

construction of a railway through British Columbia represented, in the words of the chief engineer for the project, a work of the “most formidable character”.

Faced with these inhospitable conditions, the Mackenzie government, on taking office, decided to continue with surveys, mainly in the rocky country north and west of the Great Lakes, develop land routes west of Lake Superior through the improvement of the Dawson road and seek some relaxation of the railway terms from the other partner to the contract.

To the latter end it despatched a young Toronto lawyer who had failed to win re-election in January, James Edgar, out to British Columbia in March 1874. Edgar was to offer the construction of a graving dock for the naval base at Esquimalt on Vancouver Island in return for concessions from British Columbia. It was clear that construction of the line could not, realistically, be completed in ten years. Surveys would be pressed forward energetically, with the understanding that construction would follow as quickly as possible. Ottawa would begin to lay down a telegraph line and build a wagon road along the route of the proposed railway without delay. If these terms did not satisfy British Columbia, Ottawa would consider building a railway from Esquimalt north to Nanaimo to link up with the transcontinental when it reached the Pacific coast. The Esquimalt and Nanaimo line was clearly seen as a compensation for the non-fulfilment of the principal railway terms, since it would have no appeal for residents of the province living on the mainland. The Edgar mission failed in spite of a promise to build the Vancouver Island railway, to construct the telegraph line and to prosecute the route surveys energetically.

The Mackenzie government had to bring forward a new railway plan, reluctantly conscious that the line would have to be built, in the main, with public funds. On 12 May 1874, in a lengthy presentation to the House, Mackenzie outlined the Liberal government’s railway policy. British Columbia would be requested once more to drop its insistence on the ten-year period for the construction of the railway and in return Ottawa would build the line from Esquimalt to Nanaimo. The engineers would endeavour to use “water stretches” for transportation where possible across the plains. There would be a line connecting Fort Garry with the railways in the American territory to the south and another link would connect Georgian Bay with southern Ontario railways. British Columbia would be given more financial backing to build the new graving dock at Esquimalt. The construction of the railway would be carried forward as a leading purpose of the federal government but it would have to be accomplished without “increasing the present rate of taxation”. (This was the pledge Cartier had given in 1871.) The Liberal government’s railway motion, although bitterly opposed by British Columbia members such as Amor De Cosmos, was easily approved in the House of Commons.

The session of 1874 heard no more about the Pacific railway but the issue continued to plague the Liberal government. Lord Dufferin, the Governor-General, and Lord Carnarvon, the colonial secretary in London, suggested a recourse to arbitration by the imperial government to settle the railway dispute with British Columbia.<sup>6</sup> Reluctantly the loyal Mackenzie agreed to this intervention, which would centre on the question of whether or not the Liberal motion was fulfilling Ottawa’s railway obligations. Eventually Carnarvon put forward new terms, accepted conditionally by the Mackenzie government but never approved by Parliament and thus inoperative. The matter dragged on, to embitter the relations between Mackenzie and

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<sup>6</sup> *Dufferin-Carnarvon Correspondence 1874-1878*, edited by C.W. de Kiewiet and F.H. Underhill Toronto: Champlain Society, 1955, pp. 60 ff.