in the Dominion on the creation of Manitoba. It followed from the same train of thought that the cost of providing adequate communication to the West should be borne by the purchased territory. Thus we find the Canadian Pacific Railway Company endowed with 25,000,000 acres of western lands, perpetually free from taxation in the west and a twenty year monopoly of the country's carrying trade. This feeling of proprietorship over the west probably accounts for the stubborn refusal of Macdonald to yield to Manitoba on the question of disallowance of railway legislation until his continued resistance had broken the Manitoba Conservative party. Macdonald's viewpoint was clearly set down in his letter to Griffin, part of which has already been quoted above, written in the Fall of 1881. Macdonald wrote:

"When the North West is filled with people - they may agitate if they please against monopoly - but it is not for the present population of Canada or the provinces East of Manitoba to exclaim against a monopoly (if it be one) created for their special benefit - Manufacturers might as well complain of a Protective Tariff especially made for their advantage ..."(5)

Thus we can see that the disallowance struggle marks a not inconsiderable incident in the long struggle of the west to free itself from what Chester Martin has aptly called, "The Colonial Policy of the Dominion".

- (5) (Macdonald to Griffin, Oct. 31st, 1881, Macdonald Papers, letter book no. 21, 1878 - 82, p. 527. Underlining and brackets are Macdonald's.)
- (6) (Martin, "The Colonial Policy of the Dominion", Transactions of the Royal Society of Canada, 3rd series, 1922. See also, Martin, "Dominion Lands Policy" for a full statement of the position of the Dominion with regard to the west.)

Conclusion

Though the seat of the anti-disallowance agitation was at Winnipeg, we have seen that the feeling against the railway monopoly was widespread throughout the province, especially in the southern portion most effected by the lack of rail facilities and covered by the monopoly clause. Added to the general dissatisfaction of the western farmer with the land policies of the Dominion and combined with the many natural hazards and difficulties of dry farming, the feeling against high rail rates and few rails gave rise to the first organized manifestation of agrarian radicalism in western Canada. This was the Manitoba and North-West Farmers Union which was formed on a local basis during the fall of 1883 and received a central organization at a convention called at Winnipeg for that purpose in December 1883.

Local organizations of farmers had existed before this time but the Farmers' Union marked the first real effort of the western farmers to present their collective viewpoint with the aim of gaining redress. The seeds of the organization lay in the crop failure of 1883 and in the post-boom depression, but a great part of the organization's effort was directed towards securing relief from the high rates of the C. P. R. and to ending the policy of disallowance. The Farmers' Union, precursor of the Patrons of Industry and the Progressive Party, suffered the same fate as the later organizations. It became too closely identified with the Liberal Party, lost the support of many of its members on this account and by 1886 had fallen apart. (7) The influence of the Farmers' Union on the course of the Anti-monopoly agitation cannot be considered as decisive in any degree since the organization had ceased to carry any weight before the issue came to a head. Its importance lies solely in the fact that it was the first of the western Canadian farm movements directed at the reform of existing grievances, and like the Saskat-

(7) (See Wood, op.cit. and Patton, H. S. "Grain Growers Co-operation in Western Canada", Harvard Economic Studies, 1928)

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chewen Rebellion, was a fair gage of western discontent.

But the most positive result of Manitoba's success in forcing the Dominion to abandon its disallowance of provincial railway legislation was the effect of that success on the interpretation of the disallowance power by the Macdonald government. Macdonald had long been the exponent of the idea that the federal government should exercise a considerable degree of supervision over the legislative activities of the provinces. In his first report as Minister of Justice Macdonald laid down the headings under which provincial legislation should be reported on if disallowance was contemplated. An Act of a provincial Legislature might be disallowed; first, if it was altogether illegal or unconstitutional; second, partly illegal or unconstitutional. third, if it conflicted with Dominion legislation; and fourth, if it conflicted with the interests of the Dominion generally. (8) It was under this last category that Manitoba's railway charters had been disallowed.

Manitoba's successful resistance of the Dominion caused a change in Conservative policy with regard to the disallowing of provincial Acts as being contrary to the settled policy of the Dominion government. Perusal of all provincial Acts disallowed from 1888 to the accession of the Liberal government in 1896 shows that no provincial Act was disallowed on the grounds of policy. (9) Certain Acts were reported on as being possibly ultra vires of the province but the Minister of Justice, Sir John Thompson, took the view that interpretation would be better left to the courts. In the case of a Manitoba statute of 1893 incorporating a company to build a line of railway from the international boundary to Melita, Thompson reported that the Act might permit the company to build beyond the borders of the province (8) (Sessional Papers, Canada, 1869, no.18, "Report of the Minister of Justice", dated June 8th, 1868.)
(9) (See Hodgins, op.cit. Table of Disallowed Acts, p.1527, et seq.)

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"... but the question is one which may conveniently be left for judicial decision."⁽¹⁰⁾ It would appear that the policy of disallowing solely on grounds of public policy was abandoned in 1888.

This thesis is contrary to generally accepted historical opinion on the subject of the exercise of the disallowance power. It has been held that Macdonald, and through him the Conservative party, were firmly wedded to the principle of federal interference with provincial legislation if such legislation was considered to be contrary to Dominion policy. Keith writes:

"... it is in the administration of Sir John Macdonald that we find the clearest examples of interference by the Dominion with Provincial Acts simply because they transgressed Dominion Policy; with the advent of the ministry of Sir Wilfrid Laurier, ... the practise of disallowing Acts on other than legal or constitutional grounds, or on grounds of wide public and Imperial Policy, may be said to have come almost to a stop."⁽¹¹⁾

The idea that the provinces had to await the coming of a Liberal administration at Ottawa in order to achieve a relaxation of federal domination of their legislation is widely accepted. Professor Clokie in "Canadian Government and Politics", states:

"A general diminution of interference began in 1896, when the Liberals, the chief supporters of provincial rights, came to power under Laurier."⁽¹²⁾

The fact that no provincial act was disallowed after 1888 solely on the ground that it was incompatible with Dominion policy, though the Conservative government remained in office until 1896 and Sir John Thompson, who wrote most of the reports recommending disallowance on the grounds of policy, remained as Minister of Justice until December 1894, would seem to indicate that the Conservative administration suffered a definite change of heart after its failure to coerce Manitoba. It is suggested that the date on which

(10) (Hodgins, op.cit.p.993, "Report of the Minister of Justice, ..." 16th January, 1894.)

(11) (Keith, "Responsible Government in the Dominions". Vol.II,p.735, Oxford 1912)

(12) (H. McD. Clokie, "Danadian Government and Politics," Longmans Green, Toronto 1944, p.209. Also "Memorandum on the Dominion Power of Disallowance of Provincial Legislation. "Department of Justice, Ottawa, 1937.)

Conclusion

provincial rights began to receive a greater measure of consideration at the hands of the Dominion government, at least with respect to the exercise of the federal power of disallowance, must be moved back from 1896 to 1888.

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- b. The Macdonald Papers. Excerpts from this collection were made available through the kindness of Professors A. R. M. Lower and W. L. Morton.

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i - Canada

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- b. Sessional Papers
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iii - Newspapers and Periodicals

Of the newspapers, daily or weekly, published in Manitoba only the "Manitoba Daily Free Press" and the "Manitoba Weekly Free Press" were published continuously during the period under consideration. Numerous others, as listed below, appeared for varying periods of time. Some of these became bankrupt and disappeared. In other cases, such as that of the "Daily Times" and the "Morning Call", the change of name meant a change in ownership though not in policy

- a. "The Manitoba Weekly Free Press", Winnipeg
- b. "The Manitoba Daily Free Press", Winnipeg
- c. "Winnipeg Daily Times"
- d. "The Winnipeg Daily Tribune"
- e. "The Morning Call", Winnipeg
- f. "The Daily Manitoban", Winnipeg
- g. "The Manitoba Sun", Winnipeg
- h. "The Winnipeg Daily Sun",
- i. "The Evening News", Winnipeg
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