

Robert Reid

# British Columbia The Spoilt Child of Confederation: *Segment 1*

See archives at [www.notaries.bc.ca/scrivener](http://www.notaries.bc.ca/scrivener).

Part 1:	Fall	October 2002	Vol. 11, No. 3
Part 2:	Fall	October 2003	Vol. 12, No. 3
Part 3:	Winter	December 2003	Vol. 12, No. 4
Part 4:	Winter	December 2004	Vol. 13, No. 4
Part 4A:	Spring	March 2005	Vol. 14, No. 1
Part 5:	Winter	December 2006	Vol. 15, No. 4
Part 6:	Summer	July 2007	Vol. 16, No. 2

**P**rofessor Philip Resnick in his book, *The Politics of Resentment, British Columbia Regionalism and Canadian Unity*, (UBC Press, Vancouver, 2000), asks the question that has puzzled many people since 1871:

What accounts for some of British Columbia's peculiarities as a province of Canada?...British Columbia has been a province of Canada since 1871, but it has always been an awkward partner in Confederation. From the very beginning, its political leaders threatened to go their own way if Ottawa failed to live up to the terms of its agreement to build a railway to the Pacific within ten years... . In 1876, the BC Legislature, unhappy with delays in the construction of the transcontinental railway, passed a motion threatening succession from Canada. Not for nothing did John A. Macdonald come to describe British Columbia as "the spoilt child of the Dominion."

Bruce Hutchison, the renowned journalist and historian, wrote in *British Columbia: a Centennial Anthology*, (McClelland and Stewart Ltd., 1958) of the freedom, the poverty, and the gamble of the lost frontier that formed the core of the special quality of mind, a spiritual climate and inner tone that long distinguished British Columbia from other provinces:

Its people were necessarily different from all others. They were the only Canadians who had penetrated the final obstruction on the long westward march to the sea. They had gone as far as man could go. Sealed off not only from Canada but from one another in their mountain labyrinth, they were subtly unified by their sense of separateness and their joint secret... . This land the British Columbians

**Not for nothing did John A. Macdonald come to describe British Columbia as "the spoilt child of the Dominion."**



regarded almost as a sovereign state, themselves a chosen people. Their separate patriotism soon became an infatuation, at times noble, at others mean and stupid, but always instinctive, innocent, and passionate... .

If they were more provincial, self-centred, and selfish than other Canadians, their character was redeemed by a reckless generosity



Sir John A. Macdonald

Canadian Illustrated News, Vol. 1, No. 16, Page 45. Reproduced from Library and Archives Canada's website Images in the News: Canadian Illustrated News.

among themselves, a willingness to gamble for high stakes, a largeness of view (so long as that view went no farther east than the Rockies), and a boisterous, out-of-door life, close to the earth, the forest, and the mountain... .

If the early British Columbians hardly understood the nation or their part in it, and therefore never produced a national idea or statesman of importance, they were faithful to their own ways, built their own civilization, idolized their own land, and reared a prodigy in its image. The lavish dimensions of their environment expanded their spirit, yet blinded them to the still larger tracts of Canada. In short, they were primarily British Columbians, and Canadians incidentally.

A year after British Columbia entered Confederation on July 20, 1871, its people had high hopes for their future. The federal government had not only assumed the Colony's \$1.5 million debt, it had also agreed that payment of federal subsidies and grants would be calculated on an inflated population base of 60,000 people, when no one really knew what the actual population was. Ten years later, it was estimated to be less than 50,000.

And there was the promise of the railway—the Dominion had promised to start construction in British Columbia within 2 years after its entry into Confederation and to complete it within 10 years. A railway would bring immigrants to the province and it would provide jobs for them.

The federal government also agreed to pay British Columbia the sum of \$100,000 in perpetuity in exchange for a grant of public lands along the line of the railway throughout its entire length in British Columbia, not to exceed 20 miles on either side of said line. A later article will discuss the problems that resulted from this grant of “railway belt” lands.

In the Fall of 1871 when British Columbians elected their first responsible government, the future

looked rosy. Twenty-five members were elected and the newly appointed Lieutenant Governor Joseph Trutch appointed John Foster McCreight as the first Premier (1871–1872).

Trutch had been chosen as Lieutenant Governor for a number of reasons. English-born, he was an engineer and surveyor who arrived in the Colony in 1859 from the United States. Trutch became involved with various public projects, most notably the Cariboo Road. In 1864 he became the Chief Commissioner of Lands and Works and Surveyor General for the Colony of British Columbia.

**After Trutch's term as Lieutenant Governor expired in 1876, Macdonald appointed him as a Dominion agent for British Columbia to oversee the construction of the railway.**

Trutch was an influential figure in the decisions that resulted in the Colony's becoming a Province—he negotiated with both London and Ottawa the terms for British Columbia's entry into Confederation. Prime Minister Sir John A. Macdonald trusted him.

After Trutch's term as Lieutenant Governor expired in 1876, Macdonald appointed him as a Dominion agent for British Columbia to oversee the construction of the railway. And in 1877, Trutch was knighted for his efforts. When he retired in 1899, he returned to England, where he died.

Truly Trutch deserves the honour of being named one of the Fathers of Confederation in British Columbia. But history has not been kind to him because his racist views and actions over First Nations' land claims earned him the censure of today's society.

After Governor Douglas retired in 1864, Trutch as Chief Commissioner of Lands and Works immediately set out to reverse Douglas's liberal policies with respect to the allocation of land

to First Nations' peoples. He abolished the rights of First Nations to pre-empt Crown lands and instructed surveyors to reduce substantially the size of Indian reserves. He wrote that

The Indians have really no right to the lands they claim, nor are they of any actual value or utility to them; and I cannot see why they should either retain these lands to the prejudice of the general interests of the Colony, or be allowed to make a market of them... .

His opinions clearly reflected those of the settlers and local government authorities. And in 1871, his appointment as Lieutenant Governor was a popular one with the non-Aboriginal populace. A later article will discuss the establishment of Indian reserves in British Columbia.

John Joseph McCreight, an Anglo-Irish barrister, has the distinction of being British Columbia's first Premier—his sole claim to fame—for he was a disappointment as Premier. His term was short; he was defeated a year later by a nonconfidence motion in the Legislature. McCreight next became a judge of the Supreme Court of BC in the Cariboo and, like Trutch, retired to England, where he died.

In 1871 British Columbia also elected its first six members of parliament. Political parties, as we know them today, did not exist in British Columbia until the 1903 election. Candidates for office usually represented their regions and campaigned on matters of local interest.

Moreover, a man could be elected to both the provincial Legislature and to Parliament. On their arrival in Ottawa, these 6 men, with the 3 newly appointed Senators, supported the Conservative government. For it was the Conservatives who had promised British Columbia a railway—and that promise overshadowed all other political issues.

Macdonald's Conservative government had hoped to rely on the affirmation by Joseph Trutch to the Conservative caucus and later to

Parliament that British Columbia would not insist that construction of the railway start within 2 years after British Columbia's entry into Confederation. But British Columbia had not agreed to this and Trutch had no authority to bind it. British Columbia made it quite clear it expected the Dominion to abide by the strict time limits.

The key political questions in British Columbia were when would the Dominion start construction and what city would be its Pacific terminus? The animosity between the Island and the Mainland over the latter issue dominated local politics.

The interests of Vancouver Island usually prevailed, notwithstanding that Vancouver Island had only 12 members in the Provincial Legislature, whereas the Mainland had 13. On many issues, the members from the Interior allied themselves with the members from the Island.

This split between the Island versus the Mainland was also manifest among the British Columbia contingent to Ottawa. Those members elected from the Island, such as Amor De Cosmos who represented Victoria, both in Ottawa and in the Provincial Legislature, demanded that the western terminus be in the capital city rather than on the Mainland. Sir John A. Macdonald, willing to be amicable, named Esquimalt as the terminus. This meant the route of the railway would have to run down Bute Inlet and across the Seymour Narrows to the Island.

But the route the railway would take through the mountains had yet to be discovered. A map of the Mainland of British Columbia shows a sea of mountains—the Cascades, the Monashees, the Selkirks, then the Rockies.

In 1857 Captain John Palliser had been charged by a British imperial commission to search for a possible railway route through the Rocky Mountains. He concluded that no route was viable and that the mountains in British Columbia formed an impassable barrier to a railway; according to Palliser, the only feasible

routes ran south of the border in the United States.

In 1871 Sir Sandford Fleming was appointed as the engineer-in-chief by the Dominion to find a route from the Rockies to the Pacific seaboard. The mountains were not entirely unsurveyed. In 1865 Walter Moberly, while working as a surveyor for the Colony, discovered a pass through the Monashee Mountains—Eagle Pass, 20 miles west of Revelstoke.

### Without the West and the Maritimes, the Conservatives would have lost.

In 1871 Moberly went to work for Fleming but fell out with him over which pass through the Rockies the railway should take. He argued that Howse Pass was the best route for the railway through the Rockies. When Fleming overruled him in 1872 and chose the Yellowhead Pass, Moberly quit.

In the end, neither of these passes was chosen. Instead it was the Kicking Horse Pass—so named when a balky horse kicked one of the members of the Palliser expedition. But Moberly must have felt some satisfaction when the last spike of the Canadian Pacific Railway was driven at Craigellachie in Eagle Pass in the Monashee Mountains.

The expectations of prosperity led the newly elected provincial government to cancel the tolls on the Cariboo Road and to undertake an ambitious public works program that resulted in the province going into debt.

Meanwhile in Ottawa, Macdonald and the Conservative Party had been re-elected in a general election in August and September of 1872, but with a much reduced majority. (This was the last general election held over a period of weeks. The next general election in 1874 was held on 1 day.)

Without the West and the Maritimes, the Conservatives would have lost. The Liberals gained seats in Ontario and Quebec where the promise to build a transcontinental

railway was not popular. Yet with the Conservatives in power, British Columbians remained hopeful.

But hidden storm clouds were gathering as the political shenanigans by the Conservatives in winning this election caused its defeat the next year. Plus British Columbians were learning the hard lesson of Canadian politics.

When Ottawa announced the anticipated patronage appointments in the new province, many of the positions went to faithful supporters of the Conservative government from other provinces. One notable appointment went to a former Father of Confederation from New Brunswick, J. H. Gray, who became a judge of the British Columbia Supreme Court.

By early 1873, the heady expectations of British Columbia were slowly being replaced by nervous apprehension that construction might not begin by July 20 of that year. Now British Columbians remembered Dr. John Sebastian Helmcken's dire prediction concerning the danger British Columbia faced if it entered into Confederation. He warned that Ottawa would neglect British Columbia because it was a remote outpost of Canada with little or no political power in Parliament.

To British Columbians, truer words were never spoken. It was in these early years after British Columbia became a province that the template for the troubled relationship between British Columbia and Ottawa was forged and it remains unchanged to this day. At the heart of the bickering between the province and Ottawa lies the deeply rooted conviction of British Columbians that Ottawa neglects the province and cares little for British Columbia's role in Canada.

But one of the problems facing Macdonald and his Conservative government with respect to construction of the railway was *where was the money going to come from to build it?* Macdonald and Cartier had promised the finances would not come from Canadian taxpayers who were already paying for the Intercolonial

Railway linking the Maritimes to Quebec and Ontario—Canada’s first Crown corporation.

Private capital was needed and lots of it. Macdonald sought to grant a charter to a new railway company that would include both Sir Hugh Allen in Montreal and Senator David Macpherson in Toronto. Both were wealthy men who had already created railway companies to bid on the contract to build the transcontinental railway.

Sir Hugh Allan was not only the richest man in Canada, he was one of the richest in the world—a haughty, proud, self-made Scot who started out penniless and who had become head of one of the largest shipping lines in the world.

Senator Macpherson had made his fortune with the construction of the Grand Trunk Railway between Montreal and Kingston. Neither trusted the other and both refused Macdonald’s attempts to reconcile them. Allan insisted on being president of the new company to be formed to build the transcontinental railway.

Allan was a totally unscrupulous man. He paid others to undermine George Etienne Cartier’s support in Quebec to force Cartier to support Allan’s efforts to become president of the new railway. His scheme worked. Allan also wanted assurances that if Macpherson failed to join in an amalgamated railway company with Allan as president, the government would grant Allan’s company the charter to build the railway.

Sir Hugh Allan then agreed to dispense campaign funds to the Conservatives during the election of 1872. But Sir Hugh had, without Sir John A.’s knowledge, gotten most of the \$350,000 he dispensed to the Conservatives from American investors who were under the impression they would gain control of the new railway.

One of these American financiers was Jay Cooke, the Philadelphia banker who controlled the Northern Pacific Railway in the United States. Ironically, it was the failure of Cooke’s bank and railway that started the

depression in the United States that impacted severely on Canada.

The Americans planned to make the Canadian route dependent on their railway with the ambitious scheme of having the Canadian North West fall under American control. Having Americans involved in any manner at all was something Macdonald and the Canadian people would not allow. And Allan should have been aware of that fact.

**At the start of 1873, Macdonald was facing the worse political crisis of his life.**

The Americans were furious when Allan informed them that, after spending their money on the election campaign, they would not be involved in any way, direct or indirect, in the building of the transcontinental railway in Canada. Allan had overplayed his hand. He was too clever by half. He never again played a part in the construction of the transcontinental railway.

One of the parties involved in Allan’s scheme was George W. McMullen, a Canadian who had introduced the Americans to Allan. McMullen refused to give up and attempted to blackmail Macdonald with letters from Allan to McMullen detailing what was being done with the funds provided by McMullen and the American backers.

On Christmas Eve 1873, Macdonald for the first time learned of Allan’s duplicity. But he declined to back down from his refusal to allow Americans a stake in the building of the railway. Allan was revealed “as a blunderer, a conniver, a liar, a double-dealer, and perhaps worst of all, a Yankee-lover—a man whose imprudence, in Macdonald’s words, “has almost amounted to insanity.”<sup>1</sup>

<sup>1</sup> Pierre Berton, *The Great Railway, 1871–1881: The National Dream*, (McClelland & Stewart Ltd., 1970) p. 87

At the start of 1873, Macdonald was facing the worse political crisis of his life. At the start of the new session of Parliament in March of that year, he did not know how much the Liberals knew about the campaign funds or of Allan’s perfidy.

On the outside, he appeared confident and was hopeful he could remain in control, and that Allan could obtain the necessary funding in London for the construction of the Pacific Railway, the charter of which had just been granted. But rumours were rampant and the sniping in Parliament had begun.

Macdonald at first attempted to bluff his way out of the allegations being made. Denial was the order of the day.

In spite of all his preoccupations, Macdonald did attempt to fulfill the agreement with British Columbia, even if through minimum effort. He had his Minister of Public Works seek to have survey stakes planted before July 20, 1873. The question of whether these stakes satisfied the start of construction of the railway became moot when Macdonald and his cabinet resigned before the end of the year.

Macdonald now embarked on a campaign of delay. He agreed to the appointment of a select committee to investigate the allegations of impropriety. He appeared to cave into Liberal demands to allow testimony before the committee to be taken under oath.

But Macdonald knew this would require the passage of a bill by Parliament—the *Oaths Bill*. Its passage took up a month’s time. Then the hearings were delayed for Allan to return from London to testify.

By the time Allan returned, having failed to raise the funds mainly because of the news about the alleged scandal, the *Oaths Bill* had been disallowed by the British Parliament. Macdonald next agreed with the opposition to appoint a royal commission to hear evidence from witnesses but without the right of cross-examination.

The hearings dragged on for weeks and, at the end, the commissioners

made no report but simply published, without comment, the statements made before it.

The battling took its toll on Macdonald. His health was poor. And in May his political confidante and long-time friend George Cartier died in London of Bright's disease. He thought of retiring from politics but there was no one to replace him as Prime Minister.

The personal tragedies that befell Macdonald during his life would have crushed a lesser man. He once again turned to drink and although his past drinking bouts were legendary, this time his drinking became a matter of serious concern and embarrassment to his family and friends. Not of course to the leader of the opposition, Alexander Mackenzie, who called him a "drunken debauchee."

What Macdonald did not know was the Liberals had purchased letters from the confidential secretary to Sir Hugh Allan's solicitor, John J. C. Abbott, who was also an elected member of the Conservative party (he later succeeded Macdonald as Prime Minister in 1891. Abbott was the first native-born Prime Minister).

Abbott's secretary George Norris had surreptitiously copied letters from Abbott's safe. Norris was paid \$5000 by a prominent Liberal law firm in Montreal and been promised a government job when the Liberals took power. One letter from Macdonald to Abbott stated, "I must have another ten thousand. Will be the last time of asking. Do not fail me. Answer today."

This letter plus the other damning evidence the Liberals got from McMullen and others would eventually lead to the resignation of Macdonald's government.

The final act in this drama was played out when Parliament reconvened on October 23. Mackenzie, in reply to the speech from the throne, moved a motion of censure against the government. Macdonald, looking pale and haggard, shakily rose to his feet and made one final supreme effort to save himself and his party. He gave

the speech of his life to the House of Commons.

But it was not enough. Edward Blake followed him; the brilliant lawyer dispassionately and analytically dissected Macdonald's defences. When Blake sat down after 5 hours, the Conservatives watched their majority in the House slip away.

Sanctimonious betrayal became the order of the day. Donald A. Smith from Manitoba, who had been trusted by Macdonald to deal with the Red River Uprising, sided with the Liberals, although he usually supported the Conservatives. Smith and others, including the new members from Prince Edward Island, found they could not support Sir John. Smith would later play a prominent role in the Canadian Pacific Railway and become 1st Baron Strathcona and Mount Royal.

### The members from British Columbia stood by Macdonald, except for Amor De Cosmos...

The members from British Columbia stood by Macdonald, except for Amor De Cosmos, because the Liberal party opposed the construction of the railway.

On November 5, Macdonald announced to the House that his government would resign. Alexander Mackenzie, leader of the Liberal Party, took Macdonald's place as Prime Minister. The only thing the two men had in common was their Scottish birth—Mackenzie was a "dour, wee man," a stone mason from Sarnia, who thought the promise made to British Columbia to build a railway was "a bargain made to be broken."

Alexander Mackenzie did not have a vision of a country from the Atlantic to the Pacific Oceans with an overland route to the Pacific carrying Canadian goods bound for the Orient. He saw a country with almost 4 million people in the East separated from some 40,000 people on the Pacific by a gap of some

3000 miles of wilderness and a sea of high mountains.

It appeared Macdonald's dream of a transcontinental railway linking the parts of the Dominion and the British Empire had died. ▲

*To be continued . . .*

**Robert S. Reid is an Associate Professor Emeritus of Law. He retired from the UBC Faculty of Law on June 2003. He remains a member of the Notary Board of Examiners and teaches our graduating BC Notaries. He is also a member of the Board of Directors of the Land Title and Survey Authority.**

#### REFERENCES

Barman, Jean, *The West Beyond the West: A History of British Columbia*, University of Toronto Press, 1991.

Begg, Alexander, *History of British Columbia: From Its Earliest Discovery to the Present Time*, William Briggs, Toronto, 1894. Reprinted by The Ryerson Archive Press.

Berton, Pierre, *The National Dream. The Great Railway, 1871–1881*, McClelland and Stewart Ltd., 1970.

*British Columbia: A Centennial Anthology*, Editor-in-Chief R. E. Watters, McClelland and Stewart Ltd., 1958.

Gordon, Katherine, *Made To Measure: A History of Land Surveying in British Columbia*, Sono Nis Press, Winlaw, BC, 2006

Howay, F. W., *British Columbia. The Making of a Province*, The Ryerson Press, Toronto, 1928.

Ormsby, Margaret A., *British Columbia: a History*, The Macmillan Company of Canada, 1958.

*Statutes, Treaties and Documents of the Canadian Constitution, 1713–1929*, edited by W. P. M. Kennedy, Oxford University Press, 2nd ed., Toronto, 1930.

Waite, P. B., *MACDONALD, His Life and World*, McGraw-Hill Ryerson Ltd., 1975.