

## 2. The Midland Railway of Canada

### BACKGROUND

Before the Railway Age, travel and the movement of goods in Upper Canada were primarily dependent on waterways, and to some extent on such trails and crude strips of dust or quagmire that passed for roads.

Agitation for a more efficient mode for the movement of goods and people (in that order) had started to build with the news of the new-fangled railroad following the Rainhill Trials in England in 1829, but the economic depression of 1837 and the decade following were bad years for Upper Canada and for railway development.

However, in 1849 the Province of Canada passed the Railway Guarantee Act for loan interest on the construction of railways not less than 75 miles in length. It was this legislation that triggered Canada's railway building boom.

The Province of Canada also legislated a "broad" or "Provincial" 5' 6" gauge in 1851, so that to obtain the financial benefits of the 1849 Railway Guarantee Act, any railway had to have the 5' 6" gauge.

The politics and reasons for this decision remain controversial among historians even today, but it proved to have enormous consequences in the crucial years of railway development in Ontario, and the effects of this unfortunate legislation reverberated long after its repeal in 1870.

While the **Grand Trunk Railway of Canada (GTR)**, incorporated in 1852, busied itself with the construction of its mainline through Ontario, the towns along Lake Ontario developed their own railway ambitions. They saw themselves as gateways to the untapped resources of the "hinterland", and thus emerged a pattern of what might be termed "development roads" from Whitby, Port Hope, Cobourg, Trenton and Belleville.

Toronto had already led the way with its portage road to Collingwood, and later participated in additional development roads to Owen Sound and Coboconk. Other such roads also emanated from Napanee, Kingston, Brockville and Prescott.

The territory north of Lake Ontario was a region rich in natural resources, and its population expanded rapidly as successive waves of immigration had to seek land further and further away from the immediate shore line of Lake Ontario.

This original south-north development road pattern was eventually knit together by east-west connecting links or "bridge routes" north of the GTR main line, with the result that in due course both Peterborough and Lindsay found themselves at the crossroads of bridge and development routes.

## **THE MIDLAND RAILWAY AND ITS NEIGHBOURS**

The genesis of the Midland, and the first railway in Victoria County, was the Provincial Gauge **Port Hope, Lindsay & Beaverton Railway (PHL&B)**. It was originally chartered in 1846 as the **Peterborough & Port Hope Railway (P&PH)** with a steadfast belief in the superiority of the Port Hope harbour. However, the project did not get underway until 1854, when the P&PH re-incorporated as the PHL&B with a new focus on Lake Simcoe and Georgian Bay.

Construction reached Lindsay in late 1857.

The name of the PHL&B was changed to the **Midland Railway of Canada** in 1869, and Port Hope's ambitions were consummated when the railway eventually reached Beaverton in 1871, Orillia in 1873, Waubashene in 1875 and Midland in 1879.

In their ambitions, the Port Hope promoters did not lose sight of the benefits of bringing Peterborough into their fold. In 1858, the PHL&B entrenched itself in the very heart of Peterborough with a branch from Millbrook [**the Peterborough Branch Railway**], and eventually negotiated an extension to Lakefield that was completed and opened for traffic in 1871.

Meanwhile, the citizens of Belleville incorporated the **Grand Junction Rail-Road Company** to build a "loop line" arching from Belleville through Peterborough to Toronto. This was in fact a "bridge route" to connect together the development roads that were snaking north from the Ontario shore line. The Grand Trunk Railway acquired this charter as early as 1854, but because of the economic fallout of the Crimean War and the Grand Trunk's chronic financial operating woes, the project was shelved, to be revived again in 1870 as the **Grand Junction Railway Company**. At long last, the first train reached the easterly outskirts of Peterborough at Downer Corners in 1880.

**The Toronto & Nipissing Railway (T&N)**, sponsored by the Gooderham & Worts Distillery and promoted by narrow gauge advocate George Laidlaw as a 3' 6" gauge railway, with the aim of being a feeder for the distillery and the eventual prospect of reaching the transcontinental CPR, was initially wildly successful when it was completed as far as Coboconk in 1872, but soon fell on hard times in the 1870s recession with the consequent downturn in receipts and with the need to renew its infrastructure and convert to the standard gauge. The T&N included the **Lake Simcoe Junction Railway**, built from Stouffville to Jackson's Point in 1877.

The **Whitby & Port Perry Railway**, chartered in 1868 (the same year as the T&N), to build from Whitby to Port Perry, was in bitter competition with the T&N, and was plagued from the start by political, financial and construction disputes, earning its nickname "the Nip and Tuck". It was extended to Lindsay in 1877, becoming the **Whitby, Port Perry & Lindsay Railway (WPP&L)**, and joining with the Victoria Railway at a union station in Lindsay.

The **Victoria Railway** was a standard gauge project by railway promoter George Laidlaw from Lindsay to Haliburton that never realized the expectations of what the Haliburton Highlands were supposed to offer in the way of iron ore, and never did reach the timber stands of what is now Algonquin Park.

The sixth railway in the eventual Midland Railway consortium was the **Toronto & Ottawa Railway (T&O)**, re-incorporated from the Huron & Quebec Railway, originally intended to be competition to the Midland. It only existed on paper, but was to come in useful in the impending consolidation.

A minor player in the Midland system-to-be was the **Medonte Tramway** in Simcoe County (a short lumbering line from Medonte to Knight's Mills (1883 to 1893).

Meanwhile at the PHL&B, its president Adolphus von Hugel of Port Hope, an immigrant entrepreneur from Alsace via the USA, had struggled valiantly to keep Port Hope's pride and joy railway afloat, but by 1879 he was both physically and financially exhausted.

The 1870s were a tough decade for railway financing, and the days of the other companies in the orbit of the PHL&B/Midland were numbered, both for economic and political reasons. For instance, economically, the necessary conversion of the PHL&B/Midland gauge from 5' 6" to the standard 4' 8½" gauge in 1874 was a major financial burden in an era of declining traffic receipts. So around the time of the completion of the former PHL&B to Midland, Peterborough interests under the directorship of its several-times mayor George A. Cox took control of this railway.

### **George A. Cox and the Midland**

In that age, railways exercised power, and power was to be had with the right promotion of railways. George Cox understood that reality, and learned quickly how to work those levers of power. He had had a humble beginning as a telegraph operator in Colborne, Ont., but he had business acumen, and on moving to Peterborough, he gained the confidence of influential area families. He had been a director of the Midland Railway for three years when he took over the reins from von Hugel. He went to work most energetically to consolidate the surrounding pioneer lines, and with the original Midland Railway as the nucleus, he brought about a unified regional railway system with its hub at Peterborough, which was accomplished in 1881/2.

The dormant charter of the Toronto & Ottawa Railway was used to construct four "missing links", three of which were part of the Midland system.

One link was between Wick (Blackwater) Junction. of the T&N and Cresswell (Manilla Junction.) of the WPP&L, connected up in early 1883 and thus affording a direct route between Lindsay and Toronto (previously via Lorneville Junction.).

The second was between Peterborough and Omeme, completed in late 1883 after some engineering challenges with sink holes at "Tully's" and "Doube's" (near Orange Corners), for a direct connection between Peterborough and Lindsay (previously via Millbrook Junction.).

The third was a short section of line to link Downer Corners (across the Otonabee River from Peterborough) and the Millbrook branch of the former PHL&B, connecting a few blocks south of the Bethune Street complex to provide a more direct route between Belleville and Peterborough, in 1888.

In Lindsay, a new entry from Omemee was decided upon. Instead of the curving alignment of the early PHL&B down to the east bank of the Scugog, the line now continued straight west with a new bridge over the Scugog River into downtown Lindsay, where it curved north to connect with the former Victoria Railway on Victoria Avenue. (The original mainline became a spur to the Scugog that lasted until the end of the CNR era.)

There is some uncertainty as to Cox's exact relationship with the GTR, but Cox was an entrepreneur, and not a professional railroad man. Certainly he was on friendly terms with the GTR.

While economic reasons were at play for the consolidation of the Midland Railway system, politically for the GTR the Midland was a strategic bulwark in its futile struggle to block the inevitable entry of the **Canadian Pacific Railway (CPR)** into Ontario.

As it happened, the CPR succeeded brilliantly in its thrust into the heartland of Ontario in 1884 by means of its cat's-paw **Ontario & Quebec Railway (O&Q)** that passed through the southern edge of Victoria County at Pontypool.

Whatever the exact nature of the Cox-GTR relationship, on September 22, 1883, the Midland system that Cox had so deftly and assiduously assembled, passed officially into the control of the GTR, and George Cox moved to Toronto to further his own ambitions.

In 1887 the Midland Railway, already leased to the Grand Trunk Railway in 1884, decided to make Lindsay its operational headquarters, and that decision was upheld by the GTR when it assumed that road altogether in 1893, and Lindsay became a division point for the GTR's 8<sup>th</sup>, 9<sup>th</sup> and 10<sup>th</sup> Districts.

The GTR was merged into the new **Canadian National Railways (CNR)** in 1923.

For more information about Victoria County railway history, Lindsay, Omemee and the Haliburton line, please see our other leaflets.

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