Canada’s Railway History

The history of Canada cannot be told without acknowledging the vital role that the railways played in its economic growth and development as a prosperous, modern nation. In the early history of British North America, efforts were directed primarily at improving transportation by waterways and canals. The harsh climate and long winters of British North America, however, necessitated new strategies for the development of land transportation routes. According to James Marsh, the invention of the “steam-powered railways” in Britain during the early part of the 19th century “revolutionized transportation in Canada and was integral to the very act of nation building” (Marsh, “Railway History”).

Canada’s Early Railway History: In general terms, the story of the railway in Canada may be divided into three distinct phases. The earliest phase, in the period before Confederation, consisted of the construction of short, local or regional railways that served to “supplement water transportation” (Marsh, “Railway History”). For example, the Champlain and Saint Lawrence Railroad – the first railway in Canada – was used as a “portage” over a difficult stretch between Montréal and Lake Champlain. John Molson, the Montréal brewer, financed this railway, which opened in 1836. Several other regional railways were constructed in this period, including the Albion Mines Railway in the Maritimes (1839) and the Montréal and Lachine Railroad (1847) (Marsh “Railway History”).

Very quickly, however, entrepreneurs realized the enormous cost of railway construction and turned to the public, as well as to private financiers, in order to fund
their projects. The Guarantee Act, passed by the Legislative Assembly of the Province of Canada in 1849, “established the principle of government assistance to railways” of a specified length (Fahey). With assistance from the Guarantee Act, the St Lawrence and Atlantic Railroad, “the world’s first international railway,” was completed in 1853 (Marsh, “St Lawrence and Atlantic Railroad”). According to Curtis Fahey, the Guarantee Act, along with the Municipal Loan Act (1852), led to a “mania” for railway construction in Canada in the mid-nineteenth century, yet it also encouraged an “economic recklessness” with resulting “severe financial problems” for both railways and municipalities (Fahey, “Guarantee Act”).

Before Confederation, the largest railway in Canada was the Grand Trunk Railway, which relied heavily on financing from England, but which nonetheless suffered from the same pattern of debt and financial misfortune that beset all of the early Canadian railways (Marsh “Railway History”). The route from Sarnia to Montréal was completed in 1860, but the GTR continued to expand with takeovers and leases of existing railways. By Confederation, “the GTR was the largest railway system in the world,” running “unbroken from Sarnia to Portland, Maine” (Marsh, “Grand Trunk Railway of Canada”).

Despite the serious financial difficulties facing the railway industry, politicians and entrepreneurs continued to recognize the importance of the railways to the economic growth and development of Canada’s cities (Marsh, “Railway History”). As a result, “massive public expenditures in the form of cash grants, guaranteed interest, land grants, rebates and rights-of-way” continued to form an essential part of the early history of railway construction in Canada (Marsh, “Railway History”).
Confederation and the development of the Transcontinental Railways: By Confederation, the importance of the railway to Canada’s viability as a nation was widely recognized, so much so that the construction of the Intercolonial Railway “was a condition written into the Constitution Act, 1867” (Marsh, “Railway History”). Although the federal government owned and managed the Intercolonial, British loans provided the bulk of its financing (Marsh, “Railway History”). The Intercolonial was completed in 1876. In 1871, British Columbia agreed to join Confederation after it had been promised “a transcontinental railway within 10 years” that would extend through the west (Marsh, “Railway History”). In 1880, the Canadian Pacific Railway received the contract to begin construction; although the CPR was technically a private railway, it received generous federal assistance. As James Marsh notes, to this day Canadians have debated “whether or not the country received adequate compensation for this largesse” (Marsh, “Railway History”).

The Third Phase of Canada’s Railway Development: After 1900, a growing population and the expansion of farmland in Western Canada led to a need for further railway development. In this period the Canadian Northern Railway was formed, and the Grand Trunk Railway also became involved in western expansion through its subsidiary, The Grand Trunk Pacific (Marsh, “Railway History”). But this enormous growth could not be sustained; by World War I, the railways were heavily in debt, and the War had brought an end to the two sources upon which they relied for their survival: immigration and British financing. In 1917, a royal commission recommended that all of Canada’s railways “except for the American lines and the CPR … be brought together into one
system, to be owned by the people of Canada” (Marsh, “Railway History”). In 1919, the Canadian National Railways was incorporated, and between 1917 and 1923, the CNR brought under its umbrella five of the “financially troubled railways”: the Grand Trunk and its subsidiary, the Grand Trunk Pacific; the Intercolonial; the Canadian Northern; and the National Transcontinental (Tucker, “Canadian National Railways”). The main focus for the CNR became “consolidation” rather than expansion, “although several lines were pushed into northern frontiers,” including the Ontario Northland Railway, which resulted in a “mining boom” and led to the “emergence of the giant pulp and paper industry” (Marsh, “Railway History”).

Who Built Canada’s Railways?
The workers who toiled for decades on the construction of Canada’s immense railway system have generally received far less attention than the entrepreneurs and politicians who financed and oversaw the construction. For the most part, these workers were poor and uneducated, Canadian-born or recently arrived immigrants from Europe and the United States, and, in particular cases, from China and the West Indies. Some of them laid tracks, while others guarded the tracks “against stray cattle and hog crossings” (Mathieu 1). These men worked under harsh conditions of heat and cold, rain and drought, from the Maritimes to British Columbia, from the northern limits of the Canadian Northern Railway to the region of present-day Southern Ontario.

Many of these workers were hired as part of a contract labour gang; they were seasonal workers, employed for a particular job, and were laid off when the job was completed (Morton 48). James H. Marsh reports the vivid account of Charles Peyton,
who observed various groups of railway navvies as he searched for work. Along “one stretch of track,” Marsh writes, Payton “saw a band of Italians at one spot and a team of Englishmen a few kilometers later.” And although Peyton reported meeting “a scholar who could speak and write Greek, a surgeon from Montreal and a pastor from Chicago,” for the most part he described the workers as “a rough lot with ill manners and disagreeable mouths. They were there for the $2.00 to $2.50 a day, which was good pay for the time” (Marsh, “The ‘Other’ Last Spike”).

According to Donald H. Avery, Irish immigrants “flooded into North American during the 1840s and 1850s in a desperate search for a new life”; their reputation as hard workers and “their ethnic cohesiveness” resulted in their strong presence in the railway camps during the early years of railway construction in Canada (Avery, “Immigrant Labour”). During the 1880s, the Canadian Pacific Railway also relied heavily on immigrants during its construction, hiring “thousands of British, American and European navvies” to extend the tracks westward, while Chinese immigrants were brought in to build “the railroad eastward through the BC mountain ranges” (Avery, “Immigrant Labour”).

In recent years, books, essays, and documentary films have brought attention to the horrendous working conditions experienced by these Chinese immigrants who built the most dangerous sections of the CPR. “Between 1880 and 1885,” Anthony B. Chan notes, “15,000 Chinese labourers completed the BC section of the CPR, with more than 600 of them perishing under adverse working conditions during this essential construction” (Chan, “Chinese”). British Columbia’s white population responded with overt racism toward the Chinese, prompting Prime Minister John A. Macdonald to
declare, “either you must have this labour or you can’t have the railway” (Marsh, “The ‘Other’ Last Spike”). The CPR itself took full advantage of the Chinese workers, paying them half or less-than-half the wage of white workers, giving them no choice but “to buy all their supplies from the company store” and forcing them to “build their own camps” (Marsh, “The ‘Other’ Last Spike”). The Chinese workers suffered a heavy toll in injuries, illness, and death during their employment on the CPR.

With the rapid expansion of the railroad in the late 19th century, African Canadian men and “foreign-born black labour” were also recruited to offset “chronic workforce shortages” (Mathieu 1). According to Mathieu, “African Canadian railwaymen eventually enjoyed a wider range of employment options during the early days of railroading” (Mathieu 1). Both the CPR and the Intercolonial Railways sought black labourers, with the Intercolonial looking to “existing black communities in the Maritimes and Quebec, finding a ready-made pool of experienced transportation workers,” while the CPR recruited black workers from the Southern US and West Indies “as an under-explored source of cheap labour” (Mathieu 1). As Jenny Carson explains, these black railway workers – both Canadian-born and those who were recruited from the US or West Indies – experienced overt racism at the hands of white railway management and trade unionists, who quickly formed an alliance that left black railway workers limited “to poorly paid jobs such as laying tracks and portering” (Carson, par 2).
Works Cited


