

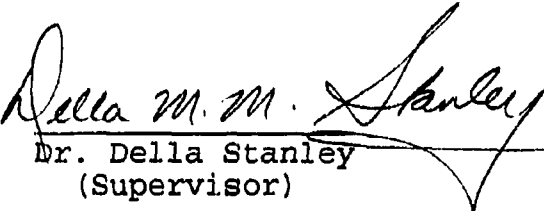
THE POLITICS OF THE LINK


An Examination of the Fixed Connection  
in Prince Edward Island

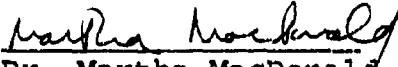
A thesis submitted by Ian G. Johnston  
in partial fulfilment of the requirements  
for the Master of Arts Degree in  
Atlantic Canada Studies at Saint Mary's University

April, 1995

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ISBN 0-612-00925-4

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## **ABSTRACT**

### **THE POLITICS OF THE LINK**

#### **An Examination of the Fixed Connection in Prince Edward Island**

Ian G. Johnston

April, 1995

This thesis will examine the issue of a fixed connection between Prince Edward Island and New Brunswick. The concept has been the focus of considerable debate at the national and provincial levels, and has attracted the attention of many people from diverse backgrounds and occupations from as far away as Japan. Debate over such a concept has waxed and waned at various times since the province joined the Canadian confederation in 1873. Although the effects of such a mega-project would be most acutely experienced in P.E.I., the jurisdiction over the building and maintenance of the link would rest with the

federal government. This thesis will argue that over the last century the fixed link has always been essentially a political issue. The decision to build or not to build rested solely with Ottawa and not the provincial government or the people of P.E.I.

Under the terms of entry into the Canadian union, the federal government promised to maintain continuous year round communication between the Island and the mainland. Over the years Ottawa's attempts to fulfil those terms have often fallen far short of what Islanders believed they should be. Not surprisingly, debate on better forms of continuous communication usually flared up around election times. One can therefore identify four distinct intervals of particularly vehement discussion, each distinguished by election campaign platforms and propaganda. They are as follows: 1885-1896, 1905-1917, 1956-1970, and 1985 to the present.

While this thesis does chronicle the story of the fixed link, it does so in a political context, and more particularly in the context of federal-provincial relations. Although the people of Prince Edward Island voted in favour of a fixed link during a provincial plebiscite in 1989, they had no idea what physical form the link would ultimately take. After the plebiscite, a bridge design was accepted by the federal government, but without public consultation.

Clearly the federal government was the key to everything from design to funding. Such has been the story of the fixed link since it was first discussed as a serious possibility on the 1880s. By looking at the series of arguments which resulted in the decision to proceed with the project in 1993, as well as the reasons it did not come to fruition in the past, this thesis provides some insight into how significant federal attitudes and policies are even in matters that focus on one particular province.

## ACKNOWLEDGEMENTS

I wish to take this opportunity to thank the people to whom I am deeply indebted. This work would not have been possible without the friendly help, encouragement and patience of my thesis supervisor, Dr. Della M.M. Stanley. She has played a major role in my academic achievements, both past and present, and inspired me to continue my studies beyond the undergraduate level. Dr. Stanley spent many hours overseeing drafts in the preparation of this thesis. Her advice, guidance and comments were much appreciated and considerably improved all aspects of this thesis. Her influence is apparent throughout the entire text.

Dr. Ken MacKinnon also provided a great deal of encouragement and followed my progress throughout the research, writing and revision stages. His advice helped broaden my knowledge of P.E.I. history and improved the readability of the text. In addition to the many hours of academic assistance, Dr. MacKinnon helped me out a great deal with the technical aspects of the thesis. Dr. MacKinnon and Dr. Stanley were always willing to find time on a moments notice, without an appointment. Even with hectic schedules, their doors were always open. Their willingness to go above and beyond the call of duty helped make thesis writing an enjoyable and rewarding experience.

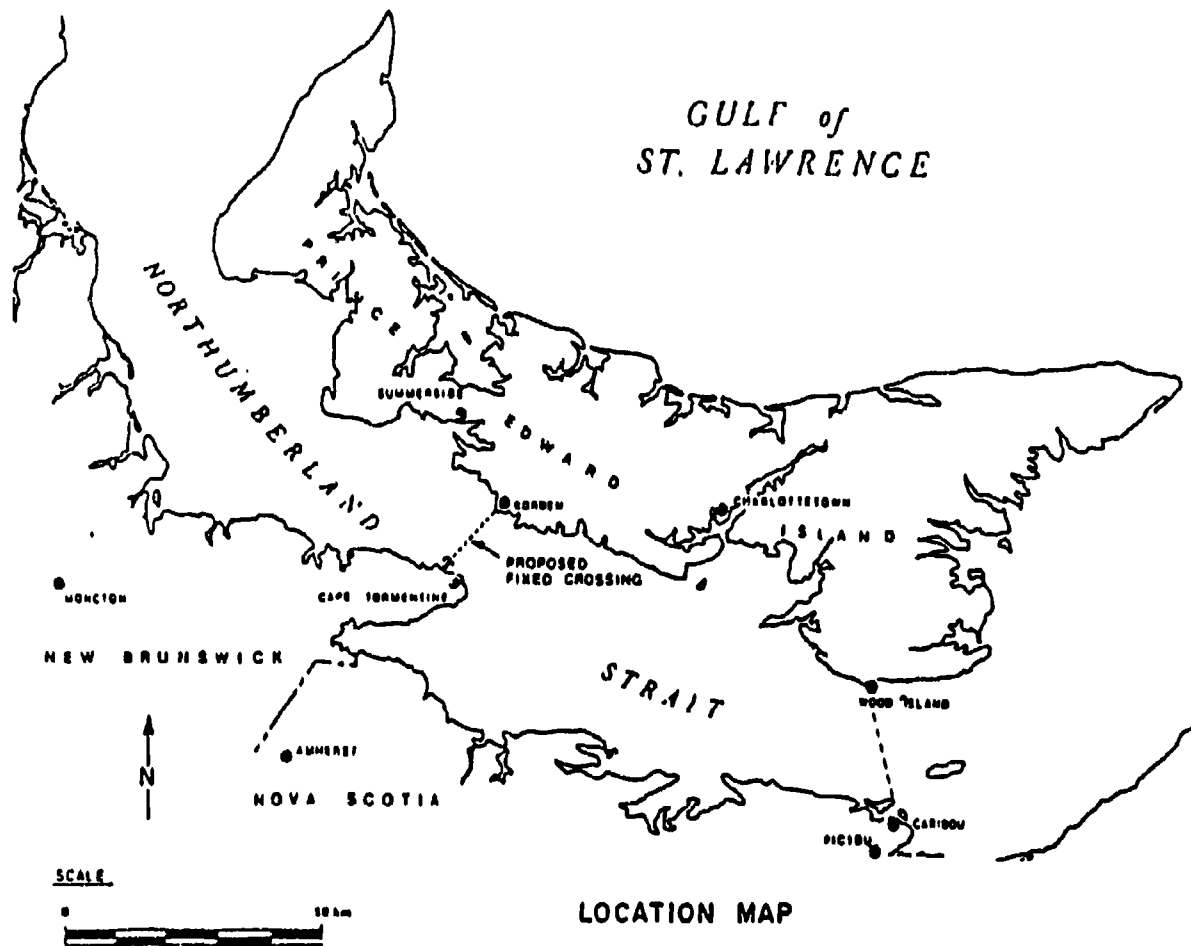
In addition I would like to thank Dr. M. Brook Taylor for his kindly assistance and encouragement over the years. He, too, was always there when I needed his assistance. Dr. Martha MacDonald also took time from a very busy schedule in March to read the thesis.

It is difficult to find the words to thank my wife, Diana Grcic, for all her patience and support. She was truly in the "trenches" and came out smiling. It was not always a smooth journey, but I hope it was one that brought us even closer together.

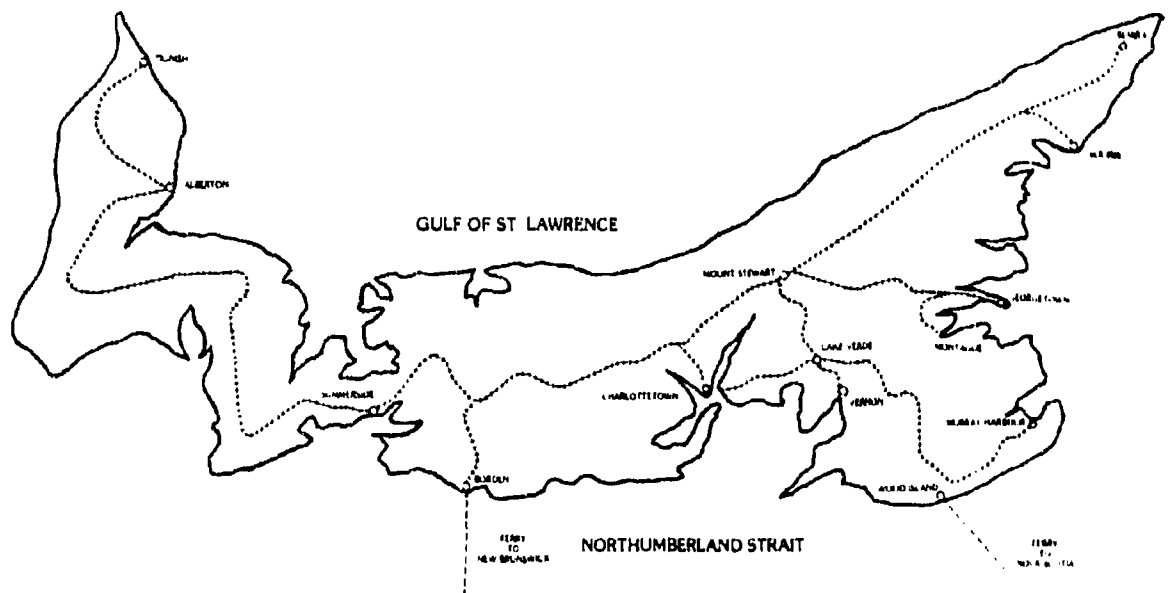
My family, George, Marina and Eric, has always been supportive. Their understanding and patience have made it all possible. I would also like to thank Jim McCarron of the Charlottetown Guardian, Peter Murphy and the rest of my friends at Saint Mary's, and the Gorsebrook Research Institute, for their support and encouragement.

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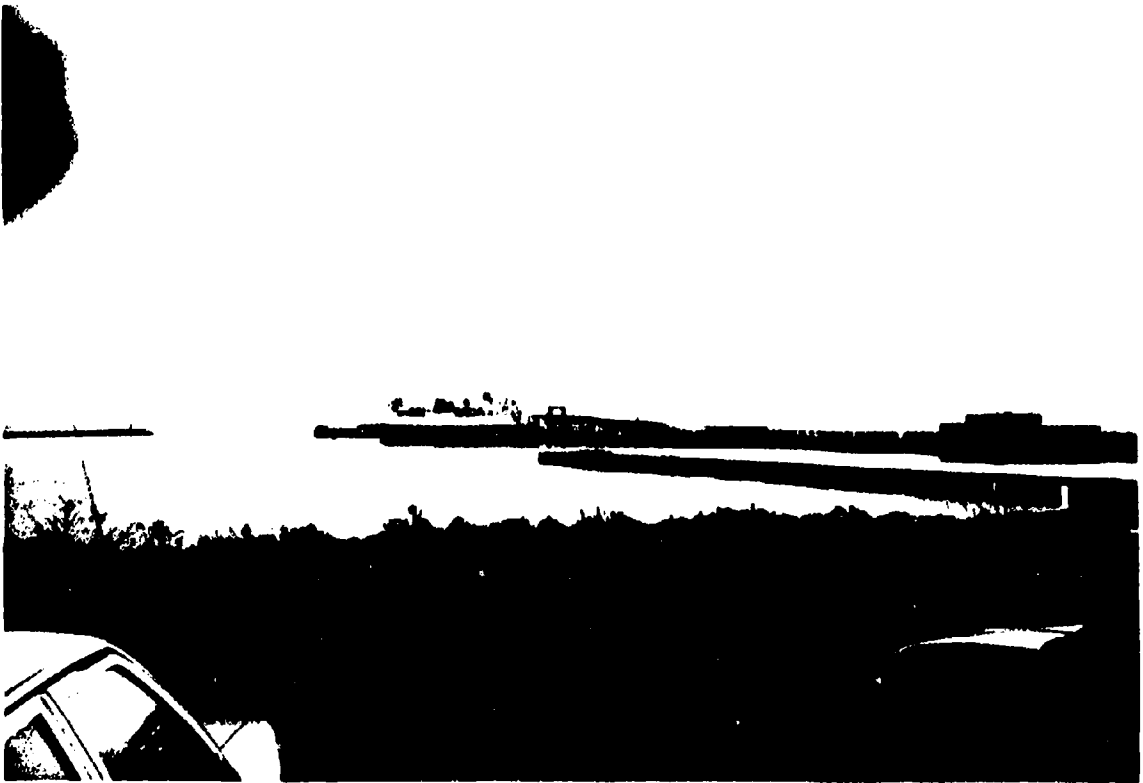
Source: Max Perchanok, "The P.E.I. Fixed Link Project,"  
Library of Parliament Journal (Ottawa 1988) p.4.



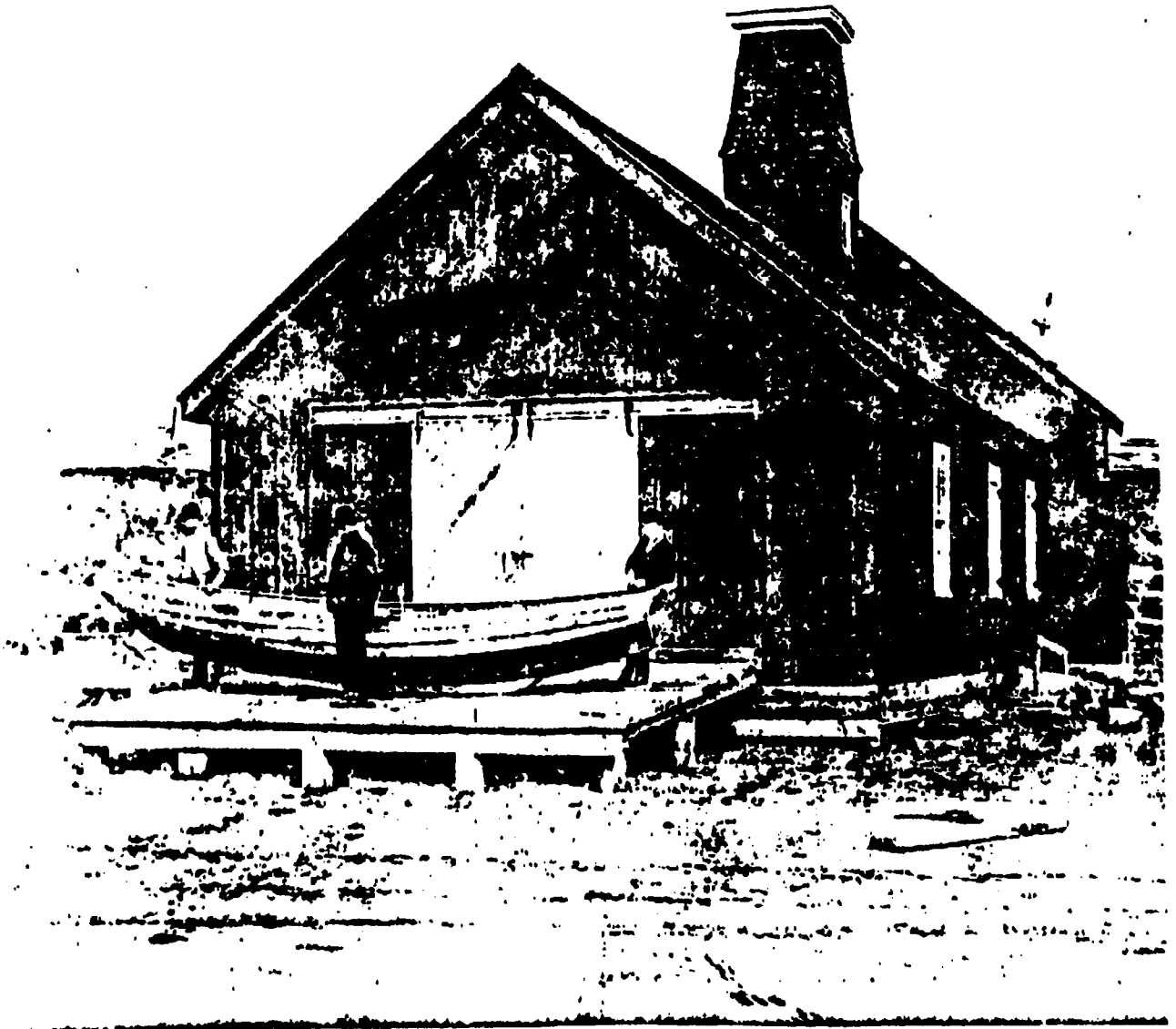
Source: Shirley E. Woods, Cinders and Saltwater (Halifax 1992) p.107.



Earl Grey (left) and Minto (right) stuck in ice somewhere in the Northumberland Strait c1910. In this postcard photo, passengers were required to make a perilous ice-walk between the vessels. Since some of the passengers appear to be walking in the direction of the Earl Grey, it seems likely that the vessel made an attempt to free the Minto. It is interesting to note that both ships were equipped with doors at ice level. The picture shows a ramp extended from the Earl Grey's ice level portal.



The New Abegweit photographed here in 1993 at Borden, P.E.I., was built in 1982. This modern ice-breaking vessel, with its large capacity for vehicles, revolutionized transportation across the Northumberland Strait. It virtually ended the delays that were experienced in the past.



An original sketch of an ice-boat house at Cape Traverse,  
P.E.I., 1906. Courtesy of Joe MacDonald, Borden, P.E.I.

## INTRODUCTION

This thesis will examine the issue of a fixed connection between Prince Edward Island and New Brunswick. The concept has been the focus of considerable debate at the national and provincial levels, and has attracted the attention of many people from diverse backgrounds and occupations, including politicians, engineers, organized business, the clergy, the media and academics from as far away as Japan. However, no one has been closer to the fixed link issue than the people of Prince Edward Island. Islanders traditionally have been divided over the advisability of being permanently connected to mainland Canada by a fixed link. Debate over such a concept has waxed and waned at various times since the province joined the Canadian confederation in 1873. Although the effects of such a mega-project would be most acutely experienced in P.E.I., the jurisdiction over the building and maintenance of the link would rest with the federal government. This thesis will argue that over the last century the fixed link has always been essentially a political issue which rested solely with Ottawa and not the provincial government or the people of P.E.I. It was the federal authority which has had the power to determine whether or not a fixed link was politically and economically viable for Canada, and the

power to support and to terminate such a project.

The debate on the need for and viability of a fixed link never completely died out at any time after 1873. This was largely due to the fact that under the terms of entry into the Canadian union, the federal government promised to maintain continuous year round communication between the Island and the mainland. Over the years Ottawa's attempts to fulfil those terms have often fallen far short of what Islanders believed they should be. Not surprisingly, debate on better forms of continuous communication usually flared up around election times. One can therefore identify four distinct intervals of particularly vehement discussion, each distinguished by election campaign platforms and propaganda. They are as follows: 1885-1896, 1905-1917, 1956-1970, and 1985 to the present.

After election fever had passed, the issue of the fixed link was usually placed on the back burner, only to be revived on the eve of another election. Every time the topic was raised it became clear that any proposal, to become a reality, would have to meet certain criteria set out by the federal government rather than the provincial authorities. Meeting these criteria posed major obstacles and resulted in rejection and delay or alternative solutions. In the interim, the fixed link issue was usually overshadowed by other problems such as war, economic depression or the need for immediate improvements in the

ferry service. Also, agitation in P.E.I. for a permanent link was often silenced when financial redress, in the form of increased subsidies, was received from Ottawa, or when the ferry service was actually running efficiently.

Since confederation, Prince Edward Island has grown increasingly dependent on federal transfer payments. Instead of being an equal partner in the union, all too often the province saw no other recourse than to seek federal "handouts" to stimulate her lagging economy. In the 1990s the fixed link project represented one of the largest federal forms of assistance available to the economically depressed province. Over the years, many have argued that a fixed crossing would close the economic gap and place the Island on a more equal economic footing with the rest of Canada. To many Islanders, on both constitutional and moral grounds, the federal government owed P.E.I. a permanent link. Ironically, the fixed link was an example of the extent to which otherwise independent and proud Islanders looked to Ottawa to solve their economic woes. Not surprisingly, the project has been a source of federal-provincial friction. Although the fixed connection falls under federal jurisdiction, federal and provincial administrations historically have had problems reaching agreement on things like funding, design and maintenance. This, in turn, has often strained federal-provincial relations at a time when harmony between the two was most

needed to foster economic growth.

Although the people of Prince Edward Island voted in favour of a fixed link during a provincial plebiscite in 1989, they had no idea what physical form the link would ultimately take. After the plebiscite, a bridge design was accepted by the federal government, but without public consultation. Clearly the federal government was the key to everything from design to funding. Such has been the story of the fixed link since it was first discussed as a serious possibility in the 1880s. By looking at the series of arguments which resulted in the decision to proceed with the project in 1993, as well as at the reasons it did not come to fruition in the past, one can gain some appreciation of how significant federal attitudes and policies are even in matters that focus on one particular province. While this thesis does chronicle the story of the fixed link, it does so in a political context, and more particularly in the context of federal-provincial relations. What the Island wants may not be judged as suitable in the eyes of Ottawa. But when it is determined by Ottawa to be good for Ottawa, then there is every probability that it will become a reality.

## CHAPTER 1

1885-1896

The concept of a permanent connection between Prince Edward Island and the mainland was first introduced in the Senate of Canada in 1885, by Senator George William Howlan, himself an "Islander." He suggested that a metallic tube, or subway, be assembled on land and then laid on the floor of the Northumberland Strait.<sup>1</sup> Howlan dismissed the bridge and tunnel concepts because the former would have interfered with ship navigation, and the latter was too costly, since it would require digging underneath the Strait, and would place the project outside of what he called practical politics.<sup>2</sup> He believed that a subway was the only feasible alternative since it could be built, in his estimate, for two million dollars.<sup>3</sup> A permanent connection, he argued, would enhance the Island's fresh fish, shell fish and agricultural industries, by enabling the products to be shipped to their markets more reliably and efficiently year round. At the same time the subway would fulfill the terms of union reached in 1873 between P.E.I. and the Dominion, which required that Ottawa ensure year round communication between the Island and mainland Canada.<sup>4</sup> As Howlan had expected, his concept was treated with indifference by his colleagues in the Senate, largely because the cost would far exceed what was deemed financially feasible at that time.<sup>5</sup>

The following year, much more serious consideration was

given to the subway scheme after Earl Granville, Secretary of State for the Colonies, responded to a joint address to the Queen from the Legislative Council and House of Assembly of Prince Edward Island. The Island government had appealed to the Crown for redress of grievances because of its belief that Ottawa was failing to provide adequate year round steamship service for the conveyance of mails, passengers and freight, as stipulated in the communications clause of the British North America Act. The economic misfortunes of the province were attributed to the Dominion's failure to fulfil this term of confederation. However, as far as Ottawa was concerned, the continuous communication requirement only applied to the conveyance of mails and passengers. It did not include guarantees for the transport of freight.<sup>6</sup> Hence, year round steamer service was not necessary as long as there was some alternative way to transport mail and passengers during the winter months when it was hard to keep a steamer in service. Herein lay the root of decades of debate. Ottawa gave the clause a narrower, less costly interpretation. Islanders gave it the broadest and thus more costly interpretation.

In his letter of 1886 to the Marquis of Landsdowne, the Governor General of Canada, Granville, while not taking sides, expressed doubts as to whether year round steamship service could be maintained across the Northumberland Strait.<sup>7</sup> Given the nature of the winter conditions in the

Strait, he believed that was not a reasonable expectation. Consequently, he suggested that if year round service was needed, perhaps the idea of a "'metallic subway' should receive a full, and if feasible, favourable consideration on the part of the Government of the Dominion."<sup>8</sup> The details of Granville's despatch revealed that Britain did not want to take sides in the argument, but to merely act as adjudicator and facilitator. The response from the Secretary of State represented a significant dimension in federal-provincial relations within the young Dominion. Clearly Islanders could no longer count on Britain to settle their grievances, they had to deal with the federal government of Canada instead. The fate of P.E.I. rested with the ability of its government to convince the federal government to formulate favourable policies and to support desired projects.

Granville's despatch was subjected to various interpretations in the Prince Edward Island House of Assembly. It was viewed by some members as a strong recommendation to proceed with the subway project, since it was obviously impossible to carry out to the letter the terms of the communications clause under existing conditions.<sup>9</sup> Others were not so sure. Most agreed, however, that if steamers were found to be incapable of providing continuous communication, then it was the federal government's responsibility to find and provide a feasible

and more dependable means of crossing the Strait.<sup>10</sup> Thus, it was generally agreed that the provincial government should insist that the terms of confederation be carried out by the Dominion government, either through better steam navigation service or some other means, such as a subway. If Ottawa failed to fulfil its constitutional contract, then the province should be entitled to compensation.<sup>11</sup> So went the debate.

Throughout the debate many argued that secure continuous communication would give Islanders the ability to move people and goods at any time, which in turn, would rejuvenate the Island economy, attract new industry, increase property values and make the people as prosperous as in former times.<sup>12</sup> A subway, for example, was seen as being of great benefit to the farmers. It would enable them to ship their potatoes and produce to market more quickly and reliably, and thus allow them to obtain a more competitive price for their commodities.<sup>13</sup> Island trade would no longer be impaired because of an unreliable and restrictive seasonal steamship service. For instance, the first vessel deployed by Ottawa for the Northumberland Strait service, the Northern Light, was not designed for the harsh ice conditions experienced in the Strait.<sup>14</sup> A second-hand wooden river steamer, it was often laid up or stuck in the ice for extended periods. In 1887-88 it made only 21 round trips in the winter season.

Also, many complaints were registered about the poor conditions for passenger travel on board the early steamers. In spite of Ottawa's claims that the flow of traffic and the number of passengers using the service did not warrant a large expenditure to improve conditions, Island politicians believed that cost should not be an issue when it came to fulfilling a solemn and binding contract.<sup>15</sup> In fact, government members argued that more people would use the service if it was dependable and safe.<sup>16</sup>

A permanent connection was also seen as being advantageous to Prince Edward Islanders because it would give them immediate and direct access to the Intercolonial Railway, and hence the Canadian interior. It would allow them greater opportunity to share in the benefits of federal public works projects, to which their tax dollars contributed.<sup>17</sup> In fact, some observed that a subway would provide P.E.I. with its own great federally funded public works project, at a cost that would be modest when compared to the federal government's expenditure on the Canadian Pacific Railway, the completion of which was a condition of British Columbia's entry into confederation.<sup>18</sup>

In the 1880s, the proposal for the construction of a subway across 14 km of open water was a unique and untried scheme.<sup>19</sup> Criticism of the scheme were therefore predictable. Opponents argued that because there was no similar project in the world and that the durability had

never been proven, the Dominion government would be ill advised to give it the go-ahead.<sup>20</sup> Critics also questioned the ultimate cost. Since Senator Howlan's initial proposal, the estimate had escalated to five million dollars.<sup>21</sup>

Others raised concerns about the obstacles and risks caused by the extreme winter and spring environmental conditions. Peter Sinclair, for instance, talked about the variations in climate, the frequency of storms in the Strait, and the perils of board ice and its effect on a metal structure.<sup>22</sup>

Critical voices were outnumbered by those who favoured pressuring Ottawa to take some kind of steps to provide guaranteed year round service for mail, passengers and freight. The construction of a subway was viewed by some members as nothing less than Ottawa's duty, and that it was P.E.I.'s right to have a permanent link.<sup>23</sup> Those in favour of a permanent connection believed that if a subway proved to be impracticable, a tunnel certainly was not an impossibility.<sup>24</sup> They argued that technological advances in tunnel construction and boring excavations would virtually overcome any obstacle and greatly reduce the cost.<sup>25</sup> Therefore, it was resolved in the provincial House of Assembly that "the government did not admit that it was impossible to build a tunnel..."<sup>26</sup> The provincial government petitioned the Dominion government to give serious consideration to building a subway or tunnel. It was up to Ottawa to act.

Ottawa acknowledged the validity of the complaints about existing steamer service. Nevertheless, it was still not enthusiastic about the subway plan and it was not willing to risk federal monies on such a project. However, Ottawa did offer a possible alternative and at the end of 1886, the Northumberland Straits Tunnel Railway Company Act was passed, creating a private company to promote tunnel construction.<sup>27</sup> This was evidence that Ottawa had some faith in the tunnel idea. It was also evidence that Ottawa was not going to invest too much of the Canadian taxpayer's money in the project. Money seemed to govern Ottawa's position regarding a fixed link. The company was granted ten years in which to complete the work, after which it would have the option to lease or sell to the federal government.<sup>28</sup>

From the beginning Ottawa laid down the ground rules. It could accept or reject. It could start and it could terminate. It could pay or not pay. Islanders could only repeatedly ask. For example, one of the stipulations of incorporation was that the contractor would be responsible for making and submitting all surveys to the federal government engineer.<sup>29</sup> If they were deemed inadequate, Ottawa could stop the project. The private company would also be expected to pay all of the costs, which included land damages.<sup>30</sup> It could raise revenue from tolls and a federal government subsidy.<sup>31</sup> In this way, Ottawa claimed

any losses to the federal government would be minimal if the project failed.<sup>32</sup> In response to Ottawa's proposal, various prominent engineers, including Vernon Smith and Walter Shanly, expressed interest in designing a permanent crossing and submitting estimates. According to statements made in the Senate and the P.E.I. House of Assembly, one group of investors was even prepared to invest five million dollars in building a subway, as well as constructing railway branch lines to a number of communities, as long as the investors received a subsidy from the federal government.<sup>33</sup>

Meanwhile, many Islanders questioned the federal government's sincerity. Perhaps Ottawa was, in reality, shelving the idea of a fixed link in the guise of promoting a tunnel plan that it knew would never be realized. Certainly members of the P.E.I. Legislative Council observed that the bill incorporating the Tunnel Railway Co. did not set out any specifics about a tunnel, such as the size, form and grade.<sup>34</sup> Since being connected to the Intercolonial was one of the primary reasons for favouring a fixed crossing, members also expressed concern that there was no clause to ensure that a tunnel was, in fact, large enough for rail traffic to pass through.<sup>35</sup> Surely if Ottawa was serious such considerations would have been acknowledged.

Others were not sure the tunnel was a better option to a subway. They spoke instead of a bridge concept.<sup>36</sup> They

wanted to know why Ottawa had not considered the bridge alternative. The advantage of a bridge, they argued, was that a part of it could be repaired when it broke away, and it would not collapse like a tunnel.<sup>37</sup> The railway bridge in Halifax across the harbour, completed in 1885, the first steel swing bridge built entirely in Canada, was used as an example to justify that a bridge could be built across the Northumberland Strait at a reasonable cost.<sup>38</sup> As well, the Legislative Council expressed the view that before a work of such magnitude was undertaken, "the Government should have ascertained what amount of subsidy would be efficient to induce a Company to construct and operate, for a term of years, a Bridge or subway that would afford ample facilities for traffic."<sup>39</sup> And, if Ottawa was so concerned about cost and really wanted the best deal, why had it not requested submission of figures showing the comparative cost of constructing and operating a tunnel, bridge or subway?<sup>40</sup>

By 1887, John A. Macdonald was uncertain about his chances for electoral success. His western immigration program was not as successful as he had hoped. His refusal to commute the sentence of Louis Riel had acerbated French-English relations and Nova Scotia was talking of leaving confederation. Macdonald needed all the votes he could get, including those in Prince Edward Island where in June 1886, the Conservative Premier, W.W. Sullivan, had won his third consecutive election. Not surprisingly, Macdonald deemed it

was politically wise to reassure Islanders that he was concerned about the issue of guaranteed communication. So on the eve of the federal election, Macdonald informed Senator George Howlan that his government would give serious consideration to the problems of traversing the Northumberland Strait. Obviously the Northumberland Straits Tunnel Railway Company had been viewed initially as little more than a political sop. But with votes at stake, the federal government was willing to take another look.

In his letter to Howlan, Macdonald expressed the government's interest in making further examinations of the Strait. Although he emphasized that cost was an all important factor in determining the fate of the project, he trusted, "that the report will be such as to justify the Government in entertaining the project."<sup>41</sup> Macdonald was a well seasoned astute political campaigner. His judgement was dead on. In Prince Edward Island, the Conservatives, including Howlan, interpreted Macdonald's letter as a very positive sign that the federal government would proceed with the fixed link project, if the Tories were re-elected to office. The Liberals, of course, claimed it was nothing more than campaign propaganda.<sup>42</sup> But the die was set. In Charlottetown, the Daily Examiner reminded voters that the federal election, was a time for the people of P.E.I. to decide which party was more likely to serve the interests of the province.<sup>43</sup> The implication was that the party

favouring a link was the one with Island interests at heart.

Macdonald and his Conservatives were returned to power in 1887, but no thanks to P.E.I. voters. All six MPs elected were Liberals. Islanders were not impressed with Macdonald's past reticence to fulfil the terms of the communication clause. They sent a message of disapproval but Macdonald was not concerned, he was returned to office anyway.

Macdonald had not received Islanders' support and they would not get his. Island MPs continued to press the federal government for a permanent connection but to no avail. For instance, in the House of Commons, Stanislaus Perry asked Macdonald if it was the intention of the government to survey the Strait in order to carry out the First Minister's promise to build a subway to P.E.I.<sup>44</sup> Now free of the campaign trail, Macdonald responded, "It is not the intention of the government to cause a survey to be made, with a view to building a subway across the straits."<sup>45</sup> Perry noted that the Island was not receiving justice on the issue because six opposition members were sent to Ottawa.<sup>46</sup> In one of his letters, George Howlan expressed his belief that the subway or tunnel would have been entirely completed, if the Island had sent even two members in support of John A. Macdonald's government.<sup>47</sup> Such were the realities of political patronage.

Nevertheless, Ottawa could not openly breach the

clauses of the constitution. Guaranteed communication for mail and passengers could be facilitated within the limits of engineering and financial feasibilities. The federal government therefore decided to put a new steel ice-breaking steamer, the S.S. Stanley, into service in 1888.<sup>48</sup> It was later joined by the S.S. Minto in 1899. The new vessel was a desirable option for the federal government because it was an economical alternative to any multi-million dollar fixed link project. The initial success of the steel steamer temporarily displaced the fixed connection debate.<sup>49</sup> In the winter of 1888-89 the Stanley made 79 round trips, almost four times that of the Northern Light during the previous year.

But the success was short lived. The following year conditions in the Strait proved to be too much for the Stanley. Because of heavy pack ice, the ship was often stranded. The Islanders only means of communication with the mainland was by making the dangerous crossing by ice boat or sled. George Howlan, who continued to pursue the tunnel idea until his death in 1901, used this opportunity to once again promote a tunnel plan. Howlan was well aware that another federal election was likely in March 1891. To lend substance to his arguments, he consulted Sir Douglas Fox, an eminent British engineer, who indicated that six million dollars was sufficient to build the tunnel.<sup>50</sup> In light of delayed ferry service and Howlan's revised figures,

Ottawa politicians promised once again to give the proposal favourable consideration.<sup>51</sup>

The election came and went, and the Conservatives regained power. This time P.E.I. elected two Conservative candidates. In return, the re-elected Tory government hired two private companies to undertake surveys and borings in the summers of 1894 and 1895 to ascertain the nature and viability of a link.<sup>52</sup> But the machinery of government moved slowly, particularly as the Conservatives were in a constant state of chaos following the death of Macdonald shortly after the election and the escalation of the Manitoba Schools Crisis. In Prince Edward Island these surveys were regarded as nothing more than stalling tactics.<sup>53</sup> Islanders received even less encouragement when Wilfrid Laurier and his Liberals came to power in 1896. The issue was dropped. Laurier believed it was not economically viable for Canada, especially after several years of world wide depression.<sup>54</sup> He had more pressing problems to solve. So too did the Islanders who now added to their list of grievances a reduction in the number of MP's from six to five, because of a drop in population.

Federal indecision and apathy concerning improvements in communication were a source of agitation in P.E.I. throughout the last two decades of the nineteenth century. There was even talk of secession expressed by Island members in the Commons. As one member blatantly put it, "there is

not a man in Prince Edward Island who would not jump at the offer and be glad to get free of the shackles imposed on us by the Dominion Government."<sup>55</sup> Because it was obvious the federal government's interest in a fixed link generally waned shortly after general elections, Islanders accused Ottawa of using the fixed connection issue as a political instrument solely in order to win votes.<sup>56</sup> Islanders felt betrayed and used. Their representatives had not demanded a permanent connection, they had simply asked the federal government to fulfil the terms of its constitutional contract by finding a means of communication that was better than what existed. If steamer service could be rendered more reliable that was fine. If not, then, at the least, Ottawa should conduct serious feasibility studies to determine if such alternatives as a subway, tunnel or bridge were viable--economically and technically.<sup>57</sup> As one Island Member of the House of Commons observed in 1892:

...If the cost of such a tunnel is too much, in Heaven's name let us know it. I do not want to be urging year after year a scheme which is not practicable. Let the Government say that it is not, and let us drop the matter forever. But I object to their keeping this dangling before the people, to their making promises which are not kept and which are made only to be broken, but which are made before every election...<sup>58</sup>

What Islanders regarded as a constitutional right became a kind of political carrot dangled before them at election time by Conservatives and Liberals alike. The

provincial politicians promised to pursue the issue in Ottawa and the federal politicians promised to resolve it if certain conditions were met. Ironically, at various times, both Liberals and Conservatives accused each other of trying to impede the project.<sup>59</sup> The federal government did not recognize a permanent connection as being necessary to fulfil the confederation agreement.<sup>60</sup> So at the end of the nineteenth century, the concept of a fixed link was nothing more than an idea, one that would never get beyond the cerebral stage until a federal government was convinced that it was a constitutional obligation, an economic possibility and above all, a political necessity.

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37. Ibid.
38. Ibid. Ironically, the Halifax bridge was washed away in a storm in 1891. Replaced in 1892, that bridge lasted only 18 months. The next bridge did not come along until the mid 20th century.
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42. Ibid., p.42.
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45. Ibid.
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48. Canada, Sessional Papers, 1890, no.16, p.24, 25.
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## CHAPTER 2

1905-1917

The hiatus in the fixed link debate came to an end in 1905.<sup>1</sup> The steamship service continued to be unreliable. The S.S. Stanley and S.S. Minto simply could not cope with pack ice. In 1903 both were stranded in ice. This was the source of renewed agitation. The trade losses, the depreciation in farm stock, the danger of ice-boat travel and the irregularity of mail service all combined to produce a great deal of discontent among Islanders and renewed interest in a fixed connection.<sup>2</sup> A convention was therefore called in 1905 to discuss the issue.

Representatives from across Prince Edward Island met in Charlottetown on March 10th. Among them was the Rev. A.E. Burke of Alberton P.E.I. He was a friend of Senator Howlan and a believer in a tunnel concept.<sup>3</sup> The first point resolved by the gathering was that both provincial and federal governments must be lobbied to ensure that the full terms of the Island's entry into confederation were realized. The provincial government was requested, "to urge incessantly on the federal government, the absolute necessity of implementing the terms of confederation."<sup>4</sup> It was also resolved that claims for redress for non fulfilment would be served annually upon Ottawa.<sup>5</sup>

The principal resolution of the meeting dealt with the ideas of a tunnel, a subject on which Burke had spoken with

enthusiasm and conviction. He argued that the farmers especially needed the tunnel to better facilitate their marketing of potatoes.<sup>6</sup> He also revealed that a private contractor from Toronto, M.J. Haney, had indicated he could build the tunnel for \$10 million.<sup>7</sup> So it was resolved that, "... this meeting call upon the federal government to fulfil the said terms of union forthwith by causing such a Tunnel to be constructed at the earliest possible moment."<sup>8</sup> Until such a tunnel was built, the convention requested that Ottawa provide a third powerful ice-breaking steamer to help provide more dependable winter time service across the Strait.<sup>9</sup>

The resolutions of the Charlottetown meeting were intended to be directed to the federal government, not only by the provincial government, but also by a committee named at the meeting. It was to proceed to Ottawa to lobby for a tunnel.<sup>10</sup> The delegation, including Father Burke, was accompanied by Island senators and the four members of Parliament (3 Conservatives and 1 Liberal). It was received by the Liberal Prime Minister Wilfrid Laurier and his Finance Minister on April 1, 1905.<sup>11</sup> The delegates presented their case in the form of a memorandum which elaborated on the resolutions passed by the Charlottetown convention. They indicated that a tunnel would eliminate the large Prince Edward Island Railway deficit; it would also enhance profits on the Intercolonial Railway, alter

public utility values and eliminate the telegraph monopoly. The delegates further claimed the tunnel would improve Island trade, agriculture and commerce by significantly reducing freight rates, and that it would double or even triple the population and prosperity of P.E.I.<sup>12</sup>

The delegates must have been convincing, at least enough not to be shown the door. Laurier responded to their requests with a promise to take the matter into consideration.<sup>13</sup> In addition, the Island delegation received a favourable response from the Canadian media.<sup>14</sup> The members succeeded in stirring up interest where there was once apathy, and directed national attention to the communication contract.<sup>15</sup> For the first time, the tunnel received a degree of public support from outside of P.E.I. As Father Burke observed, the idea of a tunnel had seized upon the imagination of the people of Canada.<sup>16</sup>

In order to keep up the momentum begun by the first delegation, Premier Arthur Peters announced on May 8th, 1905 that he would head up a delegation to Ottawa to press the issue further.<sup>17</sup> Interestingly enough, this delegation had the support of the business community from the Nova Scotia Board of trade, the Toronto Board of Trade, and the Canadian Manufacturer's Association.<sup>18</sup> Although the media and organized business supported a tunnel and had the power to influence public opinion, the fate of the project really rested with the federal government. Even a sympathetic and

favourable business community in central Canada could not bring the project to fruition. It was up to Ottawa to determine whether or not it was an affordable, justifiable, realistic and sound investment for Canada as a whole.

While in Ottawa, the provincial delegation pointed out to officials that there had been no improvement in the reliability and quality of service across the Strait since 1901, and that unnecessary delays in crossing were frequent.<sup>19</sup> Delegates claimed that economic stagnation among the commercial classes and outmigration could be directly attributed to the inadequate transportation infrastructure. They drew attention to a resolution passed recently by the provincial legislature that claimed that it was not possible to foster a competitive manufacturing industry that required the importation of raw materials and the exportation of manufactured goods, without dependable year round access to the mainland, the railways, and markets.<sup>20</sup> The ordinary social and business affairs of the province were also hampered by inefficient communication, thus discouraging businesses from locating in P.E.I.<sup>21</sup> The Premier and the delegates received much the same response as had the earlier delegation. The federal government agreed to order an enquiry into the feasibility of the tunnel project, whose projected costs increased with every year that passed. Ottawa also agreed to place a new ice-breaking ferry on the Northumberland Strait run.<sup>22</sup>

A particularly harsh winter in 1906 increased the discontent with existing transportation facilities in P.E.I. Steamship service had actually ceased for several consecutive days. A solemn promise had been broken and consequently inter-provincial trade had been interrupted.<sup>23</sup> Ottawa's Minister of Marine and Fisheries stated in the Commons that it was an exceptional circumstance that both vessels were stuck in the ice.<sup>24</sup> Islanders were not convinced. Such mishaps, in fact, were not infrequent. In 1905 the Minto was stuck in the ice at Panmure Island, and the Stanley was stranded in port at Pictou, Nova Scotia, both for several days.<sup>25</sup> On September 29, 1906 the Charlottetown Guardian stated that winter service has always been inadequate, and that a tunnel was the only solution.<sup>26</sup> This Island daily also reiterated the need for the promised new steamer in the interim and was emphatic in its remarks about the breaches of faith on the part of the federal government.<sup>27</sup>

That Islanders were not satisfied with their treatment by the federal government was made evident in parliament. Throughout 1906 threats of withdrawing from confederation were repeatedly voiced. A local Conservative MP went so far as to say that P.E.I. was on the verge of secession and would not tolerate the situation much longer.<sup>28</sup> Another member claimed that if the unfair treatment persisted, Prince Edward Island would wave the flag of secession in the

same manner as British Columbia had when completion of the Canadian Pacific Railway was in doubt.<sup>29</sup> The Guardian, similarly began an editorial campaign calling for reliable year round communication or separation from the union.<sup>30</sup>

Just as George Howlan had argued in the 1880s and 1890s, so in the 1900s Island MPs argued that provincial trade and business suffered because freight imports and exports were too often tied up on either side of the Strait because of breakdowns in communication.<sup>31</sup> For instance, they observed, it was not uncommon for hay and other goods to perish in unprotected storage, thereby threatening the cattle population with starvation, and adversely affecting P.E.I.'s agriculture-based economy.<sup>32</sup> The importance of inter-provincial trade had increased since confederation, especially under the National Policy, and the Island could be placed at a competitive disadvantage. The inability to guarantee deliveries did just that. Two ageing ships were simply incapable of handling the growing amount of freight even during the non winter months.<sup>33</sup>

Shortly after the Island joined confederation, the federal government implemented the National Policy of tariff protection in 1878. This policy made it less attractive for P.E.I. to trade with its traditional trading partner, the United States. As a result of the National Policy and changes in the global economy, Island markets had, since 1878, become directed increasingly inland toward central

Canada. Islanders now had to compete with central Canadian interests. Speaking about the impact of confederation and federal trade policy on the Prince Edward Island economy, one Island MP claimed that prior to confederation the tiny colony had traded largely with the United States, Britain and the West Indies. Trade with Canada had been small in comparison.<sup>34</sup> After confederation, however, this pattern was reversed and Canada became the primary market for Island products, but it was a highly competitive and volatile one because Ontario and Quebec produced many of the same agrarian and fish products.<sup>35</sup>

Also, according to the Island representatives, P.E.I. trade with Britain had declined after confederation because subsidized steamers sailing from major central Canadian ports, like Toronto and Montreal, could undercut the rates of the unsubsidized sailing ships sent to Europe by Island merchants. Consequently, products that before confederation had come directly to the province, were now coming in through other Canadian ports like Halifax and Montreal before going to P.E.I.<sup>36</sup> This made imported goods more expensive on the Island and made it more expensive to ship out export goods. In 1907, a Member in the House quoted an editorial that had appeared in the Guardian which stated that, "... Canada having gained access to our market and fenced it in with tariff walls, has turned her back upon us to exploit the west."<sup>37</sup> The people of Prince Edward Island

wanted a better deal than what they had received up until that point at the hands of federal decision making. They believed that they had as much right to economic stimulation and year round transportation services as the people in western Canada. For many Islanders, the tunnel scheme had emerged as the kind of federally funded infrastructure that was necessary for Islanders to compete successfully with their counterparts on the mainland.<sup>38</sup>

The tunnel project became the primary issue of 1907 as far as provincial and federal politicians were concerned.<sup>39</sup> Islanders were still waiting for the long promised new ferry and tunnel survey. Island Members of Parliament repeatedly attempted to obtain satisfaction from Ottawa with respect to the broken promises of the past. Wilfrid Laurier was criticized for appearing sympathetic with P.E.I. before an election, and evading the tunnel issue once the election was over.<sup>40</sup> The Island population was frustrated with the manner in which one federal administration after another would make promises about the tunnel and then shelve the plan after coming to power. Islanders were further incensed when Laurier replied that he would not be bullied or pushed faster than he deemed circumstances warranted.<sup>41</sup> He was also supported in his position by the report of government engineers who estimated tunnel construction costs in the \$15 million range.<sup>42</sup> One had even reported that the project was too great a financial and engineering risk.<sup>43</sup> Laurier was

not convinced by those who used the examples of other tunnels in the world, such as the Hudson River tunnel, and a Swiss tunnel, as proof of viability.<sup>44</sup>

Laurier could procrastinate and others could outrightly reject Island claims and requests, but the issue did not die. Island politicians proved to be a tenacious lot and they reworded, reworked and restated the same old arguments throughout 1907. A tunnel was seen as a way to revolutionize industry in P.E.I., solve the problem of outmigration, and maximize the utilization of Island resources.<sup>45</sup> Some even believed that it would double the population and, as Father Burke had once argued, make P.E.I. a much more valuable asset to the country.<sup>46</sup> The complaints made by the business, agricultural and fishing communities centred around the disadvantages of the "three haul" transportation system. Their livelihood depended on products reaching the markets in a saleable condition. Because of the trip across the Northumberland Strait, shipments from stations on the Prince Edward Island Railway to stations on the Intercolonial Railway and from points on the Intercolonial to the Island railway were subject to three short hauls and increased freight rates, winter and summer.<sup>47</sup> Freight movements across the Strait also required two extra handlings because the Island railway was of a different gauge than that of the Intercolonial.<sup>48</sup> Goods deteriorated in transit because of the additional handling,

the slow and irregular movements of the steamers and the unpredictable delays due to heavy ice conditions.<sup>49</sup> A tunnel, it was claimed, would eliminate these delays and the three short hauls by providing for only one continuous haul.<sup>50</sup> Also, being permanently connected to the Intercolonial Railway would ensure that all Islanders, as well as the merchants, would share in the same economic benefits and reduced rates as the rest of Canada.

The year 1908 turned out to be an election year. As in the elections of 1887, 1891 and 1896, politicians on all sides latched on to the fixed link theme. The Charlottetown Examiner stated the obvious, "... the people of P.E.I should send four representatives to oppose the present government which broke its promise and to support Mr.Borden."<sup>51</sup> In fact, Conservative leader Robert Borden, a Maritimer himself, used the issue as a political instrument to criticize the Liberals. He suggested that the government should set out immediately to determine whether continuous communication was possible or not, and then make a decision on the tunnel.<sup>52</sup> Election rhetoric was clearly in the air for Laurier, who previously had denied that the federal government was obligated to provide a fixed connection or even a new steamer, responded, "We should provide the tunnel if it can be done with anything like reasonable expenditure."<sup>53</sup> Borden grandly promised that if elected he would authorize a tunnel study to determine if it was the

best way to eliminate the three short hauls system.<sup>54</sup>

Having seen this pattern of electoral support and post election disinterest before, Islanders were not naive. They were aware of what motivated this sudden interest in the tunnel. The twelve year old Liberal government might talk of national unity and Canadian economic growth, but its leader knew his politically biased distribution of patronage over the years had tarnished his party's image. The recently elected Tory leader, Borden, promised a new age, a system of national telegraphs and telephones and a "new national policy" to foster trade within Canada and the British Empire. Islanders recognized that the support coming from both parties was being used for political effect rather than being offered as a solution to a long standing problem and breeching of a constitutional contract.<sup>55</sup> The political value of the issue obscured the Island's real transportation needs.

Nevertheless, the election propaganda seemed to contradict previous federal government announcements. Claims were made that the cost of tunnelling had decreased in recent years because of new technology, and thus the tunnel was probably not beyond the resources of Canada to entertain the idea.<sup>56</sup> However, it was noted that there was no extant tunnel that was comparable in distance and size to the one proposed for the Northumberland Strait. In order to permit rail traffic to get through, new and expensive

blasting techniques would be required. In light of this, the Liberals were cautious in how they worded their support for studying the scheme. After all, as Liberals maintained, it was the fault of Nature that heavy pack ice filled the Strait in the winter, it was not the fault of government. The Liberals could not be expected to rectify the wrongs of nature, unless, of course, it was politically expedient, technologically possible and economically viable to do so.<sup>57</sup>

Whatever resentments and cynical opinions Islanders may have harboured with respect to Laurier's government, they did not convince Islanders to return Tory candidates as they had in 1904. Instead, on October 26, 1908, three out of four members were elected to sit on the benches of the narrowly re-elected Liberal government. Perhaps frustration with the ineffective efforts of the former three Tory MPs had convinced Islanders to shift their allegiance, even if only by a very slim majority. Maybe it was because voters hoped that returning government members might ensure a more sympathetic hearing. Perhaps it was the Liberal promise of free rural mail delivery or the Catholic rejection of the Tories because of an anti-Catholic piece of Conservative propaganda, The Duty of the Hour.<sup>58</sup> Whatever the reason, three Liberal MPs were sent to Ottawa to represent the interests of all Islanders. Shortly thereafter, in 1909, a new ice-breaking steamship, the Earl Grey, arrived in Charlottetown to replace the Stanley, now twenty years old.

The provincial Liberal government of Arthur Peters certainly was pleased with this new ship but it did not provide an answer to the problem of permanent year round contact with the mainland. Peters, like most Islanders, still felt aggrieved that Ottawa refused to acknowledge its obligations under the terms of confederation. Strapped financially, P.E.I. needed something to jump start its lagging economy. Peters believed that the solution lay in a fixed link. It would not only help importing and exporting interests but might also promote an emerging tourist industry. If Ottawa would not undertake the tunnel project then it would have to pay for its breach of contract some other way. Peters, therefore, asked the federal government for subsidy increases, as had many Maritime premiers before him. There was little response. The tunnel issue also seemed to die. After all, Ottawa reasoned, a new steamer was in place.

In the federal election of September 21, 1911, discussion of the fixed communication link received relatively little attention. As in the past, the same arguments were raised and the same requests made. The Liberals made no promises, while the Conservatives only went so far as to promise an improved ferry service. Borden acknowledged the need for another vessel. More pressing issues at the national level included the Liberal calls for reciprocity with the United States and Liberal plans to

create a Canadian navy. Islanders were split on these issues and consequently elected two Liberals and two Tories. Nationally the Liberals went down to defeat and Robert Borden found himself in power.

Islanders had not forgotten Borden's past comments of support for the tunnel cause and requests for another vessel. The new Prime Minister, while not anxious to pursue the tunnel idea, which now seemed financially unrealistic as an option, agreed to study the need for another ship. In 1912, he hired Professor A.K. Kirkpatrick to review the existing route followed by ships to traverse the Northumberland Strait. It had been suggested that perhaps one of the problems of maintaining continuous service was the route used. The hired consultant agreed. The existing route between P.E.I. and Pictou, N.S. was long and complicated by tides and currents. Instead, a route was selected that closely paralleled that used by the mail delivery ice boats, running between Cape Traverse, P.E.I. and New Brunswick.

The new route between Cape Tormentine, N.B. and Carleton Point (later called Borden) was selected because it represented the shortest distance between the Island and the mainland, and was the route of least resistance in the winter months. Also, according to the engineers, both shorelines had adequate space and topography for new wharves and were functional under virtually all weather conditions.

It was also the safest navigable route.<sup>59</sup> The government of Robert Borden liked the idea of providing better shipping service rather than embarking on any of the more exotic, untried and expensive fixed link alternatives. Islanders wanted, at least, to get something for their efforts. Construction work began on the piers at the terminals in 1913.<sup>60</sup> Since the Island railway was a narrow gauge railway at the time, a short piece of both standard and narrow gauge line was built near the slip on the Island side so that freight could be transshipped more efficiently.<sup>61</sup>

A new route and new docking facilities and wider railway gauge lines were certainly major steps forward in addressing the need for better transportation service to P.E.I. A new ship was also launched in 1914.<sup>62</sup> The Prince Edward Island first took up its duties on the Pictou-Charlottetown route. This was an up-to-date, well equipped ice-breaking vessel and had the capacity to carry twelve Intercolonial railway cars.<sup>63</sup> Ironically, this increase in ferry capacity did not last long, as the Earl Grey and Minto were sold to Russia during the first World War.

The arrival of the modern rail capacity vessel precipitated an administrative change in the ferry service. In 1914, the federal government transferred control over all aspects of the service, which included terminal management, from the Department of Marine to the Department of Railways and Canals. Hence, the ferry service became the

responsibility of the Intercolonial and Prince Edward Island Railway. Subsequently in 1923, the service came under the jurisdiction of Canadian National Railways, a Crown corporation created by the federal government in 1919.

In 1905, Islanders had appeared as a united front demanding better ferry service, redress of broken promises, and a serious consideration of a fixed link scheme. Political responses to any of these demands seemed to gain momentum just as election time rolled around, as in 1908 and 1911. In fact, the pattern of response paralleled the reactions to the very same requests in the closing decades of the 19th century. Nothing had changed. It was just as clear in the second period of fixed link activity as it had been in the first that Island pressure would never form a large enough lobby to force Ottawa to act. Not even media support or national business support would do it. As well, between 1891 and 1911 the number of Island MPs had dropped from six to four. Island representatives were certainly little more than voices crying in the wilderness. If P.E.I. wanted to get a fixed link, Ottawa would have to be convinced of its need to act on the basis of safety, constitutional obligation and political expediency. So it was that as in the past a new ferry now and again was sent to replace an ageing one. At least there was some hope in 1914 that communication would be better in the future. Examples of Ottawa's response included the selection of a

better ferry route, the construction of wharves at the piers, and a change in ferry administration.

In 1917, steamers were replaced by an ice-breaking car ferry. Within three years, as Island trade expanded, the service was used to its fullest. Successful marketing depended on the ability to guarantee delivery. The economy was too vulnerable when dependent on one ferry, especially when in 1919 there was talk of using an Island ice-breaker to assist in the Gulf of St. Lawrence.

Following the First World War the Maritime region, including P.E.I., failed to experience any post-war economic rejuvenation. In an attempt to seek redress of regional grievances, the Maritime Rights Movement emerged in 1919. One of the issues included that of transportation across the Northumberland Strait. Federal transportation policies, in general, were sources of regional complaint. Maritime businesses protested against high freight rates, inadequate subsidies and declining representation in the House of Commons. They exploited the prevalent sense that the region had not shared fully in the promised benefits of confederation. Among the three Maritime provinces, P.E.I. was the least active in the Movement. This largely could be attributed to the fact that the Movement was the brainchild of business and manufacturing interests such as the Chamber of Commerce. However, agricultural interests also found their niche in the movement. The Island was primarily an

agrarian economy. Her farmers' main complaint was the state of the ferry service. Supporters of the Maritime Rights Movement therefore added the need for a second railway car ferry facility and the replacement of P.E.I.'s narrow gauge railways to their list of grievances and demands.<sup>64</sup>

The federal election of 1925 saw the demands of the Maritime Rights Movement given front page attention in the region. However, MacKenzie King gave little more than lip service to these demands. Maritimers responded and returned mostly Conservatives in New Brunswick and Nova Scotia, and two Conservatives out of four seats in Prince Edward Island. The Liberals seemed to have ignored the results of the Maritime Economic Conference held in Moncton earlier that year. Called by the Maritime Board of Trade, various committees were set up to study issues like industrial development. When the committees reported in Charlottetown on November 4-5, one of the recommendations called for improved communication to P.E.I.<sup>65</sup>

MacKenzie King recognized that something needed to be done to appease the Maritimes. Thus, he appointed a Royal Commission on Maritime Claims. The Commission was headed by Andrew Rae Duncan, whose job it was to study Maritime complaints and the economic grievances of the region in general. Its final report of 1926 confirmed the opinion of the Maritime Economic Conference. The Duncan Commission reported that improved rail and ferry service were essential

to P.E.I.'s future economic well being. While many of the Duncan Report recommendations were never acted upon, King did agree to order another ferry. The specially built S.S. Charlottetown was launched on the Borden-Cape Tormentine run in 1931. Her gross tonnage was more than twice that of her predecessor, the Prince Edward Island. She had the capacity to carry sixteen railway cars, 800 passengers, and a full deck load of cars.<sup>66</sup> Ottawa seemed to have been convinced of the need for dependable, strong, and railway compatible ferries, especially since the country was in the midst of the Depression, and there was no money for mega-projects.

Unfortunately, the S.S. Charlottetown's life was short. In 1941 she sank on her way to a routine inspection in Saint John, N.B. The old Prince Edward Island was called back into service. Due to war time conditions she was not replaced until after World War II. But war time was not the occasion to pressure Ottawa for improved ferry service or a fixed link, so the whole question of guaranteed year round communication between P.E.I. and the mainland remained in limbo until the 1950s. Nevertheless, while political discussion of a possible fixed connection ceased, there were those who were still fascinated by the engineering challenges of building a nine mile link. Quietly engineers looked at new ideas. The tunnel idea was pretty much dropped because of rapidly escalating costs. In its place was growing faith in building a combination bridge and

causeway. When the political and economic environments were right, the issue of building a fixed link would resurface as surely as night followed day.

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56. Ibid., Vol.II, 1906-7, p.3196, 3201.
57. Ibid., p.3260.
58. J.M. Beck, Pendulum of Power (Scarborough 1968), p.113, 114.
59. Harry Bruce, Lifeline (Toronto 1977), p.146.
60. Cullen, p.256.
61. Ibid.
62. Ibid.
63. Ibid.
64. E.R. Forbes, Maritime Rights: The Maritime Rights Movement 1991-1927 (Montreal 1979), p.75.
65. Forbes, p.75.
66. Bruce, p.149.

## CHAPTER 3

1956-1970

The fixed connection debate resurfaced in 1956 and gained momentum in the late 1950s and 1960s. As in the previous two periods of fixed link discussion, the federal government made promises during the election campaigns. But as in the case of the tunnel plan, the causeway scheme was used by politicians and their parties to achieve their own political ends. Ironically, it was federal political circumstances that finally launched commencement of the causeway in real terms in 1956. It was federal concerns that halted it in 1969 in favour of an improved ferry service and an economic policy known as the Prince Edward Island Development Plan. In the first instance it was a Conservative decision and, in the second, a Liberal decision.

The causeway scheme which engineers began to favour in the early 1950s involved a break-water style roadway that would entail the placement of massive quantities of land fill in the Strait. The completion of the Canso causeway in 1955 between Cape Breton Island and the Nova Scotia mainland served as an example that such a structure was possible. In any event, the causeway concept temporarily replaced the tunnel idea of the pre-1914 period. Even though some preliminary plans were available to show that a causeway between New Brunswick and P.E.I. was theoretically possible,

there was no evidence to indicate the economic and technological feasibility of such a project.

Although the physical nature of the fixed link proposal had changed since 1914, the arguments supporting a fixed connection had not. As in the days of Senator Howlan, constitutional obligation and economic expediency were recurring themes among the proponents of a causeway. In 1956, Neil A. Matheson, a Tory MP from Queens, P.E.I., first raised in the House of Commons the idea of constructing a causeway. As had been argued in the past, Matheson claimed that a causeway would put an end to the delays associated with the ferry service and thus assure continuous communication as guaranteed in the confederation pact.<sup>1</sup> He argued that the interest from the existing annual operating deficit of the ferry service would finance causeway construction.<sup>2</sup> Although Matheson's arguments did not generate much debate in the Commons at this time, he was successful in obtaining a certain amount of support. Other members took notice of the Island's isolated position within the larger federation. The causeway idea, however, did not get much national media attention until almost a decade later.

Meanwhile, in Prince Edward Island, support for a causeway was growing within the local Liberal government's ranks. Premier Alexander Matheson firmly believed that the causeway would solve the Island's economic woes and give the

100,000 people of P.E.I. a greater chance to share more equally in the profits of mainland trade and commerce. His government observed that the existing ferry service consisting of the old but functional Prince Edward Island and the much larger, modern ice-breaking Abegweit, was unable to handle the ever increasing traffic on the New Brunswick to P.E.I. route. Much of this increased traffic was due to the growth in the tourist industry. By 1956, it was the third most important economic activity on the Island. As tourist traffic increased, pressure on the ferry service in the peak season far exceeded the fixed capacity of the year round service. The government was convinced that a convenient and efficient means of cross-Strait transportation was absolutely vital to the future of the Island's economy.<sup>3</sup>

So it was that on March 6, 1956, a resolution was tabled in the P.E.I. House of Assembly endorsing a proposal for construction of a causeway. The resolution was passed unanimously. Since construction required federal approval and funding, the resolution requested that the federal government, "...take steps to find out if there is fill available for such a causeway in the vicinity of Cape Tormentine."<sup>4</sup> It was further resolved that the Government of Canada be requested to begin the construction of a causeway at the earliest possible moment, pending an inquiry into the availability of land fill.<sup>5</sup>

It is interesting to note that the Island government obviously did not give any serious consideration to an alternative to the causeway scheme. There was no suggestion in the resolution that should the necessary landfill not be available that the federal government should then increase the number of ferries and improve wharfing facilities.<sup>6</sup> Perhaps, proponents of the causeway feared that any suggestion of an alternative might undercut the strength of the causeway proposal. More likely, this was because the proponents were caught up in the economic philosophy of the day. Whether in British Columbia, Ontario or Newfoundland, economic advisors in the mid 1950s had become firm believers in the employment and marketing advantages of mega-project developments. These included everything from hydro power schemes to transcontinental highway projects. Mega-project thinking had become part and parcel of the Island government's approach to economic development. For this reason the federal government was not offered an alternative. As far as Matheson was concerned, the Island needed a causeway and it was up to Ottawa to build and service one.

In spite of Prince Edward Island's position, Ottawa did not interpret the request as an obligation to proceed with the project. It simply viewed the resolution as a request to study the feasibility of the proposal.<sup>7</sup> With an election in the offing it might be wise to show some

interest in the proposal. Consequently, in the spring of 1956, Ottawa agreed to conduct feasibility tests for one year to examine rock formations at Cape Tormentine and to make a thorough economic analysis and benefit study of the causeway versus the ferry service. According to the Minister of Public Works, Robert H. Winters, himself a Maritimer, the feasibility of causeway construction would depend largely on the availability of a suitable rock supply.<sup>8</sup> Therefore that spring, the Department of Public Works commenced exploratory drilling in the Cape Tormentine and Westmorland County areas in order to determine the quality and quantity of desirable rock.<sup>9</sup>

While work at the test holes was slow and costly, the Island's provincial government received an endorsement of its resolution from another source.<sup>10</sup> In June 1955, Louis St. Laurent had appointed a Royal Commission on Canada's Economic Prospects, chaired by Walter L. Gordon. A lifelong Liberal and highly respected accountant and industrial consultant, Gordon was an economic nationalist. He feared that the branch plant system that was absorbing Canadian companies would turn Canada into an economic outport of the United States. He was anxious to see the development of a Canadian controlled economy, one supported by better infrastructure and marketing approaches. Not surprisingly, when the first report was released in February, 1957, a certain amount of attention was focused on the Atlantic

Provinces, perceived as the peripheral members of confederation. The commission suggested that Ottawa might have to consider offering financial incentives to encourage unemployed Maritimers to move to jobs in central and western Canada. While this proposal may have contributed in part to the rejection of the Liberal party in the election of June 10, 1957, for Islanders there was a more palatable recommendation. This was the one calling for replacement of the ferry service with a causeway. Gordon suggested that such a permanent link would bolster the Island's annual \$5 million tourist industry and also that of New Brunswick and Nova Scotia.<sup>11</sup> A causeway would make unpopular delays and congestion at the ferry terminals during the tourist season things of the past.

Following the 1957 federal election that saw John Diefenbaker and the Progressive Conservatives squeak into the government benches for the first time since 1935, interest in the Island causeway did not die. Heath MacQuarrie, a popular Tory MP who represented the constituency which included Borden, the Island ferry terminus, argued early in 1959 that the loyal and hardworking Prince Edward Island and Abegweit simply could not cope with the summer vehicular traffic.<sup>12</sup> Something had to be done and he believed a causeway was a viable alternative.

In an attempt to return his Liberals to power in the

provincial election of 1959, Premier A.W. Matheson, as had other premier's before him, used the fixed link platform. Like other parts of Canada by the late 1950s, Prince Edward Island was caught in the recession into which the country had slid shortly after the federal elections of 1957 and 1958 (the latter had given Diefenbaker a massive majority). The boom period of the early 1950s had come to an abrupt halt. Unemployment was at a post war high, and business capital investment had dropped dramatically, as had consumer demand. Matheson therefore argued that construction of a causeway would create temporary jobs, keep young Islanders at home, raise the population of the Maritime region, and establish a local market for P.E.I.'s manufacturing and primary producers.<sup>13</sup> But Matheson believed the causeway was more than a make work project. It was also seen as a way to eliminate the escalating maintenance costs and operating expenses of the vessels.<sup>14</sup> After all, Matheson claimed, by building the causeway Ottawa would save one million annually, excluding toll revenues.<sup>15</sup>

Meanwhile, practical Islanders realized that a causeway was a long way off. In the immediate future the existing ferry service would have to be upgraded. In a report of the Select Standing Committee on Transportation and Communication, submitted to the Island Legislature on April 11, 1958, several proposals were offered regarding the ferries. The committee recognized the impact of the

increase in car and transport traffic, and while strongly recommending the immediate completion of the surveys to determine the feasibility of a causeway, it also recommended that the provincial governments of P.E.I. and New Brunswick press Ottawa to add a new ferry:

Visualizing the great impetus that this Causeway will have to the general economy of the Maritimes, and to the economy of Prince Edward Island in particular, we feel perfectly justified requesting the Government of Canada to fulfil the agreement set forth in the British North America Act i.e. continuous communication with the mainland. Fully realizing the long period of time necessary for the completion of this project, also that one of the present boats has been in service over a period of forty years; also aware, that a serious accident could disable either of the two boats presently in service, with resulting disaster to the economy of the Province.. We strongly urge the Government of Canada to procure and put into immediate service another boat equivalent to the carrying capacity of the M.V. Abegweit.<sup>16</sup>

The committee also noted that the new vessel--the M.V. Lord Selkirk, expected to begin running between Wood Islands, P.E.I. and Caribou, N.S. on May 1st, 1958, would help alleviate some of the traffic congestion and make the Nova Scotia markets more accessible, particularly to Island farmers.<sup>17</sup>

Matheson lost the election in 1959 to the Tories, which became known as "party of the causeway."<sup>18</sup> If nothing else, the time had come for a change. Islanders had been governed by Liberals since 1919 with the exceptions of 1923-1927 and 1931-35. But a change in government did not lessen

the provincial government's efforts to convince Ottawa to undertake construction of the causeway. On the contrary, Conservative leader Walter R. Shaw supported the idea and firmly believed he had a sympathetic political ally in John Diefenbaker. After all, in 1958, Diefenbaker's government had voted \$360,000 to examine the feasibility of a causeway and had continued to fund the study.<sup>19</sup>

Shaw also began to promote a new angle in the causeway argument. He urged Ottawa to give serious consideration to the causeway as a way to reduce dependence on federal largesse. Federal members for the Island latched on to the apparent reasonableness of this line of argument. In 1960, Heath MacQuarrie observed that 56% of the province's revenues were obtained through direct grants from Ottawa.<sup>20</sup> The Island was rapidly becoming a welfare client state. By giving P.E.I. access to the same resources and benefits as the mainland, Islanders would be better able to exploit their economic potential. Although the traditional arguments for a fixed link at mid century were, in the eyes of Islanders, as valid as they had been in the past, the fate of the project rested with the political objectives of the federal party in power. Since Ottawa was anxious to reduce regional disparity and promote economic growth, the economic independence position seemed to be a good one.

In Ottawa support for the causeway had begun to gain a little momentum in the election of March 31, 1958. Having

only a minority government, Diefenbaker was anxious to gather as many seats into the Conservative fold as possible. After all, he did not expect to win many in Quebec. Louis St. Laurent had resigned as Liberal leader in January of that year, leaving the campaign to Lester B. Pearson. The Liberals quickly charged the Tories with making election promises designed to mislead Islanders. Hazen Argue, member from Assiniboia, stated that in 1957, "the people of the Island were led to believe by the Conservative party that they had a program which would result in the building of a causeway."<sup>21</sup> It was all mere window dressing and election rhetoric. The Tories were not deterred. On election day, 1958, they announced plans to undertake a feasibility engineering study for the causeway plan.<sup>22</sup>

In the years immediately following that announcement, politics kept the debate alive although the causeway itself remained little more than a pipe dream. Island politicians and proponents continued to push for a causeway as a solution to their many transportation problems exacerbated by a rapidly changing economic environment and increasing emphasis on shipping goods by transport trucks.<sup>23</sup> Proponents continued to argue that the project would boost local industries including agriculture, fishing and tourism, while eliminating the operating deficit of the ferry service and fulfilling the terms of confederation.

Not everyone, of course, favoured the construction of a

fixed crossing. Many Islanders were concerned about preserving their unique and distinct mode of life. Since the late 19th century, opponents of the fixed link concept had not been particularly vocal or well organized. Perhaps this was because no one really believed the fixed connection was a viable project and therefore not a serious possibility. Through the years opponents tended to focus attention on the need for better ferry service and found themselves in the same ranks as those who favoured a fixed connection first, and ferries until the link was built. Opposition came from many quarters in the 1950s and 1960s, but was quite fragmented. Many of the opponents may have been discouraged from going public with their views because they were often ridiculed as being opponents of progress. Frank MacKinnon's statement is an example of the ridicule the opponents had to endure. The prominent Island academic referred to the opponents as "wags" who, "...lampooned the project, suggesting that when it was finished New Brunswick would become a fourth county of Prince Edward Island; or, on the other hand, that if the fill for the causeway was to be taken from Prince Edward Island, there would soon be no Island left and New Brunswick would have the longest wharf in the world!"<sup>24</sup>

Vocal opposition to federal intervention in Island affairs did not receive much media attention until 1973, when an organization known as the Brothers and Sisters of

Cornelius Howatt was formed to promote Island interests at the time of Prince Edward Island's centennial year celebrations. Like their anti-confederate namesake, the Brothers and Sisters sought to protect Island identity from the intrusion of outsiders crossing the "fixed link." As far as opposition to a fixed link was concerned, however, the opponents did not have a great deal of lobbying power until 1987, when they organized into a group known as the "Friends of the Island," which was a late spin-off of the Brothers and Sisters. The unsuccessful efforts of the latter to stop the project is strong evidence that Ottawa was going to make a decision that was politically expedient, in spite of whether opposition was organized or not.

Nevertheless, in Ottawa in the latter part of the 1950s, the causeway scheme was increasingly overshadowed by alternative plans to improve the ferry service. The causeway engineering report ordered by Diefenbaker in 1958 was pending.<sup>25</sup> However, the need for immediate improvements in communication, particularly with the ice breaking service, gave the ferry issue precedence over that of the causeway. Tourism and export demands kept the system under constant pressure. The fleet was unable to cope in the summer months. One thing was sure, the federal government was not going to finance both improved ferry service and construction of the causeway. In 1959, Walter Shaw submitted a brief to the Royal Commission on

Transportation, chaired by Murdock A. MacPherson, in which the Island government recommended that Ottawa purchase a new rail and car ferry for the Northumberland Strait Crossing to New Brunswick.<sup>26</sup>

Island representatives in Ottawa also suggested that the federal government should consider placing the Vacationland, the ferry then used on the Mackinac, U.S.A., run before the opening of the MacKinac Straits bridge, be transferred to the Borden-Cape Tormentine run.<sup>27</sup> The Minister of Transport, George Hees, however, did not believe the Vacationland was a suitable vessel because of the considerable expense that would be incurred in transforming it into a ferry safe for the kind of passenger and vehicular traffic it would be expected to carry.<sup>28</sup> Another member argued that the \$3 million purchase price, even with a \$2 million alteration fee, would be less than the \$8 million price tag for a new ferry, and it would enable Islanders to see an immediate improvement in transportation across the Strait, without delay.<sup>29</sup> Anxious to provide a quick remedy for P.E.I.'s communication ills, the federal government agreed, and in mid-1959 it announced plans to purchase the Vacationland and the Holiday Island. It also announced that a new car ferry, to be operated by Canadian Pacific Rail, would be ready for 1961.<sup>30</sup> But, announcements were one thing, reality another. In fact, the Vacationland and Holiday Island did not begin service on the Borden-

Tormentine run until 1971.<sup>31</sup>

Technology in the late 1950s was transforming the transportation industry. The introduction of refrigerated rail cars represented a turning point in the movement of perishable products. Reefer (refrigeration) units were tested by Canadian National Railways in the winter of 1959.<sup>32</sup> It was anticipated that the new reefer cars would be able to carry more Island potatoes, reduce transportation costs and expand markets.<sup>33</sup> Also, the change from gas engines to diesel helped expand the viability of the trucking industry, so much so that by the late 1960s trucking would surpass rail as the preferred mode of export-import transportation.<sup>34</sup> Paradoxically, technological advancements placed further demands on the ferry service. For instance, as the use of transport trucks expanded, so did the need for more efficient year-round communication with the mainland. The ice-breaking service could not keep up with the demands of the additional traffic. Some of the vessels were designed for summer service only and had limited space for trucks. So it was in 1961, that the provincial government declared that, "existing boat facilities are neither adequate or dependable for year round service."<sup>35</sup> New vessels and docking facilities were needed. Preferably, for some, a causeway should be built. After all, they maintained, it was the most practical and economical alternative.<sup>36</sup>

As in the past, federal interest and expenditure of time addressing the issue of continuous communication abated after election time. Election promises gave way to the economic realities of office. For example, a short time after the P.E.I. election in 1959, the Minister of Public Works, D.J. Walker, indicated that there were many unforeseen obstacles in the way of building a causeway. He stressed that it would be difficult to undertake the project because of tremendous problems with regard to cost.<sup>37</sup> According to the Minister, federally funded engineering and cost research revealed that the price tag for a causeway would be much higher than original estimates.<sup>38</sup> The fact that the causeway was shunned by Ottawa after an election proved to many Islanders that the fixed link was nothing more than an election carrot waved before the eyes of voters to advance the cause of those seeking office. The extent to which the causeway was little more than a political issue in the eyes of Ottawa was summed up by the member from Gloucester, H.J. Robichaud, when he stated in the House of Commons that "it is amazing to realize that such objections (to the causeway) could come into existence only after the provincial election..."<sup>39</sup>

The causeway project received the support of two influential New Brunswick businessmen, K.C. Irving and Michael Wardell. They had convinced New Brunswick Premier Hugh John Flemming, as well as Matheson when he was in

power, that the causeway should be part of a three pronged concept that included the building of the Chignecto Canal from the Bay of Fundy to the Northumberland Strait, and a 208 mile corridor road from Quebec to New Brunswick, passing through northern Maine. These three transportation links would generate industrial expansion at a remarkable rate, they claimed.

Irving's dream was reinforced by the rhetoric of the Atlantic Provinces Economic Council (APEC), an independent non-partisan body that had been formed in 1954. Its job was to study and define economic weaknesses and needs of the Atlantic region. In the late 1950s, APEC had identified transportation as one of the most urgent needs. The building of a causeway to P.E.I. fitted in perfectly with its recommendations. So it was that engineers produced blueprints for yet another fixed link. This time the plan called for a two and a half mile long causeway starting at Jourimain Island, N.B. It would join to a three mile bridge followed by a one and a half mile causeway, and a one mile long ramp ending at Borden, P.E.I. In 1960 the estimated cost was in the vicinity of \$148 million.<sup>40</sup>

Support for this proposal came from Louis Robichaud, the new premier of New Brunswick in 1960. At a federal-provincial fiscal conference in July of that year, Robichaud joined Premier Walter Shaw of P.E.I. in voicing the recommendation of Dr. Alexander K. Cairncross, who had just

completed an analysis of Atlantic regional economic needs. Cairncross had urged the construction of a causeway.

Cairncross's recommendation was reiterated the next year in the report of the MacPherson Royal Commission on Transportation. It stressed that the region needed a more integrated transportation system to encourage the movement of manufactured goods from the region. One of the keys was a permanent crossing joining P.E.I. and the mainland.

Although the early 1960s did not bode well for federally-funded expensive mega-projects, the industrial development arguments coincided with the policies of the federal government of the day. Recognizing that regional disparity actually affected the whole national economy, Ottawa decided to act upon the advice of APEC, which had called for the creation of a body empowered to directly advise the federal government as to what kinds of investment would best assist the Atlantic region in combatting regional disparity. The result was that Prime Minister John Diefenbaker announced the appointment of the Atlantic Development Board (ADB) in December, 1962. In April of that year, he had also announced that his government would indeed build the long dreamed of causeway.

The ADB was conceived as a federal agency mandated to advise Ottawa as to how best to encourage capital investment in the public and private sectors of the Atlantic region. Diefenbaker's government had been unable to pull the country

out of the recession that had marked the end of the 1950s. In the throes of an austerity program that was neither particularly popular nor successful, Diefenbaker called an election for June 18, 1962. He knew that he was unlikely to repeat the great electoral sweep of 1958. Tory strategists planned a campaign around the theme of National Development and Programs for the Future. Meanwhile, the Liberals, now led by Lester Pearson, smelled possible victory in light of the Conservatives failure to restore the country to economic health. The time had come for revival of the fixed link issue in election rhetoric directed at Prince Edward Island and New Brunswick electors.

During an electioneering campaign sweep across the Maritime provinces, John Diefenbaker promised that the federal government would build the causeway at an estimated cost of \$100 million.<sup>41</sup> The proposed 14 km mega-project, he said, would be constructed across the Northumberland Strait from Borden, P.E.I. to Cape Tormentine, N.B., following approximately the same route as the ferry service. The Prime Minister based his support on the report of a consulting firm, Northumberland Consultants Ltd., who had conducted the feasibility and design studies. The report stated that it would take at least five years to complete the work.<sup>42</sup> And although a consortium made up of H.G. Acres and Company Limited, Canadian British Engineering Consultants, and Langevin, Letendre, Monti and Associates

was interested in building the causeway, it had not yet had time to analyze the extreme ice conditions in the Strait on a causeway. Ottawa was confident it could be built. It was, after all, an election year and Diefenbaker grandly declared that the project was feasible.<sup>43</sup>

Islanders showed their approval by sending four Conservatives to Ottawa. Promises of a causeway might win votes in P.E.I., but Diefenbaker needed far more than the handful of votes there to win re-election. Canadians were not happy with his government and when the votes were tallied, the Conservatives emerged with only a minority government. The success of Real Caouette and his Social Credit Party in Quebec had denied the Liberals victory. Faced with a continuing monetary crisis, Diefenbaker announced deep expenditure cuts to reduce the national deficit. But his minority government was doomed to face another election on April 8, 1963. Even though Pearson was then elected to power with only a minority government, the causeway was kept alive by Island proponents in the wake of the 1963 election. P.E.I. voters had elected two Liberals to sit in Pearson's government. Nevertheless, they hoped a minority government might be a bit more receptive after an election than a majority government, as in 1958.

Meanwhile Diefenbaker, interested in maintaining and regaining support in eastern Canada, continued to press the causeway plan in Ottawa. He stated in the House of Commons

on July 11, 1963, that "...the people of Canada as a whole accept the principle that there shall be equality of opportunity everywhere within our country. This project will pay national dividends and strengthen the bonds of our country."<sup>44</sup> The minority Liberal government also realized the importance of keeping its support in the Maritimes, and could no longer afford to keep silent on the causeway. The project was given a place of national significance--a key to national unity and economic growth. The project, however, was still not any closer to becoming reality than it was in the 19th century.

Island MPs began to agitate in Ottawa for a more definitive statement on the government's plans for improving transportation from the mainland to P.E.I.<sup>45</sup> Heath MacQuarrie stressed that the fixed connection was now possible because of improvements in technology and engineering skills.<sup>46</sup> In the Senate, Island representative F. Elsie Inman tried to convince her colleagues that the fact that plans to proceed with construction of a tunnel under the English Channel between England and France had been announced recently, proved that a causeway to New Brunswick was not an engineering impossibility. After all, the tunnel would be three times the length of the proposed causeway.<sup>47</sup>

Others argued in the House of Commons that once the causeway was completed it would be able to sustain a much

greater volume of traffic than the existing ferry system, and would eliminate costly delays.<sup>48</sup> Thus, the tourism industry would benefit from an increase in the number of people visiting P.E.I. The Minister of Public Works, R.W. Prittie (Burnaby-Richmond), tried to suppress Island members' enthusiasm for a fixed connection by saying that the influx of vehicles using a causeway would destroy the charm and uniqueness of the Island, MacQuarrie quickly responded, "... I would not like the minister to entertain any suggestion that he is protecting Prince Edward Island's culture by not moving forward as rapidly as possible with the causeway."<sup>49</sup>

Confronted by the realities of a Liberal government in Ottawa, the Conservative government of Walter Shaw chose to concentrate on the argument that P.E.I. needed improved communication service in whatever form Ottawa saw fit. Shaw was enough of a realist to know that the causeway plan might very well continue to remain in election limbo. So his government emphasized the more immediate need for another ice-breaker that could cope with the heavy winter and spring pack ice that all too often cut the Island off from the mainland. Here he had some success, as Ottawa later agreed in 1965 to contract for the construction of a new ice-breaking ferry capable of carrying cars, trains, and one thousand passengers.<sup>50</sup> But everything seemed to move at a snail's pace and the new John Hamilton Gray did not go into

service until 1969.

Although a new ferry was promised, some Islanders still wanted a causeway and looked forward to the benefits of being permanently connected to the mainland. In addition to the traditional arguments that a fixed connection would relieve traffic congestion and provide continuous (24 hour) access to mainland markets, the supporters of the causeway in P.E.I., which included the Charlottetown Board of Trade, believed that it would provide the Island with closer cultural and social ties with mainstream Canadian life, remove the psychological barrier of being on an Island, create many jobs and usher in a period of economic activity.<sup>51</sup> The truckers spoke of the personal pay increases they would receive because of the removal of dead waiting time.<sup>52</sup> The causeway was also seen by its proponents as a means of transporting hydro-electric power to the Island, thereby reducing the costs of importing electricity in P.E.I., since it had no significant power source of its own.<sup>53</sup>

The critics of the project argued that easy access to the province would damage the tranquillity and charm of Island life and turn it into a kind of Coney Island tourist haven.<sup>54</sup> Some viewed a permanent link to the mainland as a selling off of their Island birthright. Others argued that it could have a negative effect on tourism, because the Island's distinctive characteristics, such as the laid-back

way of life and charming rural beauty, would be lost.<sup>55</sup> And, although the provincial government had used tourism as a reason to support the link, the P.E.I. Tourist Association claimed that a fixed crossing would destroy the Island's individuality and unique sense of identity, and would make it less attractive as a tourist destination spot.<sup>56</sup> The Charlottetown Guardian editor noted in 1965 that Islanders did not want the green fields and red soil to be tarnished by hotdog stands and jukebox joints.<sup>57</sup> Some argued that the ferry ride itself was a tourist attraction. Others feared for the future of small local industries. They believed that a fixed connection would allow New Brunswick and Nova Scotia firms to truck their products in-bound more efficiently and undercut the small number of secondary industries in the province.<sup>58</sup>

Although Diefenbaker had been defeated, the new Liberal government did not disband the Atlantic Development Board. Instead, it expanded its mandate from that of a purely advisory body to that of a financial distribution body. Membership had increased from five to eleven, and the ADB was given \$100 million to finance and assist in financing projects deemed most likely to accelerate economic development.

From the beginning the ADB, like APEC, designated the principal areas for targeted financing as power production and transportation. So it was that the tackling of regional

disparity and the providing of better transportation links in the Atlantic region seemed to point clearly to the construction of a strait crossing. Not surprisingly then, Lester Pearson agreed to support the causeway plan. It would be good for political reasons and hopefully for economic ones as well. If APEC, ADB and Irving were right, the fixed link would allow P.E.I. to participate more directly in the industrial development of the Atlantic Centre area that encompassed the communities of Moncton and Sackville in New Brunswick, Amherst and Springhill in Nova Scotia and Summerside and Charlottetown in P.E.I.

With an election once again in the offing for November 1965, the fixed link issue reappeared on the front pages of Island newspapers. While the federal government had been busy with unifying the Armed Forces, introducing the Maple Leaf Flag, promoting a national health care scheme and tackling the issue of official bilingualism, behind the scenes engineers had been working on plans for a Northumberland Strait causeway. On July 5, 1965, Prime Minister Pearson revealed that engineers had rejected the former breakwater style causeway in favour of the combination fixed link consisting of a causeway, bridge, and tunnel.<sup>59</sup> As Pearson indicated, the revised design, which Irving and Wardell advocated, would permit vessels to pass more freely through the Strait, and would not restrict water and ice flow. A solid causeway would also adversely effect

fish stocks in the Northumberland Strait.

Another issue was a factor in the causeway argument. Many believed that rail transportation was doomed, particularly on the Island. It was unclear whether the federal government would build a causeway with rails. A federal member for Queens County in 1964, commented, "...I know of course, as everybody knows, that there is a trend toward the abandonment of railway lines."<sup>60</sup> It was suggested that alternate road construction would replace rail service.<sup>61</sup> Because statements were made by the Solicitor General that consideration was being given to constructing a causeway without rails, there was apprehension among Island representatives about the social and economic impacts that rail abandonment would have on P.E.I. Islanders did not want to relinquish the railway, as it would result in profound changes to the provincial economy.<sup>62</sup> Approximately 75% of the Island's agricultural exports were shipped by rail.<sup>63</sup> Although some argued that \$30-40 million could be saved if the causeway did not include rails, Pearson recognized Island concerns. The federal fixed connection plan included a rail track.<sup>64</sup> Notwithstanding this fact, Ottawa showed an interest in getting out of the rail business. The federal government proceeded to downsize the service in P.E.I. over a number of years, until it was abolished in 1989.

Lester Pearson promised in July 1965, that tenders

would be called that year for the first phase of construction which was scheduled to begin in April, 1966, on the New Brunswick side. It is hard to pinpoint what factor finally convinced the federal government to go ahead with the project, especially since Canada was experiencing a period of economic recession. Perhaps it was that very recession. A mega-project would create employment at a time when private sector jobs in construction were disappearing. It seems likely that Pearson went ahead with the causeway because it was a politically expedient move, a good make-work project. After all, it fitted nicely with his concept of national unity, "One Canada" unified.

The estimated cost of construction was \$148 million and was to be completed over a five year period.<sup>65</sup> According to various engineers, the project would be of unparalleled complexity. There was in the world no crossing over a comparable distance, where tides, weather, and ice conditions were so extreme.<sup>66</sup>

A private company called Island Development Co., headed by Arthur D. Margison, offered to raise the funds to build a causeway in return for the federal subsidy spent on the ferry service, as well as toll revenues.<sup>67</sup> This proposal to privatize the project was not accepted by the federal government because privatization was not a part of its political agenda. The Minister of Mines, J. Watson MacNaught, stated that a government could not place a

project of such magnitude in the hands of private interests.<sup>68</sup> The federal government would build, operate and maintain the link. The maintenance costs alone were estimated to be \$900,000 annually.<sup>69</sup> This cost was to be borne by Ottawa, and toll charges were not to exceed ferry rates.<sup>70</sup> By using as many Canadian materials and as much local labour as possible, the federal government intended to sell the link scheme as a national project.

In spite of the fact that the federal government decided to begin construction, federal-provincial relations with the Island seemed strained. The Conservative premier of P.E.I., Walter Shaw, was annoyed that he was not informed of the federal Liberal government's decision to call tenders, before it was announced by Pearson.<sup>71</sup> Shaw believed that joint announcements should be made by both the federal and provincial governments regarding projects that affected both levels of administration.<sup>72</sup> It appeared as though Ottawa was willing to go ahead with the project, without consulting Island officials or the public, in order to be perceived as the initiator and sole promoter of the project. Shaw, after all, also wanted to get some political mileage out of the program.

The federal election of November 8, 1965 was the last for John Diefenbaker, "the Old Chief." Just two years before Canada's centennial, there was emerging a general sense of economic revival coupled with concerns about

national unity. Pearson promised continued growth as exemplified in the promise to undertake the P.E.I. causeway mega-project. Canadians appeared to be little interested in changing the government and the Liberals increased their seats by two.

This time in the wake of the federal election, the government that had promised to build the causeway pushed ahead appearing to fulfil its promise. Pearson was not deterred by any opposition. He indicated that ferry workers who opposed the plan because they feared for their jobs need not worry. Ottawa would assist in retraining them for jobs on the causeway under a special federal-provincial Technical and Vocational Training Agreement.<sup>73</sup> To those who questioned the government's sincerity of commitment, Pearson pointed to Ottawa's call for tenders.

On November, 1965, MacNaught turned the sod on the New Brunswick side of the causeway approach. Premier Robichaud harboured some fears that the causeway might negatively affect his province's tourism industry, but he also was a vocal supporter of inter-provincial co-operation and trade, even physical union of the Maritime Provinces into one province. He could not really oppose the plan. His Island counterpart, Walter Shaw, had no such doubts.

The person who did was the federal Finance Minister, Mitchell Sharp. Although the provinces were to assume the cost of building the approaches to the causeway, Sharp was,

within just a few months of the sod turning, fearful that the costs to Ottawa were already escalating. In March 1966, Sharp announced that projected construction dates would have to be rescheduled. Shaw was very upset. Robichaud was not. Irving was. By the spring of Centennial year, rumours were widespread that the future of the project was very much in jeopardy. The first bids were just too high for the Finance Minister.

As well, Premier Robichaud had recommended that a full review be conducted. He would rather swallow the costs of the approaches now than face far greater financial burdens and embarrassments later. Ottawa agreed, and on June 30, 1967, the Minister of Public Works, George McIlraith, indicated that the first tendering had been rejected because the bids had come in far higher than the government had anticipated.<sup>74</sup> The cost, originally estimated at \$150 million, was now expected to reach as much as \$320 million.<sup>75</sup> In light of these figures, the federal government decided to reassess the design of the permanent connection. The P.E.I. legislature unanimously protested this decision of Ottawa. A resolution was passed stating, "that the Federal Government be requested to give this matter immediate reconsideration."<sup>76</sup> It was further resolved by the House of Assembly that "there must be no delay in proceeding with both the current phase and future phases of the project."<sup>77</sup> However, the fact was that the

link was not a part of the federal government's budgetary plans after it came to power. Before long the people who doubted the funding of the scheme would be proved correct. It was the federal authority who determined the fate of the project.

Island representatives argued that a fixed connection would close the economic gap between P.E.I., which had the lowest per capita earnings, and the other Canadian provinces.<sup>78</sup> On August 23, 1967, Premier Alex Campbell added that better transportation would increase farm output by 300%.<sup>79</sup> The federal government was accused of not fulfilling the terms of union; and according to an Island member of the House of Commons, "I suggest that this causeway has been a political football for too long, and for too long have we suffered by reason of the fact that the causeway has been made a political football..."<sup>80</sup>

One Island MP, David MacDonald, a Tory from Prince county, argued that the entire project was purely political and had been the pawn of federal and provincial election campaigns.<sup>81</sup> The link continued to be a tool used by members of one party to attack the credibility of the others. Those in power said they would build the link immediately, while whoever was in opposition seized upon every moment to criticize alleged inaction.<sup>82</sup> For example, the member from Prince, P.E.I., stated, "I want to look at the project not so much from the political point of view but

from the point of view of its significance to the people of Prince Edward Island, and the way it has received such sorry treatment, particularly at the hands of the present government."<sup>83</sup> Indeed, the difficulties and realities of P.E.I.'s transportation infrastructure took a back seat to the politics of the link.

Past examples were tabled in the House of Commons in October, 1967, in order to demonstrate the degree of political involvement with the fixed link before a federal election, and the subsequent reaction after an election. Mary McQuaid, MP from Queens, stated that before the 1965 election:

...the government sent down the master of them all, the then minister of transport. He is a man who in opposition always championed the cause of the people of Prince Edward Island, but who when he joined the government was not listened to so attentively. However, the then minister of transport ran up and down the Island like a dog looking for a telephone pole. Everywhere he stopped he assured the people that the causeway would be built. Then in October 1965, exactly one month before the election, he said in Kensington that there would be no further hold-ups. Mark that Mr. Chairman--no further hold-ups.<sup>84</sup>

She also declared that the causeway was forgotten in 1965 because no liberal members were returned from P.E.I., and that it was only revived at election time.<sup>85</sup> Some members accused the project of being "on" one day and "off" another, while others more blatantly referred to the link as a give-away program to buy votes.<sup>86</sup>

The federal government did not want to kill the project outright in 1967, if only for image and political reasons. An election was likely in 1968. A considerable amount of money had already been spent on building the approach roads in the Jourimain Island area. In view of the costs, however, Ottawa announced plans not to postpone but to reschedule the project. Colonel Edward Churchill, the director of Expo '67, was appointed on August 1, 1967 to review the engineers' plans and cost figures.<sup>87</sup> By placing a reputable individual in charge, the federal government could take credit for breathing new life into the project.<sup>88</sup> There was, however, no study of environmental impact or a realistic regional economic impact assessment. The issue was purely the cost of construction.

Meanwhile, in P.E.I., there had been a change in government in 1966. The young Liberal leader, Alexander B. Campbell, led his party to victory promising a new, modern image for the Island. He watched with interest as the federal government tiptoed around the issue of the often promised causeway. Campbell was especially interested in the report of Edward Churchill, delivered in Charlottetown in October, 1967. In his talk, Churchill addressed such variables as tides and currents, wind and waves, and ice conditions.<sup>89</sup> He emphasized the urgent need for a fixed crossing, and the general benefits that a link would accrue to P.E.I. and Atlantic Canada. Churchill suggested a

revised design which would include highway and rail facilities. Premier Campbell agreed. He firmly believed that the province would only be interested in a design which provided for rails.<sup>90</sup>

Churchill concluded that the costs, while high, would be recuperated within fifty years of the causeway's completion. But Ottawa said little. After all, an election had been called for June, 1968.

The federal election represented a crucial juncture in the demise of the fixed link project. Lester Pearson had passed leadership of the Liberal Party over to the charismatic federalist from Quebec, Pierre E. Trudeau. Although Trudeau spoke of the "Just society," the equalizing of economic opportunity and ending regional disparity, he had his doubts about the causeway plan and its so-called benefits. During the election, Trudeau sidestepped questions about whether construction of the causeway would continue. However, once securely elected with a majority, Trudeau felt more confident about shelving the project.

Trudeau wasted no time. In March 1969, he announced that the bulldozers had been silenced.<sup>91</sup> In its place, Ottawa negotiated with Premier Campbell for a new economic revitalization plan for his province, a multi-million dollar scheme known as the Development Plan. According to the terms of the plan, the federal government proposed to spend \$225 million over a 15 year period, in order to improve the

Island economy and upgrade the ferry service.<sup>92</sup> Trudeau promised to build large modern terminal buildings at Cape Tormentine and Borden to accommodate tourists and truckers in comfort while they waited for the ferries. The reasons for abandoning the mega-project were summed up by Trudeau in the House of Commons on March 5, 1969:

...there is a limitation to the resources of Canada and a decision therefore had to be made fixing the priorities of expenditure. Following consultation with the government of Prince Edward Island, a decision was taken by the federal government to support the development plan as being the likeliest method of offering appreciable and lasting benefit to the economy of Prince Edward Island in the foreseeable future...<sup>93</sup>

The prime minister defended his position by maintaining that the decision was based on cost; the ferry service was cheaper than building a causeway.<sup>94</sup> Although Trudeau indicated that the P.E.I. government was consulted, the federal authority was responsible for the project and had determined its fate. According to Trudeau, "...that decision was ours. We are the ones who decided not to proceed with the causeway."<sup>95</sup>

Predictably, the federal Conservatives criticized the Liberals for stopping the project. The opposition leader, Robert Stanfield, chastised Trudeau's Liberal government for breaking a promise made by a previous federal administration.<sup>96</sup> The Campbell government in P.E.I. unsuccessfully asked for a review of the decision, and

continued to push for the project on the premise that there was still a great deal of support for a link in the province.<sup>97</sup> According to the M.P. from Egmont, David MacDonald, "...the people of P.E.I. are unanimous in their desire to see it completed..."<sup>98</sup> MacDonald may have exaggerated the degree of support, but for many the fixed connection was regarded as a way to provide greater opportunity to solve regional disparity.<sup>99</sup> Others, however, feared that such a mega-project would only increase Island dependency on Ottawa. Premier Campbell, in his active promotion of a link, was charged with displaying in its extreme form "the Maritime Syndrome--the tendency to look to the federal government to solve all problems, or at least pay for solving them."<sup>100</sup> As of 1969, \$15 million had been spent on the causeway.<sup>101</sup>

Aside from the political accusations, there was no indication of popular discontent in P.E.I. after the project was discontinued. Similarly, on the other side of the Northumberland Strait, the reaction in New Brunswick was one of indifference. There, Premier Louis Robichaud stated that virtually nobody noticed or cared about the decision, and there was virtually no reaction at all in the New Brunswick legislature.<sup>102</sup> Perhaps Ottawa was right, the scheme really did not make sense and certainly did not affect votes.

Every federal and provincial government throughout the 1950s and 1960s had promised the causeway. Since the

project was either stalled or rejected by each federal government regardless of party affiliation, the scheme tended to become a persistent source of tension in federal-provincial relations. Premiers, Liberal and Conservative, were frustrated by federal indecision and political-electoral expediency. All agreed that from a political perspective the time was right in the mid 1960s to close the economic gap between a have-not province and the rest of Canada through the use of financing mega-projects that would provide updated infrastructure and create much needed employment. Yet, the federal government abandoned the causeway project in 1969 because it became convinced that a causeway was not economically viable or advisable. The highly inflated bids on the first section of the causeway were an indicator that the technology was not there at a reasonable cost in the 1960s. Even the proponents admitted that it was a massive undertaking from an engineering point of view. Technology to build super structures could not keep up with politicians' promises and public expectations.<sup>103</sup>

Although there was little local dissatisfaction over the decision not to proceed with the causeway, a few Island companies and individuals persisted in promoting the idea. But the truth was that politically it was a dead issue. The decision was made by the federal government and P.E.I. had to accept it. The causeway proposal idea lingered in

people's minds for only a short period before it fizzled out with little more than a whimper.

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## CHAPTER 4

1985-1995

After the Development Plan was implemented in 1970, the fixed link debate faded into the background until 1985. There were relatively few developments in the ferry service during the fifteen year period. The John Hamilton Gray was the last vessel to be added to the fleet, although a new, modern vessel would replace the ageing Abegweit. Changes were occurring in other sectors of the transportation industry in the mid 1980s, such as the airline industry. Local commuter airlines like Air Atlantic and Air Nova, connecting with the major carriers, were being introduced. Although such measures made travel in Atlantic Canada more convenient than ever, air travel continued to be an expensive mode of transportation and did little to alleviate congestion at the ferry terminals.

In the federal election of 1984 Canadians ousted the Liberals. The voters had enough of constitutional wrangling, federal-provincial bickering, recession and inflation. The Conservative leader, Brian Mulroney promised a new age of fiscal restraint with reason, economic growth and amiable federal-provincial negotiations. As far as Islanders were concerned, he made little or no mention about a fixed link for the province. Nevertheless, Islanders showed their faith in the Conservatives by electing three MPs to sit in Mulroney's government.

Although Mulroney had made no promises with respect to a fixed link in the election, during the following four to five years he became more interested in such a project. The Tories launched a cost cutting program that involved civil service downsizing, higher taxes and privatization. One area that was directly affected was transportation. The government forced the railways, in particular, to reduce the number of active routes and to privatize. Much the same was true for the airline industry. Deregulation and privatization became the buzz words of the new age. In keeping with this mood, an unnamed private sector consortium approached the federal government in the mid 1980s with a fixed link idea as a way to eliminate the federal government's subsidy to the ferry service. Ottawa was intrigued with this plan, seeing in it an excellent possibility of promoting its hopes to encourage large scale private investment at work for the good of all Canadians at a minimum of risk to the taxpayer's dollar. Therefore, Ottawa agreed to support the proposal, whereby a private company or consortium would finance, build and operate the project for a pre-determined number of years, at the end of which time ownership would pass to Ottawa. In return, the developer would receive a subsidy equivalent to the cost of operating the ferries as well as all the toll revenues.

The federal government's interest in this version of the fixed link scheme raises an interesting question: why

would the federal government be sympathetic to the idea of placing a project of such magnitude in the hands of the private sector in the 1980s, while it had so vehemently opposed it in the 1960s? The answer lies in a major shift in the federal government's political agenda and approach to regional economic development. The Conservative administration's economic plans involved reducing federal transfers, cutting services and turning over the responsibility for the funding of infrastructure programs, such as the fixed link, to private companies. Unlike the Liberal regime of the past that had favoured federal government control over federally funded programs, Crown corporations, and federal economic initiatives, the Tories set out on an agenda of privatization. By doing so, Ottawa would theoretically be off the financial hook. Contractors would assume the economic risks and Ottawa would be better able to control its debt and deficit situations.

Notwithstanding this "favourable climate" for free enterprise, Ottawa remained at the controls. The private developer would be chosen by Ottawa. Also, the company would have to conform to the rules set out by the federal government. Clearly Ottawa would remain in place, as always, to control the project and stop it if need be. Ottawa, not the contractor, would determine the design of the project, although companies bidding for the contract could make recommendations as to whether they would build a

bridge, a tunnel, a causeway or some combination of the three. Although the link was supposedly being built for Islanders, at their request, they would have no advance say in what model they preferred. That Ottawa would know what was best, was the implication. At no point would those who would most benefit from the link have a say in what kind of proposal would best suit their needs. The federal government had always made the final decision on the political and economic viability of the project. It had made the ultimate decision on whether or not the project proceeded. Politics killed the project in the past and politics could kill it in the future.

While in the late 1980s there was a fair amount of talk about a fixed link project actually being realized this time, many were sceptical. Ottawa did not seem to be as concerned about vessel capacity and increases in traffic to and from P.E.I., as it was in meeting its political objectives. As in the time of Senator Howlan and that of Prime Minister Diefenbaker, politics fuelled the debate. In fact, ironically this time, there was probably more interest in the fixed link in Ottawa than there was in P.E.I. After all, Islanders' scepticism was fuelled by the sight of the now overgrown rail and road bed approaches to a non-existent causeway that had been cut through the scrub of Jourimain Island in 1968. These were visible reminders of just how quickly a project could be terminated by the

federal government no matter what the voters wanted. And, there were more and more people who were beginning to question not only the cultural and economic wisdom of the fixed link, but also the environmental and safety advisability of such a scheme. Although speaking in 1993, Chris Axworthy voiced the thoughts of many even a decade before, "The fixed link is being portrayed as being something that Prince Edward Islanders want. If we look at the question that was asked Prince Edward Islanders regarding the transportation issue between the Island and the mainland, we will see that it is by no means clear that this fixed link is what Islanders chose."<sup>1</sup>

Once again, fixed link fever seemed to coincide with election fever. On the eve of the 1988 federal election, Ottawa suddenly became more aggressive in its fixed link rhetoric. Mulroney needed to convince Canadians that privately contracted mega-projects would work. Senator George Van Roggen hit the nail on the head when he claimed in November, 1987, that it was uncanny how in years gone by the announcements relative to the fixed crossing, "preceded by only a matter of weeks a federal or provincial election."<sup>2</sup> Van Roggen was moved to make this comment following the announcement by the Public Works Minister and MP from Halifax, Stewart McInnes, that his department was preparing to put out a call for tenders to build the fixed link. McInnes estimated the cost of \$900 million, borne

largely by the winning contractor, would create about 2,000 direct and indirect jobs and bring another \$125,000 annually to P.E.I.'s economy during the construction period.<sup>3</sup>

Islanders were not hoodwinked by this seemingly magnanimous gesture. Ottawa had not suddenly admitted the need to meet its constitutional obligations. A columnist from the Eastern Graphic gave a critical, but accurate, description of the politics surrounding the fixed crossing when he stated that, "It has everything to do with a political party desperately looking for a massive job creation project to lift the region out of the current depression in time for the election soon to come."<sup>4</sup>

Indeed, the timing was right for a make work project for P.E.I. As one federal politician put it, [I am] "just trying to protect the environment and create jobs for Islanders."<sup>5</sup> The future of the link depended on whether or not Ottawa approved the private proposals submitted by the contractors when the tendering process was over.<sup>6</sup>

Although Ottawa had its own agenda fuelling the fixed link scheme, Environment Minister Tom McMillan did think it would be wise to determine how much local opposition there might be to this plan. If the majority of Islanders were opposed, then perhaps Ottawa would have to work on public relations before it sent in the bulldozers. A provincial plebiscite was called for January 18, 1988. Carefully timed, it preceded the federal election of that year. The

plebiscite was simply worded and asked Islanders if they supported a permanent link to New Brunswick. The various sides quickly took shape. In the end almost 60% of Islanders voted in favour of supporting construction of a fixed link although they had no idea what form it might take, but in principle the majority of Islanders wanted a fixed link.<sup>7</sup> With this kind of local support for the scheme, the federal government was now in a position to push ahead with the project on the premise that it had the support of Islanders, even though the plebiscite was premature, obscurely worded, and a design proposal was undetermined at that time.

Although the proposals submitted by the contractors included bridge, highway and rail tunnel options, Public Works Canada limited the field of choices by excluding the rail tunnel design proposal. The rail tunnel option was not favoured because the federal government wanted out of the rail business.<sup>8</sup> This was not a new idea. Ottawa was suspected of wanting to pursue that end back in the 1960s when the question of rail service across the Strait was debated. The proposal for a road tunnel was shunned by federal government engineers because they believed it to be impracticable and costly, in spite of the report of a governmental study undertaken by Max Perchanok in 1988 which revealed that a tunnel was cleaner (during construction), safer and more environmentally sound than a bridge design.<sup>9</sup>

The French and English might tackle the "Chunnel," but Canadians would opt for a bridge. Long gone were the days of Senator Howlan's support for a tunnel. Interestingly enough, aside from the Perchanok study, there was never any formal evaluation conducted to compare the advantages and disadvantages of the various design proposals.

In the wake of the plebiscite the various sides of the issue became more clearly defined. For many the plebiscite was simply regarded as a vote in principle, not a vote in favour of anything specific. After all, they were not aware of the specifics in January, 1988. But as the specifics began to emerge so the various opinions became more pointed. For every new detail of the plan that emerged there were proponents and opponents. When Ottawa indicated that it favoured a bridge over a tunnel, proponents said that a bridge would create many new jobs and provide the fastest most efficient link. Meanwhile, opponents viewed it as a threat to Island culture, to the lucrative shellfish industry in the Strait and to shipping in the Strait.<sup>10</sup> The opponents emphasized that there was no evidence to suggest that a bridge would provide any more long term economic benefits than the ferry service.<sup>11</sup> They were also concerned about the loss of employment among Marine Atlantic ferry workers. Indeed, the ferry service was and is an important part of the Island economy. Not only did it employ over 600 people directly, there was considerable

spin-off employment in the service industry. The ferry service was also the "life-bread" of communities like Borden. An Island M.P. brought to the attention of the House of Commons that a permanent connection to the mainland was not a prelude to economic prosperity.<sup>12</sup> In an interesting juxtaposition, he indicated that Cape Breton's unemployment rate was on par with that of Newfoundland and Prince Edward Island in 1986, even though a causeway had been built to link Cape Breton and mainland Nova Scotia.<sup>13</sup>

Identifying the opponents was not always easy. It was complicated by a number of factors. Not all opponents to the bridge idea were in fact opponents to a fixed link in general. On the contrary, they wanted a link but they wanted either a highway or rail tunnel. Supporters of a link favoured different plans, yet often found themselves lumped in with the opponents to any link simply because they were opposing a particular kind of structure on the same grounds as those denouncing construction of any plans in general. Nevertheless, once it became clear that the federal government would only give serious consideration to a bridge plan, two identifiable groups emerged in the ensuing debate. On the pro-link side was the coalition known as "Islanders for a Better Tomorrow." On the anti-link side was a group known as the "Friends of the Island." Both groups had been formed in 1987, a year before the plebiscite, but they gained strength afterwards.

The proponents of the project, which included the federal government and Public Works Canada, saw the bridge as a way to jump-start the local economy. They believed that Maritime businesses, contractors and construction companies would gain employment and prosper during the development stage. The bridge opponents, however, noted that the scheme would provide only a minor and short term remedy to the economic woes of the region.

The "Friends" argued that a fixed connection would destroy the Island "way of life". In addition, they were concerned that a bridge, in particular, would create a whole new generation of delays and, as a result, would not fulfil the federal government's agreement to provide continuous and efficient communication. There was also concern among the opponents that engineering and construction companies, as well as others with a vested interest in the plan, were only seeking to make profits, and had little concern about Prince Edward Islanders or their "way of life."<sup>14</sup> The debate even took on international tones when some Japanese tourists expressed concern that a link would destroy the charm and mystique surrounding the Island and its associated fictional character, Anne of Green Gables.<sup>15</sup> The opponents at home and abroad seemed to agree that a bridge would increase congestion and pollution, and permanently alter the provincial landscape.

Unlike the fixed link campaign in the 1960s, that of

the 1980s and 1990s focused on how such a structure would encourage tourism. Dreams of industrial greatness, so prevalent in the Sixties had been tempered by reality. Irving and Wardell were no longer around dreaming of the Atlantic Centre. In some ways, container-ship port development in Halifax and Saint John had seen to that. Instead, the new panacea for regional disparity seemed to be tourism. Large scale tourism operators and promoters in P.E.I. regarded the fixed link as absolutely essential if tourists were to flock to the Island paradise.

Of course, opponents to the scheme also tended to fear such forecasted tourist invasions. They saw a permanent link as a "tourism mega-project monster."<sup>16</sup> They also saw it as the brainchild of those mainland profiteers who wanted to drain financial resources from the Island. As Kenneth A. MacKinnon observed in 1992:

Of course the real project beneficiaries will not be local tourist operators but mainland developers and construction companies and the Moncton area service economy...Investment in processing would remain by no means certain because it would be very tempting to export raw product in those empty tractor trailers returning to the mainland...<sup>17</sup>

Opponents also feared that Islanders' loyalty to their own local businesses would not be strong enough to resist the easy access to Moncton and Halifax. Of course, proponents pointed out that the link would mean more and

cheaper goods would be available in the Island stores if Islanders stayed at home. But, opponents painted a very negative picture of life in P.E.I. after the causeway. Proponents painted the opposite. Opponents said the bridge would not be safe due to wind sheer factors. The proponents said it would be safe, if not safer, than the ferries. One group said that tolls to cross the bridge would become exorbitant in order to cover costs, while the other group claimed the tolls would be the same as ferry fares. Proponents praised the federal government for finally listening to the demands of Islanders. Opponents criticized the provincial government for ignoring the future welfare of Islanders:

...the Prince Edward Island government is not being responsible to those who have a stake in the traditional economy by failing to demand that an upgraded efficient ferry service be given a chance to prove its potential for regenerating the economy. The high-risk move to a bridge is a shifting of the province's crucial economic balance from the slow-growth areas of an indigenous resource and service sector to the unpredictable gamble of mass tourism, the prospects and benefits of which have been wildly exaggerated...<sup>18</sup>

In June, 1988, eight fixed link proposals were announced in Charlottetown. The Mulroney government thought this would convince Islanders of his government's sincerity and ensure Island votes in the upcoming election. However, by then, many Islanders who had voted yes in January were

now questioning their decision, and were seriously reassessing their support for a fixed link, especially one built with little or no attention being paid to Island needs and ideas. As well, Islanders, like many Maritimers, were none too impressed with the Conservative government's other social and economic programs and policies. Supporting the fixed link was no guarantee for a politician that he or she would get re-elected. That was what Tom McMillan, a strong pro-link advocate and MP for Hillsborough, and Public Works Minister Stewart McInnes learned. They both were defeated, as were all four Tories in P.E.I. Mulroney won a resounding victory in 1988 but not in Atlantic Canada. Many Islanders were uncertain about the nature of the government's involvement with the fixed link scheme. Others were sceptical that Ottawa was serious.<sup>19</sup> Still others simply distrusted the Tories or objected to the fixed link on cultural, economic, historical and environmental grounds.

Conservative failures in Prince Edward Island did not lead the Mulroney government to terminate its plans for the bridge link. On the contrary, things continued to move ahead buoyed by the support of the Island business community. Among those supporting a bridge were the P.E.I. branch of the Manufacturing Association, the P.E.I. Potato Producers Association, the Tourist Industry Association of P.E.I., the Construction Association, the P.E.I. Council of Trade, the various Boards of Trade throughout the Maritimes

and the P.E.I. Trucker's Association.<sup>20</sup> All these interests had long talked of the need for faster, more dependable land transportation of Island products. As the truckers noted, a bridge would remove those delays at the ferry terminals which always reduced profit per load.<sup>21</sup> For the trucking companies, potato producers and Island manufacturers the bridge, or any fixed link for that matter, would enhance their incomes and mean better service for Island agricultural products and primary and secondary industries.<sup>22</sup>

The support expressed by the truckers and some of the other proponents was not, however, unconditional. For instance, the P.E.I. Truckers Association agreed with the fishers that the environmental impact should be fully assessed before proceeding.<sup>23</sup> The fishers argued that while they opposed a bridge, they did not oppose a tunnel. They believed it would have the least negative impact on their industry.<sup>24</sup> But a tunnel was not part of Ottawa's plan, and these views were never adequately considered.<sup>25</sup> Instead, politicians at the federal and provincial levels gave assurances that the bridge project would be of minimal risk to the environment, both in terms of damage to the sea bed and possible shipping accidents resulting from the placement of bridge supports.

The environmental issue, however, would not go away easily. Unlike the arguments about the effects on the

Island way of life or the long term real fiscal costs, the environmental concerns seemed to be something about which even proponents of the scheme were concerned. Also, national environmentalists like David Suzuki were expressing fears about the possible damage to fish stocks, shellfish beds, seabird nesting areas and beaches. It became clear that this was one area of debate which Ottawa simply could not ignore.

Early in January, 1989, Ottawa announced that it would refer the fixed link project to an independent Environmental Assessment Panel for further study. The Panel, chaired by David H. Barnes, was appointed on April 28, 1989, and public hearings were held over the next two months. In a report released in the summer of 1990, the panellists recommended that the bridge project should not proceed. The Panel's recommendation was based largely on concerns that a bridge could potentially have a negative impact on the environment by causing ice-out delays in the Northumberland Strait. The report suggested that a road and rail tunnel would be far less threatening to the local environment.

Ironically, in spite of the Panel's findings, the federal government was intent on pushing ahead with the bridge proposal. It was not at all interested in starting the process all over again to find a consortium to build a tunnel. Instead, Ottawa decided to find someone who could convincingly refute the position of the Environmental

Assessment Panel. In 1991, the federal government appointed another environmental study panel, headed by Ottawa engineer Dr. Ken Croasdale, to examine the effects that a bridge would have on ice conditions in the Strait. Only the question of ice conditions was to be addressed and it was clear Ottawa expected to receive a favourable response that would say ice would not be a problem.<sup>26</sup> The panel concluded that a 14km bridge between New Brunswick and Nova Scotia would not seriously affect ice in the Northumberland Strait.<sup>27</sup>

The Island's provincial Liberal government, in power since 1986, was anxious to see bridge construction begin. Therefore it announced that it was willing to support the federal government's decision to go-ahead with the project if certain conditions were met. These conditions, announced by the Island Premier Joe Ghiz, became known as Joe Ghiz's "ten commandments." Some of the conditions which had to be met included the continuation of the Wood Islands-Caribou ferry service, an upgrading of highways to handle increases in traffic, a cap on tolls, compensation to displaced workers and fishers and environmental concerns.

In reality Ghiz's "commandments" were not intended to terminate the project. Ghiz simply wanted to reassure Islander's that he too was concerned about the environmental and ecological implications of the bridge. If his concerns were satisfactorily addressed, then he believed Islanders

should join him in endorsing the federal project. This was about as directly involved as the provincial government could and did become involved. No matter what "rules" Ghiz might lay down, the truth was that the federal government called all the shots. In fact, through the insistence of Ottawa, the Prince Edward Island legislature agreed to a constitutional amendment in 1993, which officially stated that the construction of a bridge would fulfil the confederation contract between the federal government and P.E.I.<sup>28</sup>

Formal bids for bridge construction were received by Ottawa in 1992. The lowest bidding contractor, Calgary-based Strait Crossing Inc. (SCI), was selected as the winner. This company was a consortium consisting of three other (international) firms--Morrison-Knudson of Boise, Idaho, GTM Entrepote of France and Ballast Nedam of the Netherlands.<sup>29</sup> It is interesting to note that the president of SCI, Paul Giannelia, remained at the head of the project even though he sold most of SCI's shares to foreign investors in 1993.<sup>30</sup> This manoeuvre was not perceived by the federal government as being in violation of its agreement with SCI, because it viewed this refinancing as additional insurance that the project would be completed on schedule.<sup>31</sup>

The bids were in, the winner was selected and Ottawa was ready to give the go ahead. But environmentalists, academics and people in general, wanted answers as to why

other options, such as improved ferry service or a highway tunnel proposal, were not considered. The controversy culminated in the first anti-link book called Crossing that Bridge, which was edited by Lorraine Begley and published in 1993. The book consisted of articles from twenty-one contributors, each contributing a critical look at the fixed link. In addition to addressing the federal government's reason for rejecting the tunnel option, the book also discussed the apparent discrepancies concerning the inflated subsidy the federal government granted to SCI, and the fate of the Wood Islands-Caribou ferry service. Begley's book gave strength to the anti-link community. It was clear that Ottawa never seriously looked at the tunnel idea because "it was not a viable response to the requirements of the proposal call."<sup>32</sup>

It was the subsidy issue which really attracted public attention in 1993. Ottawa had determined that the developer would receive a \$42 million annual subsidy, yet this was almost double the amount of the subsidy that Marine Atlantic received.<sup>33</sup> Many Islanders, like Begley, wanted to know how the federal government had determined the inflated figure, an amount to be given to the developer over a 35 year period. One contributor to the Begley book indicated that the maximum life span of a bridge over the Northumberland Strait would be 100 years.<sup>34</sup> Ownership would be transferred back to the federal government at mid

point in the life span of the bridge, just when maintenance costs would start to rise significantly.

While Lorraine Begley's book made many Islanders even more suspicious about the project, local politicians were not deterred. Perhaps Ottawa held a carrot before them. Joe Ghiz had resigned as Liberal Party leader and took with him his "ten commandments." His successor, Catherine Callbeck, was anxious to promote the project. She firmly believed it was the only way that Islanders could improve their economic position within the region, let alone the country.<sup>35</sup> Elected in 1993, she was thrilled to hear the announcements on October 8, 1993 that Ottawa was giving the official go-ahead.<sup>36</sup> The fact that a federal election was held in that same month undoubtably accounted for the announcement. SCI promised the link would be a reality within five years.<sup>37</sup>

The events of 1993 further reveal that the fixed link had been designated as a campaign issue. There was much debate about the link in the House of Commons in the early months of 1993. Debate over the bill to enact the Northumberland Strait Crossing Act (Bill C-110) was divisive, particularly between the Progressive Conservatives, who spoke highly of the mega-project, and the New Democrats, who were very critical of the scheme. The Conservatives relied on many of the same arguments that had been used and re-used in the past in order to advance their

cause. As in the 1960s, David Worthy, the Parliamentary Secretary to the Minister of Public Works, on February 22 1993, indicated that the link was conceived as an important job creation project. He referred to the bridge as the Northumberland Strait one--two punch:

Punch No.1 is that construction of this massive project will create jobs and business opportunities starting immediately and continuing through the next four or five years. Punch No.2 will be that in the longer term, after the link is completed, it will enhance the province's growing tourism industry and will result in cost efficiencies for agriculture and many other enterprises. Construction itself is expected to generate from 3,500 to 4,000 person years of employment over the next five years.<sup>38</sup>

Opponents noted that much of the work would be short term and seasonal and that many workers would again be unemployed after five years and during the winter season. Nevertheless, many of the politicians and proponents stressed that the opponents ignored the indirect jobs that would be created in the tourism and service industries, both during and after construction. They observed that once the bridge was completed, tourist traffic was estimated to increase permanently by 25%, and 2,000 seasonal jobs would be created.<sup>39</sup> Opponents quickly replied that in all probability, like most jobs in the service industry, many of these new jobs would be low paying and the actual number of jobs on the bridge itself will only be a fraction of the

number of people presently employed in the ferry service.<sup>40</sup> A member of the NDP, Chris Axworthy (Saskatoon-Clark's Crossing), stated that the federal government was sacrificing hundreds of ferry positions for jobs that would only exist while the link is being built.<sup>41</sup> He went on to recommend that the federal government place additional ferries on the run, which would both save ferry jobs and increase service.<sup>42</sup>

One of the most overt political attacks in the history of the fixed link debate occurred in the House of Commons on February 22, 1993--just before the federal election was called. David Barrett, NDP member from Esquimalt--Juan de Fuca, stated that the fixed link was, "sheer vote buying at the stupidest level that one can think."<sup>43</sup> He outwardly criticized the Conservative government for spending \$42 million a year to correct the problem of giving Marine Atlantic a \$21 million subsidy.<sup>44</sup> As far as long term costs to the taxpayer were concerned, Barrett drew attention to the extensive maintenance costs of the Lions Gate Bridge in his home province of British Columbia, by saying that, "over 50 years they have probably replaced the capital value about five times in simple maintenance."<sup>45</sup> Politics being politics, both Barrett and NDP policy were ridiculed by the Conservatives. Nevertheless, the member from Esquimalt-Juan de Fuca persisted in stressing that the Tories were throwing money into the project in order to obtain votes in the

Maritime region.<sup>46</sup> He challenged the government and the official Liberal opposition, led by Jean Chretien, to call in the Auditor general to study the subsidy issue.<sup>47</sup>

He also remarked that any Conservative holding office west of Manitoba, who wanted to remain in office, could not justify to the people of western Canada the inflated expenditure that the project developers would receive.<sup>48</sup> Barrett wanted to know why the government was pushing ahead with the project when it was not, he argued, an economically viable proposition for the rest of Canada, particularly the western provinces. The \$42 million per annum over a 35 year period would pay for the projected cost of completion of the entire project. He declared that, "why should we pay a share of this dumb idea when we do not get a single penny for our transportation costs from the mainland of Vancouver to Vancouver Island?"<sup>49</sup> Ironically the consortium planning to build the bridge was from Calgary.

The Hon. Doug Lewis, the Solicitor General of Canada, responded to Barrett's tirade, arguing that the agreement with P.E.I. was based on the need to fulfil a constitutional contract, and that the province was guaranteed permanent year round access to the mainland when it entered the union.<sup>50</sup> The Solicitor General also claimed that Ottawa's most outstanding problem with respect to fulfilling its constitutional obligations was the delays connected with waiting.<sup>51</sup> To Barrett, he shot back, "In your party you

maybe do not have to wait for ferries but in our party you do."<sup>52</sup>

To Islanders back home this exchange must have seemed rather strange--two non Maritimers telling each other what was and what was not best for P.E.I. In fact, Barrett opposed the scheme because it seemed to be a lot of money being spent in an economically peripheral province. Lewis supported the scheme because it was part of government policy. The whole constitutional argument was little more than a justification useful in 1993 but not in earlier days. Ottawa had not really experienced a great revelation of its obligations, it had simply found an old argument that would justify its own actions and would please the Island's premier.

In fact, the long delays of 5-8 hours that Doug Lewis alluded to were a reality of the 1960s and 1970s, but not the 1990s. The delays of the 1990s were usually minor and confined to stormy weather and to the peak tourist season of July and August. Although the demise of the railway in the Maritimes in the 1980s had resulted in a substantial increase in truck traffic, the ferry service had also been expanded. Modern vessels including the Abegweit II (1984) and the Confederation II (1993) had been introduced. Both had larger capacities for handling motor and transport vehicles than previous ferries. Also, in the early 1970s modern terminals had been built at either end of the ferry

run. These included food, washroom, telephone, picnic and playground facilities. Space for waiting had been greatly enlarged and methods of loading the vessels markedly improved.

The ferry service of the early 1990s was a far cry from that of the 1900s and 1960s. It was much more efficient and could cope effectively with traffic increases and most ice conditions. Because P.E.I. is separated from New Brunswick by 14km of open sea-water, some form of delay was inevitable no matter what mode of communication was employed, whether it be by a bridge, tunnel or ferry service. The fixed link options might decrease the number of delays, but they would not completely eliminate them. Consider, for instance, that in Crossing That Bridge, reference is made to a bridge of similar design in the United States, where the speed limit is very low (30 KPH) even in ideal weather conditions.<sup>53</sup>

The bridge did not emerge as a central campaign issue in the months preceding the 1993 federal election. A deal to proceed with the project had already been signed between Ottawa, New Brunswick and Prince Edward Island on December 16, 1992.<sup>54</sup> The Conservative government continued to push ahead with the bridge project in what proved to be its final months in office. Although the Liberal leader, John Chretien, did not make any significant pre-election announcements concerning his party's position with respect to the \$950 million project, a few Maritime Liberal

candidates endorsed the bridge plan. The Liberal MP from Halifax, Mary Clancy, for instance, announced in the House of Commons on June 14, 1993, that a bridge would not only reduce delays at the terminals, but would create much needed jobs in the Maritimes.<sup>55</sup> In her opinion, immediate job creation was the greatest asset of the project.

The local provincial government supported the federal Liberals and reassured bridge supporters that if elected, Chretien would not terminate the project. They were correct. Following its landslide victory in October, 1993, the Liberal government voiced its support for the bridge. The government, determined to reduce the federal deficit, set about slashing unnecessary federal spending, scrapping projects like the multi-million dollar Tory initiated helicopter purchase plan. But the bridge to P.E.I. somehow remained protected from the chopping block. Bridge construction continued because the Liberals, like the Conservatives, were attracted to the promises of large scale job creation. They also believed that the private nature of the funding protected the federal government and the Canadian taxpayer from large scale cost overruns. Just months after his election, in April 1994, Chretien expressed his enthusiasm for the project, praising it as a reflection of modern realities.<sup>56</sup>

The concepts of privatization and deregulation were trends that became part and parcel of federal political

agendas for both the Liberals and Conservatives in the late 1980s and early 1990s. Public services, which were traditionally funded by the federal government, increasingly were placed in private hands when at all possible or else they were eliminated. Such may be the future of all ferry service in the Atlantic region. The bridge may very well actually replace the ferry service between Nova Scotia and P.E.I., as well as that between New Brunswick and the Island. Lorraine Begley maintains that with the completion of the bridge, Ottawa will probably downsize and then abolish the seasonal Wood Islands-Caribou ferry service.<sup>57</sup>

The extent to which the bridge was a federal government project and decision was evident in the financial strategy for construction set out by Ottawa. The successful engineering consortium had to establish a trust fund in order to comply with Ottawa's economic terms. This approach was viewed by the federal government as an additional way to protect Canadians from cost overruns and delays. SCI agreed to raise 70% of the required sum in the international bond market. Equity investment would supposedly cover 15% and interest on the remainder of the balance would provide an additional 15%.<sup>58</sup> The federal government transferred the responsibility of funding to the private sector through a program called BOT, meaning Build, Own and Transfer. In other words, the bridge would be constructed, owned and operated by a private company for a period of 35 years.

After that period, ownership would pass to the federal government who, in turn, would assume operating costs and control.

In the meantime, however, the contractor would receive an annual government subsidy of \$42 million and all toll booth revenues. The toll booth take was estimated to provide between \$16 and \$20 million per year.<sup>59</sup> Although the initiative came from private enterprise, the federal government controlled the details of the project and made all the decisions concerning funding. For example, Ottawa had indicated that toll increases over the 35 year period would not be allowed to exceed 75% of the consumer price index.<sup>60</sup> Yet, ironically, since Ottawa had agreed to pay out the cost of the bridge in subsidies over a 35 year period, one might wonder how that differed from state controlled investment. For some it might appear to actually contradict the expressed policy of privatization. The Globe and Mail reported that the project was being billed as a private sector project, even though it was going to be entirely paid for by the federal government.<sup>61</sup>

Construction on the bridge continued throughout 1994 and into the early part of 1995, although on a much smaller scale in the winter months. The work is still in the preliminary stages and is expected to peak over the next two summers. Although safety precautions have been emphasized by the federal government and the consortium, there have

been mishaps. A recent death and a couple of near fatalities have placed a dark cloud over the entire project. So too have problems with the quality of poured concrete being used. In addition, some minor structural damage has occurred during storms in the early part of winter, 1994-95, partly owing to structural weaknesses in the support columns. In spite of the mishaps, it looks as though the federal government has every intention of seeing the project through to completion.

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## CONCLUSION

Although a wide cross section of people from businessmen to bureaucrats, from ferry workers to fishers have been involved in the debate regarding a fixed link connection between Prince Edward Island and mainland Canada, the federal authority ultimately determined what happened with the fixed link. This is perhaps not surprising since under the terms of its entry into confederation, P.E.I. had received a constitutional guarantee that continuous year round communication would be maintained by Ottawa between the mainland and the Island. A link of some kind, fixed or otherwise, was a federal responsibility. But what was surprising was that at no juncture since 1873 did the people of Prince Edward Island, those with the most vested interest in such a scheme, ever really control the nature or fate of the project. Even when a private company was selected to build a bridge in the 1990s, the federal government controlled the formula for the financing, design and operation of the project. For instance, in 1991, Ottawa not only determined that the design would incorporate a bridge and that no consideration would be given to a tunnel or a more sophisticated ferry service, but it also demanded all kinds of security from the developers, making it clear that Ottawa was not willing to make any financial commitments of its own.<sup>1</sup> As was the case back in the 1880s when the Northumberland Straits Tunnel Railway Company was

incorporated by Ottawa, in the 1990s, whatever company received the go-ahead from the federal government to build a bridge/causeway had to meet the criteria set out by Ottawa, not by Island farmers, merchants, tourist operators or fishers.

Serious discussion within political circles of a fixed connection dates back to 1885 when Senator Howlan first advocated construction of a metal tube subway on the floor of the Northumberland Strait. In the century that followed, the topic surfaced, died and resurfaced almost in step with the coming and going of election campaigns, both federal and provincial. Generally until the mid 1960s, various political parties would at one election time or another commit themselves to researching, financing and building the link. Once the election had passed they would announce that they now thought it wiser to reconsider their support, perhaps even withdraw it altogether. Proponents and opponents alike, in the wake of an election, usually preferred to push for better ferry service than for a costly fixed connection. Nevertheless, the moment the ferry service let people down or whenever the next election was called, talk of a permanent communication link across the Northumberland Strait resurfaced.

It was a conspicuous "political football." For instance, it was used by John A. Macdonald on the eve of the 1887 election, to divert attention away from the federal

government's failure to fulfil the communication contract of the British North America Act.<sup>2</sup> Almost one hundred years later, another Conservative federal government decided to go-ahead with a bridge because it suited Tory plans to promote privately funded mega-projects. In both instances, Islanders were never seriously consulted. Even though a plebiscite was held in 1989 and the fixed link received a narrow margin of support, the truth was that Islanders really had no idea for what they were voting. The P.E.I. House of Assembly had virtually no say in the nature of the project either.

Ottawa cared little whether Island politicians believed the project should be state supported or privately funded. Why should they, Ottawa reasoned? Ottawa was responsible constitutionally for the communication link, not Charlottetown. This was even true in the 1960s when the provinces assumed the costs of building the land connections to the water crossing. How the federal government funded the latter was not a provincial concern, even if Ottawa should withdraw after the provinces had expended millions on preliminary construction. In the 1960s, Ottawa reasoned that the project was of too great importance to be placed in private hands. However, in the 1990s, it changed its mind. The project would be privatized. It was Ottawa's choice, not that of the Islanders and their local politicians; albeit, everything was subject to strict federal

supervision. The project went from being state supported to privately funded because of changes in political philosophy and agenda within federal government ranks. In the era which brought Diefenbaker and Pearson to power, for instance, the fixed link mega-project was conceived as part of their administration's equalization agendas in which funds from the have regions would be transferred to the have-not regions. The federal governments of the late 1980s and 1990s, however, wanted to move away from equalization subsidies and to cut government spending, while at the same time, creating jobs and economic growth where possible. So it was that the idea of eliminating the historical annual subsidy for the operation of the ferry service to P.E.I. began to gain popularity in the Conservative Party and talk of supporting a privatized fixed link project became a reality.

Through the century of debate, relations between Islanders and the federal government have often been strained. On the one hand, Islanders and their representatives have at various times given a very specific interpretation to the British North America Act. Historically many have argued that P.E.I. has a right to a truly permanent, dependable and efficient line of communication and transportation across the Northumberland Strait. To them that meant some form of fixed connection. On the other hand, generally, the federal government has

interpreted the clause to mean that Ottawa must provide a form of communication link which is as dependable and efficient as economic circumstances and technology allow. Similarly, Islanders have been frustrated by Ottawa's tendency to raise hopes, to leave them hanging and then to dash them. They cannot count on Ottawa fulfilling its promises. And, they are not consulted about what they want and need. Ironically, Ottawa seemed most inclined to push ahead with the link when local opposition to the plan was most vocal and organized and least inclined to support the plan when Islanders were most enthusiastic.

The people of P.E.I. also resent the fact that they have little real political clout in Ottawa and therefore must often conclude that there is no sense in fighting a federal decision. It is better to accept whatever appeasement is offered than to lash out at the hand that feeds one. Therein probably lies the hardest thing of all for Islanders to accept about their historical and present relationship with the federal government. The fixed link does not symbolize the individuality, pride and autonomy of an equal partner in confederation, but rather the dependence of a small, economically depressed province on a distant central authority. It is therefore, little wonder that the handling of the fixed link project by Ottawa has occasionally resulted in tensions in federal-provincial relations. Nevertheless, there have been periods of

considerable mutual admiration and support, including the most recent period when Premiers Joe Ghiz and Catherine Callbeck have expressed their admiration of and gratitude to an understanding and responsive federal government, at least as far as the link project is concerned. In fact, in 1993, the P.E.I. House of Assembly supported a constitutional amendment which states that the fixed link when completed will fulfil Ottawa's obligation of providing continuous year round and efficient communication.

Interestingly enough, the basic arguments that have been advanced by the opponents and proponents of the project over the past 100 years have remained much the same. For the proponents, since the days of George Howlan, the arguments have included such issues as constitutional obligation, economic stimulation and user safety. All that has really changed is the emphasis or the nature of the economic stimulation argument. At one period proponents stressed how the link would promote better marketing of agricultural produce. Later they talked of industrial growth stimulation and more recently they have emphasized the expansion of the tourism industry.

Similarly, the opponents have historically stuck to such issues as quality of life, user safety, loss of jobs to ferry workers and the people of Borden, long term financial cost and environmental impact. For example, the people who have opposed the link, like the Brothers and Sisters of

Cornelius Howatt and the "Friends of the Island." have always been concerned about preserving the Island "way of life." In fact, the emphasis and focus of the pro and con arguments have only shifted to reflect changes in technology, transportation development, population demographics, economic circumstances and fiscal philosophy. For instance, many of the modern day environmental concerns such as eco-system impact and ice-out delays, were not factors a century ago. Even Colonel Edward Churchill's report in the 1960s on the causeway was in no way comparable to the advanced environmental and economic assessments undertaken in the 1990s. Due to technological limitations, Howatt and Churchill had relied either on historical record, personal observation or professional speculation.

Ottawa had firm control over the outcome of the project from its inception, and continues in the 1990s to make the rules and act as adjudicator between the private company and the public. The federal government is in a position to ensure that the developer abides by Ottawa's regulations during the construction and operation phases. Such regulations include environmental controls, safety precautions and compensation to fishers. In 1994 Ottawa wielded its controlling hand when Strait Crossing Inc., the winning contractor for the bridge plan, initially held back some of the previously agreed upon compensation payments to the fishers. The federal government immediately intervened

and demanded that the company uphold its end of the bargain or alternative measures would be employed, such as monetary confiscation by Ottawa.<sup>3</sup>

Even though bridge construction began in 1994, it remains to be seen if the project will ever be completed. New problems can arise at any stage of construction and cost overruns are inevitable. Because private companies can go bankrupt, and governments generally do not, in a worst case scenario Ottawa may at some point down the line be forced to make a commitment and step in and take over the project whether it wants to or not. One cannot leave half a bridge in the Northumberland Strait. Nor can one leave a completed bridge without maintenance and supervision. Opponents may yet be proven to have been correct in their questioning of the financial stability of SCI. On February 23, 1995, one of the partners in the fixed link consortium, Morrison Knudson of Boise, Idaho, declared that it was on the brink of bankruptcy.<sup>4</sup> As of that date, the company was seeking a cash infusion from its lenders to avoid filing for Chapter 11 bankruptcy-court protection.<sup>5</sup> Although the company's financial woes were attributed to losses sustained in its failed rail division in the United States, such setbacks in the early stages of construction on the New Brunswick-P.E.I. bridge project serve as a grim reminder of the potential for financial disaster. If all goes as planned, however, the fixed link will become reality by the year 1997. Getting to

and from Canada's smallest province will never be the same. A new era of permanent communication access with all its advantages and disadvantages will descend on the people of Anne's Island.

**ENDNOTES**

1. Paul MacNeill, "Federal demands could unhinge fixed link start," Chronicle-Herald, Friday, 23 August 1991, p.A3.
2. E.R. Forbes, Challenging the Regional Stereotype: Essays on the 20th Century Maritimes (Fredericton 1989), p.142.
3. Mail-Star, 18 October 1994.
4. Susan Hughes, "Fixed link partner in financial trouble," The Mail-Star, Thursday, 23 February 1995, p.B6.
5. Ibid., 25 February 1995, p.B11.

Table I

**Vessels**

| Name                             | First year of service | route  |
|----------------------------------|-----------------------|--|
| <u>Albert</u>                    | 1873                  | Georgetown, P.E. -<br>Pictou, N.S.   |
| <u>Northern Light</u>            | 1876                  | Georgetown-Pictou  |
| <u>Neptune</u>                   | 1886                  | Georgetown-Pictou  |
| <u>S.S. Stanley</u>              | 1888                  | Georgetown-Pictou<br>Summerside, P.E. -<br>Pointe du Chene, N.B.                       |
| <u>Minto</u>                     | 1899                  | Georgetown-Pictou  |
| <u>Earl Grey</u>                 | 1909                  | Charlottetown-Pictou   |
| <u>S.S. Prince Edward Island</u> | 1915                  | Charlottetown-Pictou<br>Georgetown-Pictou<br>Borden, P.E.I. -<br>Cape Tormentine, N.B. |
| <u>S.S. Charlottetown</u>        | 1931                  | Borden-Cape Tormentine   |
| <u>M.V. Abegweit</u>             | 1947                  | Borden-Cape Tormentine   |
| <u>M.V. Lord Selkirk</u>         | 1958                  | Wood Islands-Caribou   |
| <u>M.V. Confederation</u>        | 1962                  | Borden-Cape Tormentine<br>Wood Islands-Caribou   |
| <u>Prince Nova</u>               | 1963                  | Wood Islands-Caribou   |
| <u>John Hamilton Gray</u>        | 1968-9                | Borden-Cape Tormentine   |
| <u>Lucy Maud Montgomery</u>      | 1969                  | Borden-Cape Tormentine   |
| <u>Vacationland</u>              | 1971                  | Borden-Cape Tormentine   |
| <u>Holiday Island</u>            | 1971                  | Borden-Cape Tormentine   |
| <u>Prince Edward</u>             | 1972                  | Wood Islands-Caribou   |
| <u>New Abegweit</u>              | 1984                  | Borden-Cape Tormentine   |
| <u>New Confederation</u>         | 1993                  | Wood Islands-Caribou   |

Sources: Harry Bruce, Lifeline (Toronto, 1976); Mary Cullen, "The Transportation Issue, 1873-1973," in Francis W.P. Bolger (ed.), Canada's Smallest Province ([Charlottetown] 1973).

Table II

**Election Results: Federal**

|      | <u>National</u> |          | <u>Provincial</u> |          |
|------|-----------------|----------|-------------------|----------|
| Year | Conservatives   | Liberals | Conservatives     | Liberals |
| 1878 | 142             | 64       | 1                 | 5        |
| 1882 | 139             | 71       | 2                 | 4        |
| 1887 | 126             | 89       | 0                 | 6        |
| 1891 | 121             | 94       | 2                 | 4        |
| 1896 | 88              | 118      | 3                 | 2        |
| 1900 | 80              | 133      | 2                 | 3        |
| 1904 | 75              | 138      | 3                 | 1        |
| 1908 | 85              | 135      | 1                 | 3        |
| 1911 | 134             | 87       | 2                 | 2        |
| 1917 | 153             | 82       | 2                 | 2        |
| 1953 | 51              | 171      | 1                 | 3        |
| 1957 | 112             | 105      | 4                 | 0        |
| 1958 | 208             | 49       | 4                 | 0        |
| 1962 | 116             | 100      | 4                 | 0        |
| 1963 | 95              | 129      | 2                 | 2        |
| 1965 | 97              | 131      | 4                 | 0        |
| 1968 | 72              | 155      | 4                 | 0        |
| 1984 | 211             | 40       | 3                 | 1        |
| 1988 | 169             | 82       | 0                 | 4        |
| 1993 | 2               | 177      | 0                 | 4        |

Sources: J. Murray Beck, Pendulum of Power (Scarborough 1968); E.R. Forbes and D.A. Muise (eds), The Atlantic Provinces in Confederation (Toronto 1993).

Table III  
**Election Results: Provincial**

| Year | Conservatives | Liberals |
|------|---------------|----------|
| 1879 | 24            | 4        |
| 1883 | 19            | 9        |
| 1886 | 18            | 12       |
| 1890 | 15            | 15       |
| 1893 | 7             | 32       |
| 1897 | 9             | 21       |
| 1900 | 9             | 21       |
| 1904 | 8             | 22       |
| 1908 | 14            | 16       |
| 1912 | 28            | 2        |
| 1915 | 17            | 13       |
| 1955 | 3             | 27       |
| 1959 | 22            | 8        |
| 1962 | 19            | 11       |
| 1966 | 15            | 17       |
| 1970 | 5             | 27       |
| 1986 | 11            | 21       |
| 1989 | 2             | 30       |

Source: E.R. Forbes and D.A. Muise (eds), The Atlantic Provinces in Confederation (Toronto 1993).

Table IV

**Premiers of Prince Edward Island**

| Premier               | Party        | Term      |
|-----------------------|--------------|-----------|
| W.W. Sullivan         | Conservative | 1879-89   |
| Neil MacLeod          | Conservative | 1889-91   |
| Frederick Peters      | Liberal      | 1891-97   |
| A.B. Warburton        | Liberal      | 1897-98   |
| Donald Farquharson    | Liberal      | 1898-1901 |
| Arthur Peters         | Liberal      | 1901-08   |
| F.L. Hazard           | Liberal      | 1908-11   |
| H.James Palmer        | Liberal      | 1911      |
| John A. Mathieson     | Conservative | 1911-17   |
| Alexander W. Matheson | Liberal      | 1953-59   |
| Walter R. Shaw        | Conservative | 1959-66   |
| Alexander B. Campbell | Liberal      | 1966-78   |
| James M. Lee          | Conservative | 1981-86   |
| Joseph A. Ghiz        | Liberal      | 1986-1992 |
| Catherine Callbeck    | Liberal      | 1992-     |

Source: The Canadian Encyclopedia, Vol.III (Edmonton, 1988).

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