Depot Harbour: the Rise and Fall of an Ontario Grain Port

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Abstract

This thesis considers the creation, commercial success, decline, and abandonment of Depot Harbour, a major grain port in Ontario. I argue that the rapid, early success of the port beginning in 1898 was only possible with the confluence of economic globalization of grain markets, the expansion of the grain trade and transportation routes in Canada, and ownership invested in the port’s success. The transfer of ownership to a national railroad left Depot Harbour exposed to the negative ramifications of consolidation and nationalization of the railroad system of Canada, which led to its neglect and ultimate abandonment by 1945 despite the ongoing expansion of the grain trade. The development and operation of the port was an intrusion into the property and lives of the indigenous population of Parry Island and left a legacy that included property loss and changes in the economic base for that community.

Summary for Lay Audience

The production of wheat in the western region of Canada from the 1890s through the 1920s marked an important phase in the economic growth of the country. This wheat economy was possible because consumers in Europe suddenly began to import large volumes of grain. Transportation across the Great Lakes was a key component in the transportation of wheat from farm to market. This thesis examines why Depot Harbour, a major grain port in Ontario, was created, achieved early success in handling wheat exports, slowly declined, and was ultimately abandoned. This thesis assesses how a global economy that was becoming more connected, changes in the port’s ownership, and developments in the country’s transportation system all influenced the historical trajectory of this port. This thesis also considers how the port intruded into the property and lives of the indigenous population of Parry Island and left a legacy that included dispossession of land and a major shift toward reliance on wage employment as an economic base.

Keywords

Grain trade, wheat economy, trade, Georgian Bay, Great Lakes, railroads, shipping, transportation, Ontario, Canada
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Introduction

While driving across the forested expanse of Parry Island today, not a single marker provides any clue of the existence of what was very briefly once one of the most significant ports in Ontario. Signs point a visitor to the fire station, band office, and other community institutions of the Wasauksing First Nation, but the only hint of the major railroad line that once led to bustling docks and homes is the aging wooden bridge where railroad tracks have been paved over with wooden planks. A visitor who happens upon the correct gravel road across the island may catch a glimpse of a concrete foundation overgrown with forest and arrive at an empty lot abutting crumbling docksides dotted with rusting steel bollards. The lack of memorialization belies the significance and scale of the port that once stood on these shores.

At the turn of the 20th century, a major port called Depot Harbour stood on that corner of Parry Island. As the interior plains and prairies of North America produced an ever-increasing stream of wheat for export, Depot Harbour transferred more of the harvested bounty eastward to European consumers than any other port in central Canada. Yet within 50 years of its creation, the grain port was out of business and its facilities stood in ruins. Its rise and fall were influenced by the interplay between its local position in eastern Georgian Bay; its relationship to the Canadian transportation network, first as a key railroad regional rail and port connection, then as the terminus of one of many branch lines under a national rail company; and international commodity markets.

Depot Harbour was created in the 1890s when J.R. Booth, an Ottawa timber magnate, extended the rail lines that served his timberlands to the shores of Georgian Bay and focused on attracting a share of the booming western grain trade. It offered the most direct Canadian connection between the Upper Great Lakes and ocean ports, and it quickly surpassed all other Ontario ports in the volume of grain it transshipped eastward. Booth invested in his port community and provided it with excellent infrastructure. It was poised to continue as the preeminent Ontario grain port. Yet when economic conditions forced Booth to sell his port in 1904, its new ownership, the Grand Trunk Railway, neglected it, despite the insufficiency of Canadian lake ports to handle the growing flow
of exported western wheat. Growth in the grain trade continued through the 1920s, but as the terminus of a far-flung branch line of the Grand Trunk, it continued its descent into antiquation. By the late 1920s, its ownership decided that the port was near the end of its usefulness and began to abandon it. The global economic downturn beginning in 1929 sealed this fate, and although Depot Harbour’s port operations held on through the 1930s, even the upturn in transportation activities catalyzed by the Second World War did not reverse its fortunes.

Depot Harbour arose during an unprecedented expansion in the global grain trade, and its final demise was influenced by downturn in trade that was part of the global Great Depression of the 1930s. However, between 1900 and 1930 the trajectory of Depot Harbour was shaped most significantly not by transnational, macroeconomic conditions in the grain trade, but rather by developments in the Canadian transportation system. These were, most notably, overconfidence in the economic future of Canada, which occurred during a period when the Canadian federal government was determined to extend the national transportation system in Canada. The assumption in the continual growth of the Canadian economy led to the federal government supporting multiple new transcontinental railways. This expansion led to the overbuilding of the Canadian railway system. In addition, the geographic arrangement of the overall Grand Trunk Railway system was not favorable to linking Depot Harbour to the rest of the company’s network upon its acquisition in 1904. These factors caused the Grand Trunk Railway and its successor, the Canadian National Railway, to underinvest and de-prioritize port operations at Depot Harbour despite the overall growing need for grain shipping infrastructure on the Great Lakes in Ontario.

Upon the acquisition of Depot Harbour, the Grand Trunk already owned and operated other grain ports on Georgian Bay that were better connected to its trunk line in southern Ontario; therefore, despite Depot Harbour’s more direct connection to Montreal, the railway company invested in modernization and expansion at other ports (specifically Midland) while allowing Depot Harbour’s facilities to stagnate. When ownership and management of Depot Harbour passed from the Grand Trunk to the nationalized Canadian National Railway (CNR) system in the early 1920s, the inferior facilities at
Depot Harbour meant that it was poorly positioned to compete with other ports. Because the entire Canadian railroad system had been overbuilt in the early 20th century, the CNR needed to consolidate operations, and Depot Harbour became a logical place at which port operations could be reduced and eventually abandoned.

Thus, understanding the historical trajectory of the port requires an examination of both the effects of economic globalization and events within the boundaries of the Canadian nation-state. The transnational rise of the grain trade provided the need for expanded transportation facilities on the Great Lakes. Yet ownership decisions shaped by conditions specific to the transportation system of Canada were a key aspect in the economic degeneration of Depot Harbour. This thesis seeks to reintegrate the place of the nation into the history of Depot Harbour as a necessary complement to the role played by the forces of globalization operating at a transnational scale.

Over the last three decades, transnational histories favoring the use of methodologies that look beyond the nation-state and instead focus on international and global networks and phenomena have become widespread. Dissatisfaction with historiographies focused upon and constrained by national boundaries has driven this turn away from the utilization of the nation as the central unit of analysis.1 In Canada, this shift has helped improve upon the myopia and limitations of nationalistic histories, but a complete turn away from the nation also presents limitations. In this thesis, the history of Depot Harbour demonstrates the importance of bridging history at the national level with developments in transnational trade.

From the 1920s, the writing of history in English Canada was articulated as a distinctly national project, intended to create a written history that elevated Canada as a “civilized” country superior and distinct from the non-European and indigenous North American worlds. In Canada, historians focused on using history to promote an idealized nation where the “great” English and French races lived in harmony. Emphasis on the

1 Karen Dubinsky, Adele Perry, and Henry Yu, Within and without the Nation: Canadian History as Transnational History (Toronto: University of Toronto Press, 2015), 8–9.
emergence of a strong, modern nation from a disparate collection of colonies was important in this approach to history as Canada sought to map a new, more equal position for itself within the British Commonwealth. The nationalistic approach to history thus focused on national governments and high-level politics bounded within the nation. It therefore often failed to connect and contextualize developments within a single nation to phenomena occurring at the global level.

Since the 1990s, practitioners of “transnational” history have worked to revise the ongoing hold of the nation across a variety of historiographies. They have sought to address the inadequacies of histories rooted in the nation-state and instead employ alternatives that use generally larger units of analysis to better understand the effects of global migration, new technologies of communication and transportation, and the intensification of networks that transcend national borders. These issues are of significant relevance to economic historians, and they have employed this framework toward the era of global integration between 1870 and 1914 and the term of deglobalization that followed, from the outbreak of the First World War to 1945. In the period up to 1914, reductions in transportation costs triggered mass immigration and the production and export of primary commodities. From 1914 onward to the conclusion of the Second World War, global trade shrank, and many nations retreated to nationalism. Transnational approaches to these historical events have proven to be a useful framework in explaining a world of increased mobility of people, products, and capital.

However, the abandonment of “methodological nationalism” - wherein the nation, state, or society is the natural social and political form of the modern world and the default framework for analysis – in favor of transnational approaches risks a complete shift toward “methodological ‘fluidism,’” where everything is equally and immediately

\[\text{\textsuperscript{2}} \textit{Ibid.}, 5\textendash}7.\]

\[\text{\textsuperscript{3}} \textit{Ibid.}, 8\textendash}9.\]

\[\text{\textsuperscript{4}} \text{Paul Collier, David Dollar, and World Bank, } \textit{Globalization, Growth, and Poverty: Building an Inclusive World Economy} (Washington, DC; New York, N.Y; World Bank, 2002), 23\textendash}27.\]
interconnected and the political boundaries of the nation-state are of minimal importance. In studying Depot Harbour, applying the methodological framework of a fluid, transnationally globalizing early 20th century world would mean looking solely to macroscopic developments in international trade to explain the port’s historical trajectory. However, the history of the port demonstrates that this approach is insufficient. Depot Harbour was created largely in response to developments in the international commodity market and grew to prominence as the grain trade increased. Yet its decline began while the grain trade continued to flourish, and the decision to abandon the port was made while Great Lakes shipping grew, and grain exports continued to swell. Developments entirely within Canada, shaped by a politics of nationalism that ran alongside but counter to interconnected commerce with the United States, were responsible for these divergences. The concrete geographical location of the port shaped its development as much as unbounded, international commodity flows. As a case study, Depot Harbour thus demonstrates that the analysis at the level of the nation-state should be combined with analysis at the global and transnational level.

**Literature Review**

Historians have long recognized the importance of transportation systems and commodity exports in the economic development of Canada. The grain export boom of the early 20th century was an important driver of western development and nationwide economic growth. The existing body of scholarship establishes the significance of the wheat staples economy in early 20th century Canada and the role played by the transportation route across the Great Lakes in allowing this wheat economy to flourish. The factors of economy, transportation, and geography are vital to the story of Depot Harbour because they describe the macroeconomic context in which it was created, developed, declined, and disappeared.

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Many schools of historical thought that deal with economy, transportation, and
geography inform my methodology and interpretation in this thesis. I present an overview
of the general trajectory of Canadian economic history in order to discuss how the topics
of Great Lakes shipping, wheat, and Depot Harbour were developed. In presenting this
record of Canadian economic history, I demonstrate how the insights and omissions of
multiple historiographical schools since the 1920s inform this thesis and the argument
presented herein.

Even as recent historians have moved toward employing transnational and global
perspectives, I find utility in beginning with a much older Canadian literature rooted in
the geography and natural resources of northern North America. This literature, situated
at the intersection of export products and geography, was first developed in the
“Laurentian School” of the 1920s. The Laurentian School, and the closely related “staples
thesis,” provide the foundational historiographical argument for the importance of the
Great Lakes water route as key to the development of the Canadian economy. The
importance of this lake export route is central to my thesis, and the Laurentian School and
staples thesis have remained influential in Canadian economic history to the present day;
thus, they provide the starting point for the historiographical context of this study.

The Laurentian school was developed beginning in the 1920s by Harold Innis in
the notable works A History of the Canadian Pacific Railway (1923) and The Fur Trade
in Canada (1930). Innis studies these major Canadian economic enterprises and argues
that they were basically extensive systems of continent-wide communications, albeit
based in the movement of valuable goods. These arguments laid the groundwork for the
later work of D.G. Creighton, who most explicitly articulates this interpretation of
Canadian history. Creighton’s works Commercial Empire of the St. Lawrence (1938) and
Dominion of the North (1944) were particularly seminal explorations of the
communications argument. This approach rests on the idea that the St. Lawrence water
route and its tributary connections across North America became the basis of an
extensive communication and transportation system around which the nation of Canada took shape.\textsuperscript{6}

The Laurentian argument states that since the St. Lawrence watershed lies on an east-west orientation from the Atlantic Ocean into the continental interior, it provides a significant geographic influence on the development of Canadian commerce. This Laurentian approach differs from earlier Canadian historiographical schools. The first of these earlier schools was the Britannic School, which argues that the development of Canada as a separate nation in North America was due to the political and cultural influence of British institutions which saw Canada as a constituent member of a broader Britannic community. This Britannic viewpoint was closely followed by the Nationhood school, which focuses on the gradual development of Canadian autonomy from British control through political action of nationalist-minded political figures and movements that sought to remove Canada from the tangled web of imperialist world politics.\textsuperscript{7} These schools focus on the political development of Canada and do not posit that North American geography played a central role in Canadian history. Unlike these approaches based on political history and cultural ties, the Laurentian School presents a natural justification for a Canadian nation united from East to West.\textsuperscript{8} The expansion of central Canada’s access to western markets and goods across a geographically advantageous corridor was a key driver of Depot Harbour’s creation and economic success, thus the Laurentian school’s focus on the importance of natural geography for a unified Canada provides a historiographical foundation to connect the particular site of Depot Harbour to the national development of Canada.

\textsuperscript{6} J.M.S. Careless, “Frontierism, Metropolitanism, and Canadian History,” in \textit{Approaches to Canadian History}, vol. 1, Canadian Historical Readings (University of Toronto Press, 1967), 76.

\textsuperscript{7} Examples of the Britannic School include \textit{The History of Canada} by William Kingsford (10 volumes, Toronto, 1887-98), \textit{How Canada was Held for the Empire: the Story of the War of 1812} by James Hannay (Toronto, 1905). Other authors of this school include Sir George Parkin, J.C. Dent, A.G. Bradley, and Archibald MacMechan. Examples of the Nationhood school include \textit{Empire and Commonwealth} by Chester Martin (Oxford, 1929) and \textit{Canadian Federation} by R.G. Trotter (Toronto, 1924); other authors include Adam Shortt, William Smith, G.E. Wilson, D.C. Harvey, Chester New, and G.M. Wrong.

\textsuperscript{8} Careless, “Frontierism, Metropolitanism, and Canadian History,” 64–78.
The Laurentian school argues that the waterways of Canada were not only important for connecting the continental interior to coastal regions, but they also provide a route that allowed British imperial influence to penetrate from across the Atlantic to areas far within North America. Its proponents argue that the waterway connections reaching into the middle of the continent linked the west to the metropolitan centers of the St. Lawrence valley, but the connections did not stop at the edge of the Atlantic. Instead, they reached across the ocean to British markets and finance, joining Canada to Britain. The school argues that due to these connections, the Canadian frontier of the interior was more closely connected to Europe than the American mid-western frontier, which developed more independently behind the barrier of the Appalachian Mountains. Ideas and immigrants were directly transferred into the heart of the continent. The Laurentian perspective thus implies that Canadian development was, if not precisely global in nature, molded by overseas imperial influences, particularly transnational flows of finance, culture, and migration. It informs how the transportation route between Georgian Bay and Montreal, as an improvement to the natural route provided by the Laurentian watershed, was tied to the trans-Atlantic movement of grain from the western Canadian colonial frontier to the British imperial center.

This school also tends to examine Canadian history from the perspective of developing metropolitan centres in eastern Canada. It studies the effects of these hubs of commerce and industry on the west. Included in this approach was the idea that businessmen and conservative political elements based in eastern cities acted as agents of national expansion. These entities organized the economic development of western regions, growth that was predicated on the export of staple products such as timber and wheat. These exports trades required bulky commodities to be transported over long distances. Harold Innis argues that the complex system of trade and transportation across North America was managed and directed from the urban centres of central Canada. In

9 Ibid., 77–78.
the case of Depot Harbour, it was precisely an Ottawa-based businessman (J.R. Booth) who organized the construction and operation of the grain port.

Innis’s argument also links the Laurentian school to the staple thesis in Canadian history by positing that the staples export economy was only feasible because of the transportation system provided by the St. Lawrence watershed.\textsuperscript{10} The staples thesis postulates that the export of natural resources and agricultural products underlay successive waves of economic development in Canada, beginning with the exploitation of cod fisheries in the 15\textsuperscript{th} century and continuing to and through the period of the western wheat boom of the late 19\textsuperscript{th} and early 20\textsuperscript{th} centuries. The staples thesis was founded by the work of Harold Innis and W.A. Mackintosh in the 1920s. The staples thesis and Laurentian school overlap in their argument about the development of the Canadian economy, but while the Laurentian school focuses on the natural geography of the northern North American interior, the staples thesis focuses on the primary export products that were harvested and exported from regions across the St. Lawrence watershed. Innis and Mackintosh established the staples theory in works that include *The Fur Trade in Canada* (1930) and *The Cod Fisheries: The History of an International Economy* (1940); and "Economic Factors in Canadian History" and “Some Aspects of a Pioneer Economy,” respectively.\textsuperscript{11} They argue that the export of staple products was the leading sector in the economy and set the pace for economic growth. As a result, these historians argue that the individual staple left its particular imprint across the economy and society of Canada, and that economic growth was only sustained if an excessive reliance on a small number of export staples was avoided.\textsuperscript{12} While the staples thesis

\textsuperscript{10} Ibid., 78.


focuses thus on the ramifications of an economy based on the export of natural resources of agricultural products, it is tied to the Laurentian thesis due to the transportation routes that carried these resources to overseas markets.

While cod were harvested directly from the waters of the North Atlantic, the staples that succeeded it – such as furs, timber, and wheat – were located on the North American mainland and required transportation from their site of production to coastal ports where they could be shipped to European markets. Wheat in the early 20th century faced the longest transportation route from field to market, since it was grown in the land-locked western plains of Canada and thus required transportation over thousands of miles to ocean ports. In the early 1920s, W.A. Mackintosh wrote that presence of markets for the disposal of staple products determined the course of economic development in North America, stating “the staple itself is the basis of prosperity.”\textsuperscript{13} He argues that the quality of transportation systems and routes determined the location and extent of significant economic development in North America.

Canadian westward expansion was stifled by the barrier of the Laurentian highlands which blocked access between the western end of the Great Lakes and the western Canadian prairies. This frustration of western Canadian development provided the background for the construction of the Canadian Pacific Railway (CPR) and emphasized the need for Canadian transportation routes to be constructed and operated at a transcontinental scale. Mackintosh argues that the railway’s connection between Lake Superior and Winnipeg was its most essential addition to the Canadian transportation system because it extended access from the St. Lawrence waterway into new country capable of rapid economic expansion. The improved transportation facilities overcame the physical barrier of the Laurentian highlands and facilitated the production of wheat in western Canada to serve as a staple export on the world stage. The successful development of the wheat staple economy in the west facilitated the growth of Canada, as

\textsuperscript{13} Mackintosh, “Economic Factors in Canadian History,” 3.
illustrated by Mackintosh’s argument that it “permitted the initial step of the Canadian advance in the twentieth [century]” through its export to world markets.  

Donald Creighton expanded this approach in the late 1930s. His work The Commercial Empire of the St. Lawrence (1938) contends that in the century following the conquest of New France in 1763, Canadian merchants struggled to win a territorial empire encompassing the St. Lawrence River, the Great Lakes, and their watershed and hinterlands. Although Creighton argued that ultimately this endeavor was defeated by 1850, his work further established the centrality of the St. Lawrence transportation system as key to the Canadian economy.

The 1930s also featured two works of economic history that assert the importance of lakes shipping for the wheat staple economy. Mary Quayle Innis’s An Economic History of Canada (1935) briefly states that the main Canadian transportation route eastward from Fort William was via lake freighter to ports on Lake Huron and Georgian Bay, where it was transferred to trains for export via Montreal. More details are provided by A History of Transportation in Canada (1938) by G.P. deT. Glazebrook.

Glazebrook devotes a chapter to modern waterways in Canada, in which he is primarily concerned with the development of canals, especially the Welland Canal between Lake Erie and Lake Ontario,’ and upon the St. Lawrence River. He agrees with the Laurentian school in framing the development of these canals as attempts by businessmen and nationalist politicians in central Canada to capture trade originating in the country that bordered the upper Great Lakes. Despite his focus on canal systems, he also mentions Georgian Bay. It was a component of the proposed canal systems, one of which would have linked the Ottawa River, Lake Nipissing, and the French River; the other linked the bay to Toronto and Lake Ontario. Both canals could have created a shortened, all-Canadian route from the upper lakes to Montreal, but were never

14 Ibid., 14.
constructed. Nonetheless, their proposal speaks to the geographic advantageousness of a transportation route through Georgian Bay.

Glazebrook also includes the role of Georgian Bay ports in Canadian commodity conveyance. The Canadian inland merchant marine depended on the transport of bulk freight from west to east, which after the development of the Canadian west as a wheat growing area in the late 1890s came primarily in the form of grain carried from Fort William. Glazebrook describes the routes travelled by east-bound wheat over the lakes and included the amounts received by Georgian Bay ports. He states that the aims of Canadian shipping interests were to secure as much traffic as possible for Canadian vessels and to secure as much business as possible for Canadian ports. Glazebrook also advocates that railroads, overall, increased lake shipping traffic by increasing the flow of commodities to upper lakes ports. Glazebrook thus establishes that Canadian shipping interests on the Great Lakes specifically targeted western wheat exports as a major stream of commerce that should be moved through Canadian channels, connecting the development of the Canadian Great Lakes fleet directly to the wheat economy.15

By the end of the first half of the 20th century, the staples thesis and Laurentian school placed natural geographic features and export products as central influences on the development of Canada. This body of scholarship recognizes that overseas markets were required for the success of an export staples-driven economy, and identifies the vital role played by effective transportation systems in linking the region of staple production and international markets. The historians who founded and crystallized these concepts aimed to demonstrate how it was geographic features, natural resources, and international economic markets that served as key influences in the trajectory of the Canadian nation, not British political institutions or Anglo-Saxon cultural traits. Still, the Laurentian school and staples thesis aim to explain the evolution of Canada as a unified country. They employ the Canadian nation-state as their frame of reference and focus on the way

15 *The Canadian Grain Trade* by Duncan Alexander MacGibbon (Toronto: Macmillan, 1932) is another pre-WWII history that approaches the issue of Great Lakes shipping with the same focus on its important role in grain transportation.
in which geographic features and staple exports influenced the trajectory of the entire nation. In early 20th century Canada, wheat was the staple export and its shipment over the Great Lakes was an essential geographic route for its export.

The staples thesis remained the dominant framework for Canadian economic historians into the 1960s. For the wheat economy specifically, *The National Policy and the Wheat Economy* by Vernon C. Fowke (1957) focuses, for the period up to 1930, on the relationship between the national policy and the development of the wheat economy in western Canada. Formally defined, the National Policy was a policy of tariff protection instituted by the Conservative government in 1879. The term “national policy” in informal use collectively refers to the combination of tariff, railway, land and immigration policies developed over the years after Confederation. Fowke’s work retains the perspective focusing on how central Canadian merchants were able to realize a profitable, expanding agricultural frontier in the west with the aid of a transcontinental line that was built with significant government support and which ensured Canadian economic sovereignty in the west. Like Creighton, Fowke discusses the importance of the St. Lawrence-Great Lakes water transportation route in the period up to 1850, but largely omits the role that lake routes played in the successful agricultural development of the west at the turn of the 20th century. Fowke argues that by providing the infrastructure to allow for an east-west axis of trade connecting the Canadian West to Ontario and Quebec, the national policy set the necessary conditions that allowed for the boom of the prairie region. Because the national policy focused on the construction of an all-Canadian transcontinental railroad, his argument focuses on the role of the railroad, not the lakes shipping route. Fowke’s work is an example of how Canadian historians have often focused on the role played by railroads in explaining the western wheat economy, at the expense of lakes shipping.

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Beginning in the late 1960s, Canadian historians began to turn away from an emphasis on the trajectory of a unified Canada that evolved from a set of colonies into a modern nation-state. They instead argued that rather than trying to amalgamate the myriad geographic regions, ethnic groups, and socioeconomic classes across northern North America into an artificially constructed, singular national narrative, it was more appropriate to explain experiences and identities across Canada by employing an approach of “limited identities” based on class, ethnicity, and region.17 The major regions into which the country was divided were the Atlantic region, consisting of the four Maritime provinces; the Quebec region; the Ontario region; the Plains West, consisting of the region from Manitoba to the Rocky Mountains; and the Far West, consisting of the Pacific Coast and the interior mountain valleys.18 Each region had its own distinct regional identity, and historians across the country began to produce regional histories.19

Because the wheat economy was centered in the Plains West, it was covered most extensively in histories of that region. Regional histories are by their nature delimited by boundaries. These boundaries are consciously created to serve a specific image, which in the case of the Canadian Prairie West was one of fertile farmland meant to garner immigration and settlement. The topography of this region became popularly received as “absolutely flat, absolutely treeless, absolutely boring.”20 Western regional histories were thus focused on developments within the flat, western plains. The Great Lakes and its rocky, forested shores fell outside this definition of the western region, thus they were not

18 Careless, “Frontierism, Metropolitanism, and Canadian History,” 75–89.
19 Canadian regional histories from beyond the central Canadian perspective were written before the aforementioned turn in the late 1960s, a good example is W. L. Morton, *Manitoba: A History* (Toronto: University of Toronto Press, 1957). However, beginning with the 1960s the dominant framework that placed Ontario and Quebec in the central role in Canadian history and treated the outlying areas of the country as hinterlands to be shaped by central Canada began to lose its hold.
centrally featured in regionally-focused histories of the wheat staples economy. One result of these regional boundaries is that historians of western Canada have examined how displacement and attempted annihilation of indigenous peoples was a prerequisite to the creation of the wheat economy, but historians of Ontario have ignored how this process played out around the Great Lakes. James Daschuk’s *Clearing the Plains: Disease, Politics of Starvation, and the Loss of Aboriginal Life* (2013) argues how state-supported policies of starvation and insufficient government responses to outbreaks of infectious disease were used as tools to control indigenous nations in the West. In contrast, no comparable study of indigenous displacement on the Canadian shores of the Great Lakes in the late 19th century has been conducted by historians of Ontario. Thus, the existing historiography has failed to link developments in western Canada to those in the Great Lakes region, even though processes of indigenous displacement driven by the wheat economy occurred in both regions.

Regarding the economics of the wheat trade, regional limits in historiographical approaches do not mean that western histories are ignorant of technological and economic developments that transcended intranational and international boundaries to affect the West, but such histories avoid depth of detail regarding developments across the Great Lakes. One of the canonical works of western history, Gerald Friesen’s *The Canadian Prairies* (1984), demonstrates how the transportation of wheat across the Laurentian watershed was omitted from detailed description in a western regional history. Friesen links the development of a successful wheat economy to the rise of bread as a staple food in the industrial nations of the North Atlantic World and understood the importance of the transportation route connecting agricultural production to consumers. However, he limits his description of the transportation of wheat beyond Lake Superior to the following: “Most prairie grain before 1930 travelled by lake freighter from the Thunder Bay ports to terminals on the lower Great Lakes - on Georgian Bay and at Buffalo and Port Colborne - where, once again, trans-shipment to rail cars for the final
voyage took place.”21 Thus, since the Great Lakes lie outside of the geographic limits of the Canadian Prairie West, western histories omit the lakes transportation system as a major topic of study.

However, the Canadian shores of the Great Lakes are situated entirely within the geographic boundaries of Ontario. Yet Ontario regional histories have not significantly studied transportation through eastern Georgian Bay either. There are two major reasons for the gap in Ontario historical scholarship regarding eastern Georgian Bay. One is geographic, the other thematic. First, as a geographic area, the eastern and northern shores of Georgian Bay fall into, or at least lie on the margin of, the vast region of sub-Arctic Canada that is deemed “the forgotten North” by Kenneth Coates and William R. Morrison.22 They argue that the vast sub-arctic fringe region that comprises the northern portion of the provinces and makes up over a third of Canada’s land mass was ignored by Canadians, while the territorial, Arctic North above the 60th parallel was an object of fascination in the Canadian national imagination. While the region defied an easy description, its southern border is placed around the 45th parallel in Ontario, which is slightly to the south of Parry Island.23 Eastern Georgian Bay thus occupies a fuzzy boundary space between southern Ontario, with its urban centres and rich farmland, and the provincial North, whose development is characterized by isolated pockets of natural resource exploitation. Studies of northern economic development tend to focus further north on agriculture and natural resources, covering topics such as the failure of agricultural colonization in Ontario’s clay belt near Timmins, the economic history of northwestern Ontario, the impact of hydroelectric projects in the northeast, the steel


23 Ibid., 14.
industry in Sault Ste. Marie, and history of northern mining communities.\textsuperscript{24} Eastern coastal Georgian Bay lacks mineral resources and contains only sparse pockets of arable land, and although its lands are heavily forested, its timber resources pale in comparison to those located away from the coast.\textsuperscript{25} These features, in combination with its location on the southern margin of the provincial north, have kept eastern Georgian Bay from featuring heavily in economic histories of northern Ontario.

Still, Coates and Morrison provide a useful conceptual foundation for examining Depot Harbour. They argue that provincial norths across Canada experienced “internal colonialism” wherein Canadians from the provincial souths “discover” and exploit the northern regions for their natural resources, damaging the environment and First Nation societies. This perspective frames how Canadian capitalists in urban centers viewed eastern Georgian Bay in the late 19\textsuperscript{th} century as an undeveloped resource frontier ready for exploitation.

Histories focused on the Great Lakes also often ignore Georgian Bay and its connections across the entire watershed. The bay’s surface area is comparable to that of


\textsuperscript{25} Claire Elizabeth Campbell, \textit{Shaped by the West Wind: Nature and History in Georgian Bay}. (Vancouver: UBC Press, 2005), 82.
Lake Ontario and it is largely separated from the main body of Lake Huron by the Bruce Peninsula and Manitoulin Island, arguably making it a “sixth great lake.” However, if considered as a separate lake, it is the only great lake entirely within Canada. The historiography of the Great Lakes until recently was characterized by American and Canadian historians working within the political boundaries of their own country, and a preponderance of literature on Great Lakes shipping was produced by Americans. They largely ignored Canadian developments on the lakes or provided only superficial reference to them, thus leaving out the importance of the Georgian Bay route.

Meanwhile, the location of eastern Georgian Bay on the margin of southern Ontario and its provincial north contributed to the lack of Canadian histories that focused on the region. As historian C.E. Campbell wrote in 2005, the eastern region of the Bay “has been a significant cultural, economic, and political resource in modern Canada but has never really been studied, apart from a few popular histories.” Campbell’s work stands out as the major modern history specifically focused on Georgian Bay. She discusses how railways pulled previously-remote Georgian Bay firmly into the orbit of urban Canada and the modern industrial age, specifically mentioning how J.R. Booth’s railway realized an east-west connection from Montreal to the bay that shortened transportation across the continent. Her work demonstrated the importance of Georgian Bay to the history of Canada and contextualized the process of urban interests entering the area and exploiting its natural resources as a part of a broader trend that occurred across North America in the late 19th century.

Still, the history of modern transportation and industry in eastern Georgian Bay clashes with the public perception of the area as pristine back country. Popular and

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26 James P Barry, *Georgian Bay / the Sixth Great Lake*. (Toronto, Ont.: Clarke, Irwin & Co. Limited, 1968). Barry’s work was the first significant history of Georgian Bay.


28 Ibid., 70.
academic histories represented Georgian Bay in the period from New France to the War of 1812 as a grand stage upon which the drama of imperial conflict and continental expansion occurred, but in the mass consciousness of Canadians it remained frozen in time as a pre-modern wilderness. This perception was enhanced in depictions of the region as untouched hinterland by the Group of Seven painters in the early 20th century. The tourist industry also promoted it as a colonial frontier. Like the American Frontier, the region remained a link to a glorified national past, but whereas the American Frontier was deemed closed in 1893, Georgian Bay remained an untouched outback.29 This perception has lasted from the first large wave of tourist activity in the 1890s to the present day, which has kept the development of modern industry and transportation in the area from being a major subject of popular interest.

The second cause for the gap in scholarship regarding the relationship of Georgian Bay grain ports to the economic development of Canada was the intellectual revolution that began to alter the writing of history in Canada in the late 1960s and was in full effect by the mid-1980s. The aforementioned turn to a history of “limited identities” in Canada occurred as part of a drastic change in historical writing toward histories written from the perspective of individuals and groups who were not part of the political and economic elite.30 The new social history approached economic history from the perspective of the working class, first in the form of labor unions and industrial relations, then in a more holistic mode that considered the cultural backgrounds and social relations.31 The paradigm shift away from historical writing focused on the role of political economy in the unified, national development of Canada meant that the question of how central Canadian capitalists worked to develop and control the western wheat


economy – a line of inquiry that included the transportation routes that allowed them to do so – fell away from being a major topic of scholarship in the field of history, as historians focused on social history topics.

The turn to social history meant fewer historians focused on traditional economic history questions in Canada, such as the development of the wheat economy. Economists and methods from the field of economics began to significantly influence Canadian economic history. The field became heavily influenced by cliometrics, which is the use of economic theory and quantitative measurement. In The Journal of Economic History approximately 12% of articles in 1965 employed a cliometrics approach, but by the 1980s over 80% did.\(^3^2\) Donald Chambers and Donald Gordon’s 1966 Journal of Political Economy paper, “Primary Products and Economic Growth: An Empirical Measurement,” marks the turning point in Canadian economic history by using formal theory and statistical methods to measure the contribution of the “wheat boom” of 1896-1914 to Canadian economic growth.

Since the cliometrics shift occurred, the wheat boom and the staple theory continued to engage economic historians. The development of new approaches and questions advanced the understanding of historical Canadian economic development by providing quantitative analyses of economic expansion and connecting historical events to economic theory. However, major works in this field remained geographically focused on developments in the Canadian West and thematically focused on explaining the causes of the boom. Frank D. Lewis’s “Farm Settlement on the Canadian Prairies, 1898 to 1911” (1981) focuses on transport costs but its examination was limited to the cost of rail transportation from the prairie provinces to Fort William and the cost of bringing the wheat crop by wagon to a rail shipping point.\(^3^3\) “The Origins of the Canadian Wheat

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Boom, 1880–1910” by Tony Ward (1994) focuses on the technological improvements that allowed western farmers to extend the growing season, and its limited discussion of transport costs focused exclusively on railways in the west. Thus while the cliometrics approach offered new tools for the economic historian, it was not directly applied to the lakes transportation system.

The history of Canadian transportation has continued to be a major topic of scholarship since the 1960s, but works have tended to focus on railroads. Major topics include the role of the Dominion Government in construction of the Canadian Pacific Railway and the construction and operation of the Grand Trunk Railway. In contrast, Canadian Great Lakes shipping in the early 20th century was absent from Canadian historiography between the 1960s and the late 1990s. The three standard Canadian economic textbooks written in that period barely note developments in the early 20th century for Canadian Great Lakes shipowners, and more specialized texts are little better. Progress without Planning: The Economic History of Toronto from Confederation to the Second World War by Ian Drummond (1987) only notes the increase in tonnage and growth in financing without providing many details, whereas The Sault Ste. Marie Canal: A Chapter in the History of Great Lakes Transport understands the importance of western Canadian grain as a factor in the growth of the Canadian lakes shipping, but it focuses on the history of the Canadian canal at Sault Ste. Marie. Five

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*Centuries of Canadian Business* by Michael Bliss (1987) and *A Concise History of Business in Canada* (1994) both fail to mention investment or growth in Canadian Great Lakes shipping in the early 20th century.

In 1998, M. Stephen Salmon provided an important expansion to the historiography of Canadian lakes shipping with his work "‘A Prosperous Season’: Investment in Canadian Great Lakes Shipping, 1900-1914.” This work of business history analyzes the expansion of Canadian shipping firms by focusing on four Canadian bulk carrying companies to demonstrate that the opening of the west and the concurrent growth of the grain trade were the primary causes for the creation of a modern Canadian Great Lakes fleet. He connected the need for central Canadian capitalists to maintain a hold on their western hinterland through the expansion of the inland merchant marine as an essential link in Canadian control of the western grain trade. Salmon followed with his 2005 article "‘This Remarkable Growth’: Investment in Canadian Great Lakes Shipping, 1900-1959." Here, he follows the trajectory of three Canadian Great Lakes shipping companies (Canada Steamship Lines, Paterson Steamships Limited, and the Quebec and Ontario Transportation Company) and traced how the Canadian inland merchant marine grew from a marginal existence on the fringes of the American grain export business to a central position in the Canadian economy. Salmon argues that the Canadian fleet experienced three major periods of sustained growth interrupted by two world wars and the Great Depression, and that the first two periods (up to 1929) were driven primarily by the grain trade. Salmon’s work remains the most focused study of Canadian Great Lakes shipping. My thesis relies on his scholarship for the most direct explanation and analysis.

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of the overall landscape of the Canadian lakes merchant fleet in the late 19th and early 20th centuries.

In the same period when Salmon was writing (the late 1990s), historians began to produce transnational and global histories that better situate Canadian Great Lakes shipping and grain ports as part of a Great Lakes economic region that transcended an international political border. These histories describe a late 19th to early 20th century world whose commodity markets and transportation networks were ever more interconnected. They look beyond developments within individual nation-states and instead focus on forces and developments that acted at both smaller scales (such as regions) and larger scales (such as the entire globe).

Since the mid-1990s, historians have increasingly questioned the primacy of the nation-state as the primary unit of scholarly analysis. A range of alternatives were proposed, from comparative history and connective history to ocean history and its subsets, Atlantic and Pacific history. The term “transnational” came to most often represent this historiographical shift. For the Great Lakes region, the first major work employing a transnational approach came in 2005 with Permeable Border: the Great Lakes Basin as Transnational Region, 1650-1990, which concurrently traced the connections between Canadian and American economic development, examined the meaning of the border, and followed the cross-border movements of goods. This work focuses on the Great Lakes region as having a permeable and malleable international

40 Dubinsky, Perry, and Yu, Within and without the Nation: Canadian History as Transnational History, 8–9.
boundary across which people, products, and capital moved to lesser and greater extents based on “a bundle of contingencies presenting both opportunities and constraints.” The book represents an innovation in Great Lakes histories by approaching the region as an area whose economic ties transcended the international political boundary. However, specifically on the topic of lakes shipping, it continues to maintain a periodization which states that waterborne transport was most important and developed, in the form of both American and Canadian canal systems during the early 19th century, whereas by the latter part of the century “railroads progressively transformed the lakes into large, watery obstacles deterring Canadian-American intercourse.” This perspective discounts the volume of traffic carried between Canada and the United States via lakes shipping and instead posits that the lakes mainly served to obstruct commerce rather than aid it.

Other transnational histories use units of analysis larger than the region and comparatively examine late 19th and early 20th century Canada with other settler economies. James Belich’s *Replenishing the Earth: the Settler Revolution and the Rise of the Anglo-World, 1783 – 1939* (2011) contextualizes the “boom” of the western Canadian wheat economy as one of the last and largest manifestations of “explosive” colonization by Anglophone settlers, a phenomenon of the 19th century that left Anglophones as the wealthiest and most powerful peoples on earth by 1900. Belich argues that a “boom mentality” aligned with Canadian efforts to boost colonization and increased Canadian influence in attracting British investment in the Canadian west. Belich advocates for this explanation rather than the traditionally ascribed causes of westward railroad expansion, improvements in wheat farming and processing, and the filling-up of available American land. He also argues that the main economic activity of the boom period of

42 Ibid., 180.
43 Ibid., 50.
1896-1914 was growth itself, contending that the creation of rails, roads, towns, houses, fences, and farm buildings was the major employer in the prairies and driver in growth per capita while wheat exports were not yet massive (they averaged about $40 million per year, compared to $300 million in the period 1914-1929).46

By comparing the expansion of the Canadian west to other major periods of Anglophone settlement in the 19th and early 20th century, Belich demonstrates the connection of the Canadian colonization to a century of Anglophone land settlement across the globe. This process of land settlement was characterized by economic and settlement booms that preceded significant exports of the commodities traditionally associated with such booms. For example, he contends that although explosive growth in Western Australia between 1881 and 1911 was traditionally ascribed to gold, gold production did not reach significant levels until 1892 but the colony’s population doubled, imports and the number of bank branches tripled, and public debt and expenditure increased fourfold between 1882 and 1892. He applies this same approach to explaining the boom of western Canada by placing the production of wheat in a secondary position to the construction of infrastructure as a driver of economic growth in the period 1896-1914. His focus remains regional toward the Canadian West, aside from a passing mention that some foreign investment went into Northern Ontario and the Lakehead region and that those areas experienced rapid growth in this period.47

Nonetheless, his perspective provides an important foundation for this study. If growth driven by boosterism and free allotments of land from the Canadian government to private railroad companies led to rapid building of infrastructure in western Canada and thus economic growth, even before western wheat exports actually manifested on a significant scale, then such construction activities are an important facet in their own right. To fully develop this facet of Canadian economic history, it is a worthwhile

46 Ibid., 413–15.
47 Ibid., 412.
contribution to expand the examination of growth activities beyond the regional borders of the prairie west, in this case to the shores of Georgian Bay.

The transnational shift in historical scholarship was also evident in new studies of globalization which discussed the role that technology played in changing the arrangement and magnitude of trade in the 19\textsuperscript{th} century. Historians of globalization established that the application of the steam engine in ships and railroads was a key development in the modernization of transportation, which allowed for dramatically lower shipping costs and thus trade in bulk goods on an unprecedented scale. This argument was not new, but the phenomenon was examined in a comparative fashion that transcended political boundaries to demonstrate how the technologies facilitated imperial expansion, led to globally converged commodity prices, and complexified commodity chains in ways that concentrated value creation in leading industrial countries. Two major works that demonstrate this approach are Emily Rosenberg’s \textit{A World Connecting, 1870–1945} (2012) and Jurgen Osterhammel’s \textit{The Transformation of the World: A Global History of the Nineteenth Century} (English version, 2014). While Canadian historians dating back to Innis acknowledge the international nature of technological transformations and market forces, this new body of scholarship situates the Canadian experience within comparable historical developments across the world and establishes its place as a part of a major shift in global trade and economic interconnectivity in the late 19\textsuperscript{th} and early 20\textsuperscript{th} centuries. The transnational approach establishes the framework for connecting the local history of a Georgian Bay grain port to global developments in trade and technology.

However, the transnational approach can tend to focus on events and trends that transcended political boundaries at the expense of providing nation and state their due role. Historian Peter Vries suggests that scholars of history “try to allot state and nation their share, which would mean their highly important place in global history, and try to
incorporate them in more encompassing global stories.”48 The history of Depot Harbour requires an examination of events at the level of the state, thus reintegrating that unit of analysis into the relationship between a local port and the globalizing grain trade. Omitting the role of the state and events at the level of the nation-state leaves only a set of fluid transnational forces acting everywhere at the same time and intensity, when in reality the effect of those forces on Depot Harbour were moderated and altered by conditions specific to the Canadian political and economic context.

To provide an integrated understanding of the history of Depot Harbour through an integrated examination of forces operating on the local, regional, national, and global scale, this thesis draws on many historiographical approaches. They range from the Laurentian school and staples thesis of the 1920s to the current framework of transnational economic globalization. From the Laurentian school and staples thesis, this work incorporates the importance of the wheat staples economy in the early 20th century and the vital role played by the Great Lakes water transportation system in facilitating the transportation of that grain. This thesis is informed by the approach of regional histories concerning the grain trade and seeks to revise the regional focus of western histories by extending the wheat economy eastward to include the lakes transportation system. At the same time, it seeks to augment regional histories of Ontario by arguing that eastern Georgian Bay at the turn of the 20th century was an important transportation link across Canada, thus demonstrating that colonization of this “provincial north” was driven by the transportation of wheat in addition to mineral resources, local agriculture, and timber. The wheat trade brought disruption and change to the indigenous community of Parry Island. Finally, this thesis seeks to modify the recent shift wherein transnational globalizing forces have become the dominant unit of analysis in explaining economic developments, at the expense of the nation-state. Globalization of commodity markets and advancements in the transportation technology played an important role in creating

the conditions for the economic success of Depot Harbour, but its decline and abandonment can only be understood through circumstances specific to Canada.

**Organization of Thesis**

In Chapter One, I detail the period from the late 19th century up to 1904. I first present necessary background about Parry Island and eastern Georgian Bay, 19th century transformational changes in international commodity trading, and the role played by transportation in the national policy of Canada. I then examine John Rudolphus Booth, the Ottawa tycoon responsible for the creation of Depot Harbour and under whose management the port quickly rose to prominence. Finally, Chapter One analyzes the success of the port’s export route and the causes of its sale to the Grand Trunk Railway in 1904. I describe how forces operating at the local, national, and international level aligned to facilitate the port’s early commercial success. The growth of international trade in grain created a major stream of export grain from the North American interior. Nationalistic Canadians desired to control the exports routes for this flow of grain. The decision of J.R. Booth to construct Depot Harbour as a more direct export route from Georgian Bay to Montreal and provide the new port with modern facilities and the full support of its ownership was based on his private goal of expanding business activities. Yet it functionally realized the desire of nationalistic Canadians to control more of the western trade and was only made possible by the growth of the international wheat market.

Chapter Two focuses on the period 1904-1945. It argues that the Grand Trunk Railway’s management decisions to deprioritize Depot Harbour were driven by the preexisting orientation of its railroad network in Ontario, relative to which Depot Harbour was an out-of-the-way branch line. Western grain exports continued to expand, and the Canadian Great Lakes network of infrastructure remained insufficient to handle this stream of grain, but the Grand Trunk Railway invested in new port facilities at Midland, despite the Depot Harbour route still offering a faster connection to Montreal from the upper lakes. This decision was rooted in the fact that Midland offered a better connection to the railroad’s main trunk line in southern Ontario. I then analyze how financial pressures for the Grand Trunk Railway catalyzed its nationalization and
incorporation into the Canadian National Railway (CNR) system by the early 1920s. From its origin, the CNR faced pressures to consolidate its facilities, and the secondary position to which Depot Harbour had fallen while under Grand Trunk management meant that it was left with antiquated and undersized facilities. By 1928, the CNR had decided to close Depot Harbour as a grain port and began to move railroad operations elsewhere. These decisions were made even though the volume of grain moving over the Great Lakes increased until the end of the 1920s and overseas markets continued to expand. The upward trajectory of Great Lakes and international commerce became uncoupled from Depot Harbour.

Lastly in Chapter Two, I consider the period from 1929 to 1945, when the global economic system unraveled, and the grain trade collapsed. The significant decline of international trade left ships vacant and grain sitting stagnant in elevators. Neither the CNR nor the federal or provincial government was able to rebuild the direct rail line to Depot Harbour after its destruction by winter weather, and even though Great Lakes shipping increased again during the Second World War, the port was left completely inadequate and disconnected from the national transportation system. By the end of the war, the grain port was completely abandoned.

Having established historical trajectory of Depot Harbour in Chapters One and Two, in Chapter Three I turn to the indigenous population on Parry Island whose land was taken for the construction of the port and town. Examining the impact of the grain trade from this perspective expands upon the argument of Chapters One and Two in two important ways. First, it demonstrates that the economic forces of globalization and national development acted not on terra nullius but rather disrupted an existing human community. It localizes this history and roots it in a specific place, rather than assuming that these events could have occurred at any site around the world that happened to be located on a grain transportation route. Second, adding the perspective of the indigenous population illustrates how the development of Parry Island as a major transportation link for the grain trade was an episode of central Canadian urban and corporate interests colonizing the provincial north of Ontario without regard for its indigenous inhabitants. It demonstrates that the development of the Laurentian watershed as a key channel of
transportation in the early 20th century Canadian wheat economy was intertwined with intrusion, dispossession, and disruption of indigenous people who lived along the shores of eastern Georgian Bay.

The wheat economy relied not only on disruption to indigenous life in the western prairies but also along the Great Lakes. The reserve of the Wasauksing First Nation (or Parry Island Band, as it was termed in the 19th and early 20th century) occupied the entirety of Parry Island, and its citizenry worked in the port. The arrival of the grain trade to Parry Island accelerated the shift toward a wage-based economy that was more integrated with the economy of white Canadians. Whereas the arrival of the railroad to eastern Georgian Bay brought improvement to the Canadian transportation system and an economic foundation for a new settler town, its impact on the indigenous population was one of land appropriation, increases in crime, and greater vulnerability to the volatility of the global economy. I also describe how the Canadian National Railway continued to impact indigenous life on Parry Island long past the disappearance of the grain port.
Regional Ownership and Success as a Grain Port: The Early Years of Depot Harbour

During the decade following 1895, Parry Island transformed from a remote corner of Ontario to an essential link between North America and overseas markets in the grain trade. For the first time, technological advances in transportation allowed for bulk commodities like grain to be exported on a large scale intercontinentally. The consequent expansion of the grain trade from the North American interior to European consumers required transportation routes to move grain eastward across the Great Lakes Basin. The prominent Ottawa Valley lumber baron J.R. Booth saw an opportunity to profit by connecting his railroads used for hauling timber to the western grain trade.

Within the first five years of its creation, the new port of Depot Harbour became the busiest grain transshipment port in Ontario. It offered an all-Canadian export route eastward from the burgeoning Canadian West. The significant role that the port played in the export trade garnered attention from the Canadian government. Its route featured centrally in parliamentary debates and public discourse regarding the future of transportation across Canada. Recognition of its importance was not bounded by the borders of Canada. American railroad owners looking to extend control of transportation systems westward and northward into Canada recognized the value of Depot Harbour.

The early success of Depot Harbour was due to several factors including the management focus of J.R. Booth and an expanding international demand for grain exports from the North American interior plains. It took place during a period of expansion of Canadian transportation infrastructure that was buoyed by overall optimism in the limitless potential of Canada. This spirit of national confidence led to the belief that the development of the Canadian west would lead to continual and uninterrupted economic growth. One notable manifestation of this belief was the development of multiple transcontinental railroads as collaborations between private Canadian and British corporations and the Canadian government. This national spirit of confidence, the rising tide of global market interconnectivity, and the regional focus of J.R. Booth on his grain port aligned favorably to propel Depot Harbour to preeminence.
Chapter One first establishes the context in which Depot Harbour was created. It focuses on regional, national, and international conditions: northeastern Georgian Bay’s status as a remote lumber outpost, the Canadian national context of continental expansion westward and the governmental policies that supported this expansion, and the international context of an expanding, globalizing grain trade between North America and Europe. This chapter explains how these circumstances allowed J.R. Booth to seize an opportunity and invest in an extension of his railroad linking Georgian Bay to Montreal. Depot Harbour was not the only grain port in Ontario during this period, but it represented the most direct route from the upper Great Lakes to a tidewater port. It also was the only Great Lakes port on the entire Booth railroad network, and its owner devoted much attention and resources to it. This circumstance allowed Depot Harbour to thrive as a grain port in its early years such that it led all Canadian lakes ports by a significant margin in the volume of grain handled. Chapter One focuses on the period 1898-1904, when the macroeconomic trends of an expanding continental and international wheat economy aligned with the regional ownership’s focus on and investment in the port town, resulting in its ascendance to a central position on the Canadian grain export route.

1.1 Geographical Context and Local History of Parry Island

Parry Island is not endowed with fertile soils or abundant natural resources useful for commodity extraction. The island is geologically very young. The land was shaped by multiple advances and retreats of a massive ice sheet over the last several hundred thousand years. The final retreat around 12,000 years ago carved Georgian Bay and its thousands of islands, including Parry Island, out of ancient Canadian Shield rock. The island consists of 19,000 acres of this rock and it is located on the southernmost reaches of the Canadian Shield. Many places on the island are covered by sand and gravel deposits, while others are bare rock. Its location between the mainland coast and the open
waters of Georgian Bay have left it vulnerable to harsh climatic forces. Predominantly westerly winds bring above-average volumes of snow and rain to the island.49

Eastern Georgian Bay was inhabited by members of the Wendat and Algonquian indigenous peoples who remained in the region into the 1600s. By the 17th century, Iroquois raids destroyed trading networks around Georgian Bay and scattered the region’s inhabitants further to the north. These raids left the region uninhabited by a significant indigenous population. From the north, the Anishinaabe people expanded their territory southward. Their habitation of the eastern shore of Georgian Bay did not extend to year-round use of its islands. They instead used the island solely as a seasonal stopping point.50 James Evans, a Wesleyan Methodist missionary, travelled through northeastern Georgian Bay in July 1836 and noticed uninhabited camps on Parry Island.51 His record is the earliest written record of indigenous habitation on the island. Permanent, year-round settlement on Parry Island began with the signing of the Robinson-Huron treaty by the Wasauksing band in 1850 and the establishment of Parry Island as the band’s sole reserve by 1853.52

The relationship of this reserve to the development of Depot Harbour is important in the historical trajectory of the port town. The establishment of Depot Harbour was a major factor in change and disruption to indigenous life on Parry Island. A larger discussion of the historical relationship between the reserve and the port from the perspective of life in the Parry Island reserve is described in Chapter Three. Within the


50 Campbell, Shaped by the West Wind, 97–98.


scope of Chapter One, this relationship of the reserve contributes to the understanding of the relative remoteness of eastern Georgian Bay before the mid-1890s. Parry Island itself remained isolated from the rest of Canada and Euro-Canadian interest in it remained limited to Christian missionaries, Department of Indian Affairs agents, and the occasional lumber harvest by a local company of white settlers. The transformation of this isolated region into a major transportation route testifies to the single-minded determination of J.R. Booth to construct Depot Harbour according to his own plans, since he constructed his port in an area without any other modern railroad infrastructure. It also displays his willingness to disregard indigenous people and appropriate land from them, utilizing the reach and bias of the Canadian government in the process of colonizing this region of Ontario.

The relationship between indigenous people in northeastern Georgian Bay and Euro-Canadian settlers was limited and sporadic before the arrival of the railroad in 1895. Georgian Bay was first systematically surveyed and mapped in the early 19th century. Between 1820 and 1822, the Royal Navy Commander Henry W. Bayfield made a nautical survey of Lake Huron and Georgian Bay. Bayfield’s survey demonstrated that the southern and western shores of Georgian Bay were relatively uniform lands, but its northeastern shores were rocky and denuded of any substantial soils. Parry Island has more areas with more soil than some islands in eastern Georgian Bay, but its thin soils were nonetheless not well suited for farming. It was neither targeted nor used for agriculture by Euro-Canadian farmers.

The lack of interest in Parry Island for agricultural development by settlers in British North America reflected their disinterest in the broader region. Historically, significant urbanization and agricultural development in the Great Lakes watershed


54 Rogers and Tobobondung, “Parry Island Farmers: A Period of Change in the Way of Life of the Algonkians of Southern Ontario,” 273.
followed a bifurcated pattern between northern and southern regions. This division can be traced on a modern map as an imaginary line running roughly from Madison, WI, to Ottawa. The southern shores of Georgian Bay lie to the south of this dividing line and the northeastern shores lie to the north. By the early 1890s, the region to the south of the line contained four of the ten largest cities in Canada and two of the ten largest cities in the United States. Development to the north was far different. Euro-Canadians and Euro-Americans considered this region to be a remote “Midwestern Outback.” U.S. Senator Henry Clay referred to the region as “a place beyond the remotest extent of the United States, if not in the moon.” The prevailing attitude among white settlers was that the only attractive features for economic use in this northern region were timber and minerals.

In Canada, officials thought of the islands of Lake Huron as remote and forbidding, deeming it “intractable wilderness” unsuited to the lives and goals of white settlers. In 1836, Sir Francis Bond Head, the Lieutenant-Governor of the colony of Upper Canada, expressed his belief that the Manitoulin Islands and all the other islands of Lake Huron comprised a natural reserve for the indigenous people of Ontario. His statement represented how white settlers and colonial authorities believed that indigenous people were incompatible with their view of modern civilization and that indigenous people deserved no self-determination regarding where or how they would live. He stated:

We should reap a very great benefit if we could persuade these Indians, who are now impeding the progress of civilization in U. Canada, to resort [to a region]

55 Toronto, Hamilton, Ottawa, and London in Canada; Chicago and Cleveland in the U.S.A.
57 Ibid., 65.
58 Ibid., 65.
59 Campbell, *Shaped by the West Wind*, 98.
possessing the double advantage of being desirably adapted to them (inasmuch as it affords fishing, hunting, and bird shooting, and fruit), and yet in no way adapted for the white population.\textsuperscript{60}

Bond Head’s statement demonstrates how bigoted colonial authorities viewed this region as a wilderness unfit for white settlement yet possessing all the features needed in a place to which indigenous peoples could be relegated.

By the second half of the 19\textsuperscript{th} century, white settlers found the timber resources to the north and east of Georgian Bay’s shores attractive for exploitation. Euro-Canadians entered and settled in the region, but it remained a remote resource outpost centered around the timber industry. Significant settlement in the Parry Island area began in the 1860s, but prior to 1865, there was no communication to the rest of British North America except by canoe through the Muskoka Lakes or small boats and tugs that travelled to the south shore of Georgian Bay. Regular steamship service to the area began in 1865 when the \textit{Waubano} commenced service between the Northern Railway’s terminus at Collingwood, Parry Sound, and Thunder Bay.\textsuperscript{61} In 1867, J. and W. Beatty and Company purchased 2,198 acres of Crown land at the mouth of the Seguin River for a townsite. In 1869, the first official town plan was completed for the town of Parry Sound. By 1871, the population of Parry Sound numbered 1,052 people, supported by a sawmill that processed timber from a surrounding timber lease of 284 square miles, produced 3.2 million board feet of timber products, and employed 80 men.\textsuperscript{62} Still, the town remained isolated for the winter and spring seasons. Reflecting on the area in the 19\textsuperscript{th} century, local writer E.E. Armstrong stated, “In winter to live in Parry Sound, must have been like being shipwrecked or marooned.”\textsuperscript{63} The area’s winter isolation was also noted by \textit{The Globe} in 1898:

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\begin{footnotesize}
\begin{enumerate}
\item Ibid., 98.
\item Ibid., 4.
\item Armstrong, “Notes on the History of Parry Sound and Area (Including Depot Harbour),” 6.
\end{enumerate}
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It is not so long ago that the Parry Sounders had to fill their larders in the fall, with the prospect of having to endure a winters siege. They were sixty-five miles from the nearest railway, and when the harbor froze over in the natural course of things they were shut out from the world. Sixty-five miles is not an impassable distance, even for a loaded wagon, but at the season when it was most likely that the necessity for traversing the distance arose, namely the spring before the ice moved out of the harbor, the roads were in such a condition as to practically forbid travel.  

Little news from the outside world arrived throughout the winter, and only later in spring came the arrival of fresh food, supplies, and clothing.  

Parry Island itself remained largely shut off from the outside world. Life for its inhabitants was gradually changing from subsistence farming, hunting, and gathering to wage-based labor, but from the perspective of the Canadian national economy, or even the economy of the province of Ontario, it remained a remote region. Meanwhile, the global economic system of trade was undergoing massive changes in the type and volume of products traded. By the 1890s, the ramifications of these changes would draw Parry Island onto a key node of an international trade system.

1.2 Changes in the Global Grain Trade in the 19th Century

Over the course of the 19th century, the nature of international trade fundamentally changed. From the mid-19th century to 1913, world trade expanded at a statistically unprecedented rate. The bulk of this trade was between Europeans, or between Europe and its white settler regions overseas (such as Australia, Canada, and the United States). Three-fourths of the trade occurred between North America and Europe. Technological changes in transportation allowed for lower costs in shipping bulk products such as wheat

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and rice, which in turn meant that these products were traded on such a massive scale that
they dominated world trade as measured by value.\textsuperscript{66}

The applications of new technologies allowed for the growth in international trade of
bulky commodities like grain. Reduced freight rates allowed overseas products to
compete with, and in many cases overtake, domestic production in industrializing
European countries. The decline of freight rates in the latter half of the 19\textsuperscript{th} century
occurred due to the application of improved steam engines to ships and railroad
locomotives. These engines had been invented decades earlier, but only in the 1860s did
they become commonly used in ships. This innovation lowered operating costs and
reduced the amount of fuel ships needed to carry. The engines were physically smaller,
and the combination of these factors allowed ships to transport more cargo. Goods had
been traded over long distances for millennia, whether across land, inland waterways, or
oceans. However, historically, intercontinental transportation rates were high, so the only
goods that could be shipped economically were those with a high value to weight ratio,
such as pepper, tea, coffee, or indigo. These goods often commanded a high price in their
destination markets because they were not produced in those markets.\textsuperscript{67} These imports
did not disrupt or compete with local production.

This pattern changed with the shifts toward improved technology and corresponding
decreases in transportation costs in the 19\textsuperscript{th} century.\textsuperscript{68} In the grain market specifically,
between 1868 and 1902, the cost of transporting grain from Chicago to New York
dropped by over 70\% and the cost of transport from New York to Liverpool declined

\textsuperscript{67} Or produced in such small quantities that they did not comprise a significant local industry.\\

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even more significantly, by almost 80%. This transportation change was accompanied by foreign trade policies that allowed foreign grain to dominate food consumption in some countries.

In Great Britain, protective tariffs on raw materials, including foodstuffs, were eliminated by 1849. This elimination of grain tariffs set in motion a reconfiguration of the European food supply system as “the transition of British foreign trade policy toward a free trade regime was essential for globalizing and intensifying economic relations among nations.” Europe drew on increasingly distant sources of supply. World grain markets became more integrated. Although homogenization of prices and grades of grain did not occur across all countries, between North America and Great Britain these measures became standardized. Before the repeal of the British tariffs (the corn laws) in the 1840s, almost all European countries were self-sufficient, or nearly so, in the production of their principal bread grains. Yet by the eve of World War One, western and central European countries imported in excess of 30% of the wheat needed to feed their populaces. Great Britain led the field with over 75% of its wheat imported from abroad.

International wheat price converged. Until the 1840s, the difference between the price of wheat in England and in the United States differed by up to 100%. By the end of the 19th century; however, that price differential plummeted to under 20%. In Britain, this convergence allowed for North American wheat to become a major source of food. This change in turn led to changes in the entire pattern of food consumption in Great Britain,

69 Peter J. Lyth and Helmuth Trischler, eds., Wiring Prometheus: Globalisation, History and Technology (Aarhus: Aarhus University Press, 2004), 44.


72 Findlay and O’Rourke, Power and Plenty, 384–85.
including a shift from brown bread and consumption of other grains to consumption of white bread. In the 19th century, meat and dairy became less available to the British working-class, and white bread provided a cheap alternative which was also easier to digest (than brown bread) on its own. However, white bread was nutritionally poorer than brown bread. This change led to social struggle over issues of bread cost, quality, and nutrition.\endnote{3}{André Magnan, \textit{When Wheat Was King: The Rise and Fall of the Canada-UK Wheat Trade} (Vancouver; Toronto: UBC Press, 2016), 41–43.}

The influx of North American grain also affected continental Europe. Most European countries protected domestic agriculture through offsetting tariff policies, except for Britain and Denmark which followed policies of free trade. In protectionist countries, the intrusion of competitively priced North American grain resulted in tariff policies that protected the interests of domestic grain producers and marketers.\endnote{4}{Kevin H. O’Rourke and Jeffrey G. Williamson, \textit{Globalization and History: The Evolution of a Nineteenth-Century Atlantic Economy} (Cambridge, Mass: MIT Press, 1999), 113–14.} These tariffs effectively “balkanized” Continental European markets from the effects of global grain market integration.\endnote{5}{Ibid., 105.}

The unification of international wheat markets thus presented challenges to existing food systems across Europe. It led to questions of national security regarding food sources and exacerbated political debates regarding whether each country should adopt a regime of free trade or domestic protectionism for its food supply.

The disruption and change in grain markets were not the only significant impact caused by utilization of new steam engines in transportation systems. In addition to lower transportation costs, they also aided colonial powers in asserting their authority over new regions. In the late 19th century, colonial powers utilized the steamboat to expand their imperial reach further into continental interiors. This expansion occurred around the world, as colonialists pushed up major river systems in China, India, southeast Asia, and

\begin{footnotesize}
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    \item \footnoindent 3 André Magnan, \textit{When Wheat Was King: The Rise and Fall of the Canada-UK Wheat Trade} (Vancouver; Toronto: UBC Press, 2016), 41–43.
    \item \footnoindent 5 Ibid., 105.
\end{itemize}
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Africa. In North America, migrants flooded into the Ohio-Mississippi-Missouri River watershed as “the dramatic increase in the speed of travel and the drop in the cost of freight that steamboats brought changed the Midwest faster than anyone could have foreseen.” The vessels carried invading soldiers, settlers, tradesmen, and miners into the interior of the continent, along with the animals, supplies, and weapons they needed for ventures of military control, agricultural settlement, and mineral exploitation. On the downstream journey they carried passengers and export goods.

The railroad played a similar role in allowing colonial expansion into new regions. In Canada, the extension of the Canadian Pacific Railway (CPR) west of Lake Superior helped the Canadian government assert its sovereignty into this western region. A prominent example of the effect of the railway was the difference in the ability of the Canadian government to respond to the Red River Rebellion of 1870 and the 1885 North-West Rebellion. In 1870, government troops needed three months to reach the Red River Colony in Manitoba and in the meantime, the rebelling Metis were able to achieve many of their demands in an agreement with the Canadian government. By 1885, the railroad allowed troops to reach Saskatchewan in only 16 days from the time of mobilization, and in this case the Metis and Indigenous groups who had risen up against the Canadian government were defeated, their leaders were prosecuted, and the Canadian government did not need to reach a settlement that addressed the grievances of those who had

77 Ibid., 182.
78 Ibid., 183–85.
reballed. The railroads played their first role in establishing the western Canadian wheat economy by helping ensure that Canada maintained sovereignty over its western territory.

The expansion of the United States and Canada into the North American interior were processes of “frontier expansion,” whereby a colonizing society pushes into new territory to develop land for agriculture or mineral extraction. This type of colonization was coupled with settlement, and the extent and environmental impact of this settlement was enormously increased by industrial technologies such as the railroad. The influence of the railroad and steamship on the globalization of the commodity market was not the sole catalyst for the colonial expansion into the North American interior by the United States and Canada. It was, however, a requisite condition for those processes to occur on such a massive scale and rapid speed in the 19th century. The midwestern United States developed into a globally significant grain producing region over the 19th century. The western Canadian prairies were beginning to follow the same pattern by the end of that century. Improved railroad and shipping links from interior agricultural regions of North America to export ports on the Atlantic Ocean and St. Lawrence estuary were needed to handle the export flow of grain.

The processes of transforming the American Midwest and the Canadian Prairies into wheat exporting regions, which included the construction of transcontinental railroads, required dispossessing indigenous land and revoking the ability of indigenous people to use it. In the United States, the transformation of the Great Lakes region into extremely agriculturally productive lands occupied by white settlers involved the forcible removal of indigenous people. This process was codified in the Indian Removal Act of 1830 and over the next decade nearly the entire population of 100,000 indigenous people living in the United States east of the Mississippi River were pressured or forced to move to the

82 Ibid., 370.
west of the river. The process of transforming the Canadian Prairies involved government policies of forced migration, starving indigenous peoples, and allowing disease to ravage indigenous societies in order to allow white settlers to more easily dispossess indigenous land and impose control over it. By the late 1880s, the indigenous population of western Canada reached its all-time demographic nadir due to these policies – the land had been made available for settler agriculture through the use of genocidal tactics. In both regions, these processes were extremely traumatic for indigenous societies.

1.3 Grain Exports and Transportation: The North American and Canadian Context

In the 19th century, the North American frontier provided Europeans with a vast, untapped resource region. To the relatively crowded, urban populations of Europe, the North American agricultural frontier provided a major source of material wealth in the form of a tremendous surplus of theretofore unexploited, rich farmland. This potential of this land to produce tremendous volumes of foodstuffs required the input of labor and capital from Europe and its neo-European offshoots of the United States and Canada, as well as efficient transportation systems to allow for the conveyance of harvests to consumers in Europe. By the late 19th century, this process of realizing the full potential

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85 Daschuk, 164.

of the American Midwest was reaching its zenith as steamships and railroads effectively linked North American grain production to the European economy.87

In the latter 1800s, North American wheat exports came to comprise the majority of international exports, but American wheat made up a dominant share of this trade until the turn of the century. By 1854, Chicago served as the largest wheat market and export port in the world. It was supplied by grain grown in the American Midwest. In 1854, the six largest European grain ports combined for exports of 40,496,000 bushels of grain while Chicago alone exported 30,000,000 bushels.88 Canada was a relative newcomer as a major exporter in a well-developed international wheat trade. As late as the period 1895-1899, the region around the Black Sea and the United States accounted for over 80% of the world export trade in wheat, while Canada supplied only 4% of the global supply in 1900.89 The American wheat production held a huge lead over that of Canada, and the transportation system that supported it was also much more developed.

Understanding the landscape of the wheat export transportation route across the Great Lakes region requires an examination of developments within Canada that increased the ability for wheat to move eastward on all-Canadian routes, while simultaneously remaining aware that American wheat production, shipping companies, and ports continued to dominate the trade through the 1890s. Western Canadian wheat production and transportation systems developed after American routes were well established. Canadian wheat producers and shippers faced a competitive disadvantage in the region stretching from the Great Lakes to the Atlantic seaboard. Geographically, this region was a unified watershed comprised of the entire region draining into the Great Lakes and St. Lawrence River. However, national factors bounded by the political border

between the United States and Canada significantly shaped the arrangement of transportation routes across the Great Lakes. Maritime laws – specifically the coasting laws of the United States – disadvantaged Canadian ports on Lake Erie and Lake Ontario while allowing a more direct export route through eastern Georgian Bay to economically succeed.

American shipping companies and American infrastructure on the Great Lakes held a strong advantage in tonnage and modern ships to export markets. In the late 19th century, the volume of grain exported from the United States dwarfed the volume exported from Canada (Figure 1 depicts the movement of grain and flour on the Great Lakes). In 1880, the United States exported 186,000,000 bushels of wheat and wheat flour. The volume increased to 234,000,000 in 1901. The same year, Canada exported more wheat and wheat flour than at any time in its history, but the volume was only ~70,000,000 bushels.90 Chicago served as a major hub for grain exports in the United States; Milwaukee and Duluth were other important ports. Between 1880 and 1898, the lake route eastward from these ports (and other minor ports on Lake Michigan) increased the volume of grain carried from 100,324,000 bushels to 170,104,00 bushels.91

The main destination for cargoes travelling on the upper Great Lakes eastward was the port of Buffalo, NY. Buffalo received 105,453,372 bushels of grain in 1880, and this volume increased to 215,537,169 by 1898.92 The port took in ~83% of all grain exports transported on the Great Lakes, even as the amount of grain exported from Lake Superior ports (including the Canadian ports of Fort William and Port Arthur) increased from 4,659,356 bushels in 1880 to 88,418,380 bushels by 1898.93

91 Alfred Hotchkiss Ritter, Transportation Economics of the Great Lakes-St. Lawrence Ship Channel (Washington, D.C.: Great Lakes-St. Lawrence Tidewater Association, 1925), 139.
92 Ibid., 143.
93 Ibid., 140.
Figure 1: Movement of Grain and Flour on the Great Lakes, 1897 and 190794

94 “Movement of Grain and Flour on the Great Lakes, 1897 and 1907,” in Report of the Commissioner of
Corporations on Transportation by Water in the United States, vol. 2 (Washington DC: Government
Despite the increase in Canadian grain exports through the 1880s and 1890s, the American export route captured the majority of Canadian grain cargoes trade.

Buffalo was able to dominate as an export port partly because the Welland canal link between the Great Lakes above Niagara Falls – Lake Superior, Lake Michigan, Lake Huron, Lake and Lake Erie – and Lake Ontario (and the St. Lawrence River) was inadequate to accommodate the large steamships that carried grain. M. Stephen Salmon described the condition of Canadian shipping on the lakes and noted the obstacles it faced:

The 1890s were the nadir of Canada’s shipping industry on the Great Lakes…the smaller locks on the Welland Canal and the St. Lawrence canals restricted development. The manmade link between Lake Erie and Lake Ontario (the Welland Canal) was only able to accommodate ships of a maximum length of 270 feet.\textsuperscript{95}

The bulk freighters that serviced the upper lakes were over 290 feet at the beginning of the 1890s and their lengths increased into the 1900s.\textsuperscript{96} Neither American nor Canadian grain shippers could load their cargoes onto a single vessel for transit between the upper lakes ports and saltwater ports on the St. Lawrence estuary or the Atlantic Ocean. Their large ships could only travel as far as the eastern end of Lake Erie, where Buffalo was advantageously situated to intakes their cargoes and transfer them to American saltwater ports on the Atlantic Ocean, via railroad and canal links across New York state. Lacking a direct link of their own from Lake Erie to Atlantic ports, Canadian shipping companies operated relatively small vessels that could traverse the Welland Canal. These vessels then deposited their cargoes at Kingston, ON, where the grain was loaded on barges for towage to Montreal. By 1899, the entire Canadian grain fleet consisted of only 27 vessels.


\textsuperscript{96} Ibid., 44–45.
with a total capacity of 31,000 tons.\textsuperscript{97} For comparison, in 1896 over 19,000 ships passed through the maritime reporting station at Detroit, an average of one ship every minute for the eight months of open maritime navigation on the lakes.\textsuperscript{98}

The Canadian fleet was small compared to the American fleet on the lakes. In 1894, the American Great Lakes merchant marine totaled over 1,200,000 tons while the entire Canadian fleet totaled about 146,000 tons (see Figure 2). The American fleet utilized ships of five hundred feet in length by the turn of the 20\textsuperscript{th} century. These large ships could deposit their cargoes at Buffalo where they could be directly transferred to barges or railroad cars that would carry them to seagoing ships in New York City.\textsuperscript{99} Canada lacked a similarly well-positioned transshipment port.

\textsuperscript{97} Salmon, “‘A Prosperous Season’: Investment in Canadian Great Lakes Shipping, 1900-1914,” 111.


\textsuperscript{99} The superior tonnage of the American merchant marine reflected the significantly more developed export and transshipment network on the American side of the lakes, but it also was due to more waterborne commodities originating on United States territory. The American fleet benefited from greater American demand or supply (and in some cases, both) for commodities other than grain, such as timber and iron ore. Timber harvesting and processing were important economic activities in both the United States and Canada in the late 19\textsuperscript{th} century. However, settlement in the American Midwest increased demand for timber. American loggers had already exhausted the timber resources of Michigan forests. The timber forests of Georgian Bay remained a rich resource, and had been producing timber for the American market since 1855. The decline of supply from Michigan increased demand for Georgian Bay timber. It was shipped from Georgian Bay to the United States via steamship, but harvested timber was also bundled into large floating rafts of logs that were towed to Michigan sawmills. By 1874, seven mills in Georgian Bay had gained enough prominence in this trade to be included in a major American logging publication, \textit{The Lumberman's Gazette} (see Barry, \textit{Georgian Bay / the Sixth Great Lake}). Iron ore was another major commodity carried on the lakes. Its carriage in significant volumes was driven by the exploitation of major ore bodies in northern Minnesota. No major iron ore bodies were being exploited on the Canadian side of the lakes. Between 1895 and 1899, American iron ore shipments averaged 14.1 million tons annually but no significant Canadian shipments occurred. The export flow of timber and iron ore on the upper lakes went to American destinations via American ships, in a similar manner to how the export flow of grain travelled through American export channels.
Figure 2: Tonnage of American and Canadian Great Lakes Merchant Marine, 1894

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Despite a lack of Canadian transportation networks, the first wheat exports from the Canadian west began in the late 1870s. Canadian infrastructure was initially almost entirely undeveloped in the early years of western grain exports, and although significant expansion occurred in the 1880s and 1890s, American routes remained predominant. During the decade between 1870 and 1880, wheat processors and consumers from outside of Manitoba began to recognize wheat produced in that province (then the only region of the Canadian prairies with a significant settler population) for its high quality. The first comprehensive statistics of grain production in Manitoba were collected by the provincial government in 1876, and in that year 480,000 bushels were produced. Also, in 1876, the first shipment of wheat travelled from the west to Toronto; it was used to improve the quality of wheat seed in Ontario. No railroad ran from Manitoba to any point on the Canadian shores of Lake Superior. The most geographically expedient export route from Manitoba to the east was down the Red River Valley via boat (and after 1879, via railroad) to St. Paul, MN. From St. Paul, railroad and lake steamship connections across the American Midwest and from American lake ports allowed for further export to central Canada. Between 1876 and 1883, grain exports moved south through Minnesota and then over American railways or lake ports to market.

Throughout the 19th century, the international grain market was centered around Great Britain. Liverpool and London specifically were the import and distribution centres for Great Britain and all of western Europe.

Key developments in the mid-1880s improved the ability to transport wheat through Canadian routes from Winnipeg to central Canada. In 1883, the CPR opened for business between Winnipeg and Port Arthur on Lake Superior. In the winter of 1883-1884, the

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first grain elevator west of Collingwood was built at Port Arthur. By 1885, this infrastructure allowed for a larger export trade in grain, relative to what was possible when all grain had to be transported in individual sacks.\textsuperscript{104} The lake route was vital to the wheat export trade. The CPR was the only Canadian railroad between central Canada and the west between 1885 and 1913. Moving grain from the hub of Winnipeg to the Lakehead ports of Fort William and Port Arthur was an acute problem for the railroad. The CPR had to move most of the wheat crop from western farms to eastern ports shortly after it was harvested in a short period of time. All available boxcars and engines that could be spared were employed in moving grain, but there was only a single railroad line between Winnipeg and Fort William. Transportation stoppages occurred in 1901 and 1902, negatively affecting all parties involved with the sale, financing, and export of western grain.\textsuperscript{105} These stoppages highlighted the importance of the lake route because all the grain involved was destined for export via lake freighter. No significant volumes of grain moved eastward from Fort William by rail. Thus, transporting the full volume of export grain the entire distance across the Canadian shield from the prairie region to export ports on the St. Lawrence River or Atlantic Ocean was beyond the capabilities of the all-rail route.\textsuperscript{106} As a result, steamships on the Great Lakes played a crucial role in the transportation route for grain moving east from the prairies to markets abroad from both Canadian and American points of origin. Still, without a Canadian route across Ontario that could offer a more direct connection to ocean-going vessels at Montreal, Buffalo would remain unchallenged as the preferred destination for lake freighters.

Montreal developed as the dominant Canadian export port in the late 19\textsuperscript{th} century. The development of rail networks across Ontario that terminated at Montreal led to that city becoming the dominant export terminus for grain in Canada. After 1886, Montreal

\textsuperscript{104} MacGibbon, \textit{The Canadian Grain Trade}, 27–28.

\textsuperscript{105} G. P. deT. Glazebrook, \textit{A History of Transportation in Canada, Volume 2} (Toronto: McClellan and Stewart Limited, 1964), 123.

\textsuperscript{106} Ibid., 123–25.
bypassed Quebec City as the leading port in Canada. Between 1894 and 1914, the greater part of grain exports in Canada “by far” passed through Montreal.\textsuperscript{107} Figures 3 and 4 illustrate the CPR network in central Canada in 1887. The map demonstrates how Montreal was geographically the logical export terminus for the CPR. It was the closest ocean port eastward of the confluence of rail lines from southern and northern Ontario. It also demonstrates how the CPR network lay to the north of Lake Erie and Lake Ontario and was oriented toward the St. Lawrence ports. By the 1890s, this arrangement of transportation routes in Canada had begun shifting grain exports to a route running directly from Lake Huron to Montreal.

Meanwhile, because new transportation facilities created more northerly export routes that bypassed Lake Erie and Lake Ontario and ran more directly across Ontario from Lake Huron to Montreal, Toronto was omitted from a central place on the export network. Until 1887, Toronto enjoyed a pre-eminent position in the transportation of grain across Canada. In the process of completing its railroad and elevator links at Port Arthur, the CPR built a grain transfer elevator at Owen Sound and contemplated building one at Toronto, and Toronto looked to remain a major city in the grain trade. However, the CPR ultimately decided against building a grain elevator at Toronto. The shift from Toronto to Montreal both demonstrates the influence of American coasting laws on the arrangement of Great Lakes shipping traffic and set the condition where a direct east-west rail connection from Georgian Bay would link to the largest Canadian ocean port.

\textsuperscript{107} Porritt, “Canada’s National Grain Route,” 358–59.
Figure 3: Canadian Pacific Railway Network in Central Canada, 1887

Map of the Canadian Pacific Railway, and Its Connections (Toronto: Copp, Clark Company, Limited, 1887), Baldwin Collection 912.71 C58.11 SMALL, Toronto Public Library,
Figure 4: Canadian Pacific Railway Network in Ontario and Southern Quebec, 1887


109 “Map of the Canadian Pacific Railway, and Its Connections.”
American ships were subject to the coasting laws of the United States. These laws decreed that only American ships could carry cargoes directly from one American port to another. However, in 1875 the United States had altered this rule to allow Canadian shippers to carry grain from one American Great Lakes port to another, provided the grain travelled overland through the Dominion of Canada for part of the journey between the two ports. This 1875 protocol allowed Canadian shippers to use a route that included Chicago, Collingwood, Toronto, and Ogdensburg, NY. In 1885, the United States government revoked this provision, thus eliminating the use of this binational route.

Toronto could no longer serve as a stop-over point for American ships, which weakened the city’s ability to serve the grain export route. Although the city would go on to serve as a grain market for Ontario and western wheat, by 1916 not one of the forty licensed grain elevators in Ontario was located there.\[^{110}\] Meanwhile, since American coasting laws allowed vessels of any country to carry cargoes directly from American ports to Canadian ports, Canadian ports on Lake Huron and Georgian Bay did not face a loss of traffic.

Overall, despite the expansions in transportation infrastructure in both the Canadian West and in Ontario, American shipping companies remained dominant on the Great Lakes. Canadian shipping companies were only able to stay in business by gathering enough small cargoes at the margins of the grain industry. Even though Canada possessed a significant share of the coastline of the Great Lakes, Canadian ships carried a small fraction of the cargoes that travelled across their waters. In the grain export trade, the main obstacle to an increased Canadian share of the trade was the geographic disadvantage Canada faced in its lack of a more direct, expedient route from the upper lakes to its tidewater ports. Canadian ports on Lake Erie and Lake Ontario were disadvantaged due to American coasting laws. Buffalo’s dominance as a port for the wheat trade, and American dominance of traffic on the Great Lakes, would persist unchallenged unless a more direct route from the Canadian west to Montreal was created. The economic space stretching from the Great Lakes Basin to the Atlantic Ocean

\[^{110}\] Porritt, “Canada’s National Grain Route,” 347.
remained divided by its two nation-states, and Canadian ability to assume a greater share of transportation across the region remained contingent upon the construction of this new route.

The line that could most directly connect Montreal to the upper great lakes ran directly from the eastern shore of Georgian Bay to Montreal, bypassing southwestern Ontario and Toronto and substantially shortening the distance travelled by exported goods. However, this route travelled across rocky, rugged, densely forested lands in central Ontario before reaching the Ottawa River Valley and its connection to Montreal. These natural obstacles, however, were minimized for someone who already had a transportation network in the area. John Rudolphus Booth possessed such a network.

1.4 J.R. Booth: Founder of Depot Harbour

Since the era of New France, individual capitalists and industrialists in Canada strove to expand the reach of their commercial ventures westward. This argument features centrally in the Laurentian school of historiography, which posits that central Canadian businessmen acted as driving agents of national expansion.\textsuperscript{111} John Rudolphus Booth fit the mold of a far-sighted central Canadian industrialist. His railroad extension from the Ottawa Valley to Georgian Bay allowed a Canadian route to capture a greater share of the grain export trade, thereby keeping more of the downstream economic effects of the western grain boom within Canada. This in turn served to connect the process of national expansion from the western prairies to the eastern shore of Georgian Bay.

Booth was involved with the expansion of infrastructure and industry from a young age. Born on a remote Quebec farm in 1827, he spent his early working years honing construction and engineering skills by helping to build bridges for the Central Vermont Railway. He helped construct a paper mill and sawmill and managed the latter for a year. By 1853, he had built up experience in the railroad and timber-milling industries, and he

\textsuperscript{111} Careless, “Frontierism, Metropolitanism, and Canadian History,” 79.
moved to Bytown (which would become Ottawa). The town was then only a small lumber village, but its designation as the capital of Upper Canada in 1857 catalyzed major construction works that provided Booth with his first significant contract and began his ascent to the status of a major figure in the timber business.

Booth constructed sawmills on the Chaudière Falls of the Ottawa River in 1859, and their production capacities and location near Parliament Hill allowed him to bid for and secure the contract to supply lumber for the construction of three government buildings. His ability to fulfill the contract was aided by his recent purchase of a timber tract ~15 miles upstream from Ottawa. He floated logs from this tract down to his Chaudière mills. This government contract provided Booth with the first major accomplishment in an ownership role and a foundation for enlarging his timber holdings. Expansion would take his interests west, into the central Ontario highlands and towards Georgian Bay.

By 1867, Booth purchased a major tract of timber around the headwaters of the Madawaska River, in the area that would become Algonquin Park. This development was the first of several that moved Booth’s timber harvesting operations beyond the reach of rivers large enough to allow felled timber to be floated out from their place of harvest. The rivers and creeks in this highland region were too small to move the large trees being cut down. Booth built railroad lines to transport the timber.

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113 Harry Barrett and Clarence F Coons, Alligators of the North: The Story of the West & Peachy Steam Warping Tugs (Toronto, Ont.: Dundurn, 2010), 97.


Not only did railroads allow Booth’s timbering operations to access areas unreachable by water transportation alone, but they also provided additional logistical advantages in the lumber business. They reduced labor costs in transporting timber, provided greater freedom from seasonal weather constraints (such as frozen rivers), and allowed for faster transportation of felled timber from its site of harvest to processing mills and onward to commercial market. Buoyed by these advantages, Booth continued to expand his timbering operations into the rugged highlands of central Ontario. Railroad technology allowed Booth to exploit the region’s timber resources in a manner that was previously impossible.

Booth’s investment in railroads was not limited to his timber harvesting operations. He invested in improving the transportation network between his Ottawa mills and export markets for his finished lumber products, primarily the United States. Starting in 1879, Booth developed the Canada Atlantic Railway (CAR) as a link between Ottawa and Coteau Landing on the St. Lawrence River (~15 miles upstream from Montreal). The CAR was complete by 1882 and connected Ottawa to the ports of Montreal, Portland (ME), and other ports in New England. The railroad built a permanent bridge over the St. Lawrence River in 1889-1890, completing a continuous rail route from Booth’s timber harvesting regions in central Ontario to year-round tidewater ports. The CAR provided Booth control of a major transportation artery though the Ottawa Valley.

The western end of this transportation line could only transport men and equipment into logging areas and export felled timber, unless it could be linked to the Great Lakes and connect to lake shipping. Booth realized he could extend his railroad network to Georgian Bay and capture some of the enormous export trade in grain.

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117 Ibid., 330.
1888, Booth set this extension in motion by chartering two new railroads: the Ottawa, Arnprior, and Renfrew Railway, and the Ottawa and Parry Sound Railway. These lines would be amalgamated into the Ottawa, Arnprior, and Parry Sound Railway (OAPS).\textsuperscript{119} Construction on the OAPS commenced in 1892. When completed, the railway would reduce the journey from Chicago to Montreal by \~800 miles (see Figure 5). The OAPS thus offered the most direct route through Canada for exports from the upper Great Lakes.\textsuperscript{120}

To finance the OAPS, Booth looked to government subsidies to support his own investment. The city of Ottawa, province of Ontario, and national government of Canada subsidized the railroad to the total sum of $868,400.\textsuperscript{121} The total cost of the railroad was roughly $3,200,000.\textsuperscript{122} Booth utilized government subsidies and favorable regulations when it suited his business interests and he ignored them when they interfered with business decisions that enhanced profits and undercut competitors. As an example, a few years later (in 1903) Booth lobbied for protective legislation to prohibit the export of unmanufactured pulpwood.

\textsuperscript{119} Benidickson, “John Rudolphus Booth (1827-1925),” 330.

\textsuperscript{120} The OAPS route directly through central Ontario threatened to shift further north the main Canadian route for western exports, weakening Toronto’s position as a major commercial city and diminishing trade throughout all of southern and southwestern Ontario. Regarding the possible construction of the OAPS, the Council of the Toronto Board of Trade stated in 1893, “Your committed are strongly of the opinion that the effect would be extremely disastrous, not only as far as Toronto is concerned, but other commercial centres such as Hamilton, London, and Chatham, ports on Lake Ontario such as Whitby, Port Hope, Trenton, etc., and ports on Georgian bay, Collingwood, Owen Sound, Midland, Kincardine, and Wiarton would be adversely affected.” The council’s statement continued with the argument that the Canadian government should not provide any further financial assistance to the OAPS, which when completed “will seriously affect the commercial interests of Toronto and Western Ontario” (see “The Board of Trade Council: Adverse Report Upon the Ottawa, Arnprior & Parry Sound Railway -- Telegraphic Service in the Empire” in \textit{The Globe (1844-1936); Toronto, Ont.}, March 2, 1893.).

\textsuperscript{121} “The Board of Trade Council: Adverse Report Upon the Ottawa, Arnprior & Parry Sound Railway -- Telegraphic Service in the Empire,” \textit{The Globe (1844-1936); Toronto, Ont.}, March 2, 1893.

Figure 5: The Booth Railway Network

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As an owner of significant pulp and paper operations in Ottawa, Booth was concerned that American pulp and paper businesses would come to dominate the manufacture of these processes and decimate Ontario’s forests in the process.\textsuperscript{124} Legislation passed in 1873 prohibited dumping sawmill waste in waterways. Booth was convicted and fined for violating this ban but continued the practice of dumping for decades afterward.\textsuperscript{125} He cared little for labor regulations. In 1889, Booth testified to the Royal Commission on the Relations of Labor and Capital that he had no knowledge of any government regulations under the Ontario Factories Act.\textsuperscript{126} That Act was passed in 1884 and contained 41 clauses protecting the safety, health, and well-being of workers in manufacturing or finishing operations, such as Booth’s lumber milling operations.\textsuperscript{127} Booth’s contempt for regulations extended beyond his own workers, especially when those regulations stood in the way of his business ventures. In 1895 he ordered surveyors from his railroad to trespass onto the reserve lands of Parry Island and begin mapping out a route for his railroad, even though entering onto reserve land required permission from the Department of Indian Affairs under Canadian law. Over the following few years, Booth repeatedly demonstrated disrespect for the wishes of indigenous people regarding control and use of their land and other private property (see Chapter Three for more detail).

Booth did not just ignore government regulations that he found burdensome. He was an autocratic owner who sought to maintain the maximum level of control over his business operations. As shown by his disregard for environmental and labor regulations, his domineering style meant that he did not tolerate attempts by other entities to control how he conducted his enterprises. This disdain extended to union activities – in 1891 he


\textsuperscript{125} Benidickson, “John Rudolphus Booth (1827-1925),” 331.

\textsuperscript{126} Ibid., 333.

broke a prolonged strike by millworkers by using police and militia suppression. It also affected his financial philosophy. The timber industry featured a high degree of risk. Rather than taking on a great degree of debt from banking houses or private investors, Booth preferred to maintain sole proprietorship and control in as many business holdings as possible. Booth operated as independently as he could in his business endeavors. He only looked to government support when it directly benefitted him, and he balked at attempts of outside forces to influence his decisions and operations.

Booth’s decision to construct a railroad link to Georgian Bay was thus not directly dictated or orchestrated by any branch of government. He realized the economic advantage of connecting the western end of his regional network to trade across the Great Lakes, in particular the expanding international grain trade. Nonetheless, it aligned with political goals at the national level, in particular the goal held by the Conservative government of expanding transportation routes on an east-west axis across Canada, and prevailing attitudes that regarded the property rights of indigenous people as meaningless and an obstacle to economic progress.

1.5 Transportation Across Canada: Government Attitudes and Policy

For much of the 19th century, capitalists in what would become Canada had desired to integrate British North America into a broader North American economic system that transcended the political border with the United States. However, by the mid-1860s, this vision faded. The Canadian–American Reciprocity Treaty of 1854 was terminated by the United States in 1866 due to a combination of protectionist sentiment and anger at Britain for tacitly supporting the Confederacy during the Civil War. The need for the colonies

of British North America to reorient their economic relationships was a major factor in catalyzing Canadian Confederation in 1867.\textsuperscript{131} From its establishment, the national government of Canada operated with the central purpose of forming and developing the formerly separate colonies of British North America into a political and economic unit integrated on a national basis. To achieve this goal, the diverse and geographically scattered colonies had to be united economically.\textsuperscript{132} Transportation was a key element in allowing economic connection between the Canadian provinces and territories, and the development of the Canadian West was the most significant episode in the use of transportation networks to integrate Canada economically in the late 19\textsuperscript{th} century.

Within three years after Canadian Confederation in 1867, the Conservative national government considered the development of the West as an urgent issue of national policy.\textsuperscript{133} The American agricultural frontier moved closer to the international boundary of the 49\textsuperscript{th} parallel, and commerce was established between the Red River settlement and St. Paul, MN, via river boat and cart.\textsuperscript{134} Events in the American Congress demonstrated the attitude of many American national politicians that annexation of British territory west of the 90\textsuperscript{th} meridian (approximately all territory west of Lake Superior) was inevitable.\textsuperscript{135} The American transcontinental railway network was expanding westward and northward, threatening to establish American transportation as the dominant economic connection to Canada’s western region and thus “Americanize” it in interests and feelings.\textsuperscript{136} Canadian leaders were aware of the American threat and concluded that

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\textsuperscript{131} Vernon C. Fowke, \textit{The National Policy and the Wheat Economy} (Toronto: University of Toronto Press, 1983), 5.
\textsuperscript{132} Ibid., 4–6.
\textsuperscript{133} Ibid., 42.
\textsuperscript{134} Ibid., 42–43.
\textsuperscript{135} Ibid., 43.
\textsuperscript{136} Ibid., 44.
\end{flushright}
in response, a railway from central Canada to the Pacific Coast had to be built without delay.\footnote{137}

Accordingly, the Conservative government guaranteed the commencement of a Pacific Railway within two years of the union of British Columbia to Canada in July 1871 and its completion within 10 years.\footnote{138} The line was ultimately constructed as a joint venture between the Canadian Pacific Railway Company and the Canadian government and opened for service in 1886.\footnote{139} Protecting western Canadian territory from American encroachment strongly influenced its route. The section connecting the extant central Canadian railroad system to Fort Garry on the Red River was built entirely on Canadian soil, even though this choice meant constructing tracks through the nearly impassable terrain of the Canadian Shield to the north of Lake Superior when a route through American territory to the south of the lakes would have avoided any major obstacles.\footnote{140}

The western section between the prairies and the Pacific Ocean was similarly influenced. The railroad followed a southerly route over the semi-arid region of (what is today) southern Alberta and the extremely difficult Kicking Horse Pass. A more northerly route would have passed through far more arable land and crossed the Rocky Mountains via Yellowhead Pass, the easiest route across the mountains. The rationale for the southerly route was that it was much closer to the U.S. border and thus defended against the intrusion of American railroads into Canadian territory.\footnote{141} The Canadian railroad had to serve as a defensive measure against American economic intrusion. Despite greater difficulties in its construction and higher costs, there could be no doubt that an all-

\footnote{137} Ibid., 44–45.  
\footnote{138} Ibid., 46.  
\footnote{139} Ibid., 47–49.  
\footnote{140} Ibid., 49.  
\footnote{141} Ibid., 51–52.
Canadian route that followed (and reinforced) the border was the only viable plan for a Pacific railway.\textsuperscript{142}

The impetus to defend Canadian territory from domination by American railroads continued; in 1897, the Canadian Pacific Railroad constructed the Crow’s Nest Pass branch into the Kootenay-Columbia Valleys of southern British Columbia in order to ensure that supply and outward movement into that burgeoning mining region moved over Canadian rail lines, instead of being drawn southward to American lines. Gaining Canadian control over the region’s transportation was of such national importance that no federal political party opposed a government subsidy for the construction of the branch line.\textsuperscript{143}

Transportation was a key element in Canadian national policy of the late 19\textsuperscript{th} century, and the construction of transcontinental railroads helped to assure economic unity between eastern and western Canada. The impetus to ensure Canadian sovereignty over the West influenced decisions to build railroads along routes that, despite higher costs and more difficult terrain, provided a bulwark against American intrusion.

In relation to Depot Harbour, J.R. Booth was not motivated by a desire to facilitate commerce across Canada at the expense of doing business in the United States. Yet in its operation, his port effectively furthered the national policy goal of improving all-Canadian transportation. Furthermore, Booth utilized government subsidies to help finance the construction of his railroad. He took advantage of the nationalistic impetus to expand the Canadian east-west transportation system. Having secured these subsidies and commenced construction, Booth was faced with the decision of where exactly to place his port terminus.

\textsuperscript{142} Ibid., 49.
\textsuperscript{143} Ibid., 53–54.
1.6 Early Local History of Depot Harbour

By 1893, laborers were constructing the OAPS through the rugged highlands of central Ontario. The only remaining major decision regarding the route was the location of the lakeside port that would serve as the terminus and transshipment site on Georgian Bay. The town of Parry Sound was a likely site. Since 1884, its citizens had been working to create a railway between their town and the existing Northern and Pacific Railway. This line ran parallel to the eastern shore of Georgian Bay but inland. The intended juncture of the town’s railroad and the Northern and Pacific Line lay 35 miles inland from Parry Sound.  

Part of the line was constructed, but only twenty miles were complete by 1892 when insolvency halted construction and allowed J.R. Booth to acquire the incomplete line in the spring of 1893.

After the acquisition, Booth promised to fulfill the desires of Parry Sound’s citizenry and construct his lake port in their town. The townspeople were pleased with his supposed plan. The Parry Sound North Star claimed that “perseverance in the prosecution of that enterprise [the town’s effort to obtain a rail link] led to its success, and attracted the attention of capitalists until that shrewd, long headed, and enterprising gentlemen, J.R. Booth, saw in our line a necessary link the completion of his great scheme.” Continued progress on the construction of the railway prompted the newspaper to claim “our citizens will soon be able to hear the whistle of the locomotive.” These hopes were never realized. Booth bypassed Parry Sound to build his port on Parry Island. In doing so, he created an entirely new community rather than expanding an existing town. As the OAPS reached nearer to Georgian Bay, Booth

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144 Hayes, Parry Sound, 90. The railway being constructed from Parry Sound was called the Parry Sound Colonization Railway and its provincial charter had been issued on March 30th, 1885.
145 Ibid., 93.
negotiated with property owners in Parry Sound. The owners of the proposed port demanded a price Booth felt to be excessive.\textsuperscript{148} He was further dissuaded from terminating his line in Parry Sound when his chief railroad engineer deemed the available port site less than ideal, since it was only accessible via an extremely steep grade.\textsuperscript{149} Booth had learned of the deep-water harbor on the north side of Parry Island; it was considered the best natural harbor on the Great Lakes.\textsuperscript{150} Booth decided to move his port to Parry Island.

Although the proposed site stood on the reserve land of the Parry Island Band, Booth knew he had the legal advantage in appropriating the necessary acreage. An 1887 amendment to the \textit{Indian Act} allowed railroad companies to expropriate reserve land, provided it was used for railroad purposes.\textsuperscript{151} Furthermore, while the OAPS was not a project planned or initiated by the government, it had already received hundreds of thousands of dollars in government subsidies. Booth had no reason to believe that authorities in Ottawa would side against him in his goal of annexing the needed land.

His confidence was such that he sent a team of surveyors onto Parry Island in February 1895 to map out the rail route, despite having no permission from the reserve band or the Department of Indian Affairs.\textsuperscript{152} The band protested the incursion of the railroad over the course of that year, but the complaints yielded no concessions to the indigenous population. By October, Booth’s railway had been granted the right of way

\begin{flushright}
\textsuperscript{148} Koennecke, “Wasoksing: The History of Parry Island and Anishnawbe Community in the Georgian Bay, 1850 to 1920,” 244.
\textsuperscript{149} Hayes, \textit{Parry Sound}, 98.
\textsuperscript{151} Koennecke, “Once Upon a Time There Was a Railway on Wasauksing First Nation Territory,” 106.
\textsuperscript{152} Ibid., 106.
\end{flushright}
and 314.26 acres for the port and town site.\footnote{Koennecke, 106.} From the perspective of Parry Island’s indigenous population, the incursion of the railroad accelerated economic shifts and incursions of Euro-Canadian social and cultural customs into their way of life. The story of these changes, and the impact of the creation of the port town on the local indigenous population, is told in Chapter Three.

Within the confines of the Depot Harbour town site, the physical transformation of the land began with the arrival of hundreds of workmen in 1895 to construct the harbor facilities, grain elevator, and railroad lines. Over the next three years, these laborers erected five thousand feet of docks, one 700’ by 80’ warehouse, one 600’ by 60’ warehouse, railway tracks, and a million-bushel grain elevator.\footnote{Ashdown, \textit{Railway Steamships of Ontario}, 44.} To build these facilities, the workers drove pilings into the lakebed and piled rubble on top of them to provide a foundation for the warehouses. They extended the rail lines to the warehouses on top of a 2,300 feet-long double-tracked railway trestle and constructed an additional 7,800 feet of railway platform. These facilities provided the port with the capacity to handle a variety of freight including flour, livestock feed, and package freight such as manufactured goods. Four lakes steamers could simultaneously tie up and transfer cargo at the port. To handle rail-borne traffic to and from the site, the OAPS purchased modern rail cars, each with a capacity of 1,000 bushels.\footnote{“THE GROWING TIME.”} These facilities were completed by the beginning of the 1898 navigation season on the Great Lakes (early spring). Figure 6 depicts the harbor facilities of the new port.

The OAPS constructed Depot Harbour as a company town, meaning that it owned the houses and communal institutions that supported its workers in addition to all of the transportation facilities. Within this overarching framework of company control, a significant community developed. By 1899, the company had constructed 57 houses and
rented them to its labor force (see Figure 7 for an illustration of the town). The population grew quickly, reaching 300 by October, and despite the dozens of houses that had been erected, the housing supply did not keep up with the influx of workers. The burgeoning population soon prompted the arrival of religious and commercial providers and the organization of community institutions. These included a social lodge for railway workers, a Presbyterian minister, a Methodist minister, and shoe salesmen. The population began to include women and children in addition to the single men who had made up the first group of railway workers to arrive.

In 1898, 20 families in Depot Harbour were associated with the Presbyterian Church congregation. Within another year, a school had been built to educate the town’s children.

From its transportation facilities to its population and community institutions, J.R. Booth’s new town transformed the rocky shore of Parry Island into a modern lake port focused on the transportation industry. Its rapid flourishing was due to its immediate prosperity as a grain export route. Starting with the very first cargoes of western wheat that arrived on its docks, Depot Harbour demonstrated its potential to provide the best export route through central Canada.


Figure 6: Depot Harbour Harbor Facilities\textsuperscript{160}

\textsuperscript{160} Ashdown, \textit{Railway Steamships of Ontario}, 44.
Figure 7: Depot Harbour Townsite, 1899

1.7 Success as Grain Export Route

The first cargoes to be exported via the Depot Harbour route arrived in April 1898, and they established the new link as an attractive, competitive route from the upper Great Lakes to the Atlantic Ocean. Within weeks of the opening of navigation on Georgian Bay on April 17th, five schooners and lake steamers carrying cargoes of between 21,000 bushels and 103,000 bushels of grain arrived at the port. The arrival of the Lynn with 215,000 tons of corn from Chicago days later marked the largest cargo ever delivered to a Canadian port by a single ship. The corn was carried to Montreal via 350 railroad cars. Newspaper coverage heralded the arrival of the Lynn’s cargo as proof that the Depot Harbour route would spark competition between lake shipping routes. The coverage announced that Chicago was the primary focal point from which the OAPS intended to draw shipments, but its officials expected that they could also capture a large share of Canadian grain exports moving east from Port Arthur and Fort William. Within 16 days of its arrival, the Lynn’s shipment reached Coteau Landing and was transferred to barges for a short journey downriver to oceangoing ships at Montreal. The OAPS route offered the same pricing as competing Canadian lines but it carried freight to tidewater in only five to seven days, the fastest available speed. The route attracted attention from American shippers accustomed to exporting grain south through the Gulf of Mexico. They announced that they would send “great quantities” through Depot Harbour in the 1898 shipping season.


164 “THE GROWING TIME.”

165 “THE FIRST SHIPMENT.”; “THE GROWING TIME.”

166 “THE PARRY SOUND ROAD: Large Grain Carrying Trade Anticipated Short Haul to the Seaboard Will Divert Trade from the Mississippi and New Orleans,” The Globe (1844-1936), May 9, 1898.
Great quantities of grain soon flowed through the port. One hundred and twenty-five vessels unloaded 10,000,000 bushels of grain over the course of the year. One of those journeys, that of the *Roman*, illustrated the advantage of increased speed offered by the OAPS route. The total travel time from Duluth to Liverpool (UK) via Depot Harbour for its cargo of wheat was only 15 days. It marked a new speed record for shipping from the interior of North America to European markets (for reference, the standard shipping time only from Duluth to New York City was 15 days in 1899).167 From each of the major upper Great Lakes ports, the OAPS route offered reduction in travel distance to Montreal, relative to other available routes in Canada.168 The CAR contended that its route offered the only Canadian route that could compete with the Erie Canal route through Buffalo.169

To service his port’s lake-borne traffic, J.R. Booth established the Canada Atlantic Transit Company of the United States and the Canada Atlantic Transit Company of Canada to provide regular freighter service from upper lakes ports to Depot Harbour.170 To service both railroad and lake shipping operations, Booth purchased rolling stock and ships from the United States. From 1887 to 1902, the Pullman Company of the United States furnished the CAR with parlor cars for its operations.171 The OAPS was amalgamated into the CAR in 1899, and these cars were used on the Depot Harbour

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169 “EFFECT OF SAWLOG LAW.”


The Canada Atlantic Transit Company of the United States purchased three ships, the Arthur Orr, George N. Orr, and Kearsarge. These vessels were constructed in Chicago and sold by American shipping companies. While American and Canadian shipping companies delivered cargoes to Depot Harbour, port operations also relied on machinery from both countries. This utilization of commerce and equipment from both sides of the border highlight the way in which the OAPS and CAR targeted resources and markets in both countries to maximize the success of its port.

The CAR operated Depot Harbour as the railroad’s only lake port. This arrangement meant that the company’s resources did not have to be divided between multiple routes. Instead, they were focused on a single route, whereas other Canadian railroads competing for the grain export trade were faced with having to divert rolling stock amongst various routes, not all of which served the export trade. This advantage held by the CAR made itself apparent in the 1899 navigation season, when investment in its rolling stock allowed the Depot Harbour route to gain a greater share of the export trade across Canada while its competitors were forced to divert their stock of rail cars.

In 1899, nearly 14,000,000 bushels of grain passed through Depot Harbour’s elevator on their path eastward. To accommodate this influx, the CAR required between 100 and 120 grain cars daily. By the fall, the elevators at Midland, ON, became overtaxed due to a shortage of grain cars provided by the Grand Trunk Railway (GTR), but the CAR possessed sufficient rolling stock for its route. The GTR and other

172 Bill: An Act to Amalgamate the Ottawa, Arnprior and Parry Sound Railway Company and the Canada Atlantic Railway Company under the Name of Canada Atlantic Railway Company. (Ottawa: S.E. Dawson, 1899), http://www.canadiana.ca/view/oocihm.9_07070.


174 “EFFECT OF SAWLOG LAW.”

175 Ibid.
national Canadian railroads diverted thousands of rail cars to Chicago and other western cities, damaging the ability of their lakes ports to handle large volumes of grain. In contrast, the CAR maintained adequate equipment on its Georgian Bay route to continue to handle the grain export flow. During the 1899 shipping season, the amount of lakes shipping capacity fell significantly short of the demand. This shortage would result in temporary changes to maritime law on the Great Lakes that would allow American shipping companies to carry grain between the Canadian Lakehead and Canadian ports. Among the possible Canadian routes available, these shippers chose Depot Harbour as their primary export route.

In October 1899, 4,000,000 bushels of wheat awaited shipment from the Canadian Lakehead ports. Canadian shipping companies were hampered by their small stock of ships. Since Canadian coasting laws prevented American ships from carrying cargoes between two Canadian ports, American shipping companies were not able to alleviate the congestion at the Canadian Lakehead by carrying cargoes to Ontario ports. Four hundred grain cars arrived daily at the Lakehead, adding to the backlog. Farmers from the west risked their harvest being stranded over the winter on the shores of Lake Superior, dealers were reluctant to sign contracts for delivery, and buyers similarly hesitated due to fears that grain could not reach tidewater for export before the close of navigation on the lakes. The concerns of these factions increased political pressure on the Canadian government to suspend coasting laws and allow American shippers to alleviate the stockpile.

176 Ibid.
179 “VESSELS SCARCE.”
180 “Congested Grain Routes.”
On October 14th, the Minister of Finance produced a report supporting the position that under the current arrangement of shipping regulations, Canadian and American shipping appeared to be insufficient for moving the surplus of grain from the Lakehead through Canadian routes to export. Canadian shippers were already operating at over 100% capacity. The minister argued that American ships could carry the grain to the primary American export hub of Buffalo. He accordingly recommended that the coasting laws be suspended on the Great Lakes for the remainder of the year. By October 20th, the collectors of customs at Canadian lakes ports across the lakes received instructions to allow such activity by American ships.

This relaxation in coasting laws proved highly effective, but it was not Buffalo that benefitted. In November, members of the Montreal Corn Exchange testified that Midland, Collingwood, and Depot Harbour had become the primary distributing centers for western wheat once the coasting laws were suspended. They declared that through these Georgian Bay ports, their Montreal exchange could have done even more business in western Canadian wheat if the laws had been relaxed earlier in the year. As it stood, in 1899, the Montreal Exchange did more business in Manitoba wheat than had been conducted for years.

Among all Canadian lake and rail ports, Depot Harbour was preeminent. It handled 13,693,781 bushels of western grain in 1899. The GTR route through Midland came in a distant second, handling 6,815,303 bushels. Among Canadian routes, the CAR route exported the most grain through Montreal: 11,100,000 bushels; the Midland route again came in second place with 3,500,000 bushels. Compared to all Canadian pathways,
the Depot Harbour route handled the majority of American grain exported from Chicago: 8,833,269 bushels out of 19,606,599 in total (~45%).\textsuperscript{184} Tables 1, 2, and 3 depict the grain export values for Canadian transshipment ports in 1899. The ability of the CAR to maintain an adequate supply of rail cars on its line while the GTR diverted its stock away from Georgian Bay meant that Depot Harbour could offer more consistent transportation than competing Canadian ports, so even when several Georgian Bay ports benefitted from the inflow of western grain carried by American ships, Depot Harbour emerged as the dominant port.

By its second year of operation, Depot Harbour had become the dominant grain port in Ontario. Its success was influenced by the shorter, more rapid route it offered across central Canada, but it was also determined by the fact that the CAR maintained its resources on the Depot Harbour line whereas other railroads such as the GTR diverted their rolling stock away from their lake ports. When conditions arose that allowed American ships to service the Lakehead ports in addition to Chicago, Duluth, and other U.S. grain ports, they favored the CAR route. Depot Harbour would not have been successful without its advantageous geographic position, but that position alone did not guarantee its success. The combination of regional ownership and regionally-oriented management practices (CAR focus on the Georgian Bay – Ottawa – Montreal route) framed its attractiveness and success as a grain port.

Table 1: Western Grain Exported via Canadian Lake and Rail Ports, 1899\textsuperscript{185}

<table>
<thead>
<tr>
<th>Port</th>
<th>Bushels</th>
</tr>
</thead>
<tbody>
<tr>
<td>Depot Harbour</td>
<td>13,693,781</td>
</tr>
<tr>
<td>Midland</td>
<td>6,815,303</td>
</tr>
<tr>
<td>Kingston</td>
<td>6,434,793</td>
</tr>
<tr>
<td>Sarnia</td>
<td>3,416,856</td>
</tr>
<tr>
<td>Owen Sound</td>
<td>2,620,177</td>
</tr>
<tr>
<td>Prescott</td>
<td>1,591,258</td>
</tr>
<tr>
<td>Goderich</td>
<td>865,132</td>
</tr>
<tr>
<td>Collingwood</td>
<td>236,292</td>
</tr>
</tbody>
</table>

Table 2: Western Grain Exported via Montreal, using Canadian Lake and Rail Ports, 1899\textsuperscript{186}

<table>
<thead>
<tr>
<th>Port</th>
<th>Bushels</th>
</tr>
</thead>
<tbody>
<tr>
<td>Depot Harbour</td>
<td>11,100,000</td>
</tr>
<tr>
<td>Midland</td>
<td>4,500,000</td>
</tr>
<tr>
<td>Kingston</td>
<td>3,500,000</td>
</tr>
<tr>
<td>Owen Sound</td>
<td>1,500,000</td>
</tr>
<tr>
<td>Prescott</td>
<td>1,100,000</td>
</tr>
</tbody>
</table>

Table 3: Grain shipped from Chicago through Canadian Routes, 1899\textsuperscript{187}

<table>
<thead>
<tr>
<th></th>
<th>Bushels</th>
</tr>
</thead>
<tbody>
<tr>
<td>Shipped by all Canadian Routes</td>
<td>19,606,599</td>
</tr>
<tr>
<td>Shipped via the Depot Harbour Route</td>
<td>8,833,269</td>
</tr>
</tbody>
</table>

Understanding the large volume of grain its port handled, the CAR announced in January 1900 that its current infrastructure was inadequate and that it would build a second elevator with a capacity of 1,500,000 bushels. However, the CAR never built the elevator. This lack of expansion did not immediately impact the preeminence of its port. In 1900, Depot Harbour handled a large volume of Canadian grain exports and increased its share of wheat from Chicago. It took in 51.1% of wheat exported from Chicago through Canadian lake ports. Even when the volume of wheat exported through Canada on all-railroad routes was included, Depot Harbour handled 39.0% of all exports, the largest single share (see Table 4). In the short term, the speed advantage of the CAR route remained as well. In June 1901, it set a new speed record for transporting cargo between Chicago and Montreal of five days.

The town continued to expand in the early 1900s. Depot Harbour’s population grew to 562 people by 1901, according to the Census of Canada. The residents of the town were primarily Euro-Canadian, American, or Anglo-Celtic in origin. While indigenous people worked for the railroad, only one person of “Indian” origin was listed as residing within the port town. Male residents were listed as working in occupations ranging from laborer (the most common) and millwright to engineer, cooper, and conductor.

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Table 4: Exports from Chicago through Canadian Routes, 1900193

<table>
<thead>
<tr>
<th>Transshipment Port or Route</th>
<th>Bushels</th>
</tr>
</thead>
<tbody>
<tr>
<td>Depot Harbour</td>
<td>3,089,381</td>
</tr>
<tr>
<td>Kingston</td>
<td>526,516</td>
</tr>
<tr>
<td>Prescott</td>
<td>152,934</td>
</tr>
<tr>
<td>Midland</td>
<td>1,725,000</td>
</tr>
<tr>
<td>Goderich</td>
<td>419,600</td>
</tr>
<tr>
<td>All-Rail Route through Canada</td>
<td>2,004,271</td>
</tr>
</tbody>
</table>

193 “OUR SHARE OF TRADE SMALL.”
Many of the railroad workers were living in shacks, so the CAR built 26 more houses in 1901, which increased the number of houses to over 100. Continued growth and expansion demonstrated the upward economic trajectory for Depot Harbour in the very first years of the 20th century.

In the longer term, however, the failure to expand port facilities beginning in 1900 marked an important first step in the relative decline of the port. This decision to not invest in expansion at Depot Harbour stemmed from the same fact of regional ownership that allowed the CAR to focus its resources on Depot Harbour. J.R. Booth’s focus on his single Georgian Bay transportation link allowed the port to offer better service than ports operated by other Canadian railroads. However, J.R. Booth possessed less capital and resources than the larger railroads. The success of his railroad attracted the interest of larger railroads that wanted to purchase the CAR line and the Canadian government, which considered nationalizing the system. Rather than continue to compete against national railroad systems while needing to focus his resources on his Ottawa timber operations, Booth decided to withdraw from the railroad business by selling the CAR.

1.8 J.R. Booth: Ownership and Sale of the CAR

John Rudolphus Booth maintained a personal and almost total ownership in the companies supporting the Depot Harbour route. When the Canada Atlantic Transit Company was incorporated on June 13th, 1898, J.R. Booth and four close business associates or family members owned the entire stock of 10,000 shares. Booth also owned 99.8% (2,495 out of 2,500 shares) of the Canada Atlantic Transit Company of the United States, and he controlled 98% of the stock of the CAR. The former company

was one of the lakes shipping companies established to provide freighter service between upper lakes ports and Depot Harbour, while the latter was the regional railroad that operated from eastern Georgian Bay through the Ottawa River Valley, Montreal, and connected with American railroads in northern Vermont. Booth was the majority stockholder (by a significant margin) of both companies. He individually purchased two ships at a cost of $440,000 and provided them to the American company. Between 1900 and 1903, he directly owned the steamer *Ottawa* that was operated by the Canadian company.

Because Booth effectively owned the CAR, he owned the entire town site of Depot Harbour and its buildings. One resident stated that he owned “the people too.” While Booth was alleged to have fashioned Depot Harbour as “the Pullman of Canada”, this description inaccurately portrayed Booth as having constructed his port town as an endeavor in social engineering in addition to commercial activity. Pullman, Illinois, was constructed by the railroad car magnate George M. Pullman as a model town that would not only house his manufacturing workforce but also provide a social environment isolated from (in his view) pernicious outside influences. Pullman provided modern, clean, homes and community buildings, controlled which books were allowed in the town library (banning those of Karl Marx, among others) and which forms of entertainment were shown in the town theatre. He felt he could avoid unionization with this

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199 “EFFECT OF SAWLOG LAW.”

200 Ibid.
combination of providing this carefully curated combination of material comforts and social influences.\textsuperscript{201}

In contrast, Depot Harbour represented a purely commercial venture for J.R. Booth. He maintained almost total ownership, but this was due to his generally autocratic style of control and management of his companies, not an ideological desire for social control of his labor force. He did not try to control the lives of Depot Harbor residents. Booth constructed a Georgian Bay port simply because he needed a connection between the lakes trade and his railroad. He was pragmatic in allowing outside social institutions that served his workforce, such as allowing multiple religious groups to establish congregations. He took advantage of all the available workforce on Parry Island. In employing indigenous people from the reserve, Booth’s priority was to ensure an adequate workforce, and this outweighed any racial bias.\textsuperscript{202} While it is true that Booth disliked government regulations that protected workers and labor unions, he built his port as a practical means to connect with the western export trade.

As long as the port was a profitable component of his business portfolio, ownership and control remained in Booth’s interest. Within the first years of its operation, its success in handling large volumes of grain demonstrated a need to expand its port facilities. This required substantial investment by Booth. In 1899, Booth petitioned the Dominion Government to fund an additional grain elevator, unloading equipment, and improved ship channels. The government refused this request because Prime Minister Wilfrid Laurier desired to maintain the political backing of supporters of the Intercolonial Railway, who sought to construct a new railway to the Canadian Lakehead. Supporting the CAR route would have been supporting a rival to this proposed railroad, so the request for funds was denied. This left Booth to privately finance these improvements. In 1900, his ability to do so was hamstrung when a major fire destroyed


\textsuperscript{202} See Chapter Three for details about indigenous people working in Depot Harbour.
many of his Ottawa lumber mills and 100,000,000 feet of finished timber. He was left in a weak financial position to fund improvements and expansion of the port. Needing to refocus attention and resources on his timber operations, Booth began for the first time to consider selling the CAR.\textsuperscript{203} Canadian and American railroad companies were interested in buying it. Faced with continuing to compete with these railroads or sell his railroad to one of them, plus the need to focus investment back on his timber operations, a sale was attractive.

The sale of Depot Harbour was a major turning point for the port because it altered the conditions that had shaped its early success. Under ownership and management by J.R. Booth, the CAR line from Georgian Bay to Ottawa connected to the western grain trade but remained a line with a specific, regional export focus as an improved connection between the upper Great Lakes and Montreal. The advantage of the Depot Harbour route reinforces the importance of a shortened Great Lakes-Laurentian route in Canada’s aim to control its western development and the specific significance of Georgian Bay in that network.

Yet this early period for the port also demonstrates the importance of J.R. Booth. He was a businessman and entrepreneur whose search for increased business opportunity drove the creation and operation of the port. He constructed modern transportation facilities and structures for his workers, and the whole of his focus on attracting western commerce went to Depot Harbour. The transition in global trade toward intercontinental movement of bulk commodities, the emergence of the North American interior as a massive grain producing region, and the spirit of Canadian nationalism evident in government support for his railroad positioned Booth’s venture for success. Yet the rapid commercial success of Depot Harbour was contingent on Booth’s investment and support in his port. Its construction as a company town focused entirely around transportation (as opposed to an addition to Parry Sound or other established centers) allowed Booth to control all business operations there, but it also singularly tied its economic fortune to the

\textsuperscript{203} Stevens, \textit{Canadian National Railways Volume 2: Towards the Inevitable 1896-1922}, 369–70.
role it would play in the Canadian transportation network at large. When its ownership changed, that role changed with it.
2 National Ownership and Decline: Depot Harbour after 1904

The year 1904 does not mark a turning point in the annals of economic globalization, the development of the Canadian wheat economy, or even the history of the Canadian Great Lakes at-large. The global commodity economy drew increasingly interconnected, the wheat economy of the Canadian Prairie West continued to boom, and Canadian Great Lake shipowners expanded their fleets in response. While transit between Lakes Superior, Michigan, Huron, and Erie was relatively seamless due to natural waterways and modern canals, Lake Erie remained connected to Lake Ontario by only the antiquated Welland Canal, meaning western export cargoes needed to be transshipped in Ontario or the United States. This left the CAR route as the most direct Canadian passage for exports. Despite all of these continuities, 1904 marked the beginning of Depot Harbour’s decline from eminence in Ontario grain ports.

In that year, Booth sold the CAR to the Grand Trunk Railway. This sale was completed after the decision was made to build two new transcontinental railroads rather than focus on the proven lake-and-rail route. Depot Harbour thus avoided incorporation into a government-owned national transportation system and was left for the GTR to acquire. Ownership by the GTR placed Depot Harbour in a wholly new position relative to the Canadian port and rail network. Rather than being managed as the single terminus of a regional rail network, the railroad became one branch line for a massive national railroad, and thus it competed against the other GTR ports on Georgian Bay for investment and expansion. Within the GTR network, Depot Harbour was at a disadvantage.

The company focused investment and expansion elsewhere. The decision to not modernize and enlarge Depot Harbour was the first step in a series of decisions and developments that led to the disappearance of the port. Chapter Two analyses these developments. First, Depot Harbour became divorced from the overall tide of shipping and railroad expansion across Canada, and it lost its leading position among Ontario grain ports. Later, the retreat from global trade that began as part of the global economic depression in the late 1920s splintered the international wheat economy, precluding
Depot Harbour’s potential economic recovery and ultimately leading to its abandonment by 1945.

2.1 Sale to the Grand Trunk Railway

The first major attempt to purchase the CAR came from a conglomerate of American railroads, of which the New York Central was the largest. In January of 1902, the acquisition appeared to be complete. On January 29th, the Globe reported that “the deal was completed this morning” and the Chicago Daily Tribune stated that “all that remains...is the paying over of the cash.”204 The accounts stated that the CAR system was to be incorporated into the network of the New York Central and Rutland Railroads, and that new tracks would be laid to Sudbury, linking tracks to the Canadian Lakehead. Thus, a continuous system from northwestern Ontario to New York and Boston would have been created, all under American ownership and control. Ultimately, the deal between this American syndicate and the CAR was not completed. Booth retained ownership for the time being, but the failed sale did not deter his interest in selling the Depot Harbour route.

He ultimately sold his railway in 1904 to the GTR, but between 1902 and 1904, Depot Harbour featured in national debates regarding the best way to improve transportation between central and western Canada. The debate resulted in the decision to construct the National Transcontinental Railway. These debates demonstrated the difference between the objectives and aims of the government and national railroad companies, such as the GTR, and the CAR’s regional and specific focus. The national railroads were caught up in a spirit of optimism and expansion, which set conditions for later financial problems and the need for consolidation. In contrast, the CAR operated a successful grain port and its regional focus on grain and timber exports through the Ottawa Valley did not involve ambitions for national-level operations.

The leadership of the Liberal government, in power since 1896, desired to construct an additional railroad to the west. The national economy was doing well – partly due to the rapid development of the prairie region – and public sentiment was optimistic about the future and thus supported an almost unlimited expansion of railways.205 Railway expansion was needed in certain areas of the west. Wheat exports were an acute problem for the railroads, because there existed only a short period between the crop harvest and the time when the exported wheat needed to arrive at eastern ocean ports. Since this wheat passed through the Lake Superior ports, sufficient capacity was needed to ensure reliable export transportation. At the turn of the century, only one line of the CPR ran between the western hub of Winnipeg and the Canadian Lakehead ports. Interruptions in service on that line in 1901 and 1902 negatively affected all entities involved with the sale, financing, and export of the crop.206 The need for additional capacity from Winnipeg to Lake Superior was thus apparent. It was addressed when the Canadian Northern built a line from Winnipeg to Port Arthur that was completed by 1902.207

However, an additional transcontinental line did not realistically promise significant improvements in the capacity to export wheat, and this deficiency was argued by several members of parliament who opposed the Liberal government’s plan for a new long-haul railroad.208 A new rail link to the west offered potential benefits for existing railroads. For the GTR, which operated only in Ontario and Quebec, and the Canadian Northern, which operated only west of Port Arthur and Fort William, a transcontinental line would allow them to capture the benefits of long haul traffic and access new regions

206 Ibid., 123.
207 Ibid., 126.
208 Ibid., 134.
of the country. If a new transcontinental line was to be built, the logical course of action was to combine or connect those two lines in a co-operative arrangement. However, the GTR wanted to buy out the Canadian Northern, while the western company had no desire to be entirely subsumed. Rather than force a merger using its powers of granting charters and subsidies, the Liberal cabinet decided to pursue an entirely new plan of building a new, direct line to Canadian ports on the Atlantic that would carry grain over an all-rail journey. By the time the proposed plan was introduced to Parliament, the railroad had evolved into an ambitious scheme to construct a railroad all the way from Moncton, NB, to the Pacific Coast. The line would travel northwest from Quebec through mostly unexplored northern country and would not connect to the shores of the Great Lakes, making it entirely divorced from lakes shipping. It was named the National Transcontinental Railway (NTR). See Figure 8 for the route of the NTR.

Since the great lakes dominated the grain export trade, the impetus for the Liberal cabinet to construct a new transport route that bypassed them was not the most logical approach to realize the transportation of grain through Canada. Other Liberal politicians recognized the value of the great lakes grain trade, including the success of the Depot Harbour route. In 1900, Liberal MP John Charlton stated in parliamentary debate that the capacity of the CAR to carry grain from Depot Harbour to Montreal “leaves nothing to be desired, and leaves nothing that can possibly be attained in the shape of securing cheaper transportation.” Speaking about the grain trade generally, he stated:

209 Ibid., 126.
210 Ibid., 127–28.
Figure 8: Map of the National Transcontinental Railway, 1904\textsuperscript{211}

\textsuperscript{211} National Transcontinental Railway (Ottawa: Department of the Interior, Canada, 1904), University of Toronto Libraries Map and Data Library, https://mdl.library.utoronto.ca/collections/scanned-maps/national-transcontinental-railway.
We are, of course, deeply interested in the subject. Canada desires to secure as large a portion of this trade for her own seaports as possible, and the question with us is, what is the best method to be adopted for the purpose of securing this trade. I hold that we have in our own railway lines which reach the waters of the upper lakes and the north-west, all the facilities and means necessary for solving this problem, and securing the realization of our desires in this respect.\textsuperscript{212}

This same sentiment of ensuring that Canada retained as large as possible a share of the grain trade animated public opinion in 1902 when the CAR was allegedly going to be sold to the American railroad syndicate. The government was urged “to nationalize the road [the CAR] as part of a new transcontinental route” that would provide the Intercontinental Railway a direct route from Halifax to the Great Lakes.\textsuperscript{213} The value of the Great Lakes connection was recognized and the CAR route was acknowledged as a premiere option for that connection.

This recognition extended to the Minister of Railways, A.G. Blair. As the Liberal Cabinet formulated their plan for the NTR in 1902-1903, he remained highly skeptical of the proposed railroad. Eventually, Blair resigned in protest of the proposal. In his resignation speech of July 1903, he stated:

If we wanted to do something of advantage for the transportation of the country, if we wanted to secure to our Canadian sea-ports the transportation of western products, we would have extended the Intercolonial to Georgian Bay by acquiring the Canada Atlantic…business can be brought from the western country by the lake route and down over the Intercolonial Railway which will never, perhaps, be brought by any other possible route that may be constructed in the country.\textsuperscript{214}

Blair knew that the great lakes were a key link in export transportation, and that a single new railroad that bypassed the lakes would not be able to provide a significant difference in that trade. Even those who supported the NTR plan recognized the value of the Depot


\textsuperscript{213} “CANADA NATIONAL ROAD URGED: Government Advised to Take Over Line,” \textit{The Globe (1844-1936)}, June 8, 1902.

\textsuperscript{214} Hon. A.G. Blair, Minister of Railways and Canals, \textit{Resigns and Condemns the Government’s Railway Policy} . (Ottawa, 1903), 7–8, \url{http://www.canadiana.ca/view/oocihm.80037}. 

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Harbour route. Senator J.P.B. Casgrain stated that at a carriage rate of ten cents, it offered the best lake and rail option for carriage of wheat to Montreal. He acknowledged that the NTR route would charge “a rate of something better than twelve and fourteen cents a bushel” but argued that its competitive advantage was that it avoided high maritime insurance rates and could operate year-round.\(^{215}\)

Despite the lack of merit in building an entirely new railroad across the Canadian shield from central Canada to the west, a lack that especially applied to its utility in the grain trade, the NTR project was approved by Parliament and construction proceeded. The government directly built the NTR line westward to Winnipeg, with the agreement that the GTR would lease the line and operate railroad traffic on it at the conclusion of its construction. The GTR secured the contract to construct the western section of the new transcontinental railroad, which would be called the Grand Trunk Pacific Railway (GTPR) but it was heavily financed by government loans.\(^{216}\) These new railroad projects reflected a hubristic belief in continual growth in Canada, led by the development of the west.\(^{217}\)

There is no question that in the early 1900s, the Canadian railway system was imperfect and required expansion.\(^{218}\) However, the scale and route of the NTR demonstrated government policy and action based on a feeling of confidence in Canada, not a careful consideration of the realities of export trade and transportation. The Great Lakes offered the best transportation route to the west. True, it was closed to traffic during the winter months, but lake ships directly connected western exports to Ontario railroads and eastern export ports in a way that a new railroad travelling a circuitous route


through uncharted wilderness away from the lakes to the north could not. Despite this reality, an optimistic mood prevailed. “Parliament, the press, and businessmen all were thinking in terms of progressive prosperity and rapid expansion. It was this spirit which gave a grandiose character to the plan for providing additional railway facilities.”

These sentiments fueled the approval of the NTR and GTRP projects. The government plan thus bypassed the Great Lakes and the CAR.

Because the government scheme did not include the CAR route, J.R. Booth still looked to sell his railroad. Possible buyers included the GTR, which continued to lack a rail connection between its central Canadian system to the west. It had gained a western subsidiary in the GTRP, but opportunity remained to strengthen its link between Winnipeg and central Canada. The CAR route provided the best available Canadian route between the Great Lakes and Montreal. This route included access to Ottawa, which the GTR lacked. A sale of the CAR to the GTR thus proved an attractive proposition to both parties, if the exact terms could be settled. They were, and the GTR agreed to pay Booth a sum of $14,000,000 for the CAR. The sale was agreed to in principle in August 1904 and the properties were formally transferred 14 months later.

### 2.2 The Port under Ownership by the Grand Trunk and Canadian National Railways, 1905-1928

For Depot Harbour, the direct result of the 1903 debate over the new national railroad and its outcome - the approval of the NTR and GTPR lines - was that it became incorporated into the GTR system in Ontario. This system included several other grain ports, namely Sarnia, Goderich, Southampton, Owen Sound, Meaford, Collingwood, and

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219 Glazebrook, 134.


Midland. Depot Harbour was still the nearest Ontario port to tidewater. It retained its geographic advantage while part of the GTR system. However, it lost the advantage of being the only port under the management of its owner.

When Booth owned Depot Harbour, he essentially had two choices regarding his port town. If he wanted the CAR to remain competitive in the grain trade, he could continue to actively seek improvement in the port. It was the only CAR grain port, so either it functioned as a facility to transship grain, or it did not, in which case the entire system would fail to attract grain exports. This was the case for Depot Harbour during its first years of development and operation. If Booth decided not to compete in the grain trade, he could sell his port, which he did when losses in his timber operations forced his investment and attention away from the railroad system.

The GTR faced a different set of options in determining how and to what extent it would operate in the grain export trade. In 1904, the entire CAR system encompassed only 400.30 miles of tracks, while the GTR system spanned 3,126.13 miles of track, making it the second largest railroad system in Canada behind the Canadian Pacific. Rather than a regional transportation link possessing a single port and focused narrowly on the export of a handful of commodities, the GTR owned extensive operations across Ontario and Quebec, and its network extended into Atlantic Canada, New England, and across Michigan to Chicago. With the acquisition of the CAR, it owned and operated eight grain ports in Ontario. Outside of Depot Harbour, these ports were located on the southern shore of Georgian Bay or the eastern shore of Lake Huron. The Depot Harbour route was relatively isolated from the rest of the GTR system in Ontario. It offered a more direct route through Ottawa to Montreal, and this was an attractive feature that influenced its acquisition by the GTR. Its relatively separate routing, however, meant that if the GTR decided to consolidate port operations, it could either focus attention on the one port it operated on the northeastern shore of Georgian Bay, or it could focus on the cluster of ports it operated to the south. Only the latter were constructed to connect to the GTR’s main line that ran along the north shore of Lake Ontario to Montreal. See Figure 9 for an illustration of this situation.
The position of the CAR line within the GTR system meant that the GTR could continue to maintain and invest in shipping grain across Ontario from the Great Lakes to tidewater ports without investing in the Depot Harbour route. Continued growth of grain exports from the interior of North America meant that at the time of acquisition by the GTR, there would be more than sufficient grain exports for all the GTR ports to handle. In announcing the sale, the Globe argued that grain exports were growing at such a rate that “within a few years” the GTR would have enough traffic for all its grain ports, including Depot Harbour.222 This optimism was born out. Grain exports continued to grow for two decades after the GTR took over the CAR. The transportation route for these exports continued to be strained, and the lake and rail routes in Canada repeatedly failed to provide sufficient capacity for the volume of exported grain. The relative decline of Depot Harbour (see Table 5) was not caused by a downturn in its largest export commodity.

Growth in the international wheat trade remained robust through the first three decades of the 20th century. Between 1903 and 1929, the trade expanded 44%.223 The international wheat trade expanded at an average annual rate of 3.2% from 1903 to 1913 and 5.9% from 1918 to 1931. The First World War of 1914-1918 caused a sharp descent in the trade, but in the course of recovery from the war not only did the overall trade return to steady growth but the United States, Canada, Argentina, Australia, and the Punjab Region in India became important players in the global wheat trade. The war caused a decline in European production and ended wheat exports from Russia, which stimulated greater growth in North America and Australia.

222 “THE CANADA ATLANTIC RAILWAY,” The Globe (1844-1936), September 5, 1904

Figure 9: Map of Grand Trunk Railway System, 1901²²⁴

Table 5: Grain Exports from Canadian Lakehead ports through Canadian Routes, 1904-1907

<table>
<thead>
<tr>
<th>Year</th>
<th>1904</th>
<th>1905</th>
<th>1906</th>
<th>1907</th>
</tr>
</thead>
<tbody>
<tr>
<td>Depot Harbour</td>
<td>7,109,528</td>
<td>9,067,510</td>
<td>5,246,243</td>
<td>5,677,280</td>
</tr>
<tr>
<td>Owen Sound</td>
<td>1,824,953</td>
<td>2,535,337</td>
<td>1,817,698</td>
<td>2,017,698</td>
</tr>
<tr>
<td>Midland</td>
<td>2,618,052</td>
<td>2,417,469</td>
<td>3,527,309</td>
<td>3,684,541</td>
</tr>
<tr>
<td>Collingwood</td>
<td>688,813</td>
<td>489,788</td>
<td>690,618</td>
<td>289,241</td>
</tr>
<tr>
<td>Point Edward</td>
<td>1,568,581</td>
<td>2,251,070</td>
<td>2,663,382</td>
<td>2,474,728</td>
</tr>
<tr>
<td>Meaford</td>
<td>1,615,334</td>
<td>596,913</td>
<td>1,468,084</td>
<td>1,335,408</td>
</tr>
<tr>
<td>Goderich</td>
<td>3,564,087</td>
<td>2,010,684</td>
<td>1,431,823</td>
<td>3,819,607</td>
</tr>
<tr>
<td>Total</td>
<td>18,989,348</td>
<td>19,368,771</td>
<td>16,845,157</td>
<td>19,298,503</td>
</tr>
</tbody>
</table>

These regions increased their rate of production significantly – 46% between 1914 and 1925 – while production generally declined elsewhere in the world.\textsuperscript{226} The Canadian role in this increase was significant. Canada only exported 4% of the world’s wheat supply in 1900, but by 1915 it supplied 16% and by 1923 it was the world’s largest supplier, a position it would hold through 1929.\textsuperscript{227} In absolute terms, Canadian wheat exports increased nearly 1200%, from an average volume of 24 million bushels in the period 1898-1902 to an average of 309 million bushels in the period 1925-1929.\textsuperscript{228} This explosive growth was driven by wheat produced in the Canadian west. By 1917, the three prairie provinces accounted for the entire volume of national wheat exports.\textsuperscript{229}

The primary export path for these wheat exports continued to be the lake and rail route across the Great Lakes. By 1913, the western Canadian export crop totaled about ~139,000,000 bushels. Of this total, ~130,000,000 bushels were exported via lakes shipping from Port Arthur and Fort William and another ~7,800,000 bushels were shipped from Duluth.\textsuperscript{230} Nearly 100% of wheat exports were moved through lake ports on their journey to export markets. By 1923, ~296,000,000 bushels of western grain were shipped over the lake and rail system from Port Arthur and Fort William.\textsuperscript{231}

Canadian transportation routes remained inadequate to handle this volume of grain exports. One aspect of this inadequacy was lake shipping. The Canadian lakes fleet grew significantly between 1900 and 1914, approximately tripling in capacity from 12,993 tons

\textsuperscript{226} Aparicio and Pinilla, 52.
\textsuperscript{227} Norrie, Owrarn, and Emery, \textit{A History of the Canadian Economy}, 201; MacGibbon, \textit{The Canadian Grain Trade}, 55.
\textsuperscript{228} MacGibbon, \textit{The Canadian Grain Trade}, 82.
\textsuperscript{229} Porritt, “Canada’s National Grain Route,” 344.
\textsuperscript{230} W. Sanford Evans, “Interim Report Statistical Examination of Certain General Conditions of Transportation Bearing on the Economic Problem of the Proposed Georgian Bay Canal” (Ottawa: Georgian Bay Canal Commission, 1916), 63.
\textsuperscript{231} Ritter, \textit{Transportation Economics of the Great Lakes-St. Lawrence Ship Channel}, 154.
to 36,488 tons.\textsuperscript{232} The Canadian fleet experienced another period of growth in the 1920s, when Canadian shipowners added more than 200 vessels of 475,000 tons to their fleets.\textsuperscript{233} However, even this degree of expansion could not keep up with the demand for tonnage created by the growth of the grain trade. Since the Canadian merchant fleet was insufficient to handle the Canadian crop, the American fleet had to be called into the trade. However, due to coasting laws, American ships could only transport grain from the Canadian Lakehead to American ports such as Buffalo. Another important shortcoming in the Canadian routes was the insufficient capacity of Ontario grain elevators to accommodate the large volume of grain.\textsuperscript{234} During the height of the shipping season, Canadian lake grain elevators became “choked with grain” and grain carriers arriving at Ontario ports had to wait in port until the elevators were relieved.\textsuperscript{235} The third shortcoming in the Ontario grain handling system was a lack of railway rolling stock. Railroad companies did not operate adequate numbers of rail cars to carry grain away from lake elevators, which contributed to congestion in those elevators.

An example of the inadequacy of elevator and rail capacity occurred when the GTR informed shippers on November 2, 1906 that it would no longer accept any export grain at its Georgian Bay ports in that year. The navigation season for export from Montreal did not close until November 15\textsuperscript{th}, but the GTR could not complete transport to Montreal before that date. The railroad already faced a backlog of nearly two weeks. Ships commissioned for the Georgian Bay ports in 1906 handled 5,950,000 bushels per week but in aggregate the grain elevators could only handle 3,395,000 bushels per week. This discrepancy existed because the elevators were not large enough to store more grain and

\textsuperscript{232} Salmon, “‘A Prosperous Season’: Investment in Canadian Great Lakes Shipping, 1900-1914,” 134.

\textsuperscript{233} Salmon, “‘This Remarkable Growth’: Investment in Canadian Great Lakes Shipping, 1900-1959,” 4.

\textsuperscript{234} Ritter, \textit{Transportation Economics of the Great Lakes-St. Lawrence Ship Channel}, 153.

\textsuperscript{235} Edwin Jones Clapp, \textit{The Port of Boston: A Study and a Solution of the Traffic and Operating Problems of Boston, and Its Place in the Competition of the North Atlantic Seaports} (Yale University Press, 1916), 178.
not enough rail cars were available to rapidly move grain away from the elevators.\textsuperscript{236} Elevator capacity did not keep up with the increase in grain exports. By 1916, the elevators at the Canadian Lakehead possessed a capacity of 41,035,000 bushels but the Georgian Bay elevators in aggregate had a capacity of only 12,800,000 bushels. This was insufficient to handle the flow of western grain down the lakes.\textsuperscript{237} The disparity remained into the 1920s. In 1925, the receiving capacity of all the Ontario elevators on Georgian Bay, Lake Huron, and Lake Erie for receiving grain was less than one-third the capacity of elevators on the upper lakes that loaded grain onto lake vessels for export.\textsuperscript{238}

Thus, a major need existed for expanded and improved facilities at Georgian Bay grain handling ports. Considering Depot Harbour strictly in relation to the business of exporting grain, the port was positioned for expansion and a continued position as the leading lake port. Yet soon after its acquisition by the GTR, its share of grain handling began to decline and its preeminent position as the leading Ontario grain port was lost. Initially, the changes were driven by financial decisions made by the GTR. The railroad company invested in Depot Harbour to a level only sufficient enough to maintain and replace existing infrastructure, rather than making the necessary expenditures to expand the port’s capacity. In the same period, the GTR invested in its facilities at Midland, prioritizing that port as its lake terminus of the future.

Once J.R. Booth began preparing to sell his railroad, he decreased investment in maintaining and expanding railroad and port facilities. The CAR announced in 1900 that it would build an additional grain elevator at Depot Harbour with a capacity of 1,500,000 bushels, but this was never completed under Booth’s ownership. The expansion that was ultimately completed by the GTR in 1907 only offered an additional 1,000,000 bushel

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\textsuperscript{237} Clapp, The Port of Boston, 179.

\textsuperscript{238} Ritter, Transportation Economics of the Great Lakes-St. Lawrence Ship Channel, 208.
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capacity, and was the final enlargement of the port’s grain facilities. The GTR did invest in its newly acquired grain port, but during the first years of owning Depot Harbour, the company invested most heavily elsewhere, specifically in its port complex at Midland and Tiffin on the southern shore of Georgian Bay. By 1908, it had constructed a new port facility at Tiffin with a concrete elevator that could accommodate 2,000,000 bushels. Two years later this facility possessed three elevators with a combined capacity of over 4,000,000 bushels. The choice of the GTR to focus its grain port investments at Tiffin was because the CAR route was largely separate and isolated from the rest of the GTR system (refer again to Figure 9 for a map of this system).

The Depot Harbour route ran directly west to east from Georgian Bay to Ottawa. This layout meant that it was the most direct route from the upper Great Lakes to Montreal, but it also meant that the port lacked a southward link to the main trunk line of the GTR. Such a link would not have provided Depot Harbour with any advantage in the grain export trade, since cargoes travelling along it would have travelled a longer, more circuitous route to a tidewater port, obviating the competitive advantage of the port. However, under GTR ownership, this missing connection to the trunk line meant that the former CAR path was a detached branch line. Depot Harbour could still handle grain exports and send them onward to Ottawa and Montreal, and profits from such business could add to the bottom line of the GTR. However, the port could not add an additional branch to the main network of the railroad, and it was thus not an attractive target for the GTR to invest in as the grain port of the future. The shorter export route provided by Depot Harbour proved to be a disadvantage for port when it came under GTR control.

The condition of Depot Harbour’s facilities in 1905 required investment by its ownership, but this investment was recognized by the GTR at the time of the sale.

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Because J.R. Booth had neglected improvements in the infrastructure of Depot Harbour for several years, at the time of the GTR acquisition in 1905 the system was “down-at-heel and in need of large expenditures for rehabilitation and re-equipment.” In the process of finalizing its purchase, the GTR reserved between $1,000,000 and $3,000,000 in bonds for such outlays. While the capacity of the grain elevator was expanded, the majority of the money invested by the GTR in the Depot Harbour route went toward replacing or maintaining existing facilities on the former CAR route. The GTR made the investments that were necessary to maintain service through Depot Harbour, but they did not prove sufficient to allow for profitable operation of the route, let alone keeping Depot Harbour as the leading Ontario grain port.

Between 1896 and 1905, the CAR under the ownership of J.R. Booth posted annual profits averaging $367,000 and the port captured the largest share of the western grain trade, relative to all Ontario ports. Within the first two years of operation by the GTR, its share of grain traffic began to decline. Table 5 (see page 96) shows this loss in grain traffic from the Canadian Lakehead. The GTR continued to need to invest in maintaining existing facilities on the former CAR route, including replacing the railroad bridge that connected Parry Island to the mainland shore of Georgian Bay, a rebuilding project that lasted from 1912 to 1914. Besides the expansion of the grain elevator – an expansion

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241 Stevens, Canadian National Railways Volume 2: Towards the Inevitable 1896-1922, 244.
242 Bell, A Way to the West, 143–44.
243 Bell, 155.
that was smaller than initially planned under Booth’s ownership – the investments made by the GTR only maintained the same transport capacity as had been present during the period up to 1905. By 1913 and 1914, the former CAR line posted losses of $599,000 and $830,000, respectively.245 During the first ten years owning the former Booth line, the GTR lost over $4,000,000 on the route. Meanwhile, by 1913, Depot Harbour handled only 2,963,915 bushels of western Canadian grain while Midland and Tiffin together transshipped 12,269,728.246

The GTR had ostensibly been given access to long-haul railroad traffic from western Canada when it was granted the lease of the National Transcontinental Railway route eastward from Winnipeg and the construction and operation contract for the Grand Trunk Pacific Railway from Winnipeg to the Pacific Ocean. However, the GTR continued to rely on its network in central Canada for profitable operations. The entire new railroad line from Quebec City to the Pacific Ocean was completed for operation by 1914, but the GTR refused to honor its lease on the Winnipeg-Quebec City section due to its cost being 200% higher than originally stated.247 Profits from the Grand Trunk Pacific Railway never proved significant for the GTR, due to a combination of factors that included a failure to develop port facilities at its Pacific Ocean terminus of Prince Rupert, an inadequate system of feeder lines, and competition from the Canadian Northern.248 The GTR continued to rely on transporting cargoes from the region around the Great Lakes to Atlantic ports, which accounted for 70% of its profits by 1917.249 Thus, the railroad’s financial problems extended beyond Depot Harbour and the former CAR network to western Canada. The Ontario region served by the lines that competed with Depot

245 Bell, A Way to the West, 155.


248 Glazebrook, 169–70.

249 Glazebrook, 170.
Harbour was actually its most profitable, whereas its expansions beyond central and southern Ontario burdened it with high costs and unprofitable operations.

In the period after the GTR began to focus on other grain ports, life for the townspeople of Depot Harbour suffered. The GTR provided inferior community services relative to J.R. Booth. Whereas over 2,275 tons of fresh ice were stored annually in the town during its early years, GTR management significantly cut back on this supply. Electricity was only supplied to areas inhabited by more economically privileged people while the remainder of the community used coal-oil lamps. Similarly, wealthier neighborhoods were provided with concrete sidewalks while areas occupied by blue-collar laborers were left with deteriorating cinder block paths and boardwalks.\textsuperscript{250} J.R. Booth built his lakeside town with modern amenities throughout, but they were reduced or removed for many inhabitants by the GTR. The situation grew worse through the 1910s, and by 1921 infrastructure had deteriorated to the extent that contamination in the water supply led to an outbreak of typhoid fever.\textsuperscript{251} The number of people suffering under these worsening conditions increased through the 1910s. From an official population of 562 in 1901, the citizenry had grown to 657 in 1911 and 1,242 in 1921.\textsuperscript{252}

This population continued to rely on the transportation business as the economic base of the community. The community was located on an island whose only natural resources were limited timberlands, and nearby Parry Sound was already a center for the timber milling industry. Even if its inhabitants had desired to expand into other industrial or commercial ventures, the GTR continued to own all of the land that had originally been appropriated by J.R. Booth from the Parry Island Reserve. The railroad did not

\textsuperscript{250} Bell, \textit{A Way to the West}, 151.

\textsuperscript{251} Bell, 151.

\textsuperscript{252} “1901 Census of Canada: District 91 Muskoka and Parry Sound, Subdistrict 1, Polling Subdivision 2 in Parry Island: Depot Harbour”; “1911 Census of Canada: District 108 Parry Sound, Subdistrict 39 Depot Harbour Township” (Ottawa: Ministry of Agriculture, 1911), Census Returns Microfilm R233-28-5-E Roll T-20391, Library and Archives Canada; “1921 Census of Canada: District 114 Muskoka and Parry Sound, Subdistrict 12 Foley ( Township), Sub-Subdistrict Depot Harbour Village.”
choose to invest in diversifying the economy of Depot Harbour, essentially restricting avenues of business to those that could be handled by the port.

Outside of commodities transportation, commercial possibilities for the port were limited. Depot Harbour potentially could have served as a minor conduit for migration between the United States and Canada, albeit other larger ports and border towns offered easier access between the two countries. While a part-time immigration inspector was stationed there beginning in 1909, the records of the immigration office reflect that no direct passenger service occurred between U.S. ports and Depot Harbour, and virtually no people were processed entering Canada from the multitude of freight ships. The inspector stated “an average number of 82 freight steamers from Chicago, Milwaukee, Duluth, and Detroit call[ed] [t]here each season and 42 calls [were] from regular and 40 from freight tramps.” From 1909 to 1914, two men were recorded as having entered Canada through Depot Harbour and four were denied entry. Virtually no one used, or attempted to use, the port as an entry point into Canada. Its port was only used for the transportation of goods, not people, thus it remained dominated by the commodity transportation business and remained dependent on the decisions made by its ownership regarding its grain facilities and transshipment activities.

In the years immediately following its acquisition by the GTR, the Depot Harbour route effectively became a branch line that operated independently of a main trunk line and its subsidiary feeder railroads. Because the former CAR system was not treated as a central link in the overall GTR network, it was vulnerable to further diminishment when the overbuilt Canadian railroad system, including the GTR, were pushed by financial difficulties towards nationalization and consolidation.


The construction of the Grand Trunk Pacific Railway and the National Transcontinental Railway were merely two (albeit major) examples of railroad expansion in Canada during the period between 1900 and 1914 when the total mileage in operation nearly doubled.\(^{255}\) By 1915, Canada was left with an overbuilt railroad system that was excessive relative to its needs and population.\(^{256}\) The country had over 30,000 miles of tracks but a population of less than 9,000,000, meaning that there was one mile of railroad track for every 250 Canadians (1:250). In comparison, the corresponding ratio in the United States was 1:400, in Great Britain 1:2000, and in Russia 1:4000.\(^{257}\) The spirit of “unbounded optimism” that had fueled this frenzy of expansion in the early years of the century collapsed under its material excess by the middle of the 1910s.\(^{258}\)

The GTR expanded its infrastructure across the west through the Grand Trunk Pacific Railway, but the GTPR had not yet established the necessary traffic to make this major expenditure cost effective, thus the GTR required an ongoing stream of outside capital to finance its operations. There were three major sources of financing: the London money market, the New York money market, and loans from the Canadian government. After 1912, the London market became unwilling to continue lending and the New York market only offered smaller loans at higher interest rates. By 1916, when further loans to the GTR were proposed, Parliament realized that it needed to properly evaluate its relationship to the railroads it was financially supporting and ensure that those railroads were being managed in a responsible, tenable manner that would not pose a risk to the credit of the Canadian government, since it had already provided several hundreds of millions of dollars in financial support.\(^{259}\) Given the additional urgency of maintaining


\(^{258}\) Friesen, *The Canadian Prairies*, 192.

operational railroads as the First World War continued, the government sought to ensure that the GTR did not collapse. The government also aimed to find a more sustainable solution than simply providing additional loans to the railroad.\footnote{Glazebrook, 151; The same situation applied to the Canadian Northern Railway, which also faced a newly expanded network of tracks that were not yet producing profit.} By 1917, municipal, provincial, and federal financial support for the CPR, the GTR, and the Canadian Northern had reached over $640,000,000 in loans.\footnote{Belich, \textit{Replenishing the Earth}, 413.}

A Royal Commission was appointed in 1916 to study the railroad issue and provide possible solutions. The Commission reported its findings in 1917 and stated a majority opinion that the GTR, GTPR, and Canadian Northern be combined into a single system. However, the commission was opposed to the idea of these three railroads being acquired and operated by the CPR, on the grounds that such an action would result in a railway monopoly across Canada.\footnote{Glazebrook, \textit{A History of Transportation in Canada, Volume 2}, 167.} Over the next six years, the Grand Trunk Pacific, Grand Trunk, and Canadian National were taken under government ownership and operation. They all became part of a state railway system called the Canadian National Railways (CNR) by 1923. In October 1919, two acts of Parliament and an agreement set the acquisition of the GTR and its subsidiaries by the government in motion. However, due to arbitration over the value of the stock, the actual transition to full CNR management took place in stages over the next four years. In 1920, the company came under management of a temporary board made up of both CNR and GTR representatives; in 1921, the head office was moved to Canada and the English directorate of the company resigned; and finally in 1923 an act to incorporate the CNR was passed and the GTR came fully under the same board of management as the CNR.\footnote{Glazebrook, 155–76.}

The CNR began its operations with significant obstacles, as argued by historian A.W. Currie who said “few companies ever began operations under greater handicaps than the
Canadian National. It was a conglomeration of several lines, ill coordinated, often competitive with each other, poorly equipped, sometimes badly built…the new system had a truly stupendous debt.”264 The CNR competed against the advantageously positioned, well-managed, and financially healthy Canadian Pacific.265 In ten of its first years of operation, between 1921 and 1931, the CNR amassed losses of $546,000,000.266

In parts of Canada, the Canadian Northern, GTPR, and GTR had built competing railroad systems that offered similar services. The CNR was faced with attempting to unify the web of lines it had inherited from these companies. The general management approach employed by Sir Henry Thornton, the president and chairman of the CNR until 1932, was to reduce operating mileage and consolidate service where possible.267 The company looked to operate more cost-effectively in these areas. Where two sets of rails closely paralleled one another, the CNR consolidated service by tearing up one set of tracks. This approach was utilized in multiple locations in western Canada. West of Edmonton, Canadian Northern and Grand Trunk Pacific Lines ran in parallel toward Yellowhead Pass. Over 100 miles of GTPR track and 100 miles of Canadian Northern tracks were removed in the section to consolidate service.268

The same impetus toward consolidation and improvements toward efficiency applied in the region around Georgian Bay. As the CNR looked to streamline service in this region in the 1920s, the condition of port facilities influenced decisions about which ports they would continue to operate and which they would close. In 1922, the GTR leased the grain elevator at Depot Harbour to the Armour Grain Company of New Jersey for ten

265 Currie, 448.
267 Currie, *Economics of Canadian Transportation*, 450.
years. The conditions of the deal confirm the dilapidated condition of the elevator. It provided for $100,000 in investments to the elevator, including repairs, new machinery, and an additional marine tower (which would increase its ability to handle ship unloading). The elevator was lacking in maintenance and upkeep.

Negotiations between the lessor and lessee also showed that the elevator was more likely to be destroyed in a fire than more modern, concrete elevators such as those at other CNR ports on Georgian Bay. Fire insurance rates for the older wood and metal elevator at Depot Harbour were $2.98 per $100 worth of grain, whereas at the main concrete Midland-Tiffin elevators they were only $0.20. Representatives of the railroad and the elevator company both held the opinion that grain could only be attracted to Depot Harbour (versus Midland, Port McNicoll, and other ports) if the higher fire insurance rate could be mitigated. Toward this goal, the Armour Grain Company agreed to cover the difference between the $2.98 rate and the $0.20 rate for the first ten days that grain was held in the Depot Harbour elevator. If grain was held longer than 10 days, such a delay was due to the failure of the GTR to supply cars in a reasonable timeframe to haul away the grain, thus the GTR assumed the equalization payments at that point in time.

The terms of the elevator lease stated that the Armour Company would charge rates that were “as liberal as those in effect at other Georgian Bay elevator ports,” which made it necessary for the GTR and Armour Company to make up the cost difference.

Despite the cost involved in allowing grain to sit in the elevator for extended periods, the general superintendent of the railroad car service stated days later that the arrangement regarding fire insurance equalization payments “places upon the car service

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271 “Indenture between the GTR and Armour Grain Company, April 1, 1922.”
department a responsibility which it cannot assume."272 Even with the burden of maintaining equalization payments, the railroad could not guarantee that it would send adequate numbers of rail cars to Depot Harbour. The GTR was still providing enough support to Depot Harbour to allow it to continue to function as a grain port, but it was neither prioritizing the port as a major grain hub nor investing in its future.

By 1925, the inferior port facilities and relative isolation of this route put it firmly in a subordinate position in the CNR system. In that year, total port operations at Midland provided earnings of over $3,100,000 while Depot Harbour only contributed $113,000.273 With the CNR fully in control, the company’s goal of consolidating service catalyzed an examination to consider moving all Depot Harbour operations to Midland. The company commissioned a report to consider the current port facilities at both ports, the improvements required at Midland that would allow for all of Depot Harbour’s traffic to be transferred there, and the potential cost savings provided by consolidation. The report advocated maintenance of the status quo for the time being, stating that “the present elevator and equipment [at Depot Harbour] should be good for the next five years, with ordinary maintenance expense, approximately $3,000 per year.”274 Over $1,650,000 would have to be invested at Midland to expand its facilities to accommodate the business currently handled at Depot Harbour, and investment would result in an annual deficit of $56,511 given all income and expenses of operating out of the single port. However, the report recognized that, omitting the new facilities, operating solely out of Midland would be cheaper – a net operational savings of $56,767 – and that moving all operations to Midland would result in no loss in traffic. Given this set of projections, the CNR decided to retain current activities in Depot Harbour but stated that significant

272 “Concentration of Facilities at Midland, Letter from Director to S.J. Hungerford, January 14, 1927.”
273 Ibid.
274 Ibid.
maintenance or renewal of the facilities at Midland would require re-examination of the move to Midland.275

Because Depot Harbour remained a company town, the CNR funded almost all infrastructure and community services. Among these were schools, residential construction, utilities, the hotel, town doctor, and stores.276 The remote nature of the town offered some advantages from the perspective of the railroad. It held the opinion that the labour force was “adequate and not difficult to handle, due to the fact that they are more or less isolated from large labour centers.”277 Nonetheless, the expense of providing the wide range of services contributed to the potential cost savings of consolidating all port services at Midland.

The bias toward Midland was again expressed in early 1927. The CNR more plainly stated the inadequacies of the Depot Harbour infrastructure and its unwillingness to invest in them:

We all know that the elevator at that point is an old structure and may be burned down at any time. The docks and sheds are all right for a few years, but there is no doubt they will require to be rebuilt within a comparatively short time. When this occurs, if it is desirable to duplicate the facilities at all, the chances are it would be more economical to duplicate them at Midland. It is my understanding that the proposal to install a sprinkler system at Depot Harbour had been turned down. I agree with this.278

The decision was effectively made to abandon Depot Harbour. The port’s most significant shortcomings by the late 1920s were its outmoded facilities and the fire risk they incurred. The company that owned and operated it displayed no interest in even

275 Ibid.
277 “Letter from Chief Engineer to A.E. Warren, September 23, 1926.”
278 “Concentration of Facilities at Midland, Letter from Director to S.J. Hungerford, January 14, 1927.”
providing a sprinkler system that would reduce the risk of fire, let alone modernizing the facilities themselves. Consolidation of grain facilities at Midland was on the horizon. In 1928, the CNR shut down the railroad roundhouse, office, and mechanic shops at Depot Harbour and moved them a few miles away to South Parry, a location on the main line of the CNR.279

Despite the growth of Canadian wheat exports and Canadian lakes shipping in the period 1904 to 1928, Depot Harbour stagnated, became outdated, and ultimately lost the confidence of its ownership as a lake terminus with a viable long-term future. Its transfer to the GTR in 1904 was the catalyst for this outcome. Operation under the GTR directly exposed the port to developments across the entire system of Canadian railroads and ports to a degree that it had never been while under Booth’s ownership. Whereas Depot Harbour had been the single point of connection to the west for the independently operated CAR, the GTR had no vested interest in Depot Harbour specifically. By 1928, neglect of Depot Harbour left it vulnerable to abandonment.

2.3 Collapse of International Trade and the Final Years of the Grain Port, 1929-1945

Between 1929 and 1933, global trade collapsed, and overseas wheat markets contracted. In the period from the First World War into the early 1920s, North American grain farmers had increased their share of the European market, but by the late 1920s most European countries (in an effort to protect domestic farmers) raised tariffs. The Soviet Union began to export wheat again in 1928-1929, adding additional supply to the world market.280 The price of grain crashed, and the cost of transportation increased.


In the period 1928-1932, the price of transporting wheat from Winnipeg to London increased 79.9% and the price increased 40.7% on the Chicago to London route. From 1924 to 1928, wheat exports comprised 72.7% of all Canadian exports, but in the period 1928-1932 that percentage dropped to 66.7%. In absolute terms, the quantity of Canadian wheat exported in that period declined by over 31 million bushels. The price of wheat collapsed: between 1927 and 1933, the price per bushel decreased from 146.3 cents to 68.1 cents. The shipping industry suffered a corresponding decline.

By the end of 1931, about 18,000,000 tons of vessels were laid up in port, representing about 20% of world tonnage. On the Great Lakes between 1928 and 1932, the number of ships operating decreased 10% from 1,412 to 1,266. In 1934, approximately 181,000,000 bushels of wheat were shipped eastward from Fort William and Port Arthur via lake freighter, a 49% decrease from the ~296,000,000 bushels shipped in 1923.

284 Norrie, Owram, and Emery, A History of the Canadian Economy, 323.
287 “GRAIN ON GREAT LAKES.: 1,023 Cargoes Shipped from Fort William This Season.,” New York Times, 1934, sec. FINANCIAL AND BUSINESS; Ritter, Transportation Economics of the Great Lakes-St. Lawrence Ship Channel, 154.
The shipping industry was not the only mode of transportation to suffer from the economic downturn. The Canadian National Railways, from its origin a collection of financially troubled railroads, faced annual losses that reached $112,000,000 – an amount equivalent to over one-third of the entire annual revenue of the Dominion government. The CNR enacted cost-cutting measures, but the railway system still managed to amass over $3,000,000,000 in funded debt by 1935.288

Even if the CNR had changed its position regarding the future of Depot Harbour, the company was in a poor financial position to invest in improving or expanding the port. The one remaining advantage of Depot Harbour was its geographic position – it still offered a shorter export route to Montreal than Midland or any other Georgian Bay port. However, this remaining advantage was eliminated in 1933. In the spring of that year, an ice flow in Algonquin Park damaged a trestle on the railroad line to Depot Harbour, making it unusable by trains. The CNR asked the federal government and the government of Ontario for funds to repair the trestle. Facing tight financial constraints, the federal government denied the request.289 The provincial government was focused on expanding automobile routes rather than repairing a minor rail connection and it chose to subsidize the construction of highway 60 through the region instead of providing funds to the railroad.290 Without government support for the trestle work, the debt-saddled CNR was not in a good position to finance the restoration itself and chose not to carry out the work.

The loss of the direct rail route from Depot Harbour eastward removed any remaining rationale for reviving the port. The outdated port facilities remained in use, but they attracted little commerce. In May of 1935, William Smith, collector of records for the Department of Immigration and Colonization, reported that “there has been very little

290 Koennecke, “Once Upon a Time There Was a Railway on Wasauksing First Nation Territory,” 111.
activity in the grain business since 1928.” He stated that 900,000 bushels of grain were present in the elevator at that time and that 100,000 bushels of corn and 200,000 bushels of oats had been shipped out in the current navigation season, after awaiting transit from Depot Harbour since 1933. The Kearsarge had been tied up at the port since 1933. It was one of the original ships purchased by the Canada Atlantic Transit Company of the United States in 1899 and still operated on the lakes trade.

Smith went on to describe how the port had received 74 visits by freighters in the preceding year, but that 66 of those visits had been by only three ships. The three ships were all owned by the Canada Atlantic Transit Company of the United States or the Canada Atlantic Transit Company of Canada, which were originally established in the late 1890s to convey cargo specifically to J.R. Booth’s port. In 1934, the Canada Atlantic Transit Company of the United States delivered only 368,000 bushels of wheat to the port. The company was losing money. In 1934 and 1935, it reported net deficits of $47,943 and $33,342. Of the 11% of visits by ships not from the Canada Atlantic Transit Companies, four visits were by ships carrying coal and only one ship delivered grain. The grain commerce of Depot Harbour had diminished to the point that grain


292 “Letter from W. Smith to J.S. Fraser, April 8, 1935.”


waited multiple seasons simply to be exported away from the grain elevator and one of the companies dedicated to providing shipping for the port had one of its freighters tied up in port for years.

The community suffered alongside the grain industry. By the mid-1930s, the only remaining structures were a group of houses, a truck shop, a train maintenance shop, the railroad station, a store, a school, and a boarding house. The boarding house burned down in 1936 and was not rebuilt. The community offered little economic opportunity, and by 1935 its younger people were leaving for other communities with a brighter future.296

The economic fortunes of Depot Harbour remained gloomy even after grain traffic to Georgian Bay ports picked up slightly after the nadir of the Great Depression. For example, by 1940 the Canada Atlantic Company of the United States shipped 3,230,000 bushels of grain eastward. However, these cargoes were carried only to Midland and Owen Sound. Even the shipping company originally established to service Depot Harbour had shifted its focus to other ports. The company soon fell victim to financial difficulties. Its operational loss for the year 1940 was ~$87,000 and this worsened the deficit of over $2,000,000 that the company had accumulated in operations between 1905 and 1939.297 By 1940, the Delwarnic and Canatco were the only remaining freighters with regular service to Depot Harbour. They were withdrawn from this service in the middle of 1941 and sent to the West Indies.298 The end of the regular ship service marked the end of the grain trade at Depot Harbour. The CNR planned to

[footnotes]


maintain the port as a small coal transshipment point, so it decided to dismantle the grain elevator and replace it with a structure for loading rail cars with coal.  

The destruction of the grain elevator in an explosion and fire in 1945 marked the end to Depot Harbour’s history as a grain port. In August, the building was being dismantled by a salvage and wrecking company. Approximately 25% was demolished by August 14th, when a fire broke out in the elevator and soon spread to the freight sheds, which housed explosive materials to be used in the Second World War. The resultant explosion destroyed the freight sheds and elevator and caused between $3,000,000 and $4,000,000 in damages. Depot Harbour lost the last vestige of its original and once dominant industry, and the grain port which only 40 years before gathered attention as a leading export link lay in ruins.

Meanwhile, other Georgian Bay grain ports continued to be heavy recipients of western wheat cargoes. During the Second World War, as Depot Harbour was abandoned, the bay ports collectively gained additional wheat shipments that normally would have been moved through Buffalo or Port Colborne. They attracted these cargoes because they continued to offer a shortened export route compared to transportation down Lake Erie, thus allowing ships to spend less time per journey. The geographic advantage of the Georgian Bay grain export route remained, but Depot Harbour no longer shared in its commerce.

Economic activity at the port lingered between 1945 and 1951 in the form of a small coal trans-shipping business operated by the Century Coal Company. During these six years, the town retained inhabitants, but when coal operations ceased in 1951, the CNR sold off the remaining buildings in town for building materials. Some of the structures remained standing into the 1950s (see Figures 10, 11, 12, 13), but the town ceased to exist as a functional community. The final use of the port was for the shipment of iron ore from the Moose Mountain Mine, approximately 80 miles to the north. This operation lasted from 1959 to 1979, but by this time the port workers commuted from Parry Sound. By 1965, the only remaining building was the Catholic Church and the ruins of the railroad roundhouse and water tank. The church burned down in the latter half of the 1960s. Since the termination of port activity, the Parry Island Band attempted to regain ownership and control over the Depot Harbour site, and this effort continues today (see Chapter Three). The physical signs of the once bustling port became faded and overgrown; they are today limited to a few concrete shells of railroad buildings and sections of the harbor docks.


Figure 10: Depot Harbour Townsite, 1953\textsuperscript{306}

\textsuperscript{306}Photographs of Depot Harbour Townsite, June 14, 1953, West Parry Sound District Museum.
Figure 11: Depot Harbour Townsite and Docks, 1953

Photographs of Depot Harbour Townsite.
Figure 12: Remaining Homes in Depot Harbour, 1953

308 Photographs of Depot Harbour Townsite.
Figure 13: Remaining Homes and Debris in Depot Harbour, 1954

Photographs of Depot Harbour Townsite.
Looking at the overall trajectory of Depot Harbour from its sale to the Grand Trunk Railway in 1904 to its demise as a grain port in 1945, it is clear that 1904 marked a critical turning point. Beginning in that year, the port became detached from the continued expansion of the Canadian Great Lakes grain trade, merchant fleet, and the international wheat economy. Its sale to the Grand Trunk Railway positioned it unfavorably within the GTR system, and as a result Midland’s port facilities were expanded instead of those at Depot Harbour. Under GTR ownership, port facilities remained outdated and undersized even as grain exports continued to increase and the Canadian Great Lakes fleet continued to grow. Depot Harbour’s status as part of the GTR meant that it was nationalized into the Canadian National Railway system. Since its facilities had deteriorated, the CNR ultimately felt that the port’s future was limited to the lifespan of its aging infrastructure – it would not be revitalized. Finally, the national and global economic depression that began in 1929 set the conditions under which the direct rail link to Montreal was not repaired. Thus, even when the Second World War caused an increase in grain traffic to Georgian Bay ports, Depot Harbour’s docks stood empty and by the end of the war its facilities were destroyed.

Depot Harbour was a grain port and company town centered around the transshipment of western wheat to world markets. It offered the most direct link in Canada between the upper Great Lakes and an ocean port. Assuming a globalized world where the effects of technology, transportation, and economics transcended political boundaries, the development of this port on the shores of Georgian Bay would have been determined solely by the state of the wheat trade. However, its decline and abandonment between 1904 and 1945 demonstrate the enormous influence caused by developments specific to the Canadian railway system. One of the key developments was the nationalization caused by the overbuilding of the national railroad network in Canada, which was a problem rooted in Canadian nationalistic sentiment, not international market forces. The deterioration of Depot Harbour can only be understood by incorporating both the effect of the globalization wheat commodity trade and the way in which ideological currents common to nationalistic Canadians impacted transportation across the country.
3 The Grain Trade and the Parry Island Indigenous Community

Parry Island was drawn into the orbit of the international economy by the arrival of the Ottawa, Arnprior, and Parry Sound Railway in 1895, but the island was already home to a permanent population of indigenous people (what is today the Wasauksing First Nation). The creation of the Depot Harbour grain transportation route required the forceful appropriation of land from this community, and its operation influenced a shift toward a wage labor-based economy. Chapters One and Two focused on the factors responsible for the creation, success, decline, and disappearance of the Depot Harbour grain port. Yet these factors did not act upon an empty landscape on Parry Island – the railroad arrived into the middle of a half-century old reserve community. Examining the impact of the grain trade upon the indigenous community demonstrates that, while Depot Harbour improved the Canadian transportation network and provided an economic base for a new town, it also required an intrusion into an existing community that did not desire its presence.

Chapter Three considers the impact of the grain trade on the indigenous population of Parry Island. It first establishes the history of the community there, from its creation in 1850 through the forty-five years leading up to the arrival of the railroad. The lives of the indigenous North American peoples who came to reside on the island were already influenced by the policies of British North America and Canada and the actions of white settlers across Ontario (and specifically Georgian Bay) in this period. These changes included conversion to Christianity, adoption of farming, and reliance on goods produced in nearby white settler communities. This chapter then describes the process of forced expulsion from land that preceded the construction of Depot Harbour. The creation of the port created a settler community directly on the island. Its railroad and docks provided a significant source of wage-based jobs, which accelerated the shift toward reliance on wage labor, drew many new inhabitants to the island from reserves elsewhere, and altered the spatial arrangement of the indigenous community on the island as people moved closer to the port. The magnitude of its impact was fully felt when the economic downturn of the 1930s left the indigenous community without wage income.
and reliant on relief from the Department of Indian Affairs. Finally, the chapter details how the legacy of Depot Harbour, in the form of railway ownership of land on the island, continued to impact the indigenous community into the 21st century. Chapter Three demonstrates the impact of the grain trade upon the Wasauksing First Nation, demonstrating that the alignment of forces in the 1890s that led to the port’s success also involved violent intrusion into an established indigenous community, accelerating permanent and fundamental change in its relationship to the settler economy. The unravelling of this alignment after 1904, and especially after 1929, led not only to the decline of the port but negatively impacted the indigenous community that surrounded it. While grain transportation ceased as an activity in the Second World War, its legacy on Parry Island continues to the present day in the form of contested ownership over the railroad land tract.

Discussing the effects of the grain trade on the indigenous people of Parry Island is important for several reasons. The creation of Depot Harbour did not occur on a blank slate of untouched wilderness, but rather encroached upon the lives and land of indigenous people who had already faced geographic dislocation and economic transformation. Instead of thinking of the port as one that could have been created and operated at any site around the world that happened to be located on a grain transportation route, the perspective of the indigenous people of Parry Island roots the history of the port in a specific place in Canada, Ontario, and Georgian Bay and demonstrates its human impact beyond simply its role as a place for white settlers to work for a railroad company. This chapter does not contend that the grain trade was the only manifestation of white settler Canada that affected life on Parry Island, but it did catalyze additional economic changes and resulted in the only major episode of land dispossession from the reserve. In addition, discussing the impact of the port on Parry Island’s indigenous people demonstrates that in the process of expanding the Canadian grain transportation routes across the Laurentian watershed, both private businessmen such as J.R. Booth and the national government treated the region’s existing inhabitants with disdain. The growth of the wheat economy meant disruption to indigenous life not only in the western prairies but also along the shores of Georgian Bay.
In examining this relationship between the indigenous community and the grain trade, this thesis utilizes the scholarship of historian Franz M. Koennecke, who provides a thorough examination of indigenous life on Parry Island. Koennecke’s work is supplemented by Robin Brownlie’s *A Fatherly Eye: Indian Agents, Government Power, and Aboriginal Resistance in Ontario, 1918-1939*, which focuses on the Parry Sound Indian agency (which includes Parry Island). In combination, these works provide a significant foundation of scholarship regarding the indigenous people of Parry Island. Since it is the intent of Chapter Three to analyze the relationship between Depot Harbour and its indigenous neighbors rather than to provide a wholly new record of indigenous life on Parry Island overall, this chapter primarily draws on information from Koennecke and Brownlie to provide a basis for its analysis.

### 3.1 Indigenous Life on Parry Island before the Creation of Depot Harbour

The first people to permanently inhabit Parry Island were a collection of three indigenous peoples from across (what is today) Ontario and the United States: two Anishinaabe bands and a group of Potawatomi and Odawa people. The Anishinaabe band negotiated with the colonial government for the ownership of the island, while the Potawatomi and Odawa people ended up on the island in the process of fleeing military persecution in the United States. Before 1850, Parry Island lacked a permanent population, but by 1875 several permanent communities based around agriculture existed.

Before 1850, Parry Island was only used as “a seasonal stopping point” by the Anishinaabe groups who lived in the eastern Georgian Bay region. The specific history or uses of Parry Island before this year are not well established. Beginning in

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310 Campbell, *Shaped by the West Wind*, 97–98.

1850, two Anishinaabe groups were the first to settle there.\textsuperscript{312} The discovery of mineral resources in the lands on the northern borders of Lake Huron and Lake Superior prompted the colonial government of Canada to view this region as a potential source of valuable natural assets. After repeated protests regarding how Euro-Canadians entering the region were disregarding indigenous habitation and use of these lands, a large collection of indigenous people negotiated two treaties with the British Crown that surrendered most of these lands in exchange for cash and perpetual annuities.\textsuperscript{313} One of these treaties was the Robinson-Huron treaty. For the future residents of Parry Island, the terms of this treaty granted “for Chief Mekis and his band, residing at Wasaquesing (Sandy Island), a tract of land at a place on the main shore opposite the island; being the place now occupied by them for residence and cultivation four miles square.”\textsuperscript{314}

After the signing of the treaty in 1850, the band under Chief Mekis believed that Parry Island was part of the lands to which they were entitled possession and control. They intended to establish a permanent community on the island, but desired to also maintain control of the mainland tract granted by treaty. Two agents representing the British Crown negotiated with the band to gain control of the mainland tract. They reported that the band requested an exchange of the mainland tract for Parry Island, and the agreement as stated by the agents was approved by an order-in-council in January 1853. In reality, the band members did not become aware of this property transfer until Euro-Canadian lumbermen pushed them out of a summer settlement and onto Parry Island. The band was left with only the island as their reserve lands.\textsuperscript{315}

\textsuperscript{312} Koennecke, 9.

\textsuperscript{313} Koennecke, “Once Upon a Time There Was a Railway on Wasauksing First Nation Territory,” 74.


They were joined by another band of Anishinaabe, the Shawanaga band led by Chief Muckatamishoquet, who decided to live on Parry Island after the signing of the Robinson-Huron treaty. Part of Chief Megis’s band remained in a village called Obogawanung between Lake Rosseau and Lake Muskoka. In the early 1860s the band made a serious effort to exchange Parry Island for Obogawanung. They had made significant land alterations there, including building 20 log huts and gardens plots. This effort interfered with an existing agreement with the Shawanaga band and with Chief Solomon Jones, who was recognized by Shawanaga, Isle au Sable, and Muskoka bands as Head Chief. Chief Jones was a Methodist who believed that Parry Island “was a suitable place for the expected Christianization of the Anishinaabe of the Georgian Bay north shore.” The Department of Indian Affairs (DIA) knew that the site of Obogawanung contained some good farmland and its location was attractive to white settlers, so it sided with Chief Jones and the band members living in the village were forced to move to Parry Island by the end of the 1860s.

The Shawanaga band had adopted Christianity in the period after the War of 1812, when Wesleyan Methodist missionaries helped introduce Christianity to the indigenous people of (what is today) southern Ontario. These missionaries also introduced and encouraged a lifestyle in permanent villages whose economic base was farming. In contrast, the portion of Chief Megis’s band who initially settled on Parry

316 Ibid., 113.
317 Ibid., 113.
318 Ibid., 325.
319 Ibid., 114.
320 Ibid., 114.
321 Ibid., 43–44.
Island were not converts to Christianity before arriving on the island. They did practice limited farming in the early years of living there.322

The other group of indigenous people to arrive on Parry Island came as political refugees from the territory of the United States. These Potawatomi and Odawa people fled American troops after the U.S. government instituted a policy of removal for all indigenous peoples from east of the Mississippi River.323 They first settled with Anishinabek communities in southern Georgian Bay, then arrived to Parry Island between 1865 and 1877.324 By 1877, around 125 people from the three groups lived on the island.325 Seventy-three people were enrolled as members of the Parry Island band. The Anishinaabe, Potawatomi and Odawa were not enrolled.326

The island’s inhabitants lived in a string of villages ranging from the northwest corner of Parry Island to the south-central coast. Two principal villages contained the greatest concentration of Anishinaabe residents and were known as the Upper Village and the Lower Village. The Potawatomi and Odawa lived in a separate settlement called the Middle Village (see Figure 14). Each village contained a cluster of log homes, and each home abutted a plot of farmland. These homes were built of finished timber that was processed in Parry Sound and purchased there. The Upper and Lower Village each also contained a church and cemetery.327

322 Ibid, 152; Rogers and Tobobondung, “Parry Island Farmers: A Period of Change in the Way of Life of the Algonkians of Southern Ontario,” 284–85.
323 Koennecke, “Once Upon a Time There Was a Railway on Wasauksing First Nation Territory,” 105.
324 Rogers and Tobobondung, “Parry Island Farmers: A Period of Change in the Way of Life of the Algonkians of Southern Ontario,” 273.
325 Ibid., 279.
327 Ibid., 284.
Figure 14: Map of Villages on Parry Island, 1877

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328 Rogers and Tobobondung, “Parry Island Farmers: A Period of Change in the Way of Life of the Algonkians of Southern Ontario,” 284.
For those inhabitants who were not Christians upon arriving to the island, conversion to Christianity provided a belief system and set of values that promoted a lifestyle of agriculture and permanent settlement. Missionaries promoting both Roman Catholicism and Methodism arrived on the island. Roman Catholicism gained a following, especially in the Lower Village, but details about the size of the indigenous congregation are not available. Methodism arrived with the missionary Abner Elliot and his first convert was John Pegahmagabow in the period 1869-1870. Within four years, the congregation had 22 observants. Including Elliot, the only Methodist missionaries to operate in indigenous communities on the north shore of Georgian Bay were Anishinaabe. Their goal was to convert indigenous people into practicing the customs and habits of the Anglo-Saxon Victorian middle class. Toward this end, they encouraged farming as economic livelihood that encouraged industry and the accumulation of private property.

Farming became part of the economic base of the community, but it also relied on fishing, hunting, and gathering. Agriculture was practiced primarily in the period from late spring to the autumn. Major fall and winter activities included trapping, hunting, gathering wild rice, and maple harvesting. While each village practised farming to a different extent – Middle Village carrying out the most extensive agriculture and Upper Village the least – it became an important base of food production for the entire indigenous population. The community grew a variety of crops including potatoes, corn, oats, beans, peas, squash, carrots, cucumbers, turnips, wheat, and timothy hay. In addition, the people had orchards consisted primarily of apple trees, from which cider was produced. Corn and beans were the principle crops. The island offered only limited arable land. Corn fields were located halfway up slopes, because low lying ground was swampy whereas elevated areas were too rocky. The soil was sandy, including in areas

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330 Ibid., 151–55.
where crops were grown. Men used horses to plough and harrow farm plots, then men and women planted crops by hand with the aid of hoes.331

Ethnologists Edward S. Rogers and Flora Tobobondung stated that farming provided 50% to 60% of food consumed on the island, with another 30% to 40% coming from game and fish with the remainder accounted for by provisions purchased in Parry Sound. Harvested crops from Parry Island were used to purchase these foodstuffs.332 Fish may have been a more important resource than was stated by the ethnologists. Reports from Department of Indian Affairs agents in 1857 and 1874 stated that the band relied on fishing for its primary food source.333 Regardless of which source provided a higher percentage of food, farming became an important practice on the island. More than 80 acres of land was under cultivation by 1874.334

With the base of farming, fishing, hunting, and gathering, the Parry Island Band was largely self-sufficient, but it relied on Euro-Canadians in Parry Sound to provide some foodstuffs and finished timber products for building materials. The Band also took in income from the island’s harvestable timber. However, the band did not directly control this resource. In 1871, it surrendered timber rights in exchange for a payment of $26,900 and semi-annual interest payments. Similar to the negotiations that led to the surrender of the band’s reserve tract on the mainland, the negotiation for the surrender of the timber rights featured devious tactics by the agents of the DIA. Band members who were present for the process stated that all the chiefs who signed the agreement were drunk and that the representatives of the band believed they were only signing over the

332 Rogers and Tobobondung, “Parry Island Farmers: A Period of Change in the Way of Life of the Algonkians of Southern Ontario,” 307.
334 Ibid., 280.
rights to harvest pine trees, not hardwood species.335 A final financial contribution to the band came from the small annuity provided by the Robinson-Huron treaty, which provided approximately $4.00 per person per year.336

By the beginning of the 1870s, a significant indigenous community was established on Parry Island with farming the major source of its economic livelihood. Farming was supplemented by hunting, fishing, and gathering; and income and goods from the Euro-Canadian settler community and state. Of these supplements of Euro-Canadian origins, some were voluntary, such as the food provisions and lumber products purchased in Parry Island. However, others were outcomes of contested negotiation processes. The band wanted to ensure a stream of income from its timber resources, but the negotiation process was conducted under deceptive circumstances and the band believed it was giving up less than was actually taken by the DIA. Likewise, the band desired to ensure a stream of revenue and rights to land through the Robinson-Huron treaty. It was able to achieve that goal, but in the follow-up negotiation regarding its mainland tract, the band ended up losing rights to an area of land without intending to do so.

In land rights, economic practices, and natural resource access, Euro-Canadian settlers and agents of the state fundamentally transformed the livelihoods of the indigenous community of Parry Island. The very establishment of the island as a reserve was catalyzed by the encroachment of white settlers onto the northern shores of Lake Huron, and the twenty years that followed witnessed the arrival of more indigenous people who were either fleeing persecution or who were pushed out of their homes by the desires of white settlers to occupy them. In 1870, the Canadian west had not yet begun to export significant amounts of wheat, and J.R. Booth was only beginning to harvest timber in the highlands west of Ottawa. The global changes in technology that allowed for trade of bulky commodities like grain were beginning to influence trade patterns, but it would

335 Ibid., 142–43.
336 Ibid., 98.
be 25 years before their arrival on the shores of Parry Island. Still, the lives of indigenous people who arrived on the island were already significantly changed. In the two and a half decades before the arrival of J.R. Booth’s railroad, indigenous life continued to be altered.

White settlers continued to arrive in Georgian Bay in the last decades of the 19th century, and their presence and activities influenced the lives of the inhabitants on Parry Island. One of the largest impacts was the activity of the commercial fishing fleet, which was fully established by 1885. The large harvests of the fleet increased pressure on the fish populations upon which indigenous people relied. This pressure was intensified by the increase in lumber processing activity around eastern Georgian Bay. Mills, such as those at Parry Sound, released substantial amounts of sawdust into coastal waters, polluting fish habitats.337 The regional increase in lumber milling provided employment opportunities for indigenous people to earn wages. The expansion of the lumber industry led to the inhabitants of Parry Sound requiring more resources, such as firewood. Parry Island residents began selling firewood to the townspeople in the 1880s.338 The townspeople of Parry Sound also employed indigenous people as domestic servants.339 Euro-Canadians also entered the region as explorers, surveyors, missionaries, and tourists. Indigenous people found employment assisting and guiding these ventures.340 The influx of white settlers to the region caused a shift toward wage-based labor for the indigenous people of Parry Island, increasing the economic change they experienced before the arrival of the railroad.

Tensions surrounded unequal access to resources and land rights between the Parry Island band and the settler community. The band quickly protested when an

337 Ibid., 192.
338 Ibid., 198.
339 Ibid., 196.
340 Ibid., 196.
unlicensed company cut down trees on one of the island’s peninsulas, and it unsuccessfully attempted to reclaim its right over hardwood on the island. Protests to the DIA regarding timber rights were generally unsuccessful, but on one land rights issue the band succeeded. In 1879-1880, the DIA stated its intention to survey Parry Island and to mark individual plots for ownership by individual indigenous people. Viewing this action as another attempt at land dispossession, the band resisted the planned survey and instead took it upon itself to determine the best arrangement for locating families and individuals on the island.

The reserve community also resisted the attempt of the DIA to educate its younger population. By 1882, the Lower Village had a school whose teacher was assigned by the DIA, and by the mid-1880s children on the island were more available to attend, since their families began leaving them at home rather than taking them hunting and trapping. The Upper Village also had a schoolhouse. Yet into the 1890s, neither school was well attended. In 1893, parents were fined for children who did not attend, but this measure did not improve attendance. Parents also refused to allow their children to be sent to the Shingwauk Residential School despite the wishes of the Canadian government (four children ultimately attended, but they may have done so voluntarily).

On the eve of the arrival of Booth’s railroad to Parry Island, the economic and social practices of the indigenous community were already altered by the influence of Euro-Canadians. The September 1894 report of the Indian Affairs Agent summarized some of these conditions:

The crops of last season were abundant, and present prospects in the same direction are bright. Labour at neighbouring lumbering establishments has been in

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341 Ibid., 161–62.
342 Ibid., 165.
343 Rogers and Tobobondung, “Parry Island Farmers: A Period of Change in the Way of Life of the Algonkians of Southern Ontario,” 284.
good demand, and the wages for such labour has also been good, consequently peace and plenty have reigned through the band throughout the year. Relief was extended to only one family – that of late Chief Pegamagabo – during the year. The two schools have been in full operation, but I regret to report that the attendance of the pupils has not been what I could have desired.

Wage labour was a major source of employment and income that helped ensure prosperity for the indigenous population of Parry Island. While working wage-labour jobs meant that the community was increasingly reliant on the local white settler economy, these jobs allowed inhabitants of the Parry Island reserve to generate income for themselves and their families. Indigenous people on many reserves elsewhere in Ontario did not have access to a significant number of wage-based jobs, but on Parry Island these sources of income allowed indigenous people to support themselves in a wage and commodity-based economy. Growth in the availability of wage-labour jobs on Parry Island allowed the economic base of the indigenous community to move toward more complete reliance on the commodity economy of the settler population, but this transformation remained incomplete by the 1890s. Beyond employment, the DIA was attempting to influence the younger generation of indigenous people into practicing the customs of Anglo-Canadian life, although its ability to do so was contested and resisted when indigenous children chose to not attend school, or their families kept them from attending.

The indigenous community on Parry Island was thus influenced by the arrival of DIA agents, Christian missionaries, and Anglo-Canadian schooling in the half century before 1895. However, it was able to resist some of the changes that the DIA sought to effect, such as uniform schooling by Anglo-Canadian teachers and the division of reserve land into family plots. Outside of having given up their timber harvesting rights, the indigenous community retained title to the entire island and the physical footprint of the

settler community remained small. The arrival of the Ottawa, Arnprior, and Parry Sound Railroad in 1895 meant a direct and major intrusion of industrial, modern Canada into the reserve. The establishment of the grain trade on the island required the dispossession of land from the reserve and the construction of a settler town meant an increase in crime, destruction of indigenous property, and the direct presence of a major site of jobs that shifted the economic base for the reserve community toward wage labour.

3.2 Creation of Depot Harbour: Its Effects on Parry Island

The first major event for the Parry Island Band that was driven by the arrival of the railroad was the seizure of land by the OAPS. The initial manifestation of this process was the arrival of surveyors in February 1895. The Indian Act stated that these surveyors needed permission from the Superintendent General of Indian Affairs to visit reserve land, but they lacked permission. The band protested by writing a council resolution against this infraction of its property rights. In an attempt to assuage these concerns, the DIA told the band “to rest assured that the Department will do its utmost to guard their interests in every way.”345 Because the band had already suffered multiple land seizures with the blessing of the DIA, it did not trust the agency’s promises. By May, the band council declared its unwillingness to surrender any land. It believed the OAPS could and should find an alternative port site on the mainland.346

The railroad’s tracks reached Rose Point, just opposite the island across the narrow channel separating it from the mainland, by September of 1895. The band could plainly see that the railroad intended to extend its tracks onto its island, and so again objected to the DIA by submitting a written protest with the assistance of Dr. Walton, the local superintendent of Indian Affairs.347 However, the force of Canadian law was on the side of the railroad. An 1887 amendment to the Indian Act allowed expropriation of

345 Koennecke, “Once Upon a Time There Was a Railway on Wasauksing First Nation Territory,” 106.
346 Ibid., 106.
347 Ibid., 106.
reserve land for railroad purposes. J.R. Booth’s application for 314.26 acres of Parry Island was thus immediately approved by the DIA.348

Recognizing the unwillingness of the Parry Island Band to surrender its land, the DIA dispatched two agents to the island in October 1895 to negotiate the property transfer. The two men aimed to overcome the “existing prejudice” of band members against the land transfer and carried five pounds of tobacco as a gift to incentivize a smooth handover.349 The agents informed the band that they could surrender the land cooperatively, or it would be expropriated by force, but either way they would lose ownership of the tract. In a thinly-veiled attempt to justify the undesired land appropriation, the agents told the indigenous community that the railroad would provide economic opportunities, both in the form of wage labour and by providing a market for the island’s farmers to sell their harvested foods to the crews of ships using the port. They also claimed that cooperation would mean that the band would receive a higher price for its land. In response to these supposed advantages, the band stated concerns about the intrusion of the railroad onto its reserve. Band members voiced concerns about the arrival of whisky traders onto the island in the wake of the railroad. In response the DIA agents stated that “the strong arm of the law wielded by the Department” protected the band from alcohol traders, whether or not the railroad was constructed.350

The band had little choice but to consent to the surrender of the land. It signed the agreement handing over the railroad tract, despite the document containing no conditions or provisions addressing band concerns. In addition to alcohol sales, the concerns and requests by the band included the fear that trains would injure or kill livestock owned by the band, a desire to decrease the amount of land taken in order to construct a lighthouse, and a wish for a right of way for wagon and foot traffic across the railway bridge

348 Ibid., 106.
349 Ibid., 107.
350 Ibid., 107.
connecting the island to the mainland. The band also hoped that only white people
directly employed by the railroad would live on the island. While no written agreement
was provided, the DIA did promise to provide the best possible price for the land, and the
OAPS implied that it would construct and maintain proper fencing around its tracks to
provide protection for livestock. The railroad violated or ignored all of these requests
within the first few years of operating on Parry Island.

The government followed through with its promise to provide a higher price for
the appropriated land. It paid nine dollars per acre, whereas Euro-Canadian settlers on the
mainland received less for their bushland. The railroad, in contrast, denied responsibility
to provide any pedestrian or wagon access across its bridge. It allowed alcohol sales on
its land and allowed parts of its tract to be used by people who did not directly work for
the railroad. It agreed to construct protective fences and cattle guards around its tracks
and to employ indigenous people. The OAPS commenced laying tracks on Parry Island in
February 1896. The construction process soon damaged reserve lands not covered by the
land transfer agreement. Blasting operations blew rocks onto agricultural fields, free-
running horses owned by the company destroyed crops, and railroad laborers illegally
harvested sand and soil from reserve lands. Ultimately, the company paid some
compensation to band members, but it failed to pay the amounts requested and was slow
to pay. The OAPS also found that it could avoid a large rock formation that complicated
its construction efforts by building its tracks directly on reserve land. It did so, and the
band did not realize this violation until the 1960s. The company’s promises about fencing
around its tracks were left unfulfilled. Cows owned by band members wandered onto the
tracks and were killed by trains. The railroad paid out compensation, but the fencing was
never fully completed. 351

Disruption to indigenous land ownership continued in 1899 when J.R. Booth
requested an additional 110.5 acres of reserve land for the expansion of Depot Harbour.
The DIA did not even formally process this request; instead it immediately and

351 Ibid., 108–9.
peremptorily appropriated the land for the railroad. The band protested and paid for a legal evaluation that would help establish a basis for fighting the decision in court. Despite this proposed legal challenge, the Canada Atlantic Railway began to survey this new tract, prompting Chief Megis and his councilors to protest directly to J.R. Booth. They pointed out that the survey was illegal according to a resolution passed by the band council. Booth simply forwarded their complaints to the DIA. The response of the agency clearly demonstrated its indifference to band concerns. The DIA in Ottawa wrote their local representative, Superintendent McClean, with instructions to inform the band that their land was sold according to the law and that $1,102.50 was added to the band’s financial trust. The agency added:

You will also be good enough to explain to the Indians that they must not, in any way, interfere with the use and occupation of the said land by the Railway Company otherwise they may render themselves liable to whatever action Mr. Booth may be disposed, on behalf of the Company to take against them.  

The DIA continued to support the actions of the railway company despite protests by the band to the agency. When cattle from Depot Harbour wandered onto reserve lands and destroyed gardens, the owners of those cattle did not face consequences, but when cattle owned by band members wandered into the port town, officials there impounded them and demanded that their owners pay for their release. The negative influence of white settlers extended beyond negligent livestock control.

White residents on the island committed crimes against the indigenous population. Reserve members reported boat theft, firewood theft from a reserve school, and the assault of an elderly man. By 1901, the issue of crime became severe enough that the band hired Joseph Partridge as a constable. In the following year, the band

352 Ibid., 108–9.
353 Ibid., 108–9.
354 Ibid., 110–11.
constructed a small jail and began locking the Catholic Church. By 1911, the band began locking the meeting hall which was constructed in 1902. Although indigenous people were prevented from legally purchasing or consuming alcohol due to an 1884 amendment to the Indian Act of Canada, white traders illicitly sold alcohol to reserve members. Before the arrival of the railroad, the presence of white settlers on the Parry Island was constrained to DIA agents and schoolteachers as well as the occasional team of lumbermen, but the creation of a permanent settler population exposed the reserve population to new threats of crime.

The presence of the railroad town on the island meant the arrival of commercial outlets, such as grocery stores and butcher shops. Indigenous people shopped at these places, which reinforced the need to earn wages in order to pay for the goods. Railroad and port activities required many laborers, thereby increasing opportunities for wage-earning work. By 1905, the effect of abundant wage employment was noted by the local DIA superintendent, who stated “the lumbering operations of several large concerns at Parry Sound, together with the works in connection with the Canada Atlantic Railway at Depot Harbour, located on the reserve enable the members of the band to secure employment at almost any time they may desire it.”

These employment opportunities attracted more indigenous people to live on the island, and this influx partly influenced the need to improve the roads that connected indigenous villages to other parts of the island. In 1896, the band council decided to spend between $50 and $100 in wages to pay reserve inhabitants to work on these roads.

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355 Ibid., 110–11.
357 Koennecke, “Once Upon a Time There Was a Railway on Wasauksing First Nation Territory,” 110–11.
358 Ibid, 110. These accounts came from oral conversations between Koennecke and Parry Island elders, in particular the brothers Cap, Ted, and Fred Wheatley and Winnifred Tabobondung.
359 “Report from E.D. Cameron, Indian Superintendent, Regarding Parry Island Band.”
Despite this financial incentive, higher wages at Depot Harbour and Parry Sound drew away so many men that there was an insufficient workforce to improve these roads. The population of indigenous people who arrived on the island after the arrival of the railroad continued to increase. By 1910, the population of newcomers reached 109 and made up half of the reserve population. By 1924, 240 people lived on the reserve and 170 of them were not enrolled in the Parry Island Band. A significant portion of these newcomers came only for the wage labor opportunities and either lived on the island seasonally or stayed for only a few years. Those who stayed beyond the shipping season built small huts near Depot Harbour. These huts passed to other seasonal workers when the original inhabitants moved away. They were considered property of the Parry Island Band and their inhabitants used them free of charge.\(^\text{360}\) It was not only workers who chose to live near the port. The presence of Depot Harbour caused a geographic shift in the island’s population toward the new town.

After 1913, the population of the Lower Village declined.\(^\text{361}\) The school closed in 1915 because the population of schoolchildren was too small to justify its operation.\(^\text{362}\) The reason for the decline was the death of older inhabitants coupled with the migration of the remaining population to sites closer to Depot Harbour, which had become the hub for employment on the island. By the summer of 1924, the last inhabitant of Lower Village moved away, and the village ceased to exist. From that point, only the road linking Depot Harbour and the Upper Village needed to be maintained.\(^\text{363}\)

The new port provided economic opportunities for indigenous Parry Islanders beyond direct employment by the railroad and port. Reserve inhabitants sold firewood to


\(^{361}\) Ibid., 254.

\(^{362}\) Ibid., 314.

\(^{363}\) Ibid., 254–55.
town residents and businesses.\footnote{364} The access provided by the railroad encouraged white hunters and fisherman to visit, and they hired indigenous men as hunting and fishing guides. By 1908, hunting and fishing were of secondary importance as pursuits for the indigenous population. This change was not driven by scarcity of wild fish and game, but rather by the direct and indirect wage employment opportunities that provided easier ways for the reserve population to make money.\footnote{365}

The presence of job opportunities in the grain trade meant that the indigenous population of the reserve had a reliable source of employment in the first three decades of the 20\textsuperscript{th} century. The impact of this shift toward wage labour was highlighted when those job opportunities evaporated as the grain trade collapsed at the end of the 1920s. The loss of wage-based employment opportunities catalyzed demand for aid from the federal government. This process played out in indigenous communities across Georgian Bay. Hundreds of indigenous people in the region became reliant on aid provided by their DIA agent.\footnote{366}

The indigenous population on Parry Island experienced a loss of wage labour that decimated its economic base. Until the onset of the decline in trade, “a high proportion of Aboriginal men had supported themselves partly or primarily through wage labour.”\footnote{367} The largest employer at that time was Depot Harbour. By 1932, during the nadir of the grain trade, the entire indigenous population of the Parry Sound agency reported no wage

\footnote{364} Koennecke, “Once Upon a Time There Was a Railway on Wausauksing First Nation Territory,” 110.
\footnote{367} Ibid., 110.
income at all.\textsuperscript{368} The lack of wage income left the reserve population out of work on a long-term basis and largely reliant on the inadequate aid provided by its DIA agent.\textsuperscript{369}

Because grain-handling operations did not return to Depot Harbour after the 1930s, the turn from wage labour to reliance on government aid in that period marked the last direct effect of the grain trade on employment for the indigenous population. However, the Depot Harbour town site and railroad tract remained in the hands of the Canadian National Railways. Even after the all port activities ceased in 1979, the Canadian National Railways kept control of the railroad tract on the island. By 1985, the tracks had been unused for any regular transportation service for six years, but the CNR decided to harvest gravel from the island to use for roadbed fill elsewhere. The Parry Island Band found the activity unacceptable, especially since the original terms of the property annexation did not allow for gravel harvesting and because the activity commenced without a preliminary environmental impact study. The band actively protested the CNR’s activity when over 100 members protested in person on the railroad tracks. The protest prompted private talks between the band and the CNR, with an expectation by the autumn of 1985 that the band would attempt to buy back the railroad tract.\textsuperscript{370} The band succeeded in halting the gravel-mining activities, and by August of 1987 all railroad tracks were removed from the island.\textsuperscript{371}

The removal of railroad tracks ended railroad transportation on Parry Island, but the legacy of the grain trade was not completely eradicated. In the years since 1987, the band assumed a large degree of practical control over the railroad tract, but formal ownership remains with the CNR. The band has used the Depot Harbour site to host its

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\textsuperscript{368} Ibid., 111.
\textsuperscript{369} Ibid., 123.
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annual pow wow celebration, and it controls fishing activity on the site.\textsuperscript{372} Official ownership remains with the Canadian government, although preliminary activities that are prerequisite to the transfer of land back to the Parry Island Band (now the Wasauksing First Nation) have occurred. As of 2017-2018, legal land surveys and the second phase of an environmental site assessment were complete. Pending an acceptable environmental status for the tract, these actions would allow the band to restart discussions with the Canadian government to have the lands returned to the reserve.

In considering the overall relationship between Depot Harbour and Parry Island’s original inhabitants, the grain trade did not encroach in the 1890s onto an untouched arcadia where indigenous people lived without contact or influence from the Canadian government or its settlers. The permanent reserve population was established less than 50 years before the arrival of the railroad, and its creation was due to negotiations between a colonial government eager to confine indigenous people in the region to small reserves on land with relatively poor natural resources. In the decades before the arrival of the grain trade, the Parry Island community was influenced by the activities of white settlers in the region, such as commercial fishing and timber harvesting. Christian missionaries and DIA agents also influenced changes in religion, schooling, and a transition toward subsistence farming, albeit these attempts were sometimes resisted and were incomplete.

However, the creation of Depot Harbour caused the direct intrusion of Canadian settlers and their staples economy onto Parry Island. Improvement of the Canadian lake-and-rail transportation system meant the deterioration of indigenous land rights, because J.R. Booth, backed by Canadian law, appropriated hundreds of acres for his railroad. The indigenous people living there protested the loss of their land, and when it became clear

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\textsuperscript{372} Wasauksing First Nation, \textit{Map of 2019 Wasauksing Annual Pow Wow Activities}, July 2019, https://potawatomi.ca/wp-content/uploads/2019/07/MAP.pdf. I personally visited the site on July 5, 2019, and observed several sites reading "" NOTICE: ATTENTION NON-MEMBER ANGLERS: As per Motion #05 27-19-8, passed at a duly convened meeting of Chief and Council on May 27, 2019, Wasauksing First Nation (Parry Island Indian Reserve #16) will no longer be issuing fishing permits to Non-member anglers who access the First Nation for the purposes of fishing. Any non-member accessing the First Nation for the purposes of fishing, effectively immediately, is guilty of an offence under BCR #99-0099 Wasauksing First Nation Removal of Trespasser By-Law and/or the Trespass to Property Act.
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they were going to lose it in any case, requested conditions that would mitigate its impact. These conditions were not honored by the railroad and the DIA displayed no serious effort to help the reserve community. Depot Harbour increased crime on the island, led to property damage, and brought unwanted alcohol sales.

Even after the grain trade ceased active operations on Parry Island, the land on which it had once operated remained under the ownership of the Canadian National Railways. It continued to be a source of contention between the reserve and the railroad company, leading to protest in the 1980s and the removal of tracks from the island. Today, the land remains under the ownership of the Canadian Government and the Wasauksing First Nation continues in its attempt to regain ownership. The grain trade left a legacy in both the economic life and the land of the people of Parry Island.

This thesis demonstrates that the history of Depot Harbour can only be explained by integrating an understanding of forces operating at the local, regional, national, and global scale. The concrete place where this story occurred – Parry Island, within Ontario and Canada – matters. Depot Harbour was located in its specific site because J.R. Booth knew he could obtain the land he needed with the backing of a Canadian government that viewed indigenous land rights with contempt when they came in conflict with expanding the Canadian transportation system. The extension of the lake-and-rail system across the Laurentian watershed served as a vital transportation channel that facilitated the wheat staples economy, but its utilization came with a human cost. From land ownership and crime to the spatial arrangement of villages and economic livelihood, Depot Harbour’s influence and legacy demonstrate that the western wheat staples economy helped effect a transformation in the lives of indigenous people on the far shores of the Great Lakes. This aspect of the history of the port thus calls for the Canadian wheat economy to be considered for its consequences on indigenous communities adjacent to the transportation hubs and infrastructure it induced in the Great Lakes region. Whereas the devastating impact of the wheat economy on indigenous people in the Canadian prairies has been firmly established in Canadian historiography, its impact in the Great Lakes remains under-investigated.
Conclusions

The history of Depot Harbour demonstrates how the western wheat economy catalyzed colonization and economic development along the shores of Georgian Bay, thus inviting reconsideration of the geographical limits of grain’s influence on Canadian economic development. The wheat economy has featured centrally in Canadian history since the creation of the Laurentian school and staples thesis in the early 20th century. The magnitude of its impact on the development of the modern Canadian nation and the prairie provinces is indisputable, and the central role that the Great Lakes-St. Lawrence watershed played in facilitating this western expansion of Canada remains a central theme in Canadian economic history. The Georgian Bay grain ports played a key role in connecting the wheat fields of the west to markets across the Atlantic Ocean. While railroads have garnered attention as the key transportation mode of early 20th century Canada, it was only through their use in conjunction with Great Lakes shipping that the defining staple of the era was able to be successfully cultivated.

Yet the macroeconomics of an expanding wheat economy were insufficient to guarantee the success and survival of a Great Lakes grain port. Depot Harbour only thrived when its regionally-focused ownership provided adequate support and investment. The transfer of its ownership to a national railway left the future of the port to be determined by the Canadian national transportation system, whose struggles were divorced from the success and expansion of the wheat economy. Only the auspicious alignment of factors at the local, national, and international level ensured the success of Depot Harbour.

In explaining the reasons for the historical trajectory of the port, I argue that the emergence of a successful grain port on the eastern shore of Georgian Bay was contingent on the convergence of factors at the regional, national, and international level. The emergence of long-distance trade in bulk commodities, facilitated by new transportation technologies, was a global development that was foundational in the successful agricultural development of the North American interior. The nationalistic impetus to expand Canadian transportation on an east-west axis provided additional incentive and government support for an improved export route through Georgian Bay,
beyond the geographic advantage it offered in connecting the upper Great Lakes and Montreal. J.R. Booth’s search for profitable business opportunities was realized when he expanded the commerce served by his Ottawa Valley railroads by connecting a single rail line to the western export trade. As owner, he provided his terminus port with his full support. At the local level, eastern Georgian Bay offered the most direct overland connection to Montreal, and Parry Island specifically presented a protected natural harbor. The land needed to build the port, town, and rail lines could be appropriated from reserve land because the expansion of the Canadian rail network was a greater priority that preserving indigenous land rights. Each of these factors was necessary for the creation and success of Depot Harbour, but none was sufficient on its own. In this case, their alignment only lasted for six years (1898-1904).

The year 1904 marked a significant turning point for only one of the aforementioned factors. J.R. Booth’s sale to the Grand Trunk altered the level of support for and focus on the port from its ownership. Canadian national policy remained focused on improving the transportation system from east to west, modern transportation systems continued to facilitate the movement of wheat exports across the Great Lakes, and eastern Georgian Bay persisted as the fastest export route eastward. Yet the change in ownership meant that Depot Harbour never modernized or expanded to remain the leading Ontario grain port. The unravelling of intranational and international trade during the Great Depression of the 1930s exacerbated the downturn at Depot Harbour by influencing the decision to not repair its direct rail line to Ottawa. This decision effectively secured the port’s abandonment in the early 1940s, despite the increase in grain shipments caused by the Second World War.

The arrival of the grain trade to Parry Island required the expropriation of land from the indigenous reserve that made up the entirety of the island; thus modern, urban Canada arrived at this shore of Georgian Bay in the form of exploitation with little regard for the people who were already present. J.R. Booth and his railway and shipping companies utilized the harbor and island land with little regard for the property of inhabitants. The indigenous people living on Parry Island had already faced expulsion from mainland territories due to colonization by white settlers and a British colonial (or
Canadian after 1867) government biased against indigenous land rights. However, the arrival of the railroad meant a settler community based on the Anglo-Canadian economic system of wage labor arose in the middle of their reserve. Its presence accelerated a shift toward reliance on employment on the railroad and docks and altered the spatial layout of the reserve community. Indigenous people from elsewhere in Canada arrived to find employment at Depot Harbour, and reserve inhabitants moved closer to the port to have easier access to its economic opportunities.

The construction of the port on reserve land meant that it was created wholly to serve the transportation industry. The island lacked natural resources besides its protected harbour and offered no advantage toward harvesting or processing the fish and timber that were the area’s raw materials. Its railroad line offered the shortest connection between the upper Great Lakes and Montreal, but the line passed through the rugged terrain of the central Ontario highlands rather than the fertile farmlands of southern Ontario, making it unappealing as a point of immigration from the United States to Canada. It never developed an economic base beyond its port and railroad operations. Depot Harbour remained a company town reliant on both the decisions of its ownership and the conditions of national and international grain markets.

A company town requires a company leader to envision and construct it, and J.R. Booth was that person for Depot Harbour. His endeavor to connect the Ottawa Valley to Georgian Bay and the western markets beyond was simultaneously an extension rooted in the Canadian national policy, and a transnational attempt to reach across the United States-Canada political boundary to attract commerce. Booth took advantage of the prevailing sentiment of building up Canadian trade routes to help achieve the economic unification of Canada from east to west; he took advantage of government subsidies and the ability to appropriate indigenous reserve land for railroad purposes. Yet in planning his lake connection in the early 1890s and building it in the middle of that decade, his target market was Chicago, then the largest grain exporting port on the Great Lakes. He established two shipping companies to serve his port, one in Canada and one in the United States. The creation of Depot Harbour was aimed at international commerce across the Great Lakes. J.R. Booth provides a case study of a central Canadian capitalist
attempting to attract commerce from the American agricultural frontier in the 1890s, even while Canada attempted to build up its own western agricultural frontier as part of an effort to create and expand a separate Canadian nation on the North American continent. In both the Great Lakes and western prairies, Canadian capitalists operated with a mindset that dispossession of indigenous land was advantageous and inevitable.

This thesis thus supports the utility of using the transnational Great-Lakes region as one important unit of historical analysis in conjunction with others at larger and smaller scales. It invites the possibility of expanding the study of the grain trade across the lakes basin beyond a single port. J.R. Booth aimed to capitalize on commerce from both sides of the international border. In *Permeable Border: The Great Lakes Basin as Transnational Region, 1650-1990* (2005), John J. Bukowczyk argued that “region” in the Great Lakes is “an area integrated by a fluid and dynamic set of economic (and other) relationships.” The aim to construct a Canadian grain port in the mid-1890s, years before the Canadian West produced significant wheat exports, demonstrates economic integration that transcended the political boundary.

After the Grand Trunk Railway acquired the port in 1904, the company’s focus and investment on the new port never matched the same level as Booth. The Grand Trunk already possessed other grain ports that were better connected to its trunk line. While Depot Harbour retained its geographic advantage in having the shortest route to Montreal, the GTR never expanded or fully modernized the port’s facilities and it allowed services for the townspeople to deteriorate as well. I thus argue that the individual role played by J.R. Booth was key in the early success of Depot Harbour.

Canadian political economist S.D. Clark argued in 1964 that the geography of Canada favored “large-scale bureaucratic forms of organization and wide-spread intervention by

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This pattern of bureaucratic-elitist development contrasted with the American pattern of individual enterprise. Yet in the case of J.R. Booth and Depot Harbour, it was individual enterprise that drove the creation and success of the port, whereas its decline was rooted by the transfer of ownership to a much larger-scale organization, which in turn was absorbed into a nationalized rail system.

For Depot Harbour, greater nationalization and centralization exposed the port to factors beyond those of the grain industry, which negatively affected its ability to attract grain exports and attract investment from its ownership. One of those factors was the overexpansion of Canadian railroads in the early 20th century, which led to financial distress and the nationalization of multiple railroads. In quantitative terms, railroad overexpansion occurred in Canada in a way unparalleled elsewhere around the globe. It was induced by a hubristic belief that the western Canadian hinterland required multiple transcontinental lines to support it, despite a relatively tiny population. In comparison, neither the United States nor Russia over-expanded their railroad networks, despite those two countries also seeking to control wide-ranging transcontinental regions.

The issue of Canadian railroad overexpansion is an example of the salience of factors at the level of the nation-state for the history of Depot Harbour. The importance of national factors calls for modification of the trend toward transnational approaches that have become commonplace in recent historical scholarship. Transnational histories that avoid the nation as the unit of study and instead investigate relationships, transfers, and interactions independent of national lines have emerged as an important tool in analyzing


the period of globalization and deglobalization from 1870 to 1945. They provide a crucial understanding and contextualization of the advancements in technology that facilitated the globalization of grain in the 19th century. Without their perspective, the historical understanding of Depot Harbour would be incomplete. However, I also contend that developments that arose entirely within the economic and political context of the Canadian nation were significant influences on the course of events at Depot Harbour. The full understanding of the history of the port is only possible by combining a transnational understanding of late 19th and early 20th century commodity globalization with a recognition of consolidation in Canadian railroads and its effects.

Because railroad nationalization in Canada influenced the decision to consolidate facilities and neglect Depot Harbour, I argue that it led to the reconfiguration of Canadian lakes shipping by affecting which ports were able to retain operations and which ultimately were shuttered. The fate of Depot Harbour demonstrates the interrelationship between national-level developments in Canadian transportation and the economic fortunes of Ontario lakes ports. Expanded research into the connection between lake ports and the broader landscape of Canadian transportation is a promising opportunity in the expanding the historiography of Canadian lakes ports and the wheat staples economy. It suggests a greater interconnection between developments on the Great Lakes and in the western prairies.

The fact that Depot Harbour quickly became a key transportation link connecting Montreal to the western hinterland demonstrates the importance of this region in the development of the economic unification of Canada at the turn of the 20th century. Today the region’s rocky shores and gnarled stands of timber are dotted with vacation cottages and national parks. However, this region did not always serve as a place of escape from modern, industrialized Canadian life. The lake-and-rail connection through Depot Harbour was the intrusion of urban, industrial Canada to this region with the aim of

connecting to its western staples hinterland. Its function as a transportation link calls for the consideration of the region as part of the wheat economy alongside the farm fields of Saskatchewan and the dockside grain elevators at Montreal.

In calling for the incorporation of the region in the broader history of the wheat economy, the story of Depot Harbour returns attention to the Laurentian school’s argument that the Great Lakes-St. Lawrence watershed was key to the development of the Canadian economy. By specifically focusing on the overland connection between Georgian Bay and tidewater, it demonstrates that this route continued to be of economic importance. This importance was not the hypothetical potential of a new ship canal but actually played out in the carriage of commerce, long after the voyageurs ceased plying the waters of the French River with canoes full of furs.

My thesis also proves that the effects of the wheat economy upon indigenous people were not limited to the prairie west. The creation and operation of Depot Harbour meant that decisions made about the land never acknowledged Indigenous ownership or wishes and it represented an intrusion of the white settler Canadian economy into its midst. This disruption was led by J.R. Booth, a private businessman, but it was facilitated and abetted by the disdainful attitudes and actions of the Canadian government regarding indigenous legal rights. Both informal and formal agents of national expansion contributed to the deleterious influence of the grain trade upon the Parry Island indigenous community. The presence of the port and railroad accelerated a change to a wage-based economy, which left the indigenous community dependent on government aid when those bases of employment collapsed in the 1930s. The grain trade left a legacy of land appropriation that continues to the present day, nearly 75 years after its port operations ceased. Thus, this thesis calls attention to the effects of the grain trade on indigenous people far beyond the traditional geographic boundaries of the western prairie region.

Depot Harbour was created and quickly thrived as a port because J.R. Booth seized upon an immediate opportunity to create a shorter and faster transportation link to the West. Its development was driven by short-term economic opportunism that
disregarded any effects upon Wasauksing First Nation. However, it is this indigenous population on Parry Island that felt the longest-lasting ramifications from its construction and operation. The fleeting economic moment of Canada’s late 19th century push for a transcontinental wheat economy left an ongoing disturbance to Parry Island’s original inhabitants.

Land dispossession and the restructuring of the indigenous life toward reliance on wage labour in the white settler economy of Canada are the most salient legacies of Depot Harbour today. Had the port retained its leading status as an Ontario Great Lakes grain transshipment point, its importance on a national and continental scale for the transportation of commodities may also have remained to the present day. However, Depot Harbour’s disappearance precluded any such continued role or relevance. Its disintegration was driven by overinvestment in national railroads at the expense of this lake port. Therefore, the story of Depot Harbour provides one small case study which suggests that, in the early 20th century, the focus of investment and development on the growth of railroads across Canada deterred more significant investment in Canadian lake shipping routes. While it is beyond the scope of this thesis to provide any broad arguments regarding this relationship, it calls for further research into the relationship between these two transportation sectors during the Canadian wheat boom.
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