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EDMONTON'S PERILOUS COURSE

- - - 1904-1929 - - -

John C. Weaver

In that golden year of the prairie urban boom, 1912, Edmonton consisted of as much fancy as fact. The city maps, bait for real estate speculators, sketched in streets that did not exist - some never would.¹ Patches of green denoted parks, both real and fictitious, and to oversee the network the ambitious city had hired a German-trained landscape professional, Paul von Aueberg.² Boosters of this "St. Louis of the North" extolled its vistas - equal to any in scenic Tacoma. They predicted a major avenue soon to rival Winnipeg's Main Street and they boasted of an unmatched array of public-owned utilities.³ Nonetheless, the Medical Health Officer disclosed quite another city, one with chronic overcrowding in summer tent towns and year-round shack dwellings as well as a water supply of dubious quality. Edmonton, chartered as a city in 1904, had become the scene of vital contrasts: speculation and real growth, boosterism and tangible achievement, blatant self-interest and commitment to principles, failure and opportunity. Together they impelled Edmonton along an innovative and exceedingly precarious course, for as 1913 unfolded three decades of relative stagnation and long periods of deep crisis awaited. Yet, when

¹Edmonton City Archives has a collection of the early maps sponsored by real estate firms. The 1911 and 1912 maps produced by the Seton-Smith Company include a street plan and park blocks for the Hudson's Bay Company reserve. Development in this large tract never resembled the plan and part of the area became the Edmonton Municipal Airport. One large 1912 map indicated the major property owners.

²City Clerk's Office, Edmonton City Records, Paul von Aueberg, "Report on the Housing and Town Planning Convention and Industrial Convention in Winnipeg from July 15 to July 19, 1912".

³Edmonton City Archives, pamphlet collection, catalogue number 66/156, Edmonton, The City Where Property is so General That Most People Can Afford Good Homes, p. 2.

the surge of investment returned in the 1940's Edmonton had an enviable commitment to public utilities, a unique structure of government and reserves of city-owned land. All of these attributes had evolved from decisions and circumstances occurring in the city's first two decades. The course of events was far from a linear progression designed by wise city fathers, but Edmonton realized its promise.

The pivotal event in Edmonton's civic history was the 1913 crash. While certain Canadian cities, especially Vancouver and Toronto, would recover by the mid-twenties, Edmonton's plight was extreme. To explain this is to understand the peculiar nature of Canada's prairie cities in general and Edmonton in particular. One version of the city's stagnation, held by a few Edmontonians, blamed the credit stringency of eastern bankers. Deflated expectations fed a bitterness which neatly complemented aspects of rural protest in Alberta.⁴ Instead of attributing problems to miserly plutocrats in the East, Edmonton might have turned a critical eye on its own leaders. They had pursued a very ambitious and risky strategy for building Edmonton into a northern metropolis. To have attracted commerce and industry with other scrambling prairie communities did require booster zeal and material inducements; surely if Edmonton had not reached

⁴Morton suggests that Calgary was "a centre of political dissent". Yet, one of the "Ginger Group", D. M. Kennedy, represented West Edmonton. W. L. Morton, The Progressive Party in Canada (Toronto: University of Toronto Press, 1967), 37, 197. In fact, urban leaders and pressure groups had complaints about the eastern monopoly on business and credit that matched farm protests. Builders and contractors grew impatient with the CPR's handling of rolling stock just as did the farmers. For a while in 1912 the CPR placed an embargo on the shipping of building materials to Edmonton because of car shortages and a belief that consigners "turn their cars into store houses". City Clerk's Office, Edmonton City Records, Special Committee Reports, file 151/160, Copy of letter from Board of Railway Commissioners, Re: Complaint, Edmonton Builders Exchange, October 9, 1912.

out others would have.⁵ Thus the city's gamble to provide bonuses for business and to conjure up a full range of urban services seemed, in the context of Laurier prosperity, a wise policy. Businessmen and their pressure groups knew the game and played-off Edmonton's bonuses against those of Calgary and visa versa.⁶ Prairie city building, in short, involved ample risk and expense, forced to some extent by contemporary business tactics. The inducements to business and settlement led to over extended services and an onerous debt. The rush to build also provided opportunities for civic corruption and costly conflicts of interest. The evidence is compelling, a damning rush for spoils stands as a certain fact, though in this regard neither Edmonton nor the era were unique.

As a further explanation of its vulnerability, Edmonton was a new prairie city, its undiversified economy stood exposed to slumps in railway construction, declining immigration and international credit fluctuations. Prairie cities shared the experience of quick growth and sudden contraction, but in the drama of the rise of these new urban centres Edmonton had distinctive features. Concurrent with construction of new office blocks one could witness the summer arrival of Colin Fraser's array of furs and still assess the significance of the Hudson's Bay Company by walking a half dozen blocks north of Jasper Avenue to its reserve of land within the city limits. More significant than the persistence of old roots were efforts to present the city as the Canadian progressive community. Edmonton rushed forward in 1904 with a novel civic charter while Calgary equivocated and debated for

⁵Municipal bonusing was a prominent local issue on the prairies. For a study of its application in eastern Canada see Tom Naylor, The History of Canadian Business, 1867-1914, Volume II (Toronto: James Lorimer, 1975), 130-156. The best defense of boosterism in a western urban context is found in Charles M. Glaaw, Kansas City and The Railroads, Community Policy in the Growth of a Regional Metropolis (Madison, Wisconsin, 1962), chapter 7.

⁶See for example City Clerk's Office, Edmonton City Records, Assistant Secretary, Prairie Division, Canadian Manufacturers' Association, to Commissioners, no date.

years.⁷ Edmonton also plunged ahead with public ownership in all utility areas except natural gas. Again, Calgary lacked the same degree of commitment to new approaches. In the East, where municipalities struggled against established utility companies, the public ownership of the electric power plant, the telephone system, and streetcars in Edmonton inspired admiration. The city's experiment with a variation of the Single Tax reinforced the image of Edmonton as a locale brimming with creative action and interest in community welfare.

It took the unorthodox Edmonton politician Joe Clarke to place the city's progressive reputation in an earthy context. What he had to say about the Single Tax pointed to a western spirit far removed from the principles of reform and the doctrines of social criticism from which many reform programmes had originated.⁸

They say that open confession is good for the soul. . . . at the risk of being accused of telling tales out of school I must say that I believe the real reason for the adoption of the land tax in Edmonton was that the mere handful of people who actually lived in Edmonton at the time the Charter was adopted . . . owned all the improvements in the city, but outsiders, non-residents, owned large portions of land within the city limits, on which there were no improvements, and the motive for exempting improvements was really a very selfish desire to saddle the non-residents with the greater portion of the taxes. . . .⁹

Another measure which seemed progressive praiseworthy¹⁰

⁷ John C. Weaver, "Framing an Executive: The Western Cities, 1904-1912", Unpublished Research Paper for the Institute of Local Government, Queen's University.

⁸ For the element of idealism in the Canadian Single Tax Movement see Stanley Kutcher, "John Wilson Bengough: Artist of Righteousness", Unpublished M.A. Thesis (McMaster University, 1975).

⁹ City Clerk's Office, Edmonton City Records, Reports of Delegates to Conventions, Joseph F. Clarke, "Paper on Taxation Read at the Union of Canadian Municipalities Held at Windsor, Ontario, August, 1912".

¹⁰ Edmund H. Dale, "Decision-making at Edmonton, Alberta, 1913-1945: Town Planning Without a Plan", Plan Canada, II, 2, 1971.

involved the setting aside of parkland in suburban surveys. The city requested developers to turn over an area equal to five per cent of the whole survey and to make another five per cent available at cost.¹¹ The formula delighted many developers who gladly participated because, as one civic official admitted, a city park in a survey "makes their land double in price".¹² In any event, the collapse in the real estate boom meant the end of the ambition to establish an extensive park system.

Public ownership similarly expressed aspects of a business strategy rather than purely a social vision. The takeover of the private electrical company and a civic sponsored engineering expedition to evaluate hydro-electric potential along the Athabaska River complimented Edmonton's booster ambitions.¹³ The city's rather cautious private company had not expanded its small operation; failing vigorous free enterprise, Council turned of necessity to public ownership. As for the civic streetcar system, its proponents considered it complementary to real estate promotion. In at least one instance the confluence of private and public interest had very shady origins. Ex-Mayor William Short, a "progressive" leader, lobbied for an extension to the system. His effort was rewarded and a line proceeded in the direction which he favoured. Later it was revealed that Short had signed an agreement to sell a large tract of his own land in the vicinity of the new line to a real estate developer. The consummation

¹¹Edmonton City Archives, City of Edmonton Annual Financial Report. . . Year Ending October 31, 1912, p. 176.

¹²City Clerk's Office, Edmonton City Records, Special Committees File for 1912, Committee Report Re: Riverdrive, December, 1911.

¹³For some insight into the casual management of the private company and the poor condition of its physical plant, see Edmonton City Archives, Edmonton Electric Light and Power Company, Minute Book, 1900-1902. The exploration for hydro-power is presented in City Clerk's Office, Edmonton City Records, Commissioners Report number 206, December 20, 1910: "Report of Investigation of Hydro-Electric Power Development Projected on the Athabaska River by John S. Fielding of Toronto".

of the transfer had depended upon Short's securing the streetcar connection.¹⁴ The speculative expansion of the public owned streetcar line meant that by 1914 only two western cities, Denver and Los Angeles, had more miles of track per 10,000 inhabitants.¹⁵

Public ownership had behind it the claim that it would introduce a higher moral tone into civic politics and provide superior public service. Neither claim stood the test of experience in early Edmonton; the streetcar department served realty interests and the telephone department functioned like any private utility company. Discovering that the line to Fort Saskatchewan had "proved an unprofitable investment" and that high spring winds in 1907 had pulled down parts of the system, the telephone department stiffened its resolve to resist Fort Saskatchewan's request for lower rates. To bring the community to its knees and keep the operation close to the black ink, an official of Edmonton Telephone closed down the local switchboard and permitted only emergency calls and, of course, "communication from the officials of the Municipality of Fort Saskatchewan to the Commissioners of this City". A petty exercise of metropolitan domination, the shut-down eventually forced the provincial government into operating the line. The episode suggests that when another community had drained Edmonton resources, public ownership functioned with a concern for the bottom line on the balance sheet. That concern was not typical; the streetcar system ran deficits through most of its history, though the reduced auto traffic of the Second World War period brought a respite.¹⁶ After a very shaky start, the

¹⁴Edmonton City Archives, Clipping File on the Highlands Subdivision, Daily Capital, September 6, 1911.

¹⁵Edmonton City Archives, Official Gazette, April 2, 1914, p. 40a.

¹⁶For the events of the telephone episode see City Clerk's Office, Edmonton City Records, Commissioners' Report 20, January 31, 1902; Commissioners' Report 78, Re: Long-distance telephone line to Leduc, May 21, 1907. For reports on the problems of the streetcar department see Edmonton City Archives, "Report of MacIntosh and Hyde, Special Auditors", Official Gazette, April 9, 1914, p. 61; "Street Railway

power plant eventually provided revenue, though precise appraisal is complicated by its having been protected from civic taxes.¹⁷ Edmonton Council also rushed into arrangements which rewarded a few insiders at civic expense. One case illustrates the genre. The business partner of an Alderman purchased a parcel of land for \$1,500.00. Three months later, with the Alderman's intercession, the city bought the land and provided the vendor with an \$11,000 profit. It is a comment on the freewheeling atmosphere at City Hall that a civic investigation of this case concluded that the episode was unfortunate because it might "give rise to suspicions".¹⁸

The financial crisis which began in 1913 and remained acute in the early twenties did not stem from civic waste and hasty exercises in public ownership. The rush to flesh out urban services and the costs of graft would not have toppled Edmonton financially without the insidious real estate and construction collapse that began in the fall of 1913 and mounted in severity during the winter and spring of 1914. It was an international phenomenon, the result of tightening credit due to the Balkan wars and fears of a general European conflict. Without the crisis, the rash, abused and occasionally unprincipled momentum in Edmonton's civic life might have bounced along over some moderate peaks and troughs. But when the boom went bust over-extension and conflicts of interest did accentuate fiscal problems. The city's reputation became a negligible commodity in the all important estimation of the financial institutions which marketed its bonds.

Deficit and Future Policy", Official Gazette, April 30, 1914, p. 110; Clippings' file on "History of Utilities". City Clerk's Office, Edmonton City Records, Commissioners' Report 16, August 19, 1921.

¹⁷ City Clerk's Office, Edmonton City Records, Commissioners' Report 32, July 10, 1922.

¹⁸ City Clerk's Office, Edmonton City Records, Copy of Minutes of Meeting of Legislative Committee and Alderman May concerning Elizabeth and Clarke Street Land Purchases, May 15, 1912. Also see Joseph Clarke's letter of resignation as Chairman of the Legislative Committee, Special Committees, Legislature, 1912.

To appreciate more fully Edmonton's fiscal difficulties, consider the bleeding of the Sinking Fund. Few people understood civic finance and certainly the booster press seldom paused to make editorial comment on such arcane subjects as Debentures and Sinking Funds although they were essential to Edmonton's flurry of utility acquisitions and the future fiscal outlook. A municipal Sinking Fund consists of money set aside from annual revenue and invested so that it will help to retire city bonds. Far too great a portion of Edmonton's Sinking Fund had found its way into mortgages for reasons that had little to do with their intrinsic merit as investments. Indeed, accountants warned against the practice. Some funds financed local office buildings, the argument being that the city should invest in its own growth. This same civic strategy had been employed in eastern Canada in the mid-nineteenth century by municipalities seeking railways. A more acceptable practice would have been for Edmonton to have invested in the bonds of other municipalities; these entailed far less risk than mortgages. Of course, one reason why Sinking Fund mortgages caused auditors to furrow their brows was that they encouraged conflicts of interest. A City of Edmonton Commissioner recommended a \$25,000 loan to the Great North West Land Company; two relatives were senior company officers and he was the company secretary.¹⁹ In 1913, 80 per cent of the Sinking Fund was invested in first mortgages. By 1919, twelve of nineteen mortgages in the Sinking Fund portfolio had fallen into arrears.²⁰

When the collapse persisted through the war years, land

¹⁹City Clerk's Office, Edmonton City Records, Commissioners' File, Commissioners' Report 103. File includes letter from John Kelly to Commissioners, August 9, 1909. Kelly's letterhead listed offices of the North West Land Company.

²⁰Edmonton City Archives, City of Edmonton Annual Financial and Departmental Report for Fourteen Months Ended December 31st, 1913, pp. 24-25; "Report of MacIntosh and Hyde, Special Auditors", Official Gazette, April 9, 1914, p. 56c; City of Edmonton Financial Statements Auditor's Report for Year Ending 31st December, 1919, pp. 3-4.

developers and speculators had to choose whether to hold on and wait for better times or concede their losses and run. Tax arrears forced the issue and as a consequence the city became a reluctant landowner, acquiring property that could not be unloaded at tax sales. The matter constituted a serious form of fiscal self-destruction for Edmonton could not tax itself. As a revenue expedient in 1918, 1919 and 1920 Edmonton had to levy a civic income tax.²¹ Meanwhile, there remained the problem of what to do with the 44,348 lots or parcels of land which became city property between 1918 and 1921.²² Ambitious suggestions for parks and playgrounds came to naught since the city could neither afford the up-keep nor ignore the loss of revenue implied by idle land.²³ Consequently, Edmonton established a remarkably active land department entrusted with the chore of squeezing funds from vacant tracts. This it did by trading lots and taking the difference in value by cash payment; it also leased land. A few suburbs literally became cow pastures as farmers took out agricultural leases. "We have", lamented the Medical Health Officer in 1927, "a particularly large number of private cows scattered from one end of the City to the other." At least 140 individuals produced milk within the city limits while an Edmonton Horticultural and Vacant Lots Garden Association flourished after the war.²⁴

²¹City Clerk's Office, Edmonton City Records, Commissioners' Report 4 to Council, Suggested Sources of Additional Civic Supplementary Revenue, January 11, 1926.

²²City Clerk's Office, Edmonton City Records, Sam B. Ferris, Superintendent, Land Department, Report to City Commissioners, February 6, 1924.

²³City Clerk's Office, Edmonton City Records, Finance Committee, Report on Recreation Grounds for Community Leagues, October 8, 1923.

²⁴For a statement of the functions of the Land Department see City Clerk's Office, Edmonton City Records, Procedure and Regulations Adopted by Council, May 10, 1921, and Subsequent Amendments to be Followed by the Land Department in Respect to the Sale, Exchange or Leasing of City Properties, Particularly Properties Acquired as a Result of Tax Sales. For the agricultural use of suburban plots see Edmonton Horticultural and Vacant Lots Garden Association to Mayor and

The lease of further land for shack dwellings provided revenue, administrative headaches and a measure of embarrassment. In performing their duties health officials would demand prosecution of landlords for health By-law violations only to discover that the city stood guilty as a negligent landlord. The city could ill afford to improve the property; the bond houses, horrified by Edmonton's huge debt and collapsing revenue base, now issued mandatory austerity orders. Therefore, as late as 1928, Edmonton owned 40 to 50 shacks with no services. To complicate matters the land department operated with a degree of realism and compassion. The superintendent recognized "that the financial circumstances of the majority of the owners are such that they cannot afford better living quarters".²⁵ Hence, he resisted the demands of sanitary reformers and "the better class residents in modern houses (who) are demanding that some action be taken to clear the neighbourhood of this undesirable class of dwelling with the objectionable outhouses".²⁶ Aside from illustrating the complexity of the land-revenue and dwelling problems of a depressed city, the exchange of correspondence offers a glimpse into the pressure of health and class which had been forcing segregated land-use in cities across North America.²⁷

Credit and revenue problems brought retrenchment in services.

Commissioners, November 4, 1924 enclosed in report of Finance Committee to Council, November 26, 1924; Edmonton City Archives, Box of Commissioners' Correspondence, Health Department, 1926-27, H. C. Graham to Dr. T. H. Whitelaw, April 11, 1927.

²⁵ Edmonton City Archives, Commissioners' Correspondence, Town Planning, 1927-30, Superintendent, Land Department, to David Mitchell, City Commissioner, December 12, 1927.

²⁶ Edmonton City Archives, Commissioners' Correspondence, Health Department, 1928-30, Dr. T. H. Whitelaw to City Commissioners, June 13, 1928.

²⁷ Peter G. Goheen, Victorian Toronto, 1850 to 1900: Pattern and Process of Growth (University of Chicago, Department of Geography Research Paper No. 127, 1970), 220; J. Weaver and Martin Lawlor, "The Making of a Suburb: Westdale, Hamilton, 1910-1950", Paper presented to Ontario Association of Historical Geographers, October 23, 1976.

No additions were made to the tram lines until 1927.²⁸ The power plant was leased to a private company from July 1916 to September 1919.²⁹ The police department budget was trimmed from \$199,146.36 in 1914 to \$99,569.60 in 1918; manpower plummeted from 134 to 58 largely by failing to replace those who had enlisted for military service.³⁰ Possibly one wartime measure assisted this reduction. The 1916 Prohibition Act was credited with a reduction in arrests for drunk and disorderly behavior.³¹ Whether this drop in arrests merely reflected attrition in police manpower, the decline in the population, the enlistment of single males, or a combination of all would be an interesting matter to pursue in view of the partisan use of such statistics in the debate over the efficacy of efforts to banish drink.³² Other economy measures included the withholding of a portion of civic wages in 1914 and the breaking of contracts for sewer construction. According to a 1921 Health Department report, the trimming of street scavenging appropriations put that service below a level necessary "if the City is to be kept in a clean and tidy condition".³³

Unemployment relief became a crushing burden forcing a succession of stop-gap measures as unemployed railway construction

²⁸Edmonton City Archives, Clippings file, "History of Utilities", Edmonton's Municipal Utilities, 1928, p. 23.

²⁹"History of Utilities", Clipping, Bulletin, October 2, 1954; Edmonton's Municipal Utilities, 1928, p. 12.

³⁰City Clerk's Office, Edmonton City Records, Special Committee Reports, Safety and Health, Board of Police Commissioners to Mayor and Aldermen, November 26, 1918.

³¹Loc. cit.

³²See for example the seminal article by John H. Thompson, "'The Beginning of Our Regeneration': The Great War and Western Canadian Reform Movements", Canadian Historical Association, Historical Papers, 1972, pp. 236-7.

³³City Clerk's Office, Edmonton City Records, Commissioners' Report 14, July 25, 1921, p. 4.

crews drifted into Edmonton swelling the ranks of the city's own jobless. One expedient, long practiced by nations and cities alike, involved pushing the problem into another jurisdiction. Edmonton, along with other western municipalities, granted a subsidy to the C.P.R. to carry the unemployed out to prairie towns to help with the summer harvest. Some 926 hands left Edmonton under this programme in August, 1913.³⁴ Having once advertised its great opportunities in good times and having been eager to acquire a reservoir of cheap labour in the boom years, Edmonton suddenly had to draw in its welcome mat. The city officials hoped that the harvest crews would drift somewhere else in the autumn. There was compassion, however, and a sober realization that Edmonton faced the danger of disorder if positive measures were not taken. After a march of 1,000 cold and hungry men toward Christmas of 1913, the city found meals and beds for 330; relief work was secured for a few months and a fortunate number were taken on for a 3 1/2 hour day at 30¢ per hour.³⁵ In the economic dislocation of the immediate post-war years, unemployment persisted. Only for a short time could the city provide relief and operate shelters like the "Petrograd Hotel" which it leased for destitute men.³⁶ Appeals for Federal and Provincial aid met with initial resistance, but by 1927 cost sharing formulas had been arranged.³⁷

The hagiography of Edmonton presents the City Fathers as colourful characters or sages; such is the nature of traditional urban

³⁴City Clerk's Office, Commissioners' Monthly Report 11, September 23, 1913.

³⁵Edmonton City Archives, "Delegation from Welfare League re Unemployment", Official Gazette, May 14, 1914, p. 135; City of Edmonton Annual Financial and Departmental Report for Fourteen Months Ended December 31st, 1913, p. 262.

³⁶City Clerk's Office, City of Edmonton Records, Commissioners' Report 32, July 7, 1922.

³⁷City Clerk's Office, City of Edmonton Records, Commissioners' Report I, 1926-27, December 17, 1926.

biography.³⁸ In fact, from the passage of its charter to the end of the boom, civic leadership had a strong huckster element that in attention to detail did not build all that well. However, in the ironic sense, "they built better than they knew". Public utilities became truly public-oriented services and even today some of the city's land has been serviced to provide low cost lots in an attempt to force down housing costs. American investment and fossil fuel exploration cast a forgiving prosperity on Edmonton's reckless past.

³⁸J. G. MacGregor, Edmonton, A History (Edmonton: Hurtig, 1967); A. W. "Tony" Cashman, The Edmonton Story (Edmonton: The Institute of Applied Art, Ltd., 1956).

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RESEARCH NOTE

City administrators have taken a very practical approach to preserving Edmonton's records, though it is an approach which until now has hidden the location of the Commission and Committee Reports from 1904 to 1927. Reasoning that the most recent records should be microfilmed first as they would receive the most use, the city began to reproduce its files in the early 1960's and later to transfer the originals to the City Archives and Museum. At some point, as an economy measure, microfilming stopped and with it the transfer of records. Thus, I found in the summer of 1976 that the Edmonton City Archives only had files from the mid-twenties to the late-sixties, as well as a few clipping collections and printed reports for the early period. A visit to the City Hall and a meeting with the Secretary of the Board of Commissioners, Mr. L. B. Nicholson, and the City Clerk, Mr. C. McGonigle, disclosed the location of the earlier files in the city vault. I sincerely appreciate their granting of permission to examine these records and the generous provision of research space.