The Canadian Pacific Railway

The CPR Syndicate

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- After re-elected Macdonald needed to find new investors for the railway. He found:
 - George Stephen, president of the Bank of Montreal
 - Donald Smith, HBC
 - James J. Hill
- <u>1880</u>: Macdonald made this deal;
 - \$25 million, land grant of 25 million acres & a monopoly west of Lake Superior for 20 years.
 - In return the CPR Syndicate must complete the railway within 10 years.
- The Syndicate changed the route 300 km further south than originally planned. This allowed them to control the location of railway stations and towns.
- This change made the CPR survey useless and the route through the Monashee & Selkirk Mountains in B.C. still needed to be studied.
- Construction began in 1881 but was slow at first putting the 10 year deadline at risk.
- The CPR Syndicate hires **William Van Horne** to take over as general manager. Van Horne brings a high level of drive & efficiency into the project and putting in back on schedule.
- <u>Late 1883</u>: the company was beginning to run out of money with difficult & costly sections yet to be built in B.C.
- Early 1884: the government passes a bill providing \$22.5 million to complete the CPR.
- More than 35,000 workers were employed to build the railway including many from China.
- Conditions were terrible.

The CPR & the Northwest Uprising

- When the uprising broke out the railway was the quickest way to transport troops. Van Horne organized the troop movements efficiency and had the entire force on the Prairies in 10 days.
- Canadians saw how the CPR helped the government respond to the crisis and saw why the railway was necessary, despite its high cost. It also meant the CPR received more funds from Parliament.
- <u>Nov. 7, 1885</u>: The CPR is finished 5 years ahead of schedule. Donald Smith drives in the last spike at Craigellachie, B.C.

