FRONTIERISM AND METROPOLITANISM IN RELATION TO DEVELOPMENT ON THE NORTH SHORE OF LAKE SUPERIOR

A THESIS PRESENTED TO THE FACULTY OF GRADUATE STUDIES AT THE LAKEHEAD UNIVERSITY

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for the Degree of Master of Arts

by

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PURPOSE

The purpose of this paper is to explore some of the various influences within the metropolis-hinterland construct that were evident in the development of the area around Thunder Bay and along the north shore of Lake Superior during the period from Confederation up to about 1890. Economic, political and other metropolitan relationships in the communities along the north shore of Lake Superior were developed and controlled by various external urban centres from their early beginnings right up to the turn of the twentieth century. In this thesis I will review some of the metropolis-hinterland influences that were evident in the area.

Metropolitan influences can be found throughout much of the development of the North American continent, particularly the portion that would later be called Canada. All of the early voyages of discovery, like the first fishing ventures on the Grand Banks and other places, amply demonstrate the efforts of various European capitals, or metropolises, to exert their control over the newfound hinterlands. The fur trading companies and other commercial ventures, usually acting under Royal Charters, would later exert the same metropolitan control over the broad expanses of the interior of the continent that were accessible by the extensive waterways. In both of these cases, the resident population of the hinterland would have no say in any developments that took place in the region. This aspect of metropolitanism is one that can be found at all stages of the political and economic development of the country and it figures prominently in the development of the areas along the north shore of Lake Superior and the area around Thunder Bay.

It is my thesis that the resident population of the area around Thunder Bay and along

the north shore of Lake Superior, whether aboriginal peoples or settlers in the area, had no say in the developments that took place in the region because all of the key decisions were made by people in far away places who controlled the various metropolitan interests that were active in the region.

In the first chapter of this thesis I will review the staples and other theories, as well as the metropolis-hinterland construct as originally stated by J.M.S. Careless, Gras and others. I will also review some of the early economic and political activities that demonstrate the metropolis-hinterland relationships that arose as a result of activities in the study area. As examples of these relationships, I will look at the fur trade, the early transportation activities of the fur trade companies, and the Indian treaties of 1850. In the second chapter I will review Confederation and the purchase of Rupert's Land. I will also discuss the development of some of the first metropolitan influences in the area, namely the economic relationships that were established as a result of mining activities, government surveys and construction of the Dawson Road.

In last chapter of the thesis I will review certain economic and political initiatives during the period from Confederation up to about 1890. I will also review some of the economic activities that occurred like the development of mines, settlement, the fisheries, and the timber and grain industries. I will review the development of transportation through huge, government-sponsored projects like the Dawson Road and the Canadian Pacific Railway, and the disputes over jurisdiction in the area purchased that arose between the federal government and the governments of the provinces of Ontario and Manitoba.

CHAPTER 1: METROPOLIS-HINTERLAND THEORY

Introduction

In Canadian historiography there are a number of prominent schools of thought or approaches. Included among these are Harold A. Innis' staples thesis, the Laurentian thesis of Donald G. Creighton², and the liberal school. Together, these theses have been used to describe the growth of various regions throughout the country. The staples theory, asserts that the export of staples from Canada has had a pervasive impact on the economy and on the social and political systems. The extraction of different staples affected the rates of settlement in different regions and had a large impact on federal-provincial conflicts.

¹Harold A. Innis, <u>The Fur Trade in Canada: An Introduction to Canadian Economic History</u>, New Haven: Yale University Press, 1930; rev. ed. Toronto: University of Toronto Press, 1956; <u>The Cod Fisheries: The History of an International Economy</u>, Toronto: Ryerson Press, 1940 (Toronto: University of Toronto Press, 1978); and M.Q. Innis, ed., <u>Essays in Canadian Economic History</u>, Toronto: University of Toronto Press, 1956

²The foremost representative of the Laurentian School is Donald G. Creighton. His major work, The Commercial Empire of the St. Lawrence, 1760-1850, was published in 1937 (Toronto: Ryerson Presss), and another book, British North America, was published in 1939 (Ottawa: King's Printer). Several of Creighton's articles on this approach were also published, including, "The Struggle for Financial Control in Lower Canada, 1818-1831", in The Canadian Historical Review, 1931; "The Commercial Class in Canadian Politics, 1792-1840", in CPSA, 1933; and "Economic Background of the Rebellions of 1837", in The Canadian Journal of Economics and Political Science, 1937.

³The best known member of the liberal school is A.R.M. Lower who wrote much material on the frontier thesis and on economic history. His early works discussed the timber trade and included, <u>Lumbering in Eastern Canada</u>: A Study in Economic and Social History, Cambridge: cambridge University Press, 1928; <u>Trade in Square Timber</u>, Toronto: University of Toronto Studies, 1932; <u>Settlement and the Forest Frontier in Eastern Canada</u>, Toronto: Macmillan and Company, 1936; and <u>The North American Assault on the Canadian Forest</u>, Toronto: Ryerson Press, 1938. Later Works included, <u>Colony to Nation: A History of Canada</u>, Toronto: Longmans and Company, 1946, and <u>Canadians in the Making</u>, Toronto: Longmans and Company, 1958.

Some of the best known proponents of the staple theory include Harold A. Innis, W.A. Mackintosh ⁴, Donald G. Creighton, and A.R.M. Lower.

H.A. Innis, however, was to make the staples approach 'the central theme around which to write the total history of Canada's economic, political and social institutions' ⁵. He believed that there was a tendency for Canada to become locked into dependency as a resource hinterland. Innis viewed Canadian development from a different pattern and all but ignored metropolitanism. To his mind,

Canadian cities grew in a different pattern mainly framed by staple production. Nevertheless, in a brief article of 1933 Innis did discuss 'the rise and decline of Toronto,' to reach conclusions, he said, 'largely based on the work of Professor Gras.' Much more significant, Innis's own classic writings on Canadian staple industries or long-range transport systems powerfully testified to the constant interplay between power cores and resource peripheries -- and to 'the discrepancy between the centre and the margin' that was embodied in such a heartland-hinterland relationship. In all this work there were strong underpinnings for the subsequent study of metropolitanism, just as there would be in Innis's later work on the history of communications. He laid broad foundations for examining metropolitan development in Canada, no matter if he did so without that deliberate purpose. ⁶

The staples approach of W. A. Mackintosh, however, was basically a theory of economic development which emphasized the leading role of exports. He believed that there was a continuing evolution toward a more mature, industrialized economy based on staple production.

The Laurentian model is an imperialist, conservative and nationalist tradition that

⁴ W. A. Mackintosh, "Economic Factors in Canadian History" in <u>The Canadian Historical Review</u>, Vol IV, No. 1, March, 1923

⁵W.T. Easterbrook and M.H. Watkins, <u>Approaches to Canadian Economic History</u>, Toronto: McClelland and Stewart Limited, 1967, p. x.

⁶<u>Ibid.</u>, p. 53.

was developed over many years by different historians. The nationalist tradition was one that promoted the collective interests of the national community above those of individuals, regions, special interests or other nations. Although nationalism is contrary to the view of imperialism, which promoted the territorial expansion of certain countries like Britain, France and others, for commercial, military and religious motives, particularly in the late 19th century, a different view of imperialism arose in Canada. This view was one whereby Canada wished to develop beyond colonial status without separating from the British Empire. This arose due to the strong loyalties to Britain and a fear that total independence would surely lead to absorption by the United States. The proponents of the Laurentian model believed that Canadian national and economic development was based on the gradual exploitation of key staple products such as fish, fur, timber, wheat, minerals and other items by colonial merchants. The means by which transatlantic and transcontinental markets were created was through the east-west transmission of goods along the St. Lawrence River system. This view posited that the mother country provided the values necessary for the colonies to grow into a separate nation.

On the other hand, proponents of the liberal school viewed the formation of the nation as the product of conflict originating from environmental factors or from a thirst for freedom from the mother country. The major step on the road to independence in this theory was the struggle for responsible government.

Another of the themes used to explain the paths of development is the frontier

theory. The seminal work on the frontier theory was provided by Frederick Jackson Turner, an American historian, who wrote primarily about the flow of settlement to the American West. Turner believed that the most important factor in determining national development was the availability of unsettled land. Frontier experiences and opportunities forced old traditions to change and class distinctions to collapse. They also caused institutions to adapt and society to become more democratic. Canadian versions of the frontier theory are provided in the works of S.D. Clark, W.L. Morton, and A.L. Burt.

Unlike frontierism, which places the onus on the frontier in terms of working on the "decadent" East, the metropolis-hinterland theory of development provides the city with the major role in terms of affecting frontier development. The concept of metropolitanism refers to the theory of historic relations between a large powerful urban community (metropolis) and the surrounding territory (hinterland), which the metropolis dominates, mainly through economic means. The theory was formulated in the 1920s by economic historian, N.S.B. Gras. The theory was an attempt to explain the rise of a metropolis

⁷According to J.M.S. Careless in <u>Frontier and Metropolis</u>: <u>Regions</u>, <u>Cities and Identities</u> in <u>Canada Before 1914</u>, Toronto: University of Toronto Press, 1989, p. 37, these works of Turner's consisted of two volumes of collected essays, <u>The Frontier in American History</u>, (1920), and <u>The Significance of Sectionalism in American History</u>, (1932).

⁸According to J.M.S. Careless, <u>Frontier and Metropolis: Regions, Cities, and Identities in Canada Before 1914</u>, Toronto: University of Toronto Press, 1989, p. 43, these works of Clark include: S.D. Clark, <u>The Social Development of Canada</u> (1942); <u>Church and Sect in Canada</u>, (1948); <u>Movements of Political Protest in Canada</u>, 1640-1840, (1959); and <u>The Developing Canadian Community</u>, (1968, revised).

⁹Morton, W.L., <u>The Kingdom of Canada: A General History From Earliest Times</u>, Toronto: McClelland and Stewart Limited, 1963; and <u>The Critical Years: The Union of British North America</u>, 1857-1873, Toronto: McClelland and Stewart Limited, 1964.

¹⁰Burt, A.L., The Old Province of Quebec, Toronto: The Ryerson Press, 1933.

through economic means, with successive stages of development. Later, other writers would show that the four stages outlined by Gras were better viewed as key attributes of economic metropolitanism. The theory was also expanded to include noneconomic aspects like the political power that was wielded by the metropolitan centres as well as their social, cultural and informational holds. Some writers also described the reciprocal nature of the metropolis-hinterland relationship, with its complex patterns of confrontation and complementariness. The theory was also described as involving whole sets of urban centres with overlapping hinterlands.

Major works on this theme are provided by a variety of writers including J.M.S. Careless, ¹¹ the most forceful Canadian advocate of metropolitanism, Gras ¹², and others ¹³. Gras was the first to describe and define the relationship. Gras thought that the rise of a pre-eminent city not only involved the growth of the urban place, but also the development of the surrounding area, with the centre exercising control. The resultant metropolitan economy consisted of producers and consumers who were mutually dependent on each other for goods and services which they acquired through a system of exchange concentrated in the urban centre. Gras also formulated four stages of development of a city whereby it rose to be a metropolis with dominance over a large trade-and-service hinterland:

First, the aspiring urban place built up commercial ascendancy, through providing warehouse, market, and distributing facilities for the hinterland territory. Second, manufacturing was developed and interwoven with the area,

¹¹J.M.S. Careless, <u>Frontier and Metropolis</u>, <u>Regions</u>, <u>Cities and Identities in Canada</u> before 1914, Toronto: University of Toronto Press, 1989.

¹²Gras, N.S.B., An Introduction to Economic History, 1922.

¹³Including H.A. Innis, A.R.M. Lower, D.G. Creighton, and W.L. Morton.

whether in the city or its surroundings. Third, city-led improvements in transport organized the whole economic system more closely and efficiently around its centre. And fourth, that centre amassed financial power in banking, insurance, and investment firms, which underwrote its trade dealings, outward or inward, as well as mobilizing capital for the whole area's development and managing its access to credit. Financial dominance thus crowned the city's status as a mature metropolis heading its own economic domain. 14

Arthur Lower is noted for his works documenting the frontier thesis that had been formulated by the American, Turner. In the late 1930's Lower took up the idea of metropolitanism in his book, Colony to Nation. His view was that 'metropolis' and 'frontier' were not divorced or contradictory concepts, but contributed, one to the other. Lower had perceived the metropolitan relationship from his studies of forest frontiers and lumber trades and the effect the relationship had on Canada's resource hinterlands. He described the metropolitan relationship as 'demand centres calling on supply areas.' Lower could be said to have had a pejorative view of metropolitanism as inherently subjugating and exploitive, sucking a territory dry because 'business had to go on.' That assessment was graphically presented in his 1973 work on the square-timber trade of the eastern British American colonies, Great Britain's Woodyard.¹⁵

Donald Creighton took still a different perspective, from Lower, maintaining that the centre controlled the periphery. His perspective was that business interests in the key urban centres sought to dominate the territories beyond. These dynamic business interests created

¹⁴J.M.S. Careless, <u>Frontier and Metropolis</u>, pp. 51-52.

¹⁵<u>Ibid.</u>, p. 54; See also, Careless, J.M.S., "Frontierism, Metropolitanism, and Canadian History", in <u>Approaches to Canadian History</u>, Cook, ramsey, Craig Brown and Carl Berger, Eds., Canadian Historical Readings, Vol. 1, Toronto: University of Toronto Press, 1967, pp. 63-83.

"a grand design of trade and transport around which a transcontinental Canada would itself arise." In Creighton's works, the dominant businessmen were concerned with far-sighted building and not just draining profits from the hinterlands. Creighton's view seemed to be that good businessmen were heroes. This view was noted in his 1937 work, The Commercial Empire of the St. Lawrence, in which he portrayed the Montreal merchants as "architects of a great commercial state erected along the river trunkline and its connections inward". Later, in his single-volume history of Canada, Dominion of the North (1944), he put forth the idea that the "country took form about an east-west, St. Lawrence based trade and transport system, in which the business elements of major urban places like Montreal, Quebec, and Toronto played weighty parts."

W.L. Morton looked beyond Laurentianism while marking the constructive value of the metropolitan-hinterland idea. ¹⁸ In a 1946 article, this western historian from Manitoba criticized the Laurentian approach because it took a too largely central Canadian view and neglected the history of the western hinterlands except as tributary areas for costly nation-building schemes. At the same time, Morton recognized that the West's development had proceeded within the metropolitan structures extended from the east, whether they pertained to markets, transport, and finance or to religious, intellectual, and political organization. A good deal more explicitly than Laurentian writings had done, he pointed out the workings

¹⁶J.M.S. Careless, <u>Frontier and Metropolis</u>, p. 55.

¹⁷<u>Ibid</u>., p. 55.

¹⁸Morton, W.L., "Clio in Canada: The Interpretation of Canadian History", in <u>Approaches to Canadian History</u>, Cooke, Ramsay, Craig Brown and Carl Berger, Eds., Canadian Historical Readings, Vol. 1, Toronto: University of Toronto Press, 1969, pp 42-49; also Carl Berger in the Introduction to <u>Approaches to Canadian History</u>, p. ix.

of metropolitanism. But though he saw its positive as well as negative attributes, he also upheld the cause of regional history — as a necessary offset and counterpoise to centralist bias, whether Laurentian or metropolitan in kind. Morton produced great works in regional history in which he applied metropolitan-hinterland ideas. He viewed regionalism and metropolitanism as opposites, one expressing regionality, and the other, centrality. In his view the metropolis could only act on the hinterland from outside and there was no possibility of a metropolis growing up from within the hinterland region. Morton, then, "took up metropolitanism in more positive ways than Lower had, more expressly than Creighton did, but, notwithstanding, left metropolis and hinterland in a state of dichotomy instead of integral relationship." 20

The original concept of economic metropolitanism as formulated by Gras was most forthrightly and consistently applied by D.C. Masters in his book, The Rise of Toronto.²¹ He introduced this book

as 'a study of the rise of Toronto to metropolitan status', a term connoting 'the dominance of an urban centre over an adjacent area or hinterland.' Masters directly employed Gras's four basic economic factors in metropolitan growth -- commerce, industry, transport, and finance -- but he also observed (and showed) that the scope of a metropolis 'involved much more than mere economic dominance', since it exercised political, cultural and social influences over its hinterland as well. He asserted further that the 'rise to metropolitan status has powerful repercussions on the metropolis itself,' on the size and extent of its urban settlement, on its physical appearance, on its social fabic, and on its living conditions. All these features were

¹⁹J.M.S. Careless, Frontier and Metropolis, pp. 56-57.

²⁰Ibid., p. 57.

²¹Masters, D.C., The Rise of Toronto, 1850-1890, Toronto: University of Toronto Press, 1947.

demonstrated in Toronto's case, to produce an instructive Grasian model.²²

J.M.S. Careless would later show that these stages did not operate sequentially in the development of Canada and its regions, and that they often operated concurrently and in different orders. Careless would also postulate that the relationship was multi-faceted and depended to a large extent on the relationship being reciprocal. Careless was a student of Donald Creighton, and he became very familiar with Creighton's Laurentian construct of Canadian history which postulated a distinctive national identity formed by the trade and traffic of the St. Lawrence River. From these beginnings Careless postulated his own approach to Canada's development which, he stated "agrees with [Creighton's] root position that Canadian history, whatever its affinities, does have distinctive national qualities and yields inherent interpretations of its own".²³ The approach taken by Careless was an elaboration and refinement of Gras' theory of metropolitanism. In a series of lectures, Careless stated that the theory, in its broadest sense, dealt "with the relations of cities and regions in Canada, from the initial rise of European occupation on the Atlantic coasts to the filling in of the West before the world war of 1914-18". More specifically, he believed that the theory indicated "connections between a most prominent and powerful kind of city, the metropolis, and those broad segments of Canadian territory which grew from raw

²²Careless, <u>Frontier and Metropolis</u>, pp. 57-58.

²³Ibid., p. 6; See also Morton, W.L., "Clio in Canada", pp. 46-47.

²⁴Careless, Frontier and Metropolis, p. 6.

frontiers into populated and developed regions". The metropolis was "the power centre associated with a great deal of frontier and regional growth". Careless also believed that the ties between the metropolis and its supporting/dependent territory were pervasive and influential and had a very important bearing on the emergence of patterns in Canadian identity. ²⁶

The metropolitan theory as revised by Careless, therefore, indicated historical connections between metropolitan centres and frontiers or regions of Canada which were both structural and perceptual. The connections were to be found in economic structures, political fabrics and social networks as well as in attitudes of regard, modes of opinion, or popular images and traditions. The communities of metropolis and hinterland "were conjoined through mental and habitual appreciations as well as through physical operations and organizations." By his own admission the themes evaluated the external relations of cities and not their internal developments. In discussing regional activities, Careless fixed mainly "on dealings between the region and the city-metropolis". Many examples of these theories in practice can be found in the early commercial developments along the eastern seaboard of the North American continent.

²⁵<u>Ibid.</u>, p. 7; See also Smith, Allan, "Farms, Forests and Cities: The Image of the Land and the Rise of the Metropolis in Ontario, 1860-1914", in <u>Old Ontario, Essays in Honour of J.M.S. Careless</u>, Keane, David and Colin Read, Eds., Toronto: Dundurn Press Limited, 1990, p. 7.

²⁶<u>Ibid.</u>, pp. 7, 72; See also Hall, Tony, "Native Limited Identities and Newcomer Metropolitanism in Upper Canada, 1814-1867", in <u>Old Ontario</u>, pp. 148-168.

²⁷Careless, Frontier and Metropolis, p. 7.

Staples-Metropolitanism in Practice

In the course of the development of the North American continent, there were different urban centres in Europe that could be considered to have been a metropolis which attached various areas on the continent as a part of their hinterland for different purposes and for different periods. An early example of this is provided by the trade of the Atlantic fishery. The first records of European contacts in North America indicate that there were many European countries that had established commercial fishing activities along the eastern seaboard of the continent. Each of the countries which fished became dominant within specific areas. For example, the English established themselves at various points along the eastern seaboard, the French, along the St. Lawrence River, the Dutch, at the mouth of the Hudson River, the Spanish, on the Gulf of Mexico and at points further south, the Portuguese, in Central and South America, and all of them at the Grand Banks Fishery off the Newfoundland coast.²⁸ It could be said that the activities of each of these countries represented a rudimentary form of commercial metropolis-hinterland relationship. The area of the Grand Banks thus became the hinterland of major urban centres of Europe, each of which could be considered to be a metropolis in relation to the Grand Banks. It can also be said that these hinterlands overlapped one another because each of the fishing nations frequented specific parts of the Grand Banks and the Atlantic seaboard.

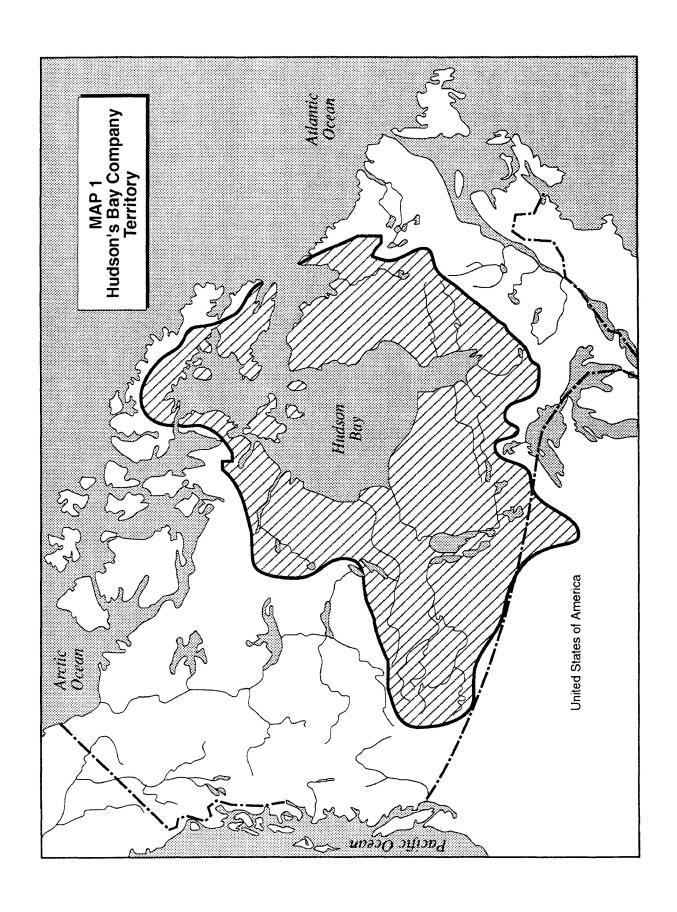
Through these early contacts there developed a fur trade which would eventually provide far greater riches than the fishery, and for a much longer period of time. The

²⁸Brebner, John Bartlett, <u>The Explorers of North America</u>, <u>1492-1806</u>, The Pioneer History Series, New York: The Macmillan Company, 1933.

other items possessed by the Indians. During the latter half of the sixteenth century European hatmakers discovered that the fur of the beaver was ideal for making top-hats; these came into style in Europe in the last quarter of that century, ²⁹ sparking a huge and growing demand for the 'castor gras' of the North American continent. To meet the growing demand the French developed the fur trade around the St. Lawrence and it rapidly spread to the interior via the major river systems. The Ottawa and St. Lawrence Rivers and the Lower Great Lakes were the focus of trading activities in the earliest years, but these activities quickly spread throughout the upper Great Lakes, Lake Winnipeg and the rivers which ran to the Western interior. The trade escalated in the latter half of the seventeenth century with the arrival of English traders on Hudson Bay who had been granted the right, by Royal Charter, to trade in the watershed of Hudson Bay. ³⁰ (See Map # 1) While the English traders remained on the Bay, the Indians travelled by the rivers to the Bay to trade

²⁹E.E. Rich, <u>The History of the Hudson's Bay Company</u>, <u>1670-1870</u> Vol. I: 1670-1763, London: 1958, pp. 48-49; H.A. Innis, <u>The Fur Trade in Canada: An Introduction to Canadian Economic History</u>, Revised Edition, Toronto: 1956, pp. 11-12; A.J. Ray and D.B. Freeman, <u>'Give us Good Measure': an economic analysis of relations between the Indians and the Hudson's Bay Company before 1763, Toronto: 1978, p. 19; Brown, Jennifer S.H., <u>Strangers in Blood: Fur Trade Company Families in Indian Country</u>, Vancouver: University of British Columbia Press, 1980; Ray, Arthur J., <u>Indians in the Fur Trade</u>, <u>Their Role as Hunters</u>, <u>Trappers and Middlemen in the Lands Southwest of Hudson Bay</u>, <u>1160-1870</u>, Toronto: University of Toronto Press, 1974; and Ray, Arthur J., <u>The Canadian Fur Trade in the Industrial Age</u>, Toronto: University of Toronto Press, 1990.</u>

of the French Traders of North-Western Canada and of the North-West, XY, and Astor Fur Companies, Second Edition, Toronto: William Briggs, 1904; MacKay, Douglas, The Honourable Company: A History of the Hudson's Bay Company, Revised Edition, Toronto: McClelland and Stewart Limited, 1949.



for goods that some have stated to be have been superior to those acquired from the French.³¹

Each of the European powers claimed the areas to which they went for their own exclusive use and tried to exert as much power and authority over the area as they could. During this period the pattern of development appeared to be the initial exploration of the area, the discovery of an easily exploitable resource, the movement of people into the area to commence development, and the erection of buildings for seasonal use. While the initial thrust of the developments related to the extraction of resources, communities grew in some areas, notably along the St. Lawrence River, and became centres for the outward expansion for the provision of goods and services. This pattern continued over time.

The lure of riches in the Americas and the search for a passage to the riches of the Far East resulted in so many voyages of exploration and competing claims made, that rules had to be developed in relation to the discoveries of each of the countries. Some of these rules were noted by Chief Justice Marshall in an important American court case dealing with aboriginal rights. Part of that judgement, although lengthy, is worth quoting here. As he stated:

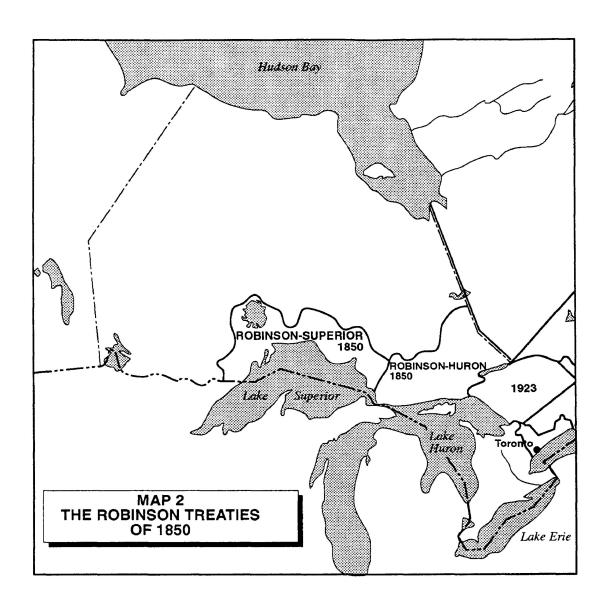
The great maritime powers of Europe discovered and visited different parts of this continent, at nearly the same time. The object was too immense for any one of them to grasp the whole; and the claimants were too powerful to submit to the exclusive or unreasonable pretensions of any single potentate. To avoid bloody conflicts, which might terminate disastrously to all, it was necessary for the nations of Europe to establish some principle which all would acknowledge, and which should decide their respective rights as between themselves. This principle, suggested by the actual state of things,

³¹Innis, <u>The Fur Trade</u>, pp. 110, 141, 143.

was, that discovery gave title to the government by whose subjects, or by whose authority, it was made, against all other European governments, which title might be consummated by possession. 8 Wheat. 573. This principle, acknowledged by all Europeans, because it was the interest of all to acknowledge it, gave to the nation making the discovery, as its inevitable consequence, the sole right of acquiring the soil and of making settlements on it. It was an exclusive principle, which shut out the right of competition among those who had agreed to it; not one which could annul the previous rights of those who had not agreed to it. It regulated the right given by discovery among the European discoverers; but could not affect the rights of those already in possession, either as aboriginal occupants, or as occupants by virtue of a discovery made before the memory of man. It gave the exclusive right to purchase, but did not found that right on a denial of the right of the possessor to sell.³²

These rules of international law were developed over centuries and were universally recognized by European powers. The rules gave each monarch an exclusive right to deal with the aboriginal inhabitants of the lands which they had discovered, or over which they had control. After the Capitulation of Montreal, the English enhanced these principles in the Royal Proclamation of 1763, giving the sole right to the British Crown to negotiate with the Indian inhabitants for the surrender of the lands to the west and north of the four Colonies that had been established by the Proclamation. The rules in the Royal Proclamation were followed by the English in most of their dealings with the Indian people following the Peace of Paris in 1763, most prominently in concluding treaties with the Indians. Some of the major treaties in British North America included those William Benjamin Robinson concluded with the Indians around Lakes Huron and Superior in the autumn of 1850 and a group of treaties called the "numbered treaties" (See Map # 2) which were patterned after the Robinson treaties.

³²Worcester v. Georgia, 31 U.S., 369.



Prior to the Capitulation of Montreal in 1760, the formulation of policy, laws, control and decision-making in the French colony rested with the French Crown in Paris. Quebec, as the capital of the French colony was clothed with the power and authority to govern the colony, including exerting control over the commercial, financial and other activities. Quebec served as the major port for overseas shipping of fish, furs, timber and other staples. Most goods imported into the colony came into the port of Quebec and were trans-shipped to other areas as required. Montreal, the other major urban centre served as the major jumping off point to the interior. Fur traders, missionaries, adventurers and explorers travelled from Montreal up the St. Lawrence River to the western interior. Fur trade routes were established on all of the major waterways which could be accessed through the St. Lawrence. 33 Travellers and traders followed routes through all of the Great Lakes; to the west to Lake Winnipeg and the Saskatchewan River along the Pigeon River-Rainy Lake-Lake of the Woods waterway: to the north along the Ottawa River waterway all the way to James Bay; and to the heartland of the North American continent and the Gulf of Mexico along the Mississippi River and its tributaries. Most of the fur trade had its roots in Montreal. Montreal eventually became the major commercial, financial and transport metropolis and overshadowed Quebec.

After 1763, policy, control and decision-making were exerted by the British Crown in London. Control was given to various urban centres in the colonies, including centres in

³³Morse, eric W., <u>Fur Trade Canoe Routes of Canada, Then and Now</u>, Second Edition, Toronto: University of Toronto Press, 1984; Gentilcore, R. Louis, and C. Grant Head, <u>Ontario's History in Maps</u>, Ontario Historica

¹ Studies Series, Toronto: University of Toronto Press, 1984.

Nova Scotia, Newfoundland, Prince Edward Island, New Brunswick, Lower Canada and Upper Canada. Within each of these regions major urban centres would arise as metropolitan centres, each with its own small hinterland, and some of them would become ascendant. Following the establishment of Upper and Lower Canada in 1791, there were several urban communities in Upper Canada which were dominant metropolitan areas, each with its own hinterlands. These areas included Kingston, York (Toronto) and Hamilton, but it would be York that would eventually become the ascendant metropolis as it gained the political and economic power necessary to function as the major metropolis to the exclusion of the other centres.

Throughout all of the period to the beginning of the twentieth century there were at least two major problems that had to be overcome for there to be a metropolis-hinterland relationship -- food and transportation. Could the fur traders bring sufficient food with them in order to survive for a whole year, or could they learn to live off the country and gain enough foodstuffs from hunting and fishing and through trade with the Indians to survive for a whole year? How could the metropolis dominate the hinterlands unless there was ease of access between the metropolis and the hinterlands? How could staple products be transported to the metropolis and trade goods be sent to the hinterlands? The story of the dominance of the various metropolitan centres is the story of how these metropolitan centres solved the problems of food and transportation, and how freely and easily the goods could be moved between the areas that were dependent upon them.

Early efforts at living from the land were made by all traders, but the French traders on the Great Lakes seem to have mastered this aspect and set up inland fisheries at various

posts. For example, one of the first references to a fishery was made by the French (and later, British) explorer, Radisson, in his diary.³⁴ The Jesuit Relations also noted a fishery at many places around the lake. The fishery in the rapids at Sault Ste. Marie was well known, and many accounts were given of it there. The fishery supported the Indians who lived there as well as the fur traders. They all depended upon catching the fish, for without them, they would starve. Some of the extra fish were salted and stored in kegs and some were dried, or smoke-dried, over racks. In winter, the fish were frozen.

The Case of Northwestern Ontario

The areas around Northwestern Ontario and the north shore of Lake Superior have served as a hinterland to various metropolitan interests for all of the period up to the beginning of the twentieth century. The region has been the subject of external metropolitan controls since the very earliest days of commercial and trading activity along the waterways. In the beginning, the external metropolitan areas were international, and later, they included several large urban areas within British North America, including the cities of Quebec, Montreal and Toronto. To a large extent, the story of the metropolishinterland in Northwestern Ontario and the north shore of Lake Superior region is similar to the metropolishinterland story of eastern British North America.

An early example of economic metropolitanism in Northwestern Ontario and the area around the north shore of Lake Superior can be found in the fur trade. Early development

³⁴Nute, Grace Lee, <u>Lake Superior</u>, (The American Lake Series), New York: Bobbs-Merrill Co., 1944, p. 22.

in the Northwest occurred during the French era of the fur trade. The French established key posts in locations in the interior that were accessible through the St. Lawrence, Ottawa and French River systems. The English were also active in the Northwest, granting a charter in 1670 to the Honourable Company of Adventurers Trading into Hudson's Bay, was granted a Charter, which gave the Company an exclusive right to trade with the aboriginal inhabitants of the vast area circumscribed by the watersheds of James and Hudson Bays. The French were soon joined by independent traders, the North West Company, the XY Company, and others.

The head office of the North West Company was in Montreal (metropolis) where several of its major partners and their businesses were located, but most of its trade was carried on throughout the Great Lakes basin (hinterland). The North West Company was dominant on the Great Lakes up to 1821 and had harnessed the commercial life of a large portion of the Upper Great Lakes basin and the western interior where its industrial activities were located. The North West Company had built up its transportation network in the interior via the major waterways with the use of canoes. This network was supplied by ships travelling the Great Lakes to Fort William and other posts on the Lake, carrying supplies and trade goods.³⁵ Grand Portage long served as the jumping off point for the fur trade to the interior along the Rainy River system as well as being the meeting place for the wintering partners from Lake Athabasca. Later, following the establishment of the Canadian-American border in 1783, the fur trade activity moved north to Fort William and

³⁵Wallace, W. Stewart, <u>The Pedlars from Quebec, and other Papers on the Nor'Westers</u>, Toronto: The Ryerson Press, 1954, pp.73-80.

the movement westward was through the Kaministiquia River system. On the Great Lakes, the canoe was eventually replaced by large boats which were constructed at various places including Pointe aux Pins on Lake Superior, on the north side of the channel leading into Lake Superior, a few miles above the rapids on the St. Mary's River. In order to provide a continuous passage for large craft from one Great Lake to the other the North West Company decided to build a canal between Lakes Huron and Superior at Sault Ste. Marie in 1797. It was three thousand feet long and had a lock that could raise water nine feet, sufficient for the easy passage of fur trade canoes but not large enough to admit large craft of the sort plying Lakes Huron and Superior. ³⁶ This canal was destroyed by the Americans during the War of 1812-14 and never rebuilt. Large craft could not move freely between these bodies of water until a larger canal was built in 1855. ³⁷

The Hudson's Bay Company, based in the metropolis of London, acted as an agent of the British Crown in exerting control over the commercial and social life of this vast hinterland for centuries after the Charter was granted in 1670. In this instance several of the key attributes noted by Careless are evident in the trading activity, namely, that the urban centre of London had harnessed the commercial activity of a wide adjacent territory, where its industrial activities (the production of furs) were centered, and where it had established transportation networks (cross-Atlantic shipping and canoe routes to the interior) in order to access the regions. The metropolitan-hinterland relationship was of limited

³⁶Osborne, Brian S., and Donald Swainson, <u>The Sault Ste. Marie Canal: A Chapter in the History of Great Lakes Transport</u>, Ottawa: Parks Canada, 1980, pp. 13-14.

³⁷<u>Ibid.</u>, pp. 26-27.

benefit to the aboriginal inhabitants. While they were introduced to the advantages of technology of certain trade items like iron wares, metal traps and guns, they were also introduced to the disadvantages of other trade items like liquor and were subjected to new diseases that came to the country with the foreigners. The trading companies, on the other hand, obtained a captive market, which was largely controlled by them, for many of their manufactured goods and a host of other goods that were manufactured specifically for that market and they obtained as well, the raw goods to create new markets. There were few if any goods of value that flowed from the aboriginal technology to the urban centres. The advantages of trade mostly flowed in one direction, from the metropolis to the hinterland. Most major decisions in relation to the trade were made either by the directors of large companies or by the governments in the urban centres that were so far away and removed from local conditions. There was no opportunity for input from local interests, other than that of company employees who were engaged in the local trade as wintering partners. These faraway foreign companies and governments controlled much of the activity that occurred in the interior of the continent.

As the fur trade developed, population centres grew along the St. Lawrence, including Quebec and Montreal. With these developments the fur trade changed and new companies from these centres provided the older companies with competition. The fur trade eventually became more widespread and companies from within North America dominated the trade. These companies with their commercial headquarters in the metropolitan centres of Quebec and Montreal, ³⁸ like their international counterparts before them, established similar

³⁸Careless, <u>Frontier and Metropolis</u>, p. 10.

relationships with their hinterlands. All decisions related to the trade practices of each company that affected the people in the interior of the continent were made by people who lived in faraway urban centres. These urban-based companies controlled the hinterlands in which their trade activities were carried out. There was little opportunity for any input from the local interests. Trade goods flowed into the interior and furs flowed out to the urban centres for shipment to the European markets. Numerous small settlements that belonged to the fur trading companies were established at specific sites in the interior, but always located where the metropolis decided. Most of these settlements were small, temporary sites that often changed from year to year but a few sites at strategic locations came to be fairly large, permanent communities. For example, there were well established communities which arose at Sault Ste. Marie, Michipicoten, Lake Nipigon and later Red Rock, Fort William and Grand Portage.

The nature of the fur trade changed again in 1821 when the North West Company merged with the Hudson's Bay Company. Control of the fur trade was once again vested almost exclusively in an external international company. All major decisions related to the trade were made in London and communicated to Company employees and partners at summer meetings of each of its departments. For example, the Hudson's Bay Company held a council of its Northern Department each summer at the Company's post at York Factory, and for the Southern Department, at the Company's post at Moose Factory. Rules for the conduct of the fur trade for the ensuing year were communicated to all Company employees and partners at this time. The rules included standards of trade, established laws to be upheld in the interior, and made provisions for the enforcement of such laws, including the

placement of sherrifs and rules for holding hearings.

Some Hudson's Bay Company people also got involved in new economic opportunities which beckoned from the hinterland, like John McIntyre, the agent of the Fort William Post.³⁹ Other families came to the region to take advantage of these possibilites. A prime example of this was the McKellar family that came to the Town Plot from the Ontonagon copper country in Michigan in 1863.⁴⁰ Mining and the possibility of discoveries of precious other metals stimulated a certain amount of activity. The old fur traders were also being supplanted by new types of businessmen who controlled most of the economic life of British North America in the period during the 1830s through the 1860s. This new breed included mining explorers, promoters, developers and miners from Canada, the United States and Great Britain, stock brokers, insurance brokers and agents, bankers, operators of savings and loan companies, importers, exporters, downers of dry goods and retail outlets, railway developers, construction contractors and the owners of large navigation companies. During the 1840s there was a flurry of mining exploration activity on the north shores of Lakes Huron and Superior that was spawned partly as a result of the discovery of copper mines on the south shore of Lake Superior in the Keweenaw Peninsula and other places. There was a flood of applications (160 applications for mining locations

³⁹Arthur, Elizabeth, <u>Thunder Bay District</u>, <u>1821-1892</u>, <u>A Collection of Documents</u>, The Publications of the Champlain Society, Ontario Series, Vol. IX, Toronto: The Champlain Society, 1973, pp. 1-li, lv, lxi, lxxxvi,xcii-xciii, 104, 150, 186-87, 208, 209.

⁴⁰<u>Ibid.</u>, pp. lviii-lxi; See also Henderson, E. Marion, <u>The McKellar Story: McKellar Pioneers in Lake Superior's Mineral Country, 1839 to 1929, Thunder Bay: Guide Printing and Publishing, 1983; and Roland, Walpole, <u>Algoma West: Its Mines, Scenery, and Industrial Resources</u>, Toronto: 1887.</u>

had been received as a result of the early explorations) that had been submitted to the offices of the Commissioner of Crown Lands for the Province of Canada West. During the summer of 1846, William Logan of the Canadian Geological Survey, completed an exploration of the whole of the north shore of Lake Superior. 41 He noted the occurrence of silver bearing rocks at several sites in the area, including mineralized veins at the Woods Location on Thunder Cape. Joseph Woods had applied for and received a mining location at the site. He assigned this location (the Woods Location) to the Montreal Mining Company, which had been incorporated on July 28, 1847. The Company received a patent for this location on September 10, 1856.⁴² Mineral locations were granted on twenty-seven sites in 1846.⁴³ The size of each of these locations was ten square miles with a length of five miles and a breadth of two miles. A survey of most of these locations was carried out in 1846 by John MacNaughton who had been appointed by the government to assist Logan with the surveys.44 McNaughton surveyed several other mining locations in September of 1856, including locations around Black Bay, Nipigon Strait, Pigeon River, and several of the larger islands in the same area. In 1846-47, the British North American Company, working on the Prince Location south of Thunder Bay, extracted "a small quantity of copper-silver

⁴¹Barr, Elinor, <u>Silver Islet</u>, <u>Striking it Rich in Lake Superior</u>, Toronto: Natural Heritage/Natural History Inc., 1988, p. 13.

⁴²<u>Ibid</u>., p. 15.

⁴³Logan, W.E., <u>Remarks on the Mining Region of Lake Superior</u>; <u>Addressed to the Committee of the Honorable the Executive Council, and Report on Mining Locations Claimed on the Canadian Shores of the Lake, Addressed to the Commissioner of Crown Lands, (Montreal: 1847), pp. 23-31.</u>

⁴⁴Barr, <u>Silver Islet</u>, p. 14.

ores".

While most of the applicants were Canadian, they represented interests from the United States and elsewhere. This was not evident on the face of the applications, but became so in 1847 when a number of corporations were established for the purpose of mining in the Lake Huron and Lake Superior regions. In the 1847 Session of the Legislative Assembly there were eleven mining companies incorporated by statute, including The Montreal Mining Company, The British North American Mining Company, The Huron and Saint Mary's Copper Company, The Lake Huron Silver and Copper Mining Company, The Upper Canada Mining Company, The Philadelphia and Huron Mining Company, The Canada Mining Company, The Garden River Copper Mining Company, The British and Canadian Mining Company of Lake Superior, The Echo Lake Mining Company, and The Ouebec and Lake Superior Mining Association. 45 All of these companies were incorporated for the purpose of exploring for and working mines of copper and other ores. and of smelting the same on the shores of Lakes Huron and Superior and elsewhere. Several other mining companies were incorporated on May 30, 1849, including the Sault Ste. Marie Mining Company, Neepigon Mining Company, Huron Mining Company, and Huron Copper Bay Company. 46 The names of the shareholders disclosed in the applications for incorporation show several Canadians as well as many shareholders from the United States and Great Britain. Among the Canadians were a substantial number of businessmen and entrepreneurs from Montreal and Quebec City, including Peter McGill, George Moffat, Sir

⁴⁵Canada, Statutes, 10 & 11 Victoria, c. 68 to c. 78.

⁴⁶<u>Ibid.</u>, c. 68.

George Simpson, Francis Hincks, William C. Meredith, Sir Allan Napier MacNab, James Ferrier, David Davidson, George Desbarats, Stewart Derbishire, Stephen Sewell, John Simpson, Lewis T. Drummond, Thomas A. Stayner, from Montreal, and Peter Patterson, John Bonner, and Henry Lemesurier, from Quebec City.

Not long after the incorporation of these mining companies and the granting of the mineral rights to the lands in the mining locations two of the companies acquired control over most of the mineral locations on Lake Superior. The Montreal Mining Company owned or controlled 17 locations and The Quebec and Lake Superior Mining Company owned or controlled 14 locations. These two companies, both from Canada East, had directors who were involved with both companies, and who were also involved in other growing and evolving businesses such as the fur trade, banks and railway companies.

The Quebec and Lake Superior Mining Company eventually gave up its mineral locations on Lake Superior due to the fact that the company had insufficient capital to develop the properties. The Montreal Mining Company was one of several groups hastily pulled together to finance an independent study of the locations where licences had been granted, and it made arrangements with several of the locatees for an assignment of their licences to the company. One of the first locations to be examined in greater detail by the Company was the Joseph Woods Location at the end of Thunder Cape. The surveyor, A. Wilkinson, identified three veins on Burnt Island and Shangoina Island in 1846. The Company's mining engineer, Forrest Shepherd examined eighteen locations in the summer of 1846 and his report indicated the existence of a copper vein across Burnt Island and

suggested that a more detailed examination of several locations be carried out.⁴⁷ The Company concentrated most of its efforts at copper locations on Lake Huron in the coming years and did not return to Lake Superior until 1856, after the canal at Sault Ste. Marie had been opened. In 1856 the government of Canada issued patents to the Montreal Mining Company for 16 locations covering an area of 160 square miles.

The Montreal Mining Company had acquired several locations on the north shore of Lake Huron and had mines there that produced copper and silver. These activities kept the company busy for many years and as a result, its newly acquired mining locations on the north shore of Lake Superior were left idle for several years. All of the mining activities that were carried out on the north shore of Lake Huron and at sites just to the north of Sault Ste. Marie by The Montreal Mining Company, The Quebec and Lake Superior Mining Company and other companies created a problem with the Indian people who lived in the They did not want the activities to continue on their lands until a treaty was area. concluded with them. In the fall of 1849, an incident occurred north of Sault Ste. Marie at the development of a mine at Mica Bay which was held by The Quebec and Lake Superior Mining Company. Several of the local Indian people went to the site and burned several of the buildings that had been erected and halted work in the area. As a result of this incident the Government of the Province of Canada decided that it was desirable to extinguish the aboriginal title of the Indians in these areas so that mining activities could be conducted without fear of attack from the Indians.

To this end the Government established a Royal Commission by Order-in-Council

⁴⁷Barr, Silver Islet, p. 14.

on August 7, 1849, to travel throughout the area to determine the location and number of Indians at each place along Lakes Huron and Superior and inland; to investigate their claims to the territory; and to determine whether or not they would be willing to surrender the lands to the Crown. The commissioners, Alexander Vidal and Thomas G. Anderson, travelled throughout the area along the north shores of Lakes Huron and Superior as far as Fort William during the fall of 1849. The Report of the Commissioners was submitted to the Government on December 5, 1849.

On January 11, 1850, William B. Robinson was appointed as Treaty Commissioner for the area around Lakes Huron and Superior by the Secretary of Indian Affairs. On April 16, 1850, the Governor-General approved the report of the Committee of the Executive Council which set the terms of the treaties that Robinson was empowered to make. Robinson was to offer the Indians certain presents and a perpetual annuity in return for

the extinction of the Indian title of the whole territory on the North and North-Eastern coasts of Lakes Huron and Superior. And in case that be unattainable that he should obtain a cession of the territory as many miles inland from the coast as possible, and if it should be found impracticable to obtain a cession of the entire coast in the terms prescribed that Mr. Robinson should negotiate for the North Eastern coast of Lake Huron and such portion of Lake Superior coast as embraces the location of Mica Bay and Michipicoten where the Quebec Mining Company have commenced operations. ⁴⁸

Robinson concluded a treaty with the Indians of Lake Superior on September 7, 1850, and with the Indians of Lake Huron on September 9, 1850. By the so-called Robinson Superior Treaty, the Indians surrendered "all their right, title and interest", with the exception of certain reservations, to all of the lands along the north shore of Lake Superior

⁴⁸Order-in-Council appointing William Benjamin Robinson as Treaty Commissioner.

from Batchewana Bay to Pigeon River. 49 These treaties, although not the first land cession in Canada West by Indians pursuant to the terms of the Royal Proclamation of 1763, were the first ones by which such large territories were surrendered to the Crown.

The land surrendered extended northward from Lake Superior to the height of land, the southern boundary of the territories granted to the Hudson's Bay Company by the Royal Charter of 1670, and known as Rupert's Land. The Robinson-Huron Treaty was similar to the Superior Treaty and, by it, the Indians surrendered "all their right, title and interest to, and in the whole of, the territory", with the exception of certain reservations, to all of the lands along the eastern and northern shores of Lake Huron from Penetanguishene to Sault Ste. Marie. ⁵⁰ The area covered under the terms of this treaty extended northward to the height of land in the northeastern portion of what is now Northern Ontario, and is shown in Map 2. In concluding these treaties, the government, as a part of a metropolis, was advancing the economic metropolitan interests of businesses at the expense of the hinterlands. Some of the members of the government were also leading members of the business establishments, whose interests were being advanced and protected by the government action. ⁵¹

In 1857 two expeditions were sent to the West in order to examine the country between Lake Superior and the Red River settlement and the prairies beyond. The first of

⁴⁹Morris, Alexander, <u>The Treaties of Canada with the Indians of Manitoba and the North-West Territories</u>, Coles Canadiana Collection, Toronto: Coles Publishing Company, 1979, pp. 302-03.

⁵⁰Ibid., pp. 305-06.

⁵¹Careless, "Frontierism, Metropolitanism, and Canadian History", pp. 76-83.

these expeditions, the Palliser, was sponsored by the British government and the second, the Gladman-Hind Expedition, was sponsored by the Province of Canada. Several maps were completed as a result of these expeditions and showed many of the interior waterways.⁵² Simon J. Dawson, the surveyor on the Gladman-Hind Expedition of 1857, provided a detailed report to the Legislative Assembly on March 16, 1859. In his report Dawson recommended the construction of a land and water route from Thunder Bay on Lake Superior to Fort Garry. Dawson's plan lay dormant until after Confederation when it was decided that a route must be constructed to the West in order to compete with the American lines of railways which had already been pushed to the Pacific coast. Throughout this period Canadian politicians believed they had to fend off a possible American invasion, a fear that was fuelled by American incursions north of the border and by the American purchase of Alaska in 1867. In 1859 the American railways had reached St. Paul, Minnesota, and a river connection to Fort Garry had been established. It was feared that American settlers would push into Rupert's Land and that a route must be established in order to allow troops to move to the area should the need arise to defend the otherwise unprotected border.

⁵²Scollie, F. Brent, <u>Fort William, Port Arthur, Ontario and Vicinity, 1857 - 1969: An Annotated List of Maps in Toronto Libraries</u>, (Thunder Bay: MSS unpublished, 1971).

Conclusion

Several aspects of the metropolis-hinterland relationships that have been discussed are evident throughout this early period prior to Confederation. One of these relationships was political, the other, economic. The political metropolis was the seat of government, a place where formal policies were established and where formal, official control lay.

The economic metropolis was the centre of commercial and financial activities, a place where wealth was concentrated and, ultimately, where real control was found. The economic aspects are the most obvious and include all of the Grasian stages of the rise of a metropolis. There are several urban centres that appear to have built up their commercial dominance through providing warehouse, market and distributing facilities for their hinterland areas. These include Paris and London in the beginning and later, London, Quebec and Montreal. Also apparent are the transportation systems developed throughout the Great Lakes, firstly the development of fur trade canoe routes on the major waterways, and later the improvements of the waterways to allow the passage of the larger craft that were being built. There was also the construction of large boats on Lake Superior near Sault Ste. Marie, and the development of canals, harbours, breakwaters and wharves at stopping points where goods were off-loaded, and at other places.

Another of the stages that is distinct is the amassing of financial power by these metropolises. Montreal, in particular, was noted for its many financial institutions including banks, insurance and investment companies, stock brokers, dry goods outlets, warehouses and other storage facilities. And the last of the steps noted by Gras, that of the development of manufacturing, is noted. As well, as described by Careless, these stages

were not successive steps in a process, but more a concurrent progression of each of the stages over time.

Political aspects also appear in this period with the foreign governments and later the colonial powers establishing their own political hinterlands and, as described by Masters and Morton, moving from east to west from the Atlantic seaboard through the Great Lakes and the other major waterways to the interior. In the first part of this early period the metropolitan relationships were mostly between faraway foreign urban centres and hinterlands in the Americas. In the latter part of the period the relationships shifted to national urban centres and the interior hinterlands. In each case the relationships were between "demand centres calling on supply areas" 53 and almost fit precisely within Lower's view that the metropolises were exploitive and subjugating and that they "sucked the hinterlands dry"⁵⁴. Then too, the relationships fit within the views of Innis and Creighton who saw a constant interplay between "power cores and resource peripheries" 55, or the centre controlling the periphery. It also seems that the structural and perceptual historical connections described by Careless are observable. For example, while the physical nature of the fur trade was essentially the same on the St. Lawrence waterways as it was on the watershed of Hudson's Bay (structural), the ways in which trade was carried out was greatly coloured by whether it was being carried out by the English or by the French (perceptual). Each group left its own unique, indelible stamp on the way their trade was perceived. In

⁵³Careless, Frontier and Metropolis, p. 54.

⁵⁴<u>Ibid.</u>, p. 54.

⁵⁵<u>Ibid.</u>, pp. 53-56.

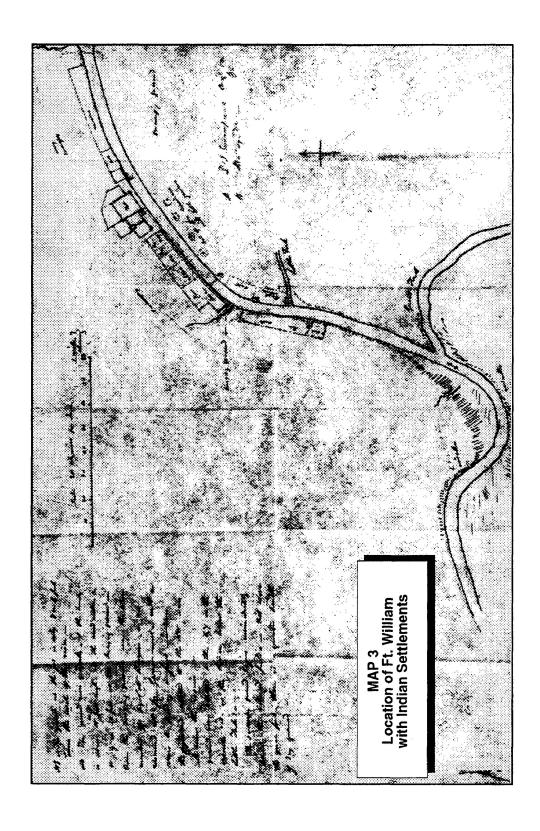
addition, the colonial governments in attempts to control the trade and to derive some benefit from it, established laws and licensing systems related to the fur trade. Laws that were passed were made applicable to all areas in the interior, even though, in the beginning, there were no representatives from the interior who participated in the colonial government.

CHAPTER 2 EXTERNAL METROPOLITAN CONTROLS, THE 1860s

Introduction

In 1860, there were few settlements on the north shore of Lake Superior. The existing foci of settlement were the fur trade posts that continued to exist despite the fact that there were no major fur trade posts around Lake Superior. By the 1860s, the fur trade was in decline and no longer as large a factor in the economic and political life of the area as it once had been. There were a few people who continued to live at Fort William, at the Indian encampment on the Kaministiquia River (See Map # 3), at a small settlement just off the Kaministiquia River in what was known as the Town Plot, and at a small settlement on the lake shore near what would later become known as Prince Arthur's Landing. There was little industry or economic activity of any sort; the fur trade had moved north to the Arctic watershed after 1821 and mining exploration had all but petered out. The few travellers who came to the area were only passing through. There was little happening in the Thunder Bay area and even less along the north shore of the lake as far as Sault Ste. Marie. However, these quiet days would soon change.

Several major events occurred in the latter half of the 1860s that would have a profound effect on the Lake Superior region and would change the nature and type of the metropolis-hinterland relationships that had previously existed there. The nature of the changes provided by these events ranged from the control provided by two distinct levels of government, each with its own legislative capacity, to that provided by enterprise, some of which was local and some of which was controlled by foreign companies. These events included Confederation, the discovery and development of silver mines on the west shore



of Thunder Bay on Lake Superior, the exploration of the Woods Location at Thunder Cape, the commencement of construction of the Dawson Road from Thunder Bay to the Red River Settlement, and the purchase of Rupert's Land and the territories of the Hudson's Bay Company by the federal government and the consequent uprising of the Metis in the Red River settlement in 1869/70.

While Gras had formulated the original metropolis-hinterland concept based on the economy, commercial ascendancy and the amassing of financial power, others, like Morton, Masters and Careless, broadened the concept to include political, cultural and social factors. While most political power had initially been wielded from outside the colonies, over a period of time the colonies came to acquire and to exercise some political power. During this period the political relationship was still one that could be described in terms of the initial metropolis-hinterland theory in that it was clearly an instance of a faraway urban centre exerting control over various hinterlands, in this case, the Imperial government in England, with its seat of power in London, exerting its legislative and other controls over British North America.

This control was slowly wrested away from the Imperial government, so that by the early 1860s, the Province of Canada was able to exercise a fairly wide amount of legislative power from its capital, Ottawa. The political power of the colony was also greatly affected by the representatives who wielded the power. Although the Legislative Assembly was usually composed of representatives of the populace, there were still large areas of the Province that had few, if any representatives, particularly in the Western District and in the northern part of the Province. The treaties that had been concluded by W.B. Robinson in

1850 with the Ojibway of Lakes Huron and Superior had extended the geographic and legislative limits of the Province to include the area along the north shore of both of these Lakes and far inland to the height of land which separated the province from the area controlled by the Hudson's Bay Company. To the north and west of the limits of the province, the rules of the Hudson's Bay Company were in force. Control of this power would shift to Canada following the completion of negotiations for the purchase of the Rupert's Land territories by Canada in 1868-70.

Confederation

Upper and Lower Canada had been reunited by The Union Act of 1840⁵⁶ and was thereafter known as the Province of the United Canadas. Prior to the union each of the former Colonies had its own territories, language, legal system, legislative jurisdiction and representation. Upon the union these were merged to form one territory and one legislative jurisdiction, but each retained its separate language and legal system and each was provided an equal number of representatives in the Legislative Assembly. In the early 1860s the equality of representation was leading to some difficulty, particularly since there had been a huge influx of immigrants into Upper Canada. ⁵⁷ There was also some difficulty in that the government was having some difficulty in governing, there being an almost equal number of representatives from each of the two political divisions. Thus, while there had

⁵⁶The Union Act, 1840, (3 & 4 Victoria, c. 35), "An Act to re-unite the Provinces of Upper and Lower Canada, and for the government of Canada".

⁵⁷British North America Acts and Amendments, 1867-1948, Ottawa: King's Printer, 1948, pp. 26-27.

been talk of separating the two colonies, there was also talk of forming a new federal entity which would encompass the Maritime colonies and the Province of Canada.

During the summer of 1864, the Maritime colonies discussed the possibility of a union and they held a conference in Charlottetown on September 1, 1864 to discuss such union. Delegates from the Province of Canada attended this meeting and suggested an even larger union which included the Province of Canada and the Maritime colonies. Arrangements were made to meet a month later in Quebec to work out the resolutions to accomplish the goal. The Quebec Conference was held on October 4, 1864. Various problems arose and the plans for union were delayed until 1866 when a new government was elected in the colony of New Brunswick. Another conference was arranged, this one in London, England on Oct 10, 1866. Following the London Conference the British North America Act was drafted and submitted to the Imperial Parliament in February, 1867. It was assented to on March 31, 1867 and was to take effect on July 1, 1867.

The British North America Act, 1867, created a federation with a central government exercising general or national powers over all the members of the union and a number of local governments having the control and management of local or provincial matters which naturally and conveniently belonged to them. The Act created the Provinces of Ontario and Quebec ⁵⁸, New Brunswick and Nova Scotia ⁵⁹, and provided for the admission of Rupert's Land and other Provinces into Confederation ⁶⁰. In the Act the Provinces were allowed to

⁵⁸British North America Act, 1867, 30-31 Victoria, c. 3, ss. 5, 6.

⁵⁹<u>Ibid.</u>, ss. 5, 7.

⁶⁰<u>Ibid</u>., s. 146.

keep the mines and minerals and could provide licences for the development of the same ⁶¹. The Act also made provisions for the division of legislative powers between the federal 62 and provincial governments 63. While each level of government had its exclusive heads of power, there were also areas, such as agriculture, where they exercised certain rights in common. Section 91 of the Act gave the federal government the exclusive powers to make laws, regulate trade and commerce, raise money by any system of taxation, establish a postal service, armed forces, navigation and shipping, sea coast and inland fisheries, currency and coinage, banks and banking, bankruptcy, patents and copyrights, Indians, naturalization, criminal law and penitentiaries, and the residue of powers not enumerated, including those powers not assigned exclusively to the provinces, and for works for the general advantage of Canada. Section 92 of the Act gave the provincial governments the exclusive powers to impose direct taxation within the province, to deal with provincial offices, sell its public lands and timber, establish and maintain prisons, hospitals, asylums and other similar institutions, municipal institutions, shops and licences, local works, incorporation of companies with provincial objects, the administration of justice, property and civil rights in the province, and all matters of a merely local or private nature in the province.

The Dominion and Ontario governments both commenced to exercise their new legislative jurisdiction and power. The former began several large works in Northwestern Ontario during this period, like the Dawson Road and the negotiation with the Hudson's

⁶¹<u>Ibid</u>., s. 109.

^{62&}lt;u>Ibid</u>., s. 91.

⁶³Ibid., s. 92.

Bay Company for the purchase of Rupert's Land. Other minor works were also authorized by the Dominion government at this time, including several works in the harbour at Thunder Bay. The provincial government authorized exploratory surveys, completed surveys of the Townships of Paipoonge and Neebing and the Fort William Town Plot, established judicial districts and appointed justices of the peace to preside over the area, and passed several pieces of legislation within its legislative competence, including The Mining Act of 1868. Both governments issued patents to the land in the area to the west of Lake Superior. There was some uncertainty as to which government actually had the right to exercise its jurisdiction in the area and a dispute arose which took several years to resolve.

A.R.M. Lower, in describing the timber trade in North America, ⁶⁴ put forth a view of metropolitanism as inherently subjugating and exploitive, sucking a territory dry because "business had to go on". This view, an offshoot of the staples theory, held that all development, whether economic, political or social, could be attributed to the development of certain resources or staples that were found in the resource frontiers, or hinterlands. Lower believed that the metropolitan relationship was a one-sided one which had the demand (urban) centres always calling on the supply (hinterland) areas. The supply areas derived little from the relationship other than the short term employment of some of the people within the area, and this was not always the case because there were few people in the area and certainly even fewer people who had the specialized skills required in some these extractive resource developments. This is similar to the more general view of Creighton who thought that the centre controlled the periphery, that business interests from

⁶⁴Lower, Timber Trade.

the key urban centres sought to dominate the territories beyond. To Creighton the businessmen were heroic figures, creating a great commercial empire strung out along the St. Lawrence River.

Mineral Resources

In many ways the early post-Confederation development of mines along the north shore of Lake Superior appeared to demonstrate the views of Lower and Creighton quite nicely. Here on the north shore of Lake Superior in the middle of the Precambrian Shield were minerals which, once found, could easily be extracted from the ground and shipped to processing plants located in the urban centre. The mining company in the urban centre supplied all of the required capital and expertise necessary to develop such a mine and all of the proceeds from such development would stay with the company. Workmen were hired from the area if available, but for the most part those with specialized mining skills were brought in from other regions, sometimes from as far away as Wales. In two of the mines that were developed, namely the Shuniah or Duncan Mine and the Thunder Bay Mine, local people were involved from the start in the persons of Peter McKellar, John McKellar and George A. McVicar. However, these men developed and operated these mines not on their own behalf, but on behalf of investors from England and later the United States 65. Initially, all of the ore that was taken out of these mines was shipped to Wales for processing and the profits of such ventures stayed in the faraway urban centres. The only money that stayed in the area was what was spent on local goods and labour. Another

⁶⁵Henderson, Marion, <u>The McKellar Story</u>, p. 36.

mineralized vein that was developed at this time was the one at Silver Islet. This mine belonged to the Montreal Mining Company, a company owned by Montreal capitalists who also owned several other mining companies, then bought out by United States interests.

The silver mines of the Thunder Bay area are all found in a unique rock structure of Cambrian age that has been called the Animikie Formation, from an Ojibway word meaning "thunder", as the formation is well-developed around Thunder Bay. 66 These rocks consist largely of undisturbed and unaltered sedimentary rocks, including pebbles of quartz, jasper, slate, dark cherts, black and grey argillites, black shales, and sandstone. The formation is found in a triangular section running from Gunflint Lake on the American Border for about 60 miles to the east to Pigeon River, and from that point, along the lakeshore to the north for about 40 miles to Goose Point on Thunder Bay and then about 80 miles back to Gunflint Lake. 67

Mining exploration had previously shown deposits of silver in the area around Thunder Bay and Peter McKellar discovered a silver deposit in the autumn of 1868, at a point about three miles inland from the mouth of the Current River. The mine was in the south part of lot 6, MacGregor Township, close to the present north boundary of the City of Thunder Bay. The silver was found as grains and threads of silver in veins of light grey granular quartz "cutting dark shale and argillite, interstratified with impure ferruginous dolomite and overlaid by a bed of trap." The veins were one to three feet wide, running

⁶⁶<u>Ibid</u>., pp. 31-34.

⁶⁷<u>Ibid</u>., pp. 32-33.

⁶⁸Ontario, <u>The Mineral Resources of Ontario</u>, 33-34.

north 34 degrees East, and were very rich at the surface. Work was carried out there until the spring of 1869. The ore produced from the initial work consisted of 3,294 pounds valued at \$2,592.69 The mine consisted of four shafts sunk on a composite vein with a crosscut between the first and second shafts at the 60 foot level. Two of the shafts were about seventy feet in depth and the other two were thirty-five and twenty-five feet deep, respectively, about 600 feet apart. The four shafts were sunk into the composite silverbearing veins and some silver was found. The veins were worked again in 1875 and crosscuts were made to the south of the surface veins. No silver appeared in these later works. Several buildings were constructed at the mine site and a wagon road three miles long provided access to Lake Superior. At the lake shore a small stamp mill was erected, along with a dock that was 200 feet in length. 70

Peter McKellar, who had moved from the Duluth area to the Fort William Town Plot in 1863, spent a great deal of his time in prospecting for minerals. He travelled extensively along the north shore and ventured inland for considerable distances, following some of the rivers and streams from their mouths. He explored the area from Michipicoten to the American border and north to the height of land, as well as the area around Lake Nipigon and the border waters from Whitefish Lake to the Lake of the Woods. He discovered many showings of mineral deposits and stone of commercial value along the north shore of Lake Superior and reported on these locations to the Ontario Mineral Resources Commissioners in 1888. As he noted,

⁶⁹Tanton, Fort William and Port Arthur, and Thunder Cape Map-areas, 155-56.

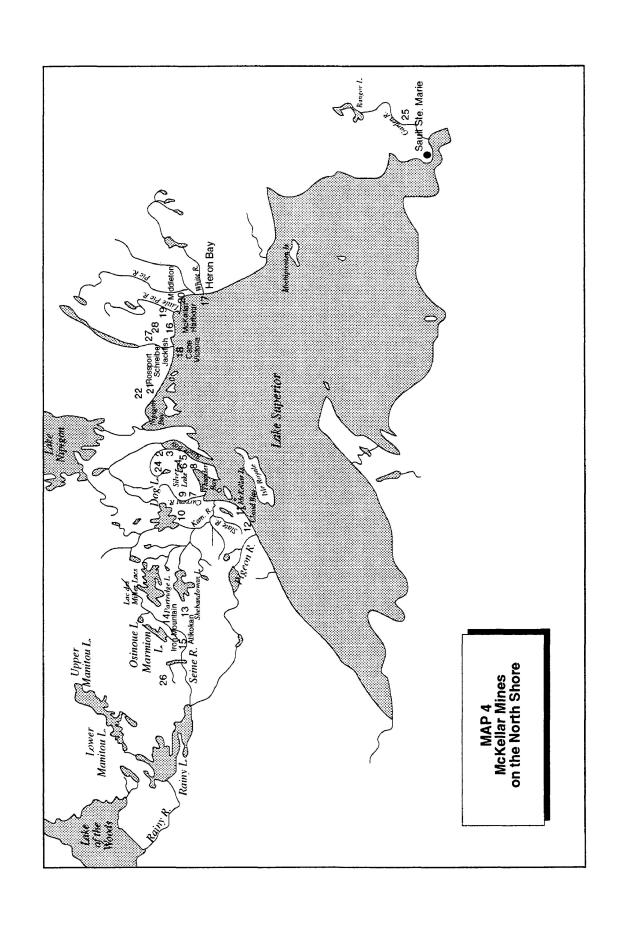
⁷⁰<u>Ibid</u>.

Gold, silver, copper, lead, zinc and iron exist in such quantities that they will ultimately pay, though some of them may not do so at the present time. There are also telurium, bismuth and molybdenite, besides a great number of other economic minerals. Stone of different kinds and marbles are found. There is a great variety of crystalline rocks, such as granite and syenite in large quantities. At Black Bay there is an immense quantity of granite that takes a beautiful polish. There is a fine red sandstone in Nipigon Bay. These quarries of sandstone, granite, etc., are handy for shipping as wharves may be built right alongside them. There is a white sandstone in large quantities at the foot of Thunder Bay that is of the finest quality. There is also a bed of marble and a very good quality of soapstone. It turns, further back, into marble of different colours, some banded, some clouded, and all very easy to quarry. It is in the Nipigon formation. The brown sandstone will prove very lasting, but it is not as hard as the white. In this section [Thunder Bay] we look for silver veins in black clay slates; galena and zincblende especially are a good indication, being generally associated with silver in the vein. At McKellar Island the blende will go from \$800 to \$900 of silver. I notice, as a general thing, that the veins are rich beneath the trap overflow. They usually run up through the trap, but are not so rich in it; they carry silver, but not much. The bed below the trap seems to be the richest. Bonanzas are often found immediately below the trap, in the first layer. It is hard to say whether it is the trap overflow or the underlying Huronian beds that cause the richness. The gold-bearing rock occurs in the Huronian schists, the chloritic schists. In many different places in this formation gold has been discovered. At Heron Bay a vein shows well. At Jackfish Bay they have got gold, but one cannot tell without a regular mining test whether it will pay. We sank on one vein twelve feet; it was rich in gold all the way down. We had half a ton of the ore from Jackfish Bay put through a mill, and it concentrated as high as \$1,000 and \$1,200 to the ton. The Jackfish vein is in the syenite, and the Heron Bay vein in the Huronian formation. 71

Many of the sites that Peter McKellar discovered on the north shore of Lake Superior and inland became productive mines. His brothers also discovered mineral locations in the area. The locations at which mines were developed by the McKellars are noted in Map # 4.

John McKellar and George A. McVicar discovered the Shuniah vein in the summer of 1867 and the Shuniah mine operated there during the winter of 1867-68. This composite

⁷¹Ontario, Mineral Resources, pp. 61-62.



vein of quartz and feldspar, about 20 to 30 feet wide, ran east and west through Lots 8 and 9 of McIntyre Township, just inside the present city limits of Thunder Bay. The mine was accessed by a road that had been constructed for three-quarters of a mile from what is now Lyon Boulevard, just south of the Current River bridge. Trenching was done at several places and two shafts, one 30 feet deep and the other 60 feet, were sunk through the veins. A crosscut was driven through the lode from the 60-foot shaft. Silver was found in leaf form in the quartz-calcite-zinc-blende-galena vein. Several barrels of ore were removed from the mine and the ore was estimated to contain about \$200. to \$300. per ton of silver. The mine was closed in 1868 due to a disagreement among the owners and a lawsuit commenced.

In 1870 the mine was purchased for \$75,000 and worked until the summer of 1873. One of the shafts was sunk to 135 feet and several crosscuts and drifts were driven across the lode. One of the crosscuts was run for 100 feet. Apart from a few barrels of very rich silver ore, little silver was found in the mine. The mine was started up again in 1873 as the Duncan Mine and operated until 1881. The Duncan Mining Company worked this vein in the early 1870's and sank a shaft to a depth of 800 feet, with numerous cross-cuts at different levels. The company eventually spent about a half-million dollars on working the vein but only produced about \$20,000 worth of silver from the mine. The workforce at this mine varied from two employees to one hundred employees over the years of its operation. Several buildings were erected at the mine site and a ten-stamp mill with four

⁷²<u>Ibid</u>., pp. 153-55.

⁷³<u>Ibid</u>., p. 34.

Frue vanners was constructed at the site; but it was only operated for a few months.⁷⁴

In the summer of 1865, Thomas Macfarlane, a mining engineer employed by the Geological Survey, completed an exploration of the northeast shore of Lake Superior. Macfarlane returned to the area on May 16, 1868, as an employee of The Montreal Mining Company on the sidewheeler the Algoma, the first steamship of the season to reach Thunder Bay. His task was to explore the Company's mineral locations in the area. The Algoma docked at the Thunder Bay Mine dock and Macfarlane and his crew visited the mine with Peter McKellar, its discoverer. They also visited the Shuniah Mine further east which had two mine shafts sunk, one to a depth of 60 feet and the other, a depth of 40 feet. The first company site visited by Macfarlane was the "Jarvis Location", which was located to the southwest of the Thunder Bay Mine dock near the east bank of the Current River. The exploration party discovered five mineralized veins on Jarvis Island and at the end of May they sent several samples from the most promising vein to Montreal for assaying. They later went to the Stuart Location near Pigeon River and spent three weeks there without discovering any mineralized silver veins.

They next went to the Woods Location, arriving there on June 24, 1868. They camped on the bay that would later be called Camp Bay and began their explorations. On June 27, they discovered a mineralized vein of "calcspar with galena and blende" on Island No. 4. Later, on July 10, they returned to Island No. 4 and blasted portions of the vein whereupon it was discovered that the vein contained metallic silver. They worked some of the ore loose

⁷⁴Tanton, Fort William and Port Arthur Map-areas, pp. 154-55.

⁷⁵Barr, <u>Silver Islet</u>, p. 22.

and packed it in barrels for shipment to Montreal. ⁷⁶ On July 15, they brought two packages of the ore along with a single piece weighing 500 pounds to Fort William for shipment to A. Handyside, the Secretary of The Montreal Mining Company. The 1,336 pounds of ore that had been sent from "Silver Islet" as Macfarlane called it, was assayed at 5% silver and had a value of \$1,200.00. The ore found was indeed rich. ⁷⁷

That winter the Company renewed Macfarlane's contract and instructed him to complete a geological survey of the site, improve the property and extract as much ore as possible. ⁷⁸ Macfarlane returned to the site in 1869 with a small crew. When the weather was good the whole crew was busy extracting ore from Silver Islet and did their surveys and examinations of the rest of the location when the weather was poor. Later in the summer they moved to Jarvis Island for six weeks to carry out geological survey work there and returned to the Islet on August 12, 1869, when they commenced the sinking of amine shaft. ⁷⁹

Macfarlane hired a Mr. Merrill and his crew to supply timber for the buildings and structures, like cribbings, lumber and mine timbers, on the island. A shafthouse and living quarters supported by cribbings filled with stone was erected over the shaft. Temporary wharves and a boardinghouse were built on the mainland and two boats were kept on the island. Other building supplies like mortar and lime, and groceries were supplied from Fort

⁷⁶<u>Ibid.</u>, p. 24.

⁷⁷<u>Ibid.</u>, p. 26.

⁷⁸<u>Ibid</u>., p. 26.

⁷⁹Ibid.

William by the Hudson's Bay Company schooner <u>Jessie</u>. Macfarlane returned to Montreal at the end of October, leaving his crew of five at the mine site to continue work on sinking the shaft, extracting ore and cutting timber with Merrill crew of seven. The population of the site in the winter of 1869-70, was twelve. 81

The opening of these mines sparked a renewed interest in the north shore. Peter McKellar and John McIntyre travelled to Montreal with silver samples taken from the Thunder Bay mine and the samples "made a startling impact on capitalists there" \$2, but apparently not enough for them to finance the venture as it was financed from England. Even the Ontario government became interested in these mines and in 1867 it passed a Mining Act which established a ten percent royalty on production of minerals such as silver. This caused a furore in the area and the McKellar brothers invited "60 to 70 members of the Provincial Parliament to Fort William to investigate the silver mining operation and situation." The legislators were taken on a tour of the area, including the Thunder Bay silver mine. Peter Mckellar explained to the Commissioner of Public Works, Richards, that most of the mines were financed by American capitalists and that they were reluctant to invest when there was a royalty on the production of minerals such as the one in the new Act. McKellar convinced the Commissioner that a tax similar to the 2 cents per acre that the Americans levied, would encourage more mining exploration and development. The Act

⁸⁰<u>Ibid</u>., p. 28.

⁸¹<u>Ibid</u>., p. 30.

⁸²Henderson, <u>The McKellar Story</u>, p. 28.

^{83&}lt;u>Ibid</u>., p. 28.

was amended in 1869 and the royalty was replaced with a tax on mining lands of two cents per acre. 84 The Montreal Mining Company was in a tight spot. It held eighteen locations consisting of 107,098 acres and the new tax would cost it about \$2,200 per year. The Company had spent several thousands of dollars on developing the site and when Macfarlane suggested that an additional \$50,000 be spent to develop the mine, the directors decided not to continue, but to sell all of their mineral locations on the north shore of Lake Superior.

The detailed exploration showed the existence of silver ore at the Silver Islet site, and it was not long before a mine came into existence there. News of these silver discoveries sparked intense exploration and mining activity in the region that lasted for many years. The mine drew many people to the area, and a booming community grew up along the shore at the end of the Sibley Peninsula to house all of the miners and others who worked at the mine. Accompanying this workforce were the families of the men who worked there. The mine became a beehive of activity as more people were drawn to the area. There was also a growing need for secondary services which also drew people to the area.

The Dawson Road

The waterways were basic to development as they provided ready access to resources and the means for travelling to and from the areas in the interior. For example, travel to Red River was initially by canoe along the Kaministiquia River-Dog Lake route that passed through Lake Shebandowan, Rainy Lake, Rainy River, Lake of the Woods, and the Winnipeg River to Lake Winnipeg. The route took many days to travel as portages had to

⁸⁴Barr, Silver Islet, pp. 17, 30.

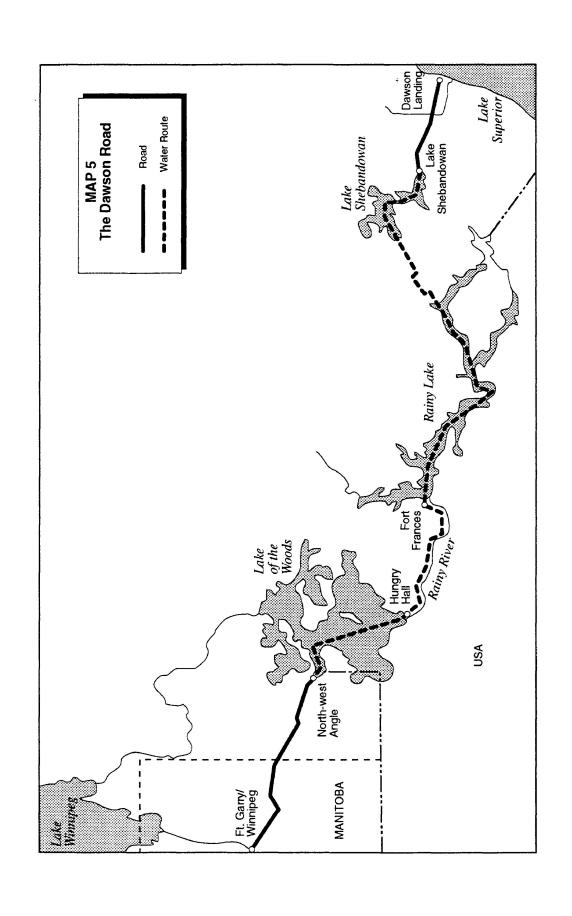
be made between the bodies of water. There was a need for a shorter, faster, easier and more comfortable way of travelling to the West.

In 1867, just prior to Confederation, Dawson was directed by the Commissioner of Crown Lands of the Province of Canada to begin construction of the route from Prince Arthur's Landing to Red River that had been proposed by him in his 1858-59 exploratory report. The route chosen consisted of several sections by land and others by water, following portions of the old voyageur routes and taking short cuts across newly constructed roads. Construction of the route began from Fort William in the fall of 1867. (See Map # 5). Several construction crews were at work on the road, mostly in the summer months when construction could be done. The workforce, while large in number, was also transitory in nature, and at the end of the construction season many of these people returned to homes in southern Ontario, the United States, and other places. Some of these employees stayed in Prince Arthur's Landing and the Fort William Town Plot during the winter, thereby adding to the population base.

Shelters had been erected along the eastern portion of the route for the passage of Wolseley's troops ⁸⁶ and, by June of 1871, shelters had also been erected along the Fort Garry section of the line. In the spring of 1871 an Order-in-Council established the rates and regulations for the conveyance of emigrants to the northwest via the Dawson route, and

⁸⁵Dawson, Simon J., Report on the Exploration of the Country Between Lake Superior and the Red River Settlement, And Between the Latter Place and the Assiniboine and Saskatchewan, Toronto: The Legislative Assembly, 1859.

⁸⁶These shelters had been established for the troops because they lived and worked on the road during most of the summer of 1870.



an Emigrant Transportation Service was organized by the Department of Public Works. Passengers on the Dawson route were expected to provide their own supplies for the journey but were allowed to purchase provisions at cost price from government depots at Shebandowan, Fort Frances, and the North West Angle. On May 5, 1871, a federal Order-in-Council extended the operation of "An Act for the better preservation of the Peace in the vicinity of Public Works", which had first been passed in 1866 (32 & 33 Vict., c. 24). This Act was used to maintain order and to protect public officers and property along the Red River route. The Act applied for a distance of ten miles on either side of the route and included the whole of the Lake of the Woods, including the islands therein. The Act was to apply along the entire route from the height of land between Lake Shebandowan and Lac des Mille Lacs to Fort Garry in Rupert's Land. The road was officially opened to civilian traffic on June 15, 1871. The Dawson Road was used for the transport of immigrants to the West in 1871 and 1872.

The Dawson road may have been all but abandoned by 1874 as an American railroad was completed in that year from Duluth to the Red River and provided easier access to the Red River area. After 1876 the Government of Canada did not spend any money on the upkeep of the road and fewer people travelled on it. By that date work had commenced on surveys of the Pacific railroad which would make the road only a memory.

⁸⁷Canada, Statutes, 32 & 33 Victoria, c. 24.

The Purchase of Rupert's Land and the Riel Rebellion

Discussions between "The Governor and Company of Adventurers of England trading into Hudson's Bay" and various officials of the Government of Canada were carried out from about early 1865 regarding the purchase of the rights of the Company to the territory in the northern part of North America. In a letter from the Colonial Secretary, Edward Cardwell, to the Governor-General, Viscount Monck, dated June 17, 1865, relating to several conferences held between Canadian ministers and the Imperial Government, it was stated in relation to the North-West Territory that

On the fourth point, the subject of the North-West Territory, the Canadian Ministers decided that that Territory should be made over to Canada, and undertook to negotiate with the Hudson's Bay Company for the termination of their rights, on condition that the indemnity, if any, should be paid by a loan to be raised by Canada under the Imperial guarantee. ⁸⁸

Article 146 of The British North America Act, 1867, provided for the admission of this territory into the union of the Canadian provinces. The stage was set for negotiations leading to the purchase by Canada of the territory held by the Hudson's Bay Company and specific negotiations between the parties were held after the passing of The Rupert's Land Act, 1869. In that Act, it was noted that:

- 2. For the purposes of this Act the term "Rupert's Land" shall include the whole of the lands and territories held or claimed to be held by the said Governor and Company.
- 3. It shall be competent for the said Governor and Company to surrender to Her Majesty, and for Her Majesty, by any instrument under her sign manual and signet, to accept a surrender of all or any of the lands, territories, rights,

⁸⁸Ontario, Correspondence, Papers and Documents, of Dates from 1856 to 1882 Inclusive, Relating to the Northerly and Westerly Boundaries of the Province of Ontario, (Toronto: Queen's Printer, 1882), p. 112.

privileges, liberties, franchises, powers, and authorities whatsoever granted or purported to be granted by the said letters patent to the said Governor and Company within Rupert's Land, upon such terms and conditions as shall be agreed upon by and between Her Majesty and the said Governor and Company; ⁸⁹

The purchase of Rupert's Land from the Hudson's Bay Company would mean an end to the Company's rule in the Red River settlement and this led to a great deal of discontentment with the settlement. The Conservative government of John A. Macdonald selected William McDougall as the first Lieutenant-Governor of the North West Territory and he was to travel to Red River with a ready-made government in the fall of 1869. The French settlers, the Metis and Indian people (the Metis coalition) were upset because it was unclear whether or not their interests and rights would be preserved with the proposed changes in government. The English and Scottish, however did not seem to be upset by the change. In the late summer the Metis began to organize their opposition to the transfer of Red River to the Dominion of Canada. They believed that their position in the colony was in jeopardy and they began to hold secret meetings to discuss the political situation. In late August they decided in a large assembly that every means possible should be taken to oppose the entry of the newly-appointed Canadian Governor until they were assured that their rights would be safeguarded. ⁹⁰

⁸⁹Ibid., p. 140.

⁹⁰Stanley, George F., <u>The Birth of Western Canada</u>, <u>A History of the Riel Rebellions</u>, Toronto: University of Toronto Press, 1961, p. 68. See also Thomas, Lewis H., <u>The North-West Territories</u>, 1870-1905, The Canadian Historical Association, Historical Booklet No. 26, Ottawa: 1970; Macleod, R.C., <u>The North West Mounted Police</u>, 1873-1919, The Canadian Historical Association, Historical Booklet No. 31, Ottawa: 1978; and Preston, Richard A., <u>Canadian Defence Policy and the Development of the Canadian Nation</u>, 1867-1917, The Canadian Historical Association, Historical Booklet No. 25, Ottawa: 1978.

In October Riel and a group of his followers prevented a survey party under Captain Webb from running survey lines through a Metis property, about 2 1\2 miles from Red River. On October 16, the Metis met at St. Norbert to organize the "Comite National des Metis" and the next day the group erected a barricade across the road near la Riviere Sale and sent a warning to McDougall "not to attempt to enter the country without the permission of the National Committee." He When McDougall proceeded to the Hudson's Bay Company post north of Pembina on the Canadian side of the border but he was escorted back to Pembina "by a body of armed half-breeds." On November 1, Riel and his followers took control of Fort garry. Riel's aim in taking these steps was "not to fight Canada, but, with the whole body of settlers, French and English, behind him, to force the Canadian government to negotiate with the half-breeds the terms of their entry into Confederation." Riel then met with the English-speaking people of the colony in an effort to forge an alliance and to form a Provisional government with representatives from each parish.

On December 1, McDougall issued a proclamation regarding the transfer of the North West Territory to Canada and his appointment as Lieutenant-Governor. He also issued a commission to Colonel Dennis to raise and equip a force to attack and disperse the Metis. ⁹⁴ While Colonel Dennis did organize some members of the colony the effort did not

⁹¹<u>Ibid</u>., p. 69.

⁹²<u>Ibid</u>., p. 70.

⁹³<u>Ibid</u>., p. 71.

^{94&}lt;u>Ibid</u>., p. 81.

succeed and several of them established a garrison in Winnipeg at a storehouse belonging to Doctor Schultz. 95 Riel had the warehouse surrounded and took 45 prisoners and held them in the jail at Fort Garry. By the end of 1869 Louis Riel and his metis followers were in charge of the Red River settlement and McDougall was on his way back to Ottawa.

In January, 1870, the Dominion government appointed 3 commissioners to go to the colony to explain how it intended to govern the area. A committee of residents was established to draw up a list of rights, including a clause requesting status as a province, and they presented it on January 29, to Commissioner Donald A. Smith. 6 The second Provisional gevernment was established "with the approval and support of the English-speaking half-breeds and white settlers. 7 Riel started to release the settlers he had previously jailed, the last of them being released by February 15, 1870. However, on March 4, 1870, Thomas Scott, one of the members of a group from Portage la Prairie who were in opposition to Riel's group, was executed outside Fort garry by a firing squad. Bishop Alexandre A. Tache returned to Red River in March and assisted the Provisional government to revise a new "list of rights" which was widely circulated in the parishes. 8 Negotiations eventually produced an agreement on the clauses to be included in a Bill that John A. Macdonald introduced in the House of Commons on May 2nd, 1870. The

⁹⁵<u>Ibid</u>., p. 83.

⁹⁶<u>Ibid</u>., p. 94.

⁹⁷<u>Ibid</u>., p. 96.

⁹⁸<u>Ibid</u>., p. 110.

Manitoba Bill was given Royal Assent on May 12, 1870⁹⁹. Rupert's Land was then transferred to Canada and the North-Western Territory was admitted to the Dominion by Imperial Order-in-Council on June 23, 1870, to be effective on July 15, 1870.

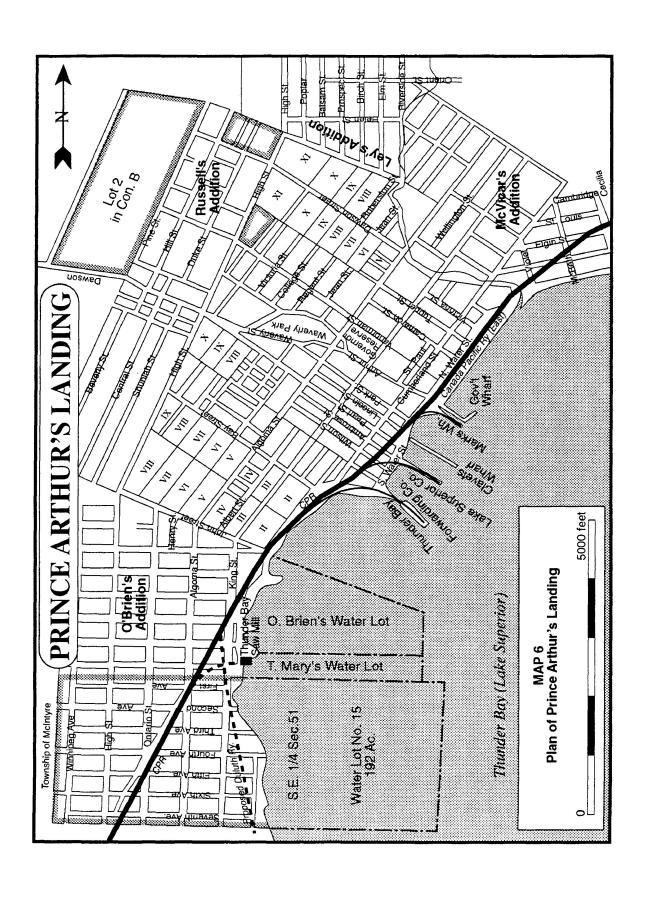
The outbreak of disturbances also caused the Canadian government to pursue an aggressive policy to contain the problems at Red River, and a military force was sent there under Colonel Garnet Wolseley in 1870. The first detachment of the troops, a force of 1,200 British and Canadian soldiers, arrived at Prince Arthur's Landing (See Map # 6) on May 25, 1870, on their way West to guell the insurrection which is often referred to as the "Red River Rebellion". 100 Wolseley's soldiers assisted with construction of the road between Matawin and Lake Shebandowan, a distance of fifteen miles. The soldiers put in a total of 5,433 man-days of work between May 25 and mid-July, 1870, on the road to make it passable. 101 During that summer there were at least 700 workmen in addition to the soldiers from Wolseley's force working on the construction of the land section of the Dawson route between Prince Arthur's Landing and Shebandowan. 102 After travelling the rest of the way along the water route through Rainy Lake, Rainy River, Lake of the Woods and the Winnipeg River, Wolseley's force arrived at Fort Alexander on Lake Winnipeg on August 20, 1870. Three days later he camped outside Fort Garry, which had been occupied by Louis Riel and his followers. Wolseley took possession of an empty Fort Garry on August

⁹⁹<u>Ibid</u>., p. 120.

¹⁰⁰<u>Ibid</u>., p. 135.

¹⁰¹Manore, Jack, "Mr. Dawson's Road", in <u>The Beaver</u>, (February/March 1991), pp. 6-11.

¹⁰²Canada, Report of Public Works for 1870.



24. On September 2, 1870, A.G. Archibald, the new Lieutenant-Governor of the territory, arrived and accepted control of the area from Donald A. Smith, the Hudson's Bay Company representative. Five days later portions of Wolseley's force returned to the east with the last segment leaving on September 3, 1870. Manitoba became the 5th province in July, 1870.

CHAPTER 3: THE DEVELOPMENT OF METROPOLITAN RELATIONSHIPS, THE 1870s AND 1880s

Introduction

The most critical decades in the development of the Thunder Bay region were the 1870s and 1880s. There were substantial changes in the Thunder Bay area in this period and these decades were also the most interesting in relation to the development of metropolis-hinterland relationships. Many decisions were made in far away places, without any input from the people of the area. The roots of most future developments were put down at this time. During these decades there was some population movement into northwestern Ontario, with large influxes of population leading to the establishment and growth of the communities of Prince Arthur's Landing, Fort William and Silver Islet. The growth in population was mostly as a result of a number of large transportation developments connecting the West with the East. Some of these developments included the completion of the Dawson Road, the surveys of various routes for the Pacific railway, and the commencement of construction of the Pacific railway.

The economic relationships between the eastern metropolis of Montreal and its hinterlands in the interior continued to flourish. A transportation network was being laid down that had Montreal as its centre and branch lines extending across all of the areas of its hinterlands to the east, south and west. The metropolitan centre of Toronto initially established its hinterlands in Canada West using the numerous networks of railways that were developed in the mid-1800s, and by steamships on the lower Great Lakes of Ontario and Erie. Eventually these hinterlands were extended via railway networks and railway

steamships throughout the upper lakes of Huron and Superior. There were also economic relationships with American interests. For example, a silver mine was established and worked at Silver Islet following the purchase of the Woods Location by an American syndicate led by Major A. Sibley¹⁰³ and a relatively large population grew there. There were also other mines in the region and each of them had a working population at each site. Many of these other mines were developed as a result of local influences, particularly those of the McKellar brothers. While more than 175 veins were worked in the area, the major production of silver was from three groups of veins. Silver Islet was the most productive of these three groups of veins.

Political metropolitan relationships were also just beginning to be developed. There was an increased presence of the Dominion and the provincial governments and each of them formulated a number of initiatives in the area. At this time the Dawson Road was completed and a telegraph line was established to the prairies. This route was the first evidence that the Dominion government wished to connect the east with the west, that the goal of the route was to provide ease of access between the east and the Selkirk Settlement, and there was nothing in between that was as important as establishing the link. No other place seemed to matter. This decision would relegate the whole region along the north shore of Lake Superior to a mere "zone of transit" 104—a place that people passed through on their way to somewhere else.

The Dominion government, in an effort to form a federal state from sea to sea,

¹⁰³Arthur, The Thunder Bay District, pp. lxxi, lxxii; Barr, Silver Islet, pp. 32-33, 44.

¹⁰⁴<u>Ibid.</u>, p. lxii-lxx, 112-141.

encouraged the formation of new provinces which were admitted into Confederation. Manitoba was admitted as a province in 1870, and British Columbia in 1871. As a consequence of admitting British Columbia, the Dominion government had to commit itself to building a transcontinental railway to connect the newly admitted colony with the eastern provinces. Plans were made to build the Pacific railway and exploratory surveys were carried out by Sandford Fleming. The Dominion determined that the terminus of the Pacific railway was to be at the Fort William Town Plot and railway construction commenced from there in 1875. The Pacific railway was developed as an extension of the Montreal transportation network, connecting with the Intercolonial and other railways on the eastern seaboard. The line of the railway ran from Montreal to Ottawa and thence westerly through the Precambrian shield to the Selkirk Settlement and finally across the prairies, through the Rocky Mountains to the Pacific Ocean.

During this period the Dominion government was also making treaties with the Indian inhabitants of the Northwest in order to pave the way for the settlement of the territories and the western provinces, which it was actively pushing. In the decade of the seventies, the Dominion government concluded seven major treaties with various Indian groups in the Northwest, particularly on the prairies. This ensured that these varied groups of Indian peoples would allow a peaceful occupation of their traditional lands by the many settlers and prospectors that would start to flow across the region. These treaties included the Stone Fort Treaty of August 3, 1871 (No. 1), the Manitoba Post Treaty of August 21, 1871 (No. 2), the North West Angle Treaty, October 3, 1873 (No. 4), the Qu'Appelle Treaty, September 15, 1874 (No. 4), the Winnipeg Treaty, September 20 & 24, 1875 (No. 5), the

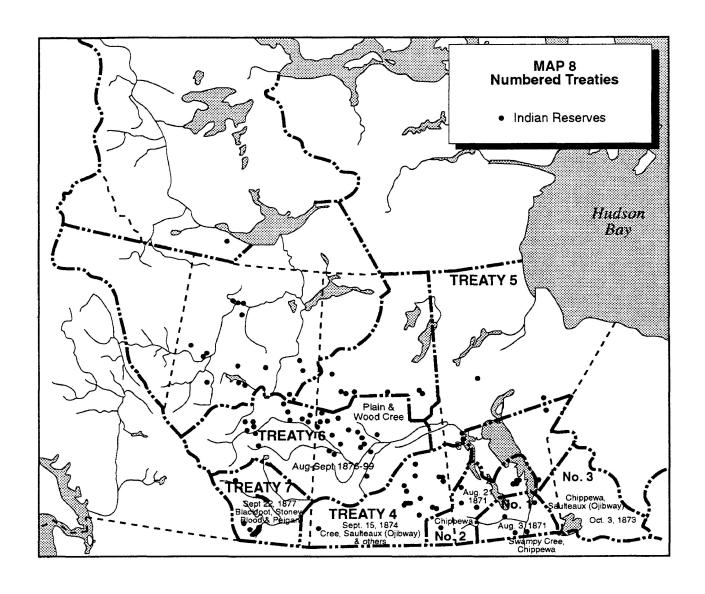
Forts Carlton and Pitt Treaty, August 23 & 28 and September 9, 1876 (No. 6), and the Blackfeet Treaty, September 22, 1877 (No. 7). In all, the treaties covered an area of about a half a million square miles. ¹⁰⁵ The area included by these treaties extended across most of what would later become the northwest portion of Ontario, most of Manitoba, Saskatchewan and Alberta, and portions of the North West Territories (See Map # 8).

Economic Metropolitan Relationships

The development of the mine at Silver Islet provides a good example of the type of economic metropolitan relationship that was described by Careless, Gras and others. The mine could not have been developed or operated without outside capital, and such capital would only be accessible if the mine showed sufficient potential for a return on the money invested. There were no sources of capital available in the Thunder Bay area at the time. When the mineral potential of the site became known after the smelting of ores taken from the site, even its owner, the Montreal Mining Company, did not have the capital necessary to do further exploration on the mine and sought the assistance of outside investors from England and later sold the site to an American syndicate led by Major A. Sibley.

The case was clearly one of an outside urban centre or metropolis taking natural resources from a hinterland area for profit. The mine provided a primary industry to an area that had no other major industry. The area benefitted because some local people were hired

¹⁰⁵Morris, The Honorable Alexander, <u>The Treaties of Canada with the Indians of Manitoba and the North-West Territories</u>, Coles Canadiana Collection, Toronto: 1979. See also Canada, <u>Indian treaties and Surrenders</u>, <u>From 1680 to 1890</u>, in Two Volumes, Coles Canadiana Collection, Reprint of 1891 Edition, Toronto: Coles Publishing Co., 1971.



and a community arose which was supported by the undertaking. Because the company was controlled by an American syndicate in New York and Detroit, all of the major decisions were made there and the people in the area had little or no say. The only exceptions to this were the relatively minor, day to day decisions that were made in the operation of the undertaking. The village at the site grew to a fairly large size and other businesses were attracted to the area to provide the supporting secondary industries that a village of that size required. This led to further developments of the mail and passenger transport system. The company also developed its own transport system in order to bring its ore to its smelter at Milwaukee. Except for operating expenses, most of which stayed in the area, all of the profits made from the extraction of minerals left the area, benefitting the syndicate that provided the capital to develop the mine. When the natural resource was depleted the company simply left.

In 1870 the Montreal Mining Company sold the Woods Location to Major Alexander H. Sibley. Sibley hired W.B. Frue who appeared at Silver Islet on September 1, 1870, and began construction of a breakwater, coffer dam and other works around the small island that barely jutted out of the water. As the mine was developed, many people came to the area to work. As the labour force grew, so did the need for shelter for the workmen. A townsite grew on the mainland and all of the employees who worked at the mine lived there. A store, customs house, assay office, hotel, school, two churches and forty houses were built. On the island itself four boarding houses, a library, and a hospital were built in addition to all of the buildings associated with the mine, including the mine shaft and a blacksmith and engine house. Indeed, Silver Islet became one of the first post-Confederation, single-

industry towns in the region.

The small settlement grew by leaps and bounds and by 1871 Silver Islet became a regular port of call for most ships travelling to Prince Arthur's Landing. The Chicora and the Manitoba, a sidewheeler, carried mail to Silver Islet. 106 Wharves and docks were essential parts of the new community and regular crossings between the mainland and the islet were made by the company's two barges, its two steam tugs and the steam yacht, the Silver Spray, which was owned by the mine from 1872 to 1883. The development of the mine contributed greatly to the development of shipping in the area as well as to the construction of larger and better docks throughout the region, particularly at Thunder Bay. In an effort to obtain a greater profit from the mine at Silver Islet, the shareholders of the company decided to build a smelter which would handle all the ore from the mine. The Wyandotte Silver Smelting and Refining Company was established and its operations commenced on July 1, 1871. The smelter was built on the Detroit River, 10 miles away from Detroit, the home of the first president of the new company, Eber B. Ward. Once again, it is evident that the metropolitan interests located in a distant urban centre, were making decisions that would have a great effect on the area, but were not made with any local input. Although the value of the silver ore produced there amounted \$3,250,000.107 the mine flooded in 1884 when the shafts could not be pumped out and was

¹⁰⁶Elinor Barr, <u>Silver Islet</u>, p. 42.

¹⁰⁷Tanton, <u>Fort William and Port Arthur, and Thunder Cape Map-areas</u>, p. 89. See also Blue, Archibald, <u>The Story of Silver Islet</u>, Ontario Bureau of Mines, 6th Report, Toronto: Ontario Government, 1898.

abandoned. 108

Another mining boom took place in the early 1880s when the second and third sets of silver producing veins were discovered at Silver Mountain and Rabbit Mountain by Oliver Daunais sold his interests in these mineralized showings to Americans who provided the capital necessary to develop the mines and mills at the sites. These mines created activity in the area and added to the excitement of the mining boom in the area. Many of these mines were merely mineralized veins in one or more of the many mining locations which had been recorded. Most of the mines in the Thunder Bay area were adjacent to the main producers which were located at Silver Islet, Rabbit Mountain, and Silver Mountain. The mines developed in the Silver Mountain area produced about \$500,000. and those in the Rabbit Mountain area, about \$900,000.109 The mines already noted were the most productive of the silver mines in the Thunder Bay area, but there were also other silver mines in the area which were small and did not produce much ore. Most of the silver mines in the Thunder Bay area were idle after 1892. During the period they operated, the silver mines of the Thunder Bay region produced almost five million dollars 110 worth of silver. The metropolitan relationships were similar to those noted at Silver Islet. Capital from far away urban centres was used to bring the mines into production and the profits were gained by these outside interests. The area only benefitted while ore was available. Once the mineralized veins were depleted, the jobs disappeared,

¹⁰⁸Ibid., p. 93; Ron Brown, Ghosts Towns of Ontario, Vol. 2, (Toronto: 1983), p. 125.

¹⁰⁹Tanton, Fort William and Port Arthur, and Thunder Cape Map-areas, p. 89.

¹¹⁰Ibid., p. 89.

many of the people left the area and the mines fell into disrepair.

There is another facet of the economic metropolitan relationship that arose with the development of the Silver Islet mine. The community of Silver Islet, itself, became a demand centre calling on its own supply areas. This aspect of the development of Silver Islet suggests the possibility that a metropolis could arise from within a hinterland area, particularly if the natural resource that sustained the economic activity was extensive and not quickly depleted. This is contrary to the view implied by Morton when he stated that a metropolis only acts on a region from the outside, and so merely imposes an extraneous, centralist dominance. The minesite community, itself, demonstrated some characteristics of a metropolis, as would Port Arthur and Fort William in later years. The undertaking required certain goods and services which could not be supplied from within the community. The development of the mine created a market for timber products. For example, square timbers and logs were required for shoring-up the drifts cut into the rock, logs were required to make lumber for houses, sheds and mining buildings, and wood was required for burning in order to operate the machinery associated with processing the ore and to heat the buildings. The community had to obtain these natural resources from its hinterland, thereby establishing an economic relationship with others that were not a part of it as an urban centre. New businesses developed to provide the timber needs of the new economic endeavours. Capital for these ventures was supplied from within the urban centre and it is likely that the timber was transported to the mine and community site using the transport system (barges and boats) developed and owned by the urban centre.

The areas along the north shore of Lake Superior and inland from the lake are

heavily timbered. The softwoods are plentiful and the species are varied. Red pine, white pine, jackpine, spruce, balsam, and tamarack are all found here. There are fewer hardwoods since the large hardwood forests are found just to the north of Sault Ste. Marie but do not continue past Montreal Harbour. Yellow and white birch, poplar, and alder are plentiful. The basic uses of wood, for fire and shelter, were well met by these species. Wood was used as a fuel for many of the boats on the Great Lakes powered by steam. Later, the softwoods were used to construct cabins and larger buildings, as well as docks, wharves, cribbings, bridges, boats, and barges. Some of the softwoods, like red and white pine, were reserved by the Crown for use as spars. The softwoods were used in the mines as supporting timbers in the underground workings. Later, it was also used for railway ties. All of the woods were used for firewood. The potential of timber in the area came to be realized with the production of planks and boards in sawmills.

One of the first sawmills in the area was that of the Vigar brothers which was constructed on South Water Street in 1866. The building was 50 by 100 feet and could saw forty thousand feet B.M. (board measure) in a ten hour shift. It contained one 60-inch circular saw, a trimmer, a slab saw, and an edger. The annual output of the mill was 2 1/2 million board feet, consisting of boards, planks and square timbers. The mill employed from 35 to 100 men. Another sawmill was constructed by the Oliver, Davidson and Company, which was located on the south bank of the Kaministiquia River on Island Number One just opposite the site where the CPR Elevator "A" would be erected. This sawmill was constructed by the Oliver Davidson and Company in the early 1870's, and it was

¹¹¹Roland, Walpole, Port Arthur Illustrated, Winnipeg: 1889. p, 34.

later sold to W.H. Carpenter after he ceased transporting passengers on the Dawson route. 112 The Oliver Davidson and Company was cutting timber in the Fort William area in 1872 and producing lumber at its mill on the Kaministiquia. An order-in-council, dated June 29, 1872, authorized the sale of timber on lands on the north shore of Lake Superior. There were several applications for timber limits at this time, but few applications for limits occurred in the rest of the 1870's. 113

In 1883, a planing mill was built on the north bank of the Kaministiquia River by the partnership of George A. Graham and John T. Horne. This planing mill was operated by them up until 1892 when they added a sawmill to the operation. Both were sold to the Pigeon River Lumber Company in 1901. A planing mill was also constructed in Port Arthur but not until 1888, when Graham, Horne and Company built one. Its capacity was an average of six million feet of dressed lumber per year. Also established in 1888 was a sash and door factory. This building, 48 feet x 140 feet, was built on East Cumberland Street by Kennedy and Saunders company. Thirty men worked here.

The establishment of sawmills and planing mills was one of the first uses of the extensive softwood forests in the area. These mills created a demand for trees taken from the forests and this led to the establishment of a supply industry in the forests. At first, trees were easily available, but when demand for lumber and other timber products increased, trees became harder to obtain and were acquired from places at ever-increasing distances. Like the Silver Islet mine, the sawmills were also demand centres calling on

¹¹²Carpenter was later appointed sheriff of Rat Portage.

¹¹³Arthur, <u>Thunder Bay District</u>, p. 166, fn46.

supply areas to provide the logs necessary to supply the mills from an ever-widening hinterland. The development of the sawmills was one of the first commercial initiatives undertaken by local capital, and would provide one of the longest lasting economic bases of the region. Indeed, it could be said that this industry was one of the ones that eventually allowed the villages of Prince Arthur's Landing and the Town Plot to become metropolitan forces in their own right.

Other examples of how Silver Islet and the other communities in the area became demand centres calling on their supply areas was for the provision of foodstuffs and dry goods. Some of the food required was provided by the fishery. The Lake Superior fishery has always provided local inhabitants with a bountiful supply of food. Increasing population at Silver Islet and the Thunder Bay area, as well as at distant urban centres, called for increased supplies of fresh fish. This local demand led to the development of a commercial fishery which, like the timber industry, would also prove to be long-lasting and would contribute to the development of Prince Arthur's Landing and the Town Plot as metropolitan centres.

The fishery of Lake Superior has long been a viable commercial enterprise. The fish of the deep, cold waters of the Lake were among the best in the world, sought after by consumers in eastern Canada and the United States. During the 1860's and 1870's the fishery was being developed and utilized all along the north shore of the Lake and small fishing communities appeared at different locations on the lake. Some of the fish were used locally, and others shipped to various points in the east. One community that arose as a result of the development of the fishing resource was the village of Jackfish, several miles

to the west of the Hudson's Bay Company post at the mouth of the Pic River. This village later grew to quite a large size when railway construction crews lived there.

In the 1880's Lake Superior was divided into sections for purposes of controlling the fisheries. The Thunder Bay section extended for about two hundred miles from Pigeon River to Jackfish Bay. There were fishing stations at Silver Harbour, Black Bay, Amethyst Harbour, the Welcome Islands, Thunder Cape, Point Porphry, Roche de Bout, St. Ignace, Nipigon, Rossport, and Jackfish Bay. The fishing grounds were divided into limits of five miles and the Fisheries Inspector could grant as many licenses for each limit as he wished. Licences cost \$10 to \$15 for gill nets and up to \$50 for a pound net, depending on locality. The fishery was closed in November of each year.

The principal species of fish caught were lake trout, lake whitefish, and siscowet or "siskiwit". The average size of trout caught was from 5 to 10 pounds, but fish of 15 to 30 pounds were common. Some of the trout caught weighed as much as 120 pounds. The average size of the whitefish caught was six pounds, but they ran to over 30 pounds. In 1888, in the Thunder Bay District, 500,000 pounds of lake whitefish were netted along with 360,000 pounds of lake trout, 48,000 pounds of sturgeon, 91,000 pounds of pickerel, and 30,000 pounds of other fish, for a total weight of over a million pounds. The fish sold for over \$33,000. The fish were sold locally, in the Canadian West and in the United States, mostly to the A. Booth Packing Company of Chicago, Illinois. Most of the fish were gutted and packed on ice for shipment, but some were salted in 100-pound barrels.

¹¹⁴Nute, <u>Lake Superior</u>.

¹¹⁵Walpole Roland, Port Arthur Illustrated.

The main firm involved in the fishery in the Thunder Bay District during the late 1880's was The Port Arthur Fish Company, which had been established in 1885 and controlled all of the licences issued in the 200-mile stretch. The company had fish processing plants in Port Arthur and Rossport. It used 2,000 tons of ice each year for packing its fish for shipment. The company supplied most of its products to the A. Booth Company. The company had about 44 sail boats of two tons and four steam tugs. About one hundred men worked for this company. ¹¹⁶ Dry goods were supplied by stores, like the one established by the Marks brothers to meet the demands of these communities.

Population was an offshoot of the commercial metropolitan interests operating in the area and increased over time. As other economic activities grew, the fur trade collapsed. Several posts that had long been the only centres of population around Lake Superior disappeared, and all that remained were the Indian communities that the posts had served. The post at Fort William was closed in 1881. It had long been a minor post because the operations of the Hudson's Bay Company's Lake Superior District had been moved to the post at Michipicoten. By the time of the completion of the railway, most fur trade posts in the area to the north of Lake Superior were closed. Some of the Company employees left when the posts were closed but others stayed in the villages.

In 1860 there were said to be nine white people on the whole of the north shore of Lake Superior, two of whom were women, 117 in addition to the fur traders who were located at the posts around the north shore. This changed due to the large numbers of

¹¹⁶Ibid.

¹¹⁷Arthur, Thunder Bay District, pp. xlix, 99.

transitory workers associated with the completion of the Dawson Road, the extensive surveys for the location of a Pacific railroad, and the construction of that railroad. A number of settlements appeared around Thunder Bay at Silver Islet, Prince Arthur's Landing and at the Fort William Town Plot. In 1875 the population of Prince Arthur's Landing was between 600 ¹¹⁸ and 1,200 people, while the Town Plot was "almost uninhabited". ¹¹⁹ There was a fairly stable population at Silver Islet due to the mine workers who resided there. An 1878 pamphlet related to one of the terminus petitions for the Canadian Pacific Railway indicated that the population at the Landing was almost 2,000.120 A census of the Municipality of Shuniah (Port Arthur) which was taken as of October 19, 1884 by Robert Maitland, the Clerk of the Township, showed a total population of 6,097, consisting of 4,484 males and 1,613 females. Maitland also noted that "there are a number of vessels owned in this port whose crews are not included in this return, that would, I consider, bring up the census to about 6,400." 121 At the same time, the population of the Fort William Town Plot was somewhere between 300 and 753. 122 However, the Canadian Pacific Railway was acquiring property around Fort William throughout 1883 and 1884, and 175 men were at work constructing the first C.P.R. grain elevator, Elevator "A", in the winter of 1884-85, and the population of Fort William was just beginning its own phase of growth. (See Map # 7)

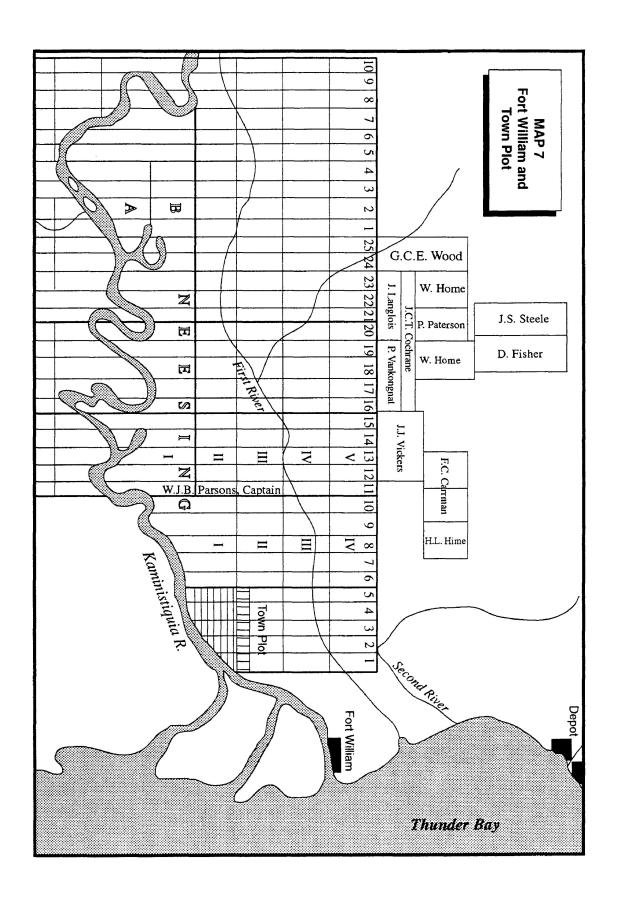
¹¹⁸<u>Ibid</u>., p. 191.

¹¹⁹<u>Ibid</u>., pp. 205-06.

¹²⁰<u>Ibid.</u>, p. 210.

¹²¹F. Brent Scollie, "The Population of Thunder Bay, 1884 - 1901", in <u>Thunder Bay Historical Museum Society</u>, Papers and Records, (Vol. VII, 1979), p. 22.

¹²²<u>Ibid</u>.,p. 24.



As commercial endeavours grew, more people came to reside in the area and new businesses arose. The commercial and real estate sectors of the economy were developing, and this led to much speculation and purchasing of lots as investments, particularly in the areas where it was thought that the terminus of the railway would be located. In the early 1880's several schools and churches had been built at the Landing and the Town Plot. A hospital had also been commenced at Prince Arthur's Landing. Residential and building construction of every sort led to the development of the timber industry, and sawmills were erected and operated on a regular basis. Mining activity in the Slate River Valley was well advanced, and there were several mines in operation in that area. New townships were surveyed, and agricultural lands and other lots were being taken up around Thunder Bay. Even the rural population started to grow.

Political Metropolitan Relationships

Norman Gras' conception of metropolitanism extended mostly to economic relationships in the rise of urban areas to become ascendant over hinterlands. He described the rise of urban centres as metropolises within a specific framework. Other writers like Morton, Careless and Masters would later show that the concept of metropolitanism could also be used to explain the rise of urban areas to embrace religious, social and political ascendancy. For example, W. L. Morton believed that metropolitan structures extended from east to west whether or not they pertained to finance, commercial activities, and transportation, or to religious, intellectual, social and political organizations. In northwestern Ontario it is not difficult to see the rise of the urban centres of Ottawa and Toronto as

urban political metropolises. 123 It is easy to understand this political aspect of metropolitanism in terms of the view of Maurice Careless, who thought of a metropolis as being a "power centre associated with a great deal of frontier and regional growth". 124 Careless also introduced the idea of an urban metropolitan hierarchy, which, although not neatly ordered or delimited, featured "overlapping hinterlands and many areas of rivalry". 125This idea seems to capture the essence of the political metropolitan relationships which arose along the north shore of Lake Superior between the federal and provincial governments and the local populace. These governments were in a sort of hierarchy which differed according to which view of Confederation was adopted. All political power resided within this hierarchy. It is also evident from the relationships between the two governments that there were many rivalries which are described later in It is also apparent that each of these political metropolises controlled overlapping hinterlands, and this contributed to the rivalries between the two, as is evidenced by the fact that both governments issued licences to various commercial interests to, for example, cut timber. These overlapping areas and political rivalries were not resolved until presented to, and considered by the Privy Council in a series of cases that arose between the Dominion and the province in the decades of the 1870s and 1880s.

¹²³For example, see Careless, J.M.S., "Frontierism, Metropolitanism, and Canadian History", in <u>Approaches to Canadian History</u>, Cook, Ramsay, Craig Brown and Carl Berger, Eds., Canadian Historical Readings, Vol. 1, Toronto: University of Toronto Press, 1967, pp. 63-83.

¹²⁴Careless, Frontier and Metropolis, p. 7.

¹²⁵Ibid.

The political metropolitan relationships were complex webs of rivalry and intrigue which gave rise to tensions between the federal and provincial views of the nature of the federation. The theoretical model chosen for Confederation was a federal one where Ottawa was supposed to be all-powerful, although it did not work out that way. The Conservative government of John A. Macdonald pushed a centralist view of Confederation, with the major powers being exercised by the central government. The Liberal Ontario government of Oliver Mowat preferred a regionalist view that the provinces were the main source or power, and the only powers exercised by the central government were those that had been delegated to it by the provinces. Premier Mowat believed that the provinces had voluntarily entered into Confederation, thereby establishing a "compact" with the federal government that could only be altered with the consent of the provinces. Mowat believed that the province should have full sovereignty in its own areas of jurisdiction and did everything in his power to exercise that sovereignty.

Each government had similar goals, unknown to the other, which would eventually lead to strife between them that would last for almost twenty years and involve them in several major court cases before the highest court of the British Empire, the Judicial Committee of the Privy Council. On the one hand, there was the cash-strapped Dominion government with its newly-created powers in section 91 of the British North America Act, seeking to extend the federation from sea to sea and live up to its commitments to provide a rail link with British Columbia within ten years of that colony joining Canada, trying to fend off American ideas of empire building, and exerting its territorial and legislative jurisdiction over as wide an area as possible. On the other hand, there was the government

of the province of Ontario with its cash surplus obtained at the time of Confederation, wishing to follow an aggressive policy of developing its frontiers and extending the boundaries of the province as far west and north as possible in order to take advantage of the extensive natural resources found there, exerting its power and control over the area with its section 92 powers, and following a policy of making the province dominant within the federation. In addition, Section 109 provided Ontario a method of getting out from under federal control, for example, in relation to nickel at Sudbury in 1883, timber in the north, iron ore, etc.

Each government had its own agenda and neither of them considered the views of the hinterland areas in formulating their goals. The hinterland area around the north shore of Lake Superior had a very small population and its views were represented in the federal Parliament by one member from the sprawling District of Algoma, which was later divided so that there was a member who represented the new District of Thunder Bay. The views of the north shore populace were similarly represented in the provincial House, there being only one member who represented the broad expanse of the District of Algoma, and later the District of Thunder Bay.

The Exercise of Power by the Dominion

The Conservative government of John A. Macdonald admitted British Columbia into the union and began the preliminary surveys required for the construction of the Pacific railway. Construction suffered a setback in 1873 when the government was defeated at the polls by the Liberals led by Alexander Mackenzie, but got back on track in 1878 when the

Conservatives were returned to power on their "National Policy" platform.

In order to create a federal state from sea to sea it was necessary to bring the colony of British Columbia into Confederation. In April of 1870 delegates arrived in Ottawa to discuss the admission of British Columbia into Canada. ¹²⁶ The delegates insisted on the inclusion of a clause to connect the new province and the eastern provinces by a system of transport and it was agreed that this could be accomplished by the construction of a railway. The second Article of the Order in Council respecting the Province of British Columbia in this regard read:

The Government of the Dominion undertake to secure the commencement simultaneously, within two years from the date of union, of the construction of a railway from the Pacific towards the Rocky Mountains, And from such point as may be selected east of the Rocky Mountains towards the Pacific, to connect the seaboard of British Columbia with the railway system of Canada; and further, to secure the completion of such railway within ten years from the date of union. 127

The Confederation Agreement with British Columbia took effect on July 20, 1871, and British Columbia officially joined the union. ¹²⁸ Canada was committed to building a line of railway from the Atlantic to the Pacific Oceans across a country that was virtually unknown to Canadians. ¹²⁹ The country consisted of virgin forest lands that stretched for over a thousand miles north of the Great Lakes, another thousand miles of prairie lands, and six hundred miles of three mountain ranges. The most formidable of these obstacles

¹²⁶Legget, Railways of Canada, 68.

¹²⁷ Omer Lavallee, <u>Van Horne's Road</u>, Montreal: Railfare Enterprises Ltd., 1974, p. 17.

¹²⁸<u>Ibid</u>., p. 17.

¹²⁹See Glazebrook, G.P. de T., <u>A History of Transportation in Canada</u>, The Carleton Library Series, No. 11, 12, Toronto: McClelland and Stewart Limited, 1964, No. 2, pp. 26-59.

were the sections in the Rockies, the Selkirk and the Coast ranges, and over the Cambrian Shield north of Lake Superior.

Sandford Fleming was appointed Engineer-in-Chief of the new Pacific railway project and was instructed to commence a survey of the route for the Department of Public Works. The first task Fleming undertook in his new capacity was to cross the continent with a small party to do a preliminary survey of the route. ¹³⁰ He and his party left Toronto on July 16, 1871. They travelled to Collingwood by train and took passage on a boat to Prince Arthur's Landing on Lake Superior. They then travelled on the Dawson Road to Fort Garry and arrived there on July 31. From Fort Garry they travelled to Jasper House (west of Edmonton) by pack horse and cart and arrived there on September 2. They crossed the mountain ranges through the Yellowhead Pass before the end of September. Fleming completed his preliminary survey before the end of 1871. ¹³¹

This preliminary survey located a route for the railway to the north of Lake Superior, across the Red River at Selkirk, and across the northern prairies to the Yellowhead Pass. Upon completion of this survey Fleming and his assistants, Walter Moberly and Roderick McLennan, began work on a detailed survey. They created 21 divisions within the Mountain, Prairie and Mountain Regions and commenced work on the surveys from the officially designated eastern terminus of the Pacific railway, a point at the eastern end of

¹³⁰Grant, George M., <u>Ocean to Ocean: Sandford Fleming's Expedition Through Canada in 1872</u>, Revised Edition, Toronto: 1925.

¹³¹Legget, Railways of Canada, pp. 68-70.

¹³²Glazebrook, <u>Transportation</u>, pp. 65-72.

Lake Nipissing called Callander. The total distance to the Pacific Ocean from Callander was about 2,600 miles of rugged territory, most of which was unexplored. In the years 1870 to 1875, Fleming carried out surveys of the whole line. In the area north of Lake Superior, Fleming carried out several surveys with divisional survey parties (referred to as Parties G, H, I, J and K) early in the summer of 1872. These exploratory surveys were done along the north shore of Lake Superior as well as many miles inland due the the fact that the ruggedness of the north shore was well known to Fleming and his surveyors and they hoped to find a route there that was free from the serious obstacles that they would find on the shore of Lake Superior. ¹³³ Fleming took six years to complete his surveys and provided a report on them to the Government on February 8, 1877. ¹³⁴

The surveys completed by Fleming and his workmen were remarkable because they covered such a vast distance in an area that was inhospitable and not easy to access. In the first year Fleming had about 800 workers in the field, but in subsequent years there were as many as 2,000 workers spread out over an area extending for 3,000 miles. These men studied 46,000 miles of lines in reconnaissance surveys and provided reports on their detailed surveys with instruments over a distance of 11,500 miles. The survey parties met very few people in the areas they travelled through. There were often forest fires in the summer. In one fire seven men lost their lives. There was also a danger of drowning

¹³³Arthur, Thunder Bay District, p. lxv.

¹³⁴Fleming, Sandford (Sir), <u>Progress Report on the Canadian Pacific Railway Exploratory</u> <u>Survey</u>, Ottawa: MacLean, Roger & Co., 1880.

¹³⁵Legget, Railways of Canada, p. 73.

¹³⁶Ibid., p. 70.

in the rivers that had to be crossed and in one season twelve men lost their lives by drowning.¹³⁷ Supplies had to be transported to the men along the whole of the survey route, and information had to be sent to Fleming and his assistants in Ottawa so they could coordinate the efforts of all of the work parties.

In 1872 the Conservative Government of John A. Macdonald was re-elected. The government wanted to have a private company build the railway with assistance being provided by way of loans and land grants along the line of rail. Two companies which reflected the rivalries between the metropolises of Montreal and Toronto, and between American and British commercial interests, wished to compete for the contract. The first was the Canadian Pacific Company which was based in the metropolis of Montreal. This consortium, led by Sir Hugh Allan, the president of the Merchants' Bank, had the financial backing of American interests. The second company was the Interoceanic Company, based in the metropolis of Toronto. This group, headed by Senator David Macpherson, was backed by British financiers. Although Macdonald wished to see the two companies merge, they did not do so and Macdonald awarded the contract to the Canadian Pacific Company in return for "generous financial contributions on Allan's part to the Conservative campaign fund in the election of 1872." 138

Shortly after the new session of Parliament began, a Liberal Member of Parliament made allegations of collusion and conflict of interest between Prime Minister Macdonald

¹³⁷<u>Ibid</u>., p. 73.

¹³⁸Francis, R. Douglas, Richard Jones, and Donald B. Smith, <u>Destinies: Canadian History Since Confederation</u>, Toronto: Holt, Rinehart and Winston of Canada Limited, 1992, p. 58.

and the Canada Pacific Railway Company, headed by Sir Hugh Allan. It was also alleged that Allan's Company had given money to the Conservative party. ("Pacific Scandal"). A Royal Commission was appointed in August of 1873 to investigate these complaints. The three judges on the Commission met in September and October of 1873 but the Macdonald Government resigned on November 5, 1873. After Macdonald resigned, a new election was called and the Liberals, led by Alexander Mackenzie, defeated the Conservatives. All work was halted on the project until a direction and policy had been set by the new government. Prime Minister Mackenzie, as Minister of Public Works, was directly responsible for railway construction. Railway construction had not yet begun and there was increased pressure from the people in British Columbia for the Dominion government to live up to its promises. Although Mackenzie did not wish to rush into construction, he decided that work on the line would commence under the direct supervision of the Government. 139 Plans for the Pacific railway changed drastically. The decisions made in relation to railway construction, and where the line was to be, were all being made in the distant metropolises of Ottawa, Montreal and Toronto and local people had little input.

Prime Minister Mackenzie decided that a railway should be constructed from Winnipeg to the American border to connect with an American line. On August 30, 1873, a contract was awarded to Joseph Whitehead to begin construction of the "Pembina Branch" from the international boundary at Emerson to St. Boniface, a distance of 63 miles and was eventually extended to Selkirk to meet the proposed line from Thunder Bay. The rails were eventually laid in 1877 and 1878 and the line was connected to the American line in

¹³⁹<u>Ibid.</u>, pp. 75-76.

November, 1878. Regular service commenced on December 5, 1878.¹⁴⁰ Mackenzie decided that the old road sections of the Dawson Route would be replaced with rail links on the "Lake Superior Section". Mackenzie also planned to run the rail line from Ottawa to the French River (Georgian Bay), then to make a water connection across Lakes Huron and Superior to Dawson's Landing, where it would connect with the new rail links on the old Dawson route.

The location of the line of the Canadian Pacific Railway acquired an importance of its own. Where the rail line was located often dictated the location of commercial and other centers. This was due to the fact that wherever there was ease of access to the railway, there was ease of access to the transport of goods to the area. One of Fleming's survey reports dated 1872, suggested that the line of the railway should proceed along the north shore of the Lake and that the terminus for the railway be at Red Rock near the mouth of the Nipigon River. Fleming's rationale for suggesting this site was that it would provide a central location within the District of Thunder Bay which would rise to become a metropolis in future years, and it would provide great advantages to the railway building enterprise due to the harbour and ease of access to it by the ships that would be used to carry the railway building materials to the line of track. No doubt the advantages of this location were suggested by the officer in charge of the Hudson Bay Company post at Red Rock, Robert Crawford, who had come to know some of the members of the survey parties since his

¹⁴⁰Lavallee, <u>Van Horne's Road</u>, pp. 23-24. See also, Innis, Harold, <u>A History of the Canadian Pacific Railway</u>, Toronto: University of Toronto Press, 1971; and Berton, Pierre, <u>The Great Railway</u>, 1871-1881, Toronto: McClelland & Stewart, 1970.

¹⁴¹Ibid., pp. lxxxii, and lxxxiii.

company had partly provisioned the parties. 142 Walpole Roland, writing of this scheme, noted:

At this period in the undeveloped scheme of our great national transcontinental railway, the Government had seriously entertained the idea of making Red Rock, near the mouth of the Nipigon River, the Lake Superior terminus of the road. This scheme had many warm advocates among the engineers, who were of course thoroughly conversant with the great natural advantages of the harbor. A change of Government, however, occurred about this period, when the advocates of the amphibious route came into power, and of course abandoned the north shore for all time, as they supposed. Anyhow another selection was made. 143

The terminus would become the transhipment point for most goods moving to the west and its location was, therefore, of utmost importance. When it became known that the location at Red Rock was being seriously considered, and in fact, was being pushed by some, it was not long before a group of residents, led by Peter McKellar from the newly formed (1873) municipality of Shuniah, which included the townships of McGregor, Pardee, Crooks, McTavish, McIntyre, Paipoonge, and Neebing, as well as the villages of Fort William and Prince Arthur's Landing openly opposed the plan. A petition to the Government was drawn up on behalf of the Municipality of Shuniah and signed by the Reeve, Peter J. Brown, and John McKellar, Deputy Reeve. The petition tried to disprove the supposed advantages of the Nipigon Bay site and built up the advantages of the Thunder Bay site:

Thunder Bay can, in every particular, claim to be the most advantageous point for the terminus of the Canadian Pacific Railway on Lake Superior, having a Bay sufficiently landlocked, forming one of the best natural harbours on the Continent, and which is free from all obstructions to navigation, such as

¹⁴²<u>Ibid.</u>, p. 177; see also Walpole Roland, <u>Algoma West</u>, pp. 3-4.

¹⁴³Roland, Algoma West, pp. 3-4.

¹⁴⁴Ibid., p. lxxxiii.

shoals, rocks, and sunken reefs, so that sailing vessels and steamers can approach in safety, both day and night, any of the settlements on the said Bay, that the Harbour is free from ice six weeks later and from two to three weeks earlier than Nepigon, as from the evidence of the Hudson Bay journal embracing a period of nineteen years, and other affidavits attached, Thunder Bay opens on an average on the sixth of May, and closes on the thirtieth December.

That the proposed line of Railway from Thunder Bay would pass through the agricultural valleys of the Kaministiquia, Matawan, Sunshine and Raining rivers, and also through the Gold fields of the Shebandowan and height of Land, in fact, through the whole mineral region of the North-West, so that it would be a great assistance in the direct development of that Country. Miners in the interior would have an outlet for their products as well as the means of supplying themselves with the necessaries needed in opening and working them to advantage.

That along the proposed Railway route from Thunder Bay, the established road and water communication of the Dawson Route would greatly add to the cheap construction of the Railway, as the line would run parallel with it, and by its aid could be commenced in several sections simultaneously, provisions, plant, etc. deposited at them; thus overcoming the great difficulties of building a railway through an unsettled country, adn of necessity shortening the time of construction. ... That there is already at Thunder Bay the nucleus of a large city; the inhabitants now numbering upwards of four thousand... ¹⁴⁵

The government had decided that the terminus for the railway would be at the Fort William Town Plot, which had been surveyed in 1860.¹⁴⁶

The "Lake Superior Section" covered a distance of four hundred and eleven miles. It was divided into six sections and contracts were eventually signed for the construction of each of the sections. The first section was from Fort William to Sunshine Creek, a distance of 32 1/2 miles. The first sod on this part of the railway was turned at a formal ceremony on June 1, 1875, at a point near the Fort William Town Plot on the north (left) bank of the

¹⁴⁵Arthur, Thunder Bay District, pp. 178-79.

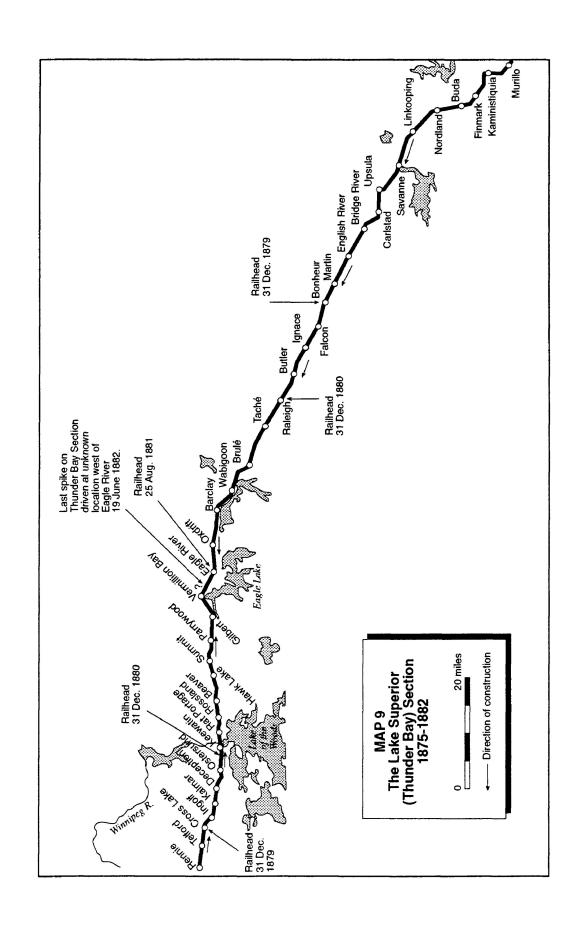
¹⁴⁶ John R. Lumby, <u>Historic Fort William</u>, Facsimile Edition, Belleville: Mika Publishing, 1974, pp. 28-29.

Kaministiquia River about four miles from the mouth of the river. The second and subsequent sections were from Sunshine Creek to English River, 80 miles; from English River to Eagle River, 118 miles; from Eagle River to Keewatin, 67 miles; from Keewatin to Cross Lake, 36 1/2 miles; and from Cross Lake to Selkirk, 77 miles. (See Map # 9).

When construction commenced on the section from Fort William to English River, plans were underway to construct a rail line from Prince Arthur's Landing to Fort William to hook up with the terminus of the Canadian Pacific Railway line in the Fort William Town Plot. This new company was called the Prince Arthur's Landing and Kaministiquia Railway and was incorporated in 1876. Three miles of the six mile line were constructed between 1877 and 1879 between Prince Arthur's Landing and the eastern terminus of the contract work on the townsite of Fort William. This line was purchased by the government shortly after the first dredging of the Kaminisitiquia River, on May 22, 1880, and thereafter it became a part of the Pacific line. By the end of 1879, about 190 of the 411 miles of the Thunder Bay Section of the Canadian Pacific Railway had been completed, and contracts had been signed for the remainder of the Section. 147

The third part of Prime Minister Mackenzie's plan was to subsidize the extension of the Canada Central Railway from near Renfrew to Lake Nipissing and to construct a new railway from that point to the mouth of the French River. Although a contract was awarded for the Georgian Bay Branch in 1875 and some work was done in 1878, the work was abandoned when it was discovered that it would be too costly to make the French River navigable to Georgian Bay.

¹⁴⁷ Lavallee, Van Horne's Road, p. 27.



As noted, the Conservatives were returned to power on October 17, 1878, on their "National Policy" platform, and they redoubled the effort to construct the Pacific railway under the supervision of its Ministry of Public Works and later under the Ministry of Railways and Canals. The objective of this National Policy was to join the territories of British North America into a cohesive political and economic unit. This goal would be accomplished through the Conservative policies of acquiring Western land and settling it, constructing the Pacific railway and establishing a system of protective tariffs. The Policy was geared to make the West a hinterland of Eastern metropolitan interests and a frontier for investment by commercial interests in Montreal, Quebec City, Ottawa and Toronto. Control over the development of the western territories involved establishing state power over the area which commenced with the purchase of the Rupert's Land territory, removing the Indians to reserves and obtaining their interests in the land through treaties, creating transportation and communication links with the East by constructing the Pacific railway and telegraph lines, getting settlers to move to the region and develop the agricultural potential of the prairie lands, and the expansion of markets in the East to supply Western needs. 148

The next period of railway construction occurred during the years 1880 to 1885, when the remainder of the "Woodland" Section between Callander and Fort William was built by the newly formed Canadian Pacific Railway Company. A proposal made by a Canadian group headed by D.J. McIntyre and George Stephen to complete the Pacific railway was

Brace Jovanovich, Canada, 1990, pp. 97-118; Muirhead, Bruce, "Ups and Downs": The Evolution of the Lakehead's Commercial and Transportation Infrastructure, 1883-1993, Thunder Bay: unpublished, 1994, pp. 13-14; Francis, Destinies, pp. 53-72.

accepted by the government and a contract with their Canadian Pacific Railway Company was signed on October 21, 1880.¹⁴⁹ The terms of the contract were significant:

The Government agreed to give a subsidy of \$25,000,000,of 25,000,000 acres of land, and of completed sections of road from Selkirk to Lake Superior and from Kamloops to Port Moody, which cost with the surveys \$37,785,320. The grant of land was given in alternate sections of 640 acres, twenty-four miles deep on each side of the railway from Winnipeg to Jasper House....¹⁵⁰

The bill incorporating the Canadian Pacific Railway Company was given Royal Assent on February 15, 1881. The first meeting of directors was held on February 17. George Stephen was elected as President. By the end of February, the share subscriptions totalled \$6,100,000.00¹⁵¹ The first sod was turned on May 2, 1881, and active work commenced on construction of the remainder of the line. The government of Canada turned over 231 miles of completed lines to the company. This included 75 miles of the Lake Superior Section between Cross Lake and Selkirk, 86 miles on the Pembina Branch between Selkirk and Emerson, 68 miles on the Prairie Section between St. Boniface and Portage La Prairie, and 2 miles on the Colville Branch between Selkirk and Colville Landing. On June 9, 1881, the Canada Central Railway was amalgamated with the Canadian Pacific Railway. The latter company inherited the Canada Central line, consisting of 254 miles of rail line from Brockville to Mattawa, and branch lines to Ottawa (27 miles)

¹⁴⁹<u>Ibid.</u>, pp. 81-82; Harold A. Innis, <u>A History of the Canadian Pacific Railway</u>, (Toronto: 1923), p. 9.

¹⁵⁰Legget, Railways of Canada, p. 82; Innis, A History of the Canadian Pacific Railway, p. 98. See also Glazebrook, <u>Transportation</u>, pp. 72-80.

¹⁵¹Lavallee, Van Horne's Road, p. 60; Innis, Canadian Pacific Railway.

and to Perth (12 miles). 152

In the latter part of December, 1881, James J. Hill recommended that the Company hire William C. Van Horne to continue construction of the railway. Van Horne took up his office as General Manager in Winnipeg on January 1, 1882. Construction was delayed by one of the worst floods recorded to that date on the Red River, but construction crews soon had 5,000 men at work on the prairies with 1,700 teams of horse. In late 1882, the Company proceeded with the Woodland Section of the railway, the line following the shortest route between Callander and Fort William, 153 which had earlier been proposed by Sandford Fleming, along the north shore of Lake Superior. The construction work was divided into two portions. John Ross was working east from Port Arthur to Dog Lake (Missanabie), a distance of about 350 miles. The other portion, from Callander to Dog Lake (Missanabie), was constructed under the supervision of James Worthington.

The construction of the first 75 miles of John Ross' section from Port Arthur to Nipigon Bay presented no major problems to his crews but several rivers had to be crossed with bridges that took longer to construct than the ordinary road bed. In addition, the ground at some of the sites was unstable. The rail-line, therefore, had to be cut through the rock on the shore. Ross had all of the 75-mile line graded by early 1883 and commenced tracklaying after May 26, 1883, when the first thousand lengths of track arrived in Port Arthur on the S.S. Rhynland. By November 21, 1883, a standard construction grade

¹⁵²Lavallee, <u>Van Horne's Road</u>, p. 64.

¹⁵³Lavallee, Van Horne's Road, p. 129; Glazebrook, <u>Transportation</u>, pp. 80-90.

¹⁵⁴<u>Ibid</u>., p. 143.

track was completely laid to Red Rock on Nipigon Bay. More than 12,000 workmen and 5,000 horses were employed to complete the work on the line. Track laid on this section in 1883-84 is shown in Map # 10. Twelve steamboats were used to bring supplies to sites along the Superior shore section including over a million dollars worth of dynamite that was used to carve the rail-bed from the rocky shores. 155

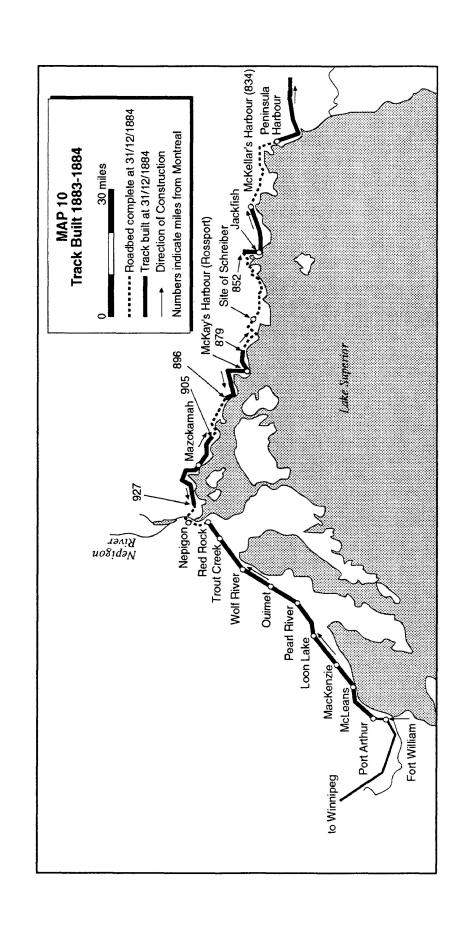
The bridge across the Nipigon River, one of many major steel structures on the Superior shore section, presented major difficulties. The river bed was unstable and much work had to be done to stabilize the footings for the bridge. Work on the footings was hampered by ice on the river and by the river currents. Construction on the bridge was completed in the spring of 1885.¹⁵⁶

The most difficult portion of the line that John Ross was responsible for constructing was the 125 miles between the Nipigon River and the Pic River (Heron Bay). There were major rock cuts to be blasted, major bridges to be run across rivers, and three tunnels had to be run through the rock. Work on this portion was divided into four sections and commenced late in 1883. Portions of the shore of Lake Superior were also unstable and in November, three acres of unstable ground at Mckay's Harbour slid into the Bay, carrying with it dock buildings and stores for railway construction. ¹⁵⁷ In the winter of 1883-84, Ross set up his headquarters at McKay's Harbour (Rossport). Another site was at Jackfish and the line was constructed to the east from this point. The fourth site was at Heron Bay from

¹⁵⁵Legget, Railways of Canada, p. 88.

¹⁵⁶<u>Ibid</u>., p. 143.

¹⁵⁷Ibid., p. 144.

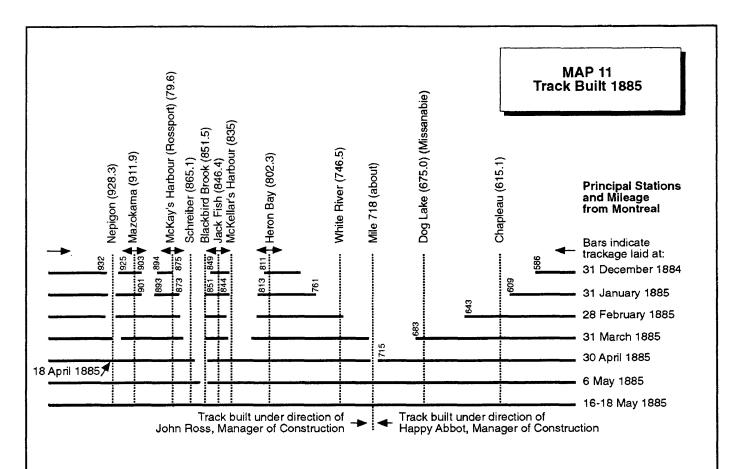


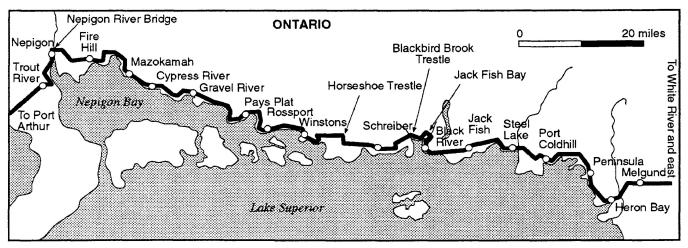
which the construction work was carried out in both directions. The Mink Harbour tunnel was completed in July 1884; the Red Sucker Cove tunnel, in September 1884; and the Jackfish Bay tunnel, in May 1885, just prior to completion of the rest of the Superior shore section. The whole work was completed and the last spike driven on the Woodland section on May 16, 1885. (See Map # 11).

The development of many of the waterfront facilities in Port Arthur and Fort William occured in the 1870s, ultimately as a result of this railroad construction. Initially, however, it was the extraction of the huge copper and iron ore deposits on the south shore of the lake and the development of the silver deposits around Thunder Bay and the islands outside of it began. Another factor which prompted the development of the harbour was the opening of the West for settlement and the large numbers of people who were being transported there. After the agricultural development of the West began, larger harbour facilities were required to handle the large amounts of wheat and other grain that the port was required to handle. The harbours in Thunder Bay and other points along the north shore were also used for transporting large amounts of fish that were used not only as a food staple in the fur trade but also as an exportable commodity in the more populous areas.

It was believed by various persons that the Kaministiquia River provided a natural harbour, well protected from the vagaries of the weather and the large body of water of Thunder Bay. In the days of the fur trade, this river provided ample protection and served as a fine port but, as the vessels grew, so did the demand for a larger and deeper port. The

¹⁵⁸<u>Ibid.,p. 145</u>; see also, Berton Pierre, <u>The Last Spike: The Great Railway, 1881-1885</u>, Toronto: McClelland & Stewart, 1971.





This map and diagram show the sequence of completion of the four isolated section of railway near Lake Superior and adjacent sections of the main line. Horizontal bars, corresponding to the map, show extent of completed railway at each data. The sources for this information are incomplete and in some cases conflicting, but figures appearing at right angles to the bars give mileages from Montreal at the extremities of some of the sections where this is known reliably.

importance of the Kaministiquia River as a harbour dwindled to a certain extent. Large craft could not enter the mouth of the Kaministiquia River due to the huge shoal which extended out a distance of about 3500 feet and also because the river was shallow. Large docks were therefore built elsewhere. The first dock built on Thunder Bay was near the mouth of Current River in 1868. Docking facilities were soon established at Prince Arthur's Landing, and the settlement spread around the area as more docks were built there.

The annual report of the Department of Public Works in 1873 provided a summary of all the work that had been completed on the Dawson route between Fort Garry and Prince Arthur's Landing from the time of its commencement in 1869. The work included the construction of a wharf at Prince Arthur's Landing. This wharf was 600 feet in length, with a wing of 200 feet and was ready for the opening of navigation in 1873. The report of Superintendent Dawson for 1873 provided far greater detail of the year's activities. Dawson noted that the construction of the wharf at Prince Arthur's Landing required about 100,000 cubic feet of timber, all of which was taken from along the Kaministiquia and Neebing Rivers prior to the close of navigation. A large quantity of stone had been gathered for filling the wharf structure. Most of the wharf was constructed during the winter of 1872-73.

Dawson also recommended that a breakwater be constructed to guard against ice

¹⁵⁹A.A. Anderson, "The Development of the Harbours of Port Arthur and Fort William", in <u>The Thunder Bay Historical Museum Society</u>, <u>Papers and Records</u>, Vol. 11, (1983), p. 42.

¹⁶⁰Canada, General Report of the Minister of Public Works for the fiscal year ending 30th June, 1873, (Ottawa: 1874), App. 1.

shoves and the surf. He provided an estimate of the cost of constructing this breakwater. In his 1874 report to the Public Works Department, Dawson noted that certain sums had been included in the appropriation for 1873-74, including a sum of \$12,375.00 for the construction of a breakwater in the Thunder Bay Harbour. ¹⁶¹ Work on this breakwater commenced in the winter of 1874. The annual report of the Minister of Public Works for 1877 contained a report by William Kingsford, the Engineer in Charge of Harbours, that the Kaministiquia River had been surveyed for a distance of 3.2 miles from the mouth of the river to the terminus of the Canadian Pacific Railway and that a complete survey had been ordered of Prince Arthur's Landing in order to determine whether the area would be suitable for a harbour and how much it would cost to protect it from the wind by means of a breakwater. ¹⁶²

In order to make the Kaministiquia River more navigable by larger boats, the river bed was widened and deepened. This was also done at a later date in the mouths of the Mission and McKellar Rivers which drain the Kaministiquia. The Kaministiquia River and its entrances were surveyed in the winter of 1875 and plans were made to dredge a 50-foot cut through the huge shoal across the mouth of the river to a depth of 13 feet as far as the terminus of the Canadian Pacific Railway. Work commenced on the dredging in July

¹⁶¹Canada, General Report of the Minister of Public Works for the fiscal year ending 30th June, 1874, (Ottawa: 1875), App. 1.

¹⁶²Canada, General Report of the Minister of Public Works for the fiscal year ending 30th June, 1877, (Ottawa: 1878), 61-62, App. 13.

¹⁶³Canada, General Report of the Minister of Public Works for the fiscal year ending 30th June, 1876, (Ottawa: 1877), p. 36.

of 1876¹⁶⁴ and was to be completed by September of 1877.¹⁶⁵ The annual report of the Department of Public Works for 1877-78 stated that a decision had been made to widen the river passage from 50 feet to 66 feet and to deepen it to allow larger ships to reach the Pacific railway terminus. This widening was extremely important as much of the steel track and other construction materials for use on railway construction came up the Great Lakes to Thunder Bay for shipment on the line to the West.¹⁶⁶ In the mid-1880's, the Kaministiquia River was widened and deepened to a far greater extent than had been done previously as larger ships were entering the harbour (see Map # 12) in order to move the grain that was being shipped from the prairies to the newly constructed grain elevators on the river.¹⁶⁷ The dredging of the river commenced in a serious way in 1884 and continued for years thereafter. ¹⁶⁸

In the early 1880s, the first grain elevators were built on Thunder Bay to hold the grain being shipped from the prairies via the newly built Canadian Pacific Railway. The grain was then moved down the Great Lakes on large boats. The shipping season generally extended over a period of about seven or eight months as the harbour at Thunder Bay was

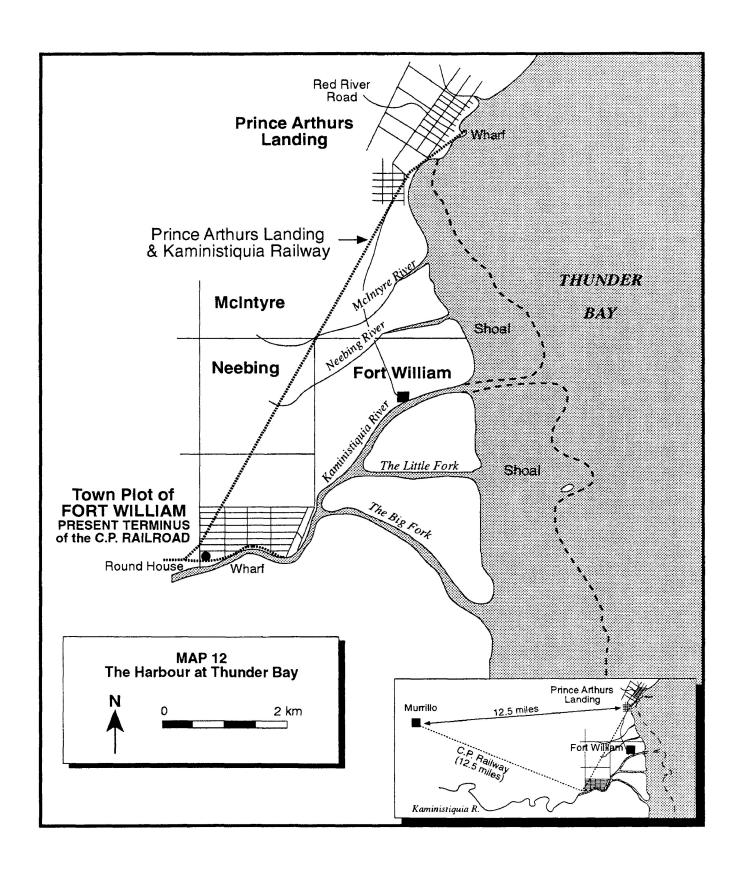
¹⁶⁴<u>Ibid</u>., App. 14, p. 64.

¹⁶⁵Canada, Report of Public Works for 1877, p. 38.

¹⁶⁶Canada, General Report of the Minister of Public Works for the fiscal year ending 30th June, 1878, (Ottawa: 1879), 65-66, App. 13.

¹⁶⁷Anderson, Charles W., <u>Grain, The Entrepreneurs</u>, Winnipeg: Watson & Dwyer Publishing Ltd., 1991, pp. 1-8; Muirhead, Bruce, <u>"Ups and Downs": The Evolution of the Lakehead's Commercial and Transportation Infrastructure</u>, 1883-1993, unpublished paper, Thunder Bay, 1994.

¹⁶⁸Anderson, "Development of the Harbours of Port Arthur and Fort William", p. 46.



generally free of ice from the end of April or beginning of May until the middle of December. 169

The Pacific Railway opened a route from the Great Lakes to the Canadian West in 1883. The route not only allowed for the passage of goods, immigrants, and travellers to the West, but also facilitated the passage of goods to the head of the Great Lakes for shipment to the populated centres of the East. The first shipment of grain from the West reached the "Lakehead" in 1883. The grain, packed in sacks, was loaded onto a lake steamer, the Erin, by workers who carried the bags of wheat on wheelbarrows and two-wheeled carts. The first storage facility was constructed in 1883 at Prince Arthur's Landing, since the Kaministiquia River was too shallow at the time to permit ships to enter and take on a load of grain. This grain elevator was constructed of wood and had a capacity of 250,000 bushels of grain. The first shipments from this elevator were taken down the Great Lakes system on the vessel, the Acadian. 170

The next elevator, called Elevator "A", was constructed by the Canadian Pacific Railway Company on the Kaministiquia River and completed in time to handle the crop of 1885. This elevator had four times the capacity of the earlier elevator, or one million bushels. The ships that loaded at this elevator were smaller craft, because the channel had not yet been widened or deepened to admit large boats. The first ship to take on grain at this elevator was the schooner, the Sligo, which took on a load of about 17,000 bushels.

¹⁶⁹<u>Ibid.</u>, 47; Canada, <u>General Report of the Minister of Public Works</u> for the years 1873 through 1878.

¹⁷⁰Lumby, Historic Fort William, p. 23.

When the grain was to be loaded onto a larger vessel, it was shipped to the elevator in Prince Arthur's Landing by railway and then loaded onto the large boat. This changed in the summer of 1885 when the Captain of the new CPR steamer, the Algoma, navigated the channel that had been dredged through the sandbar in the Kam River and docked his boat alongside Elevator "A".

The grain was trans-shipped by the Canadian Pacific Railway Company and, in the beginning, the trade was handled entirely by the railway. Later, private interests built facilities to handle grain. While grain shipments in 1885 consisted of only 1.5 million bushels of wheat, the size of the crops was not much larger. It was not until the bumper crop of 1887 that the extent of the grain trade was realized. Grain was piled in every available storage space in the West, and there were not enough railway cars to handle the enormous quantities awaiting shipment. A huge shed was hastily constructed for use as an elevator and plans were made to construct further facilities. Elevator "B" was constructed and ready for use to move the crop of 1889, and Elevator "C" was ready for use in 1890. With these new elevators, the storage capacity of the elevators at the head of the lakes rose to 3,250,000 bushels. The next elevator to be built was Elevator "D", a steel-tank elevator, which was constructed in 1902.

The fourth period of railway building activity in the area occurred in the years 1887 to 1891, when the Thunder Bay Colonization Railway was built from the Town Plot at Fort William west to Gunflint Lake. The construction of this railway resulted from the second silver mining boom in the Silver Mountain and Beaver Mountain areas. This railway was

¹⁷¹<u>Ibid</u>., p. 24.

later called the Port Arthur, Duluth and Western Railway, because it was intended to connect with an American line that was to be constructed from Duluth to the international border; but the American section was never built. The chief promoter of this railway was James Conmee, and the firm of Conmee and Middleton undertook the building of the railway. This rail-line was set up during the days of the silver boom in the area around Silver Mountain and serviced most of the silver camps in that area. The line was constructed as far as the international border, and for a couple of miles past it, but there was no connection from Duluth on the American side. The line was used as a logging railway and farming settlements grew up along its tracks as far as Hymers Station. The assets of this railway were purchased in 1899 by the Ontario and Rainy River Colonization Railway and by the Canadian Northern Railway Company.

The Exercise of Power by Ontario

In 1867, and for several years thereafter, much of the area to the north of Lake Superior was a terra incognita. There were no governmental institutions in the region. The only evidence of any outside controlling body throughout the region during this early period were the fur traders and missionaries. There were few people, so the need for such institutions did not yet exist. Under its Charter, the Hudson's Bay Company had the authority to exert control over the territory noted in the Charter but, with few exceptions, this authority was used more to control its own affairs than those around it. As communities grew up around fur trade posts and other places the social institutions required

¹⁷²Lumby, Historic Fort William, pp. 32-33.

by that community arose on an informal basis as the need became evident. It was not until there were large concentrations of people in a particular area that controls were established.

The province of Ontario officially came into existence on July 1, 1867. Following Confederation, Ontario began to promote and develop its frontiers. The district of Nipissing was split to create the new district of Muskoka in 1869, Parry Sound in 1870 and Haliburton in 1874. The new district of Thunder Bay was carved from the district of Algoma in 1871.¹⁷³ The Ontario government moved to extend its sway in the area to the west and north of Lake Superior following the transfer to Canada of the lands of the Hudson's Bay Company. In August-September, 1867, there was a provincial and Dominion election, and on December 27, the first legislative assembly for the province met at Toronto. The first premier was John Sandfield Macdonald. The Conservative government held a majority, winning almost 50 seats in the 82-seat house. Many of the members of the assembly, including J.S. Macdonald, and Archibald McKellar also occupied seats in the House of Commons. Although efforts were made to abolish this dual representation, it continued until 1872.¹⁷⁴

A boundary dispute between the Dominion of Canada and the province of Ontario began after the Imperial Order-in-Council of 1870 providing for the surrender of all territories and claims of the Hudson's Bay Company to the government of Canada was passed. Following the transfer of Rupert's Land in 1870, the Dominion began to apply its

¹⁷³Zaslow, Morris, <u>The Opening of the Canadian North 1870-1914</u>, Toronto: McClelland & Stewart, 1971, p. 149.

¹⁷⁴Wallace, W.S., "Political History, 1867-1912", in <u>Canada and its Provinces</u>, Shortt, Adam, and Arthur E. Doughty, Eds., Vol. XVII, The Province of Ontario, p. 134.

the province to a point just east of Thunder Bay, at a point due north of the junction of the Ohio and Mississippi Rivers (longitude 89 9'27"). The province immediately challenged this claim and asserted its own claim to a western boundary at Lake of the Woods, at a point due north of the source of the Mississippi River (longitude 95 13'48"). Neither the government of Canada, nor the government of Ontario could accept the location of the western boundary of Ontario that the other had claimed.

In his opening address to the Provincial Legislature on November 3, 1869, the Lieutenant-Governor of Ontario referred to the transfer of the Hudson's Bay Company lands and suggested that the boundary line be defined at an early date as Ontario wished to secure a precise definition of its northern and western boundaries. The northern boundary of Ontario depended on where the southern boundary of the limits of the Hudson's Bay Territory lay, but this limit was largely unknown and had never been demarcated. The grant in the Royal Charter had stated that "the Honourable Company" was to hold dominion over all the lands and territories of the drainage systems of the James and Hudson Bays, except for those already actually possessed by the subjects of any other

¹⁷⁵Zaslow, Morris, "The Ontario Boundary Question", in <u>Profiles of a Province, Studies in the History of Ontario</u>, Toronto: Ontario Historical Society, 1967, p. 161; Ontario, <u>Statutes, Documents and Papers Bearing on the Discussion Respecting the Northern and Western Boundaries of the Province of Ontario</u>, Toronto: Hunter, Rose & Co., 1878; Mills, David, <u>A Report on The Boundaries of the Province of Ontario</u>, Toronto: Hunter, Rose & Co., 1873; Nicholson, Norman L., <u>The Boundaries of Canada, its Provinces and Territories</u>, Canada Department of Mines and Technical Surveys, Geographical Branch, Memoir # 2, Ottawa: Queen's Printer, 1954.

Christian State. 176

By the terms of the North-West Angle Treaty, Treaty No. 3, concluded on October 3, 1873, the Indians surrendered "all their rights, titles and privileges whatsoever" to about 55,000 square miles of land. (See Map # 3). This would later form the basis for a federal claim to the area, as the Conservatives believed that the Ojibway Indians who lived in the area had surrendered their sovereignty over the land that would later be in dispute. The boundaries of this treaty extended northward and westward to the height of land in the northwestern portion of what would later become the Province of Ontario, within the following limits:

Commencing at a point on the Pigeon River route where the international boundary line between the territories of Great Britain and the United States intersects the height of land separating the waters running to Lake Superior from those flowing to Lake Winnipeg, thence northerly, westerly and easterly, along the height of land aforesaid, following its sinuosities, whatever their course may be, to the point at which the said height of land meets the summit of the water-shed from which the streams flow to Lake Nepigon, thence northerly and westerly, or whatever may be its course along the ridge separating the waters of the Nepigon and the Winnipeg to the height of land dividing the waters of the Albany and the Winnipeg, thence westerly and north-westerly along the height of land dividing the waters flowing to Hudson's Bay by the Albany or other rivers from those running to English River and the Winnipeg to a point on the said height of land bearing north forty-five degrees east from Fort Alexander at the mouth of the Winnipeg; thence south forty-five degrees west to Fort Alexander at the mouth of the Winnipeg; thence southerly along the eastern bank of the Winnipeg to the mouth of White Mouth River; thence southerly by the line described as in that part forming the eastern boundary of the tract surrendered by the Chippewa and Swampy Cree tribes of Indians to Her Majesty on the third of August, one thousand eight hundred and seventy-one, namely, by White Mouth River to White Mouth Lake and thence on a line having the general bearing of White Mouth River to the forty-ninth parallel of north latitude;

¹⁷⁶Newman, Peter C., <u>Company of Adventurers</u>, <u>Vol. I</u>, <u>Markham: Penguin Books</u>, 1985, p. 320.

thence by the forty-ninth parallel of north latitude to the Lake of the Woods, and from thence by the international boundary line to the place of beginning. 177

In Treaty No. 3, the Indians retained the right

to pursue their avocations of hunting and fishing throughout the tract surrendered as hereinbefore described, subject to such regulations a may from time to time be made by her Government of her Dominion of Canada, and saving and excepting such tracts as may from time to time be required or taken up for settlement, mining, lumbering or other purposes, by her said Government of the Dominion of Canada, or by any of the subjects thereof duly authorized therefor by the said Government. ¹⁷⁸

In December, 1871, the government of J.S. Macdonald resigned and the liberals under Edward Blake formed the government. ¹⁷⁹ Blake named Adam Crooks as Attorney-General and Alexander Mackenzie, who was later elected as Prime Minister, as the provincial treasurer. Archibald McKellar was appointed as commissioner of Agriculture and Public Works and R.W. Scott, as commissioner of Crown Lands. Following passage of the dual representation bill several prominent members of the government, including Edward Blake and Alexander Mackenzie, opted for federal politics. ¹⁸⁰ Blake advised the lieutenant-governor to find a successor for him outside the legislature and recommended Oliver Mowat, one of the vice-chancellors of Ontario, who had previous political experience.

Oliver Mowat took Blake's position as premier of the province. He obtained a seat in the legislature on November 29, 1872 in the riding of Oxford. Mowat appointed a new

¹⁷⁷Canada, <u>Indian Treaties</u>; and Morris, <u>Treaties of Canada</u>.

¹⁷⁸<u>Ibid</u>., p. 323.

¹⁷⁹White, Randall, <u>Ontario</u>, <u>1610-1985</u>, <u>A Political and economic history</u>, Toronto: Dundurn Press, 1985, pp. 132-173.

¹⁸⁰Wallace, "Political History, Ontario", p. 135.

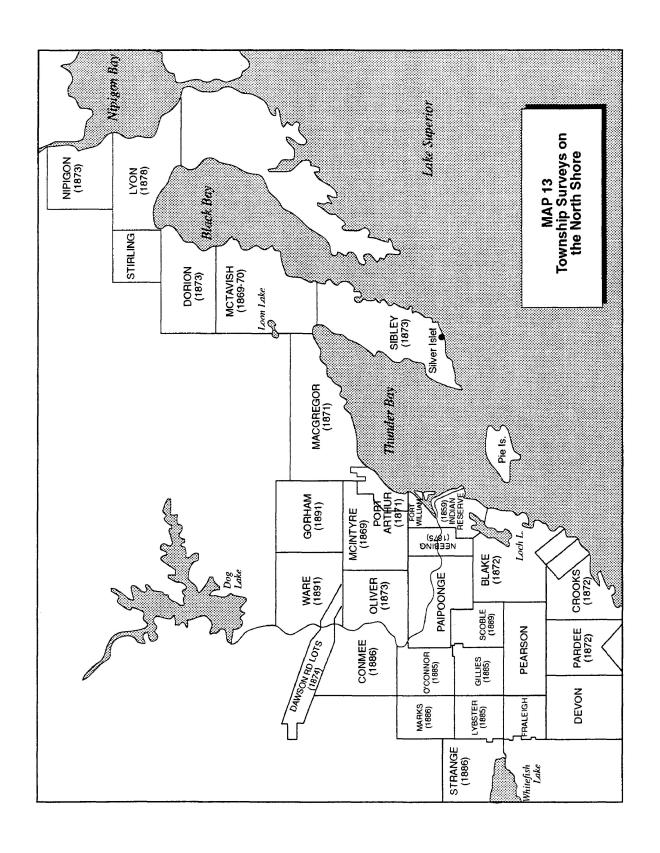
cabinet which included himself as attorney-general, Adam Crooks as treasurer, Archibald McKellar as commissioner of Agriculture and Public Works, W.R. Scott as commissioner of Crown Lands, and Timothy Blair Pardee as provincial secretary and registrar. Mowat was Canada's first influential advocate of provincial rights and during his years as premier he altered the nature of federalism. Mowat established Ontario as the dominant province within Confederation and he increased its resources by expansion of the boundaries of the province into the northern territories.

The provincial government authorized township surveys along the north shore of the Lake and for many miles north and west of Lake Superior. (See Map # 13). It established the judicial district of Algoma in 1866 and appointed two justices of the peace for the western part of the Algoma District. The two men were employees of the Hudson's Bay Company, John McIntyre of Fort William and Peter Warren Bell of the Michipicoten Post. Arrangements were made by the government to set up "appropriate units of local administration -- township councils, school districts, villages and towns -- to integrate the settlement into its system. The province also exerted its jurisdiction in other areas. For example, in 1873, Ontario legislation grouped several townships and the village of Prince Arthur's Landing into the new municipality of Shuniah, and for the first time, the western part of the Algoma District was referred to as the sub-district of Thunder Bay. A collector of customs was appointed at Silver Islet although the appointee to this position was

¹⁸¹Arthur, Thunder Bay District, p. lvii.

¹⁸²Zaslow, Canadian North, p. 149.

¹⁸³Arthur, ed., Thunder Bay District, lxxi.



later stationed at Prince Arthur's Landing.

The provincial riding of Algoma stretched from Quebec on the east to the Hudson's Bay territory on the north and west. The problem of representing such a vast area was noted on many occasions and petitions to the legislature for the subdivision of the riding were made from 1876 on. 184 The riding was represented in the provincial legislature by a single member from 1867 until being split into Algoma East and West in 1885. The provincial riding of Algoma was represented by four men from Confederation to 1894, namely, F.W. Cumberland, S.J. Dawson, R.A. Lyon, and J. Conmee.

Mowat's government completed its first session at a hectic pace, passing almost twice as many bills as had been passed in the previous session, many of the bills being of voluminous size. In the session of 1873, Mowat's government passed several acts and amendments to existing laws, including an act called the Municipal Loan Fund Act, by which the debts of many municipalities to the Municipal Loan Fund were wiped out and arrangements made for the payment of the balance over a period of time and which, were guaranteed through debentures. The money used to pay for these debts by the province was taken from the surplus Ontario had at the time of Confederation. The first bill for the prohibition of the sale of spirituous liquors as a beverage was also introduced in this session. The bill was not passed because the Speaker ruled that it was ultra vires the province, the subject matter being within the federal head of power, trade and commerce. This issue would be raised again by Mowat at a later date.

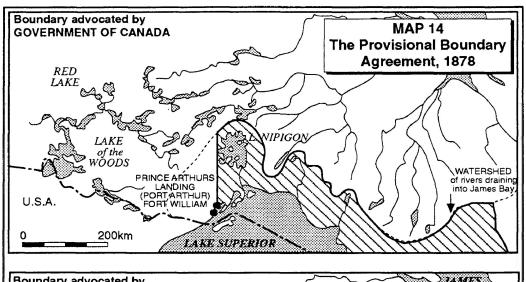
¹⁸⁴Arthur, M. Elizabeth, "The Frontier Politician", in <u>Aspects of Nineteenth Century</u> Ontario, Toronto: University of Toronto Press, 1974, p. 278.

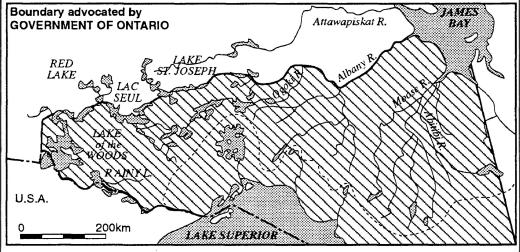
During the spring session of 1874, the timber policy of the government's Crown Lands Department was attacked. The Crown Lands Department had been granting large tracts of timber rights throughout the province, even in unsurveyed districts.

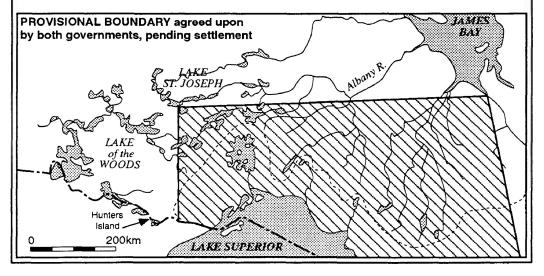
On June 26, 1874, the Dominion government of Prime Minister Alexander Mackenzie and the Ontario government of Premier Oliver Mowat entered into an "Agreement for a Provisional Boundary in respect of Patents of Lands" (see Map # 14). A provisional boundary line at the eastern tip of "Hunter's Island" (longitude 90 58') was agreed upon and the Dominion and the province agreed to "act jointly in issuing mining licences and land patents". Under the terms of this agreement, each government, among other things, assumed the authority to grant lands on its side of a provisional boundary line, and to honour each other's patents once the boundary was established. Ontario's right to control the area east of the line was not challenged, but both governments sought to control the area west of the line. The Dominion include the area in its district of Keewatin in 1876 and later included the territory within the extended boundary of Manitoba in 1881. The province also asserted authority over the area and appointed W.D. Lyon as a stipendiary magistrate to supervise the territory as far west as Rat Portage on Lake of the Woods.

From 1867 to 1875, the Algoma riding was represented by Frederic W. Cumberland, a Conservative. Cumberland was an "engineer, architect, railway promoter, friend of the Ottawa and Toronto Conservative establishment", who lived in Toronto. His links with his constituency were minimal as he never lived in the riding and seldom visited it. His election "was apparently secured through the interest of his associates in the federal Conservative

¹⁸⁵Zaslow, Canadian North, p. 151







party".¹⁸⁶ He had to rely on information about local conditions that was sent to him by individuals and groups. The mail was slow because it went through Duluth and often took two months to reach its destination. He relied on information supplied by local businessmen like Peter McKellar and W.B. Frue, the manager of the Silver Islet mine, when dealing with cabinet members in order to push his views. As well, Peter McKellar, who was also involved with mining enterprises in the region, met with members of cabinet directly while in Toronto on business trips ¹⁸⁷. The lack of contact with a sitting member of the legislature who did not have close ties to the district was unsatisfactory, however, and led to the election of a new member in 1875, Simon J. Dawson, who sat as an Independent.

Dawson, represented the Algoma riding from 1875 to 1878. He was a surveyor and had been associated with the Thunder Bay area for many years being involved with the construction of the Dawson Road and with the negotiation of Treaty No. 3 in 1873. In the legislature he always tried to draw attention to the issues of the northern district. He discussed the stipendiary magistrates' work in the administration of justice, the issuing of timber licences, colonization roads, the plight of the Indians, and the advantages of developing the district of Algoma. ¹⁸⁸ In 1878 Dawson was elected as the federal representative of Algoma and sat in Parliament until 1891.

In 1878 the terms of the Provisional Boundary Agreement were extended to authorize each government to grant leases, licences, bonuses, rents and royalties within their respective

¹⁸⁶Arthur, "Frontier Politician", 280

¹⁸⁷Barr, Silver Islet, pp. 52-54.

¹⁸⁸Arthur, "Frontier Politician", pp. 281-3.

territories. Following arbitration, the disputed lands were awarded to Ontario in 1878, but the federal government never accepted this. The Dominion then asserted that, notwithstanding the decision of the Judicial Committee, it retained control over the natural resources in the area. The dispute between the province of Ontario and the Dominion government over the ownership of certain lands ceded to the Dominion by the Ojibway Indians by Treaty No. 3, came to a head in the case of St. Catherine's Milling and Lumber Co. v. The Queen. 189 In that case the province challenged the right of the federal government to grant a timber licence to the St. Catherine's Milling and Lumber Company. The province claimed the lands under section 109 of the British North America Act, which guaranteed provincial ownership of all lands lying within the boundaries of the respective provinces, subject only to any trusts or other interests in the lands. The Dominion government, on the other hand, argued that the Indian title to the land was that of a fee simple due to the provisions of the Royal Proclamation of 1763, and that it had received a complete title and ownership in the lands when the Indians surrendered their interest in the lands to the federal government. However, the Supreme Court of Canada, as well as the Judicial Committee of the Privy Council, held in favour of the province. The JCPC stated that the Royal Proclamation had the effect of splitting the title to the land, that the crown held the fee simple and the Indians possessed a personal and usufructuary right which gave them a right of use and occupancy. When the Indians surrendered their interests in the land by way of treaty, the title of the crown in right of the province to the lands became a

¹⁸⁹Cumming, Peter A., and Neil H. Mickenberg, <u>Native Rights in Canada</u>, 2d edition, Toronto: The Indian-Eskimo Association of Canada, 1972; also Hall, Anthony.

plenum dominium, or a title to the lands which included the Indian interest. 190

The boundary dispute between Ontario and the Dominion of Canada was worsened in the spring of 1881 when the eastern boundary of Manitoba was extended eastward to the boundary of Ontario in an effort to control the resources in the area by the dominion, and to limit the power of Ontario. This was a line extending due north from the junction of the Ohio and Mississippi Rivers, which placed the western boundary of Ontario at a point just to the east of Prince Arthur's Landing. Even so, by 1883, Ontario had begun to exert greater control in the area. A police force was established and the timber regulations were being enforced through a Magistrate's court in Rat Portage. A municipal government was set up for the town and plans were made to hold the 1883 provincial election there. ¹⁹¹ The dispute was brought before the Judicial Committee of the Privy Council, the Supreme Court in the British Empire and, in 1884, that body confirmed the 1878 Award of the boundary commissioners.

The Award of the Arbitrators was confirmed by the Privy Council in 1884, which awarded the territory to Ontario. The award fixed the northern boundary of the province of Ontario at the Albany and English Rivers and the western boundary at a line running due north from the North West Angle of the Lake of the Woods. 192 The wording of the award was similar to the language of the arbitration decision:

Commencing at a point on the southern shore of Hudson's Bay, commonly called James' Bay, where a line produced due north from the head of Lake

¹⁹⁰Cumming, Native Rights, p. 33.

¹⁹¹Arthur, <u>Thunder Bay District</u>, pp. xxxiii, 254.

¹⁹²Nicholson, <u>Boundaries of Canada</u>, pp. 60-64.

Temiscaming would strike the said south shore; thence along the said south shore westerly to the mouth of the Albany River; thence up the middle of the said Albany River, and of the lakes thereon, to the source of the said river at the head of Lake St. Joseph; thence by the line to the easterly end of Lac Seul, being the head waters of the English River; thence westerly through the middle of Lac Seul and the said English River to a point where the same will be intersected by a true meridianal line drawn northerly from the international monument placed to mark the most north-westerly angle of the Lake of the Woods by the recent Boundary Commission; and thence due south, following the said meridional line to the said international monument; thence southerly and easterly following upon the international boundary line, between the British possessions and the United States of America, into Lake Superior. ¹⁹³

The westerly, northerly, and easterly boundaries of the Province of Ontario were finally stated in "An Act to declare the Boundaries of the Province of Ontario in the Dominion of Canada". This Act served as a consolidation or precis of all of the previous acts and other documents which had recorded the limits of the Province of Ontario. The Act confirmed that the boundary between the Province of Ontario and the Province of Quebec was identical to the boundary between those provinces that was fixed by the Governor-General in November of 1791. The Act also confirmed that the boundary between the Province of Ontario and the Province of Manitoba was identical to the boundary between those provinces that had been determined by the Judicial Committee of the Privy Council on August 11, 1884. It will be recalled that the boundary found to be correct by the Judicial Committee was the same as that fixed by the Award of the

¹⁹³Ontario, <u>Correspondence</u>, <u>Papers and Documents</u>, <u>of Dates from 1856 to 1882</u> <u>Inclusive</u>, <u>Relating to the Northerly and Westerly Boundaries of the Province of Ontario</u>, (Toronto: 1882), 370.

¹⁹⁴The Canada (Ontario Boundary) Act, 1889, 52-53 Victoria, Chapter 28.

Arbitrators in 1878.

The establishment of boundaries was a way of sorting out which government had the power and authority to exert control in the area in dispute. Once the boundaries had been determined, it remained for each government to set up institutions to exert control in its own areas. Ontario quickly moved to exercise its authority over the entire area of the award. It appointed two stipendiary magistrates for the area. E.B. Borron was to superintend the northern portion of the area in the District of Nipissing and W.D. Lyon, the western section in the District of Thunder Bay.

E.B. Borron undertook to explore the whole of the new area and left several reports on the area north to James Bay.¹⁹⁵ He provided copious records of his travels throughout the region by all the major water routes. His reports, in the words of Morris Zaslow, "enlarged the government's knowledge of the region and its economic potentialities." ¹⁹⁶ Borron advocated that the provincial government play a more active role in the northern portion of the territory:

a public school, hospital and jail for Moose Factory; a constable; legislation to licence traders, protect native hunting and fishing rights; and strict enforcement of liquor prohibition. Thus, as the traditional order began to deteriorate the province began gradually to assert its authority. ¹⁹⁷

The area presided over by Magistrate Borron was relatively quiet compared to the area looked after by Magistrate W.D. Lyon to the west of the provisional boundary line

¹⁹⁵Borron, E.B., Report of E.B. Borron, Stipendiary Magistrate on That Part of the Basin of Hudson's Bay Belonging to the Province of Ontario, Toronto: The "Grip" Printing and Publishing Co., 1884.

¹⁹⁶Zaslow, "Ontario Boundary", p. 111.

¹⁹⁷Ibid., p. 111.

established in 1874. This area was involved with rapid growth and development due to the large numbers of workmen involved in railway construction, mining, prospecting, and lumbering. The towns were wide open frontier towns. Both governments claimed responsibility for administering the area, and timber berths and mineral claims were granted by both. Lyon believed that the area was being stripped of its most valuable timber by railway contractors and trespassers and thought that, as Zaslow put it,

the Dominion's rule was ineffectual--that bootleggers were operating in league with government detectives; prostitution was widespread and open; and the village of Rat Portage, now Kenora, was filled with desperadoes who "put the officers of the law at defiance" and in true Wild West fashion, walked about "with knives and revolvers exposed in their belts." In May, 1881, when Lyon held his first court session there, his authority was defied by a railway contractor and his bailiff was arrested and jailed by Dominion agents. 198

Robert A. Lyon, a Liberal, was elected upon Dawson's resignation and represented the riding from 1878 to 1884. Lyon, a lumberman and merchant, was from Michael's Bay on Manitoulin Island. His brother, W.D. Lyon, had been appointed as the stipendiary magistrate for Thunder Bay. Lyon took an active role in presenting northern issues in the legislature and spoke on the need for colonization roads, the desirability of buying "all supplies in Toronto, where they were 26-30 per cent cheaper than in the north" and for the division of the Algoma riding. He is said to have been the model backbencher, conforming to party policies and his silence in debates in the legislature except for those times when certain northern issues were discussed. Lyon resigned in resigned in 1884 but was elected for the Algoma East riding in 1885 after the division of the riding.

¹⁹⁸<u>Ibid</u>., pp. 111-12.

¹⁹⁹Arthur, "Frontier Politician", p. 283.

James Conmee, a Conservative, was elected to represent the newly created riding of Algoma West from 1885 to 1894. Conmee had been associated with the Thunder Bay area since the early 1870s. He installed machinery in the Oliver-Davidson lumber mill and became involved in business ventures in the community such as cutting timber along the CPR right of way, establishing a planing mill, setting up a telephone communication in Port Arthur and purchasing a hotel. At the time of his election to the seat he was the mayor of Port Arthur, a position he had held since December of the previous year.

The Dominion government refused to ratify the 1878 decision of the Commission, however, and asserted that it retained control over the area in dispute in addition to the "belts" along the line of the Pacific Railway and the Dawson Road. The federal government introduced a bill in the 1881 session, entitled "A Bill to protect the Public Interest in Rivers and Streams". Peter McLaren, a wealthy Ottawa Valley lumberman, had built a dam and slide on the Mississippi River, a tributary of the Ottawa River. The dam and slide had been used by Boyd Caldwell and Co., which had timber limits further up the river and used it to float their logs down the river. McLaren obtained and injunction preventing Boyd Caldwell and Co. from using the dam and slide. The Ontario government then enacted its Rivers and Streams Bill, which would have the effect of overturning the injunction obtained by Peter McLaren. The federal government, however, disallowed the Bill. Believing that the act was within provincial legislative power, Mowat re-enacted it. When it was disallowed again, Mowat re-enacted it and it was disallowed again. By this time the case of McLaren v. Caldwell had proceeded through the courts to the Judicial Committee of the Privy Council. The Privy Council found in favour of Caldwell and this judgment allowed the province to

re-enact the Rivers and Streams bill in 1884 and the Dominion government did not disallow it. 200

²⁰⁰Wallace, "Political History, Ontario", p. 162.

CONCLUSION

In its early development, the areas along the north shore of Lake Superior, and particularly the area around Thunder Bay, served as natural resource hinterlands to far away In the period immediately prior to Confederation, the metropolitan urban centres. relationship was primarily an economic one. For example, furs from the Lake Superior hinterlands, and other areas, were the major resource sought by companies headquartered in metropolitan centres, in particular, London. The demand for the fur resource fell into a long decline and eventually most fur trade posts were closed in the area around Lake Superior with severe results for local people. Following Confederation the metropolitan relationship continued to be an economic one, but the resource became the minerals that were discovered in the area, especially silver and gold. In addition, a new metropolitan relationship arose, one that was political. Both the dominion and the provincial governments established connections with the area. These were eventually rationalized following 1889. The dominion government, with its seat in Ottawa, controlled a large hinterland area that stretched to the Pacific Ocean. The provincial government, with its seat in Toronto, exerted its legislative authority over the area enclosed by the provincial boundaries. This control, jealously guarded by Toronto, meant that the southern Ontario metropolis dictated the path that both economic and political developments would follow. With one M.P.P. in a parliament numbering more than 68, the Northwest's voice was rarely heard.

Moreover, the economic developments dealt with in this thesis, for example, the Silver Islet mine, did not respond to local demand in the longer term. Even though a

relatively large number of people worked the mine and a small community sprang up on the mainland opposite, it was owned by American interests with no stake in the region. When the resource ran out, or became too difficult to extract, the community largely disappeared and the Lake Superior wilderness reclaimed its own.

This same pattern is evident in other areas. Large government planned and sponsored projects, like the construction of the Dawson Road and the Canadian Pacific Railway, initially required hundreds and then thousands of workers. Many of these men came to the Thunder Bay region, most for a short period of time. As has been pointed out here, the area became a zone of transit. Garnet Wolseley's men passed through on their way west to demonstrate a Canadian presence following the Red River rebellion in 1870. some of them stayed during the summer to labour on the Dawson Road, but left when the project was completed. Similarly, Sandford Fleming and his work party stayed momentarily as they surveyed a route for the railway to follow to the Pacific Ocean, but, like Wolseley's men, departed when the task was done.

Finally, the Lakehead received a filip with the construction of the CPR during the late 1870s and 1880s. This project was different in kind from those that had preceded it because it was of a more permanent nature. Moreover, the railway required repair depots, coaling facilities, water towers, freight-handlers, and all the infrastructure associated with steam locomotion. Also required was the thousands of men needed to ensure its smooth operation. However, as has been pointed out above, the decision as to where to place the CPR's central Canada headquarters was made in Montreal. As has been discussed

elsewhere, ²⁰¹ there was a struggle between Nipigon and the Lakehead with respect to the relative benefits of each in that capacity. Clearly, the future of each community hung in the balance. As a result of the railway choosing Fort William, it prospered and grew, while Nipigon remained an isolated backwater.

Being the most important railway centre in the region also brought other benefits from the metropolitan centre. for example, the federal government undertook to facilitate harbour development at the Lakehead. By the later 1870s, there were wharves in place at Prince Arthur's Landing. In the case of Fort William, the Kaministiquia River, at the mouth of which the community was located, was not accessible to larger boats because a sand bar where it entered Lake Superior obstructed navigation. Accordingly, Ottawa let contracts to dredge the river mouth. This continued over the years until the channel was about 500 feet wide, allowing even the bigger lakers to travel up-river to off-load supplies.

Again, those decisions made in the capital <u>permitted</u> Fort William, and also Port Arthur, to grow. They had ramifications far beyond the actual act of dredging or of railway construction. As a result of those activities taken in the metropolitan centres, the villages grew into towns and then cities. Office buildings, warehouses, stores, hotels and houses were built. As Bruce Muirhead noted in relation to the effect that the construction of the CPR had on the Lakehead,

First and foremost, it ensured its survival as a community. Without the transcontinental railway, the little towns at the head of Lake Superior might have remained just that. As T.A. Gorham of the CPR's general superintendent's office noted upon his return from the Thunder Bay region to Winnipeg in 1884,

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²⁰¹Supra, at pp. 77, 79.

"Everything is booming at Port Arthur and Fort William. Houses are being built at the latter place as fast as they can be put up. The people are preparing for the spring trade already, and it is fully expected that an enormous business will be done. A large number of stores are being built at Port Arthur, and the extension of the Government dock some four hundred feet in length is nearing completion ... a great many men are employed in getting out the timber."

Moreover, the Canadian Pacific payroll paid for many local improvements and fuelled the expansion noted above. It also helped to develop a construction industry to build such things as a roundhouse, machine shops, a double deck freight shed and dock in 1906 estimated to cost \$125,000, repair shops and other associated firms that employed local people. ²⁰²

The railway also brought the wheat trade with it. Grain elevators were constructed beginning in 1884 and they, almost more than any other feature in Northwestern Ontario, seem to be concrete symbols of the zone of transit. While the jobs associated with this trade were welcomed by residents of the Lakehead, control over this industry lay in Winnipeg or Montreal or Toronto. There was no "loyalty" to the region demonstrated by those involved in the wheat business as the decision making process lay elsewhere. So long as the Lakehead location benefitted those interests, it would remain the centre of the grain trade in Canada. However, as early as 1914, there were a few clouds on the horizon, like the opening of the Panama Canal and the development of elevators at Prince Rupert, that would later become very black.

Norman Gras envisaged metropolis-hinterland relationships in terms of economic development and described four stages by which a city rose to metropolitan status. While the stages he described are seen in early post-Confederation development in the twin cities

²⁰²Muirhead, "Ups and Downs".

of Port Arthur and Fort William, that development did not occur as a progression of the steps described by Gras, but rather as concurrent developments, as noted by Careless. While the twin cities became minor metropolitan centres in Northwestern Ontario in their own right, they remained as a part of the hinterland of the distant metropolises of Montreal, Ottawa and Toronto, giving content to the idea formulated by Careless of "overlapping hinterlands". The example of Northwestern Ontario also demonstrates that the metropolitan theory had other dimensions described by Morton, Careless and Masters, that could be used to describe the stages of development of the political metropolises of Ottawa and Toronto.

This thesis has documented the extent of the metropolitan-hinterland relationship in the case of Northwestern Ontario--it was all pervasive. Economic and political decisions were made outside the region that decided its fate.

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