

mills sent forth a grand chorus of salutations to the beautiful ship.

The *Manitoba* received tremendous praise but at least one man felt it had gone all too far when an article appeared in the *Toronto Empire* (22 July 1889). The article claimed that the *Manitoba* could not be excelled by any ship anywhere, even in the "old country". This prompted Donald Currie of Owen Sound, to write an acrid letter to William Cornelius Van Horne (C.P.R.'s assistant President) who claimed that the ship was full of loose rivets and putty and that Polsons superintendent, Edmund Trist, was manufacturing propaganda about the new steamer. In response, Henry Beatty wrote to Van Horne in a rare show of support for the Polsons, defending the *Manitoba* and laying the matter to rest when he said, *we have in the Manitoba the best constructed boat on the lakes not excepting the Alberta and the Athabasca at a less cost by tens of thousands of dollars than she is worth or could be replaced for.*¹⁶

The kindness demonstrated by Beatty toward the Polsons was brief. The relationship between them became increasingly strained as the work on the *Manitoba* progressed. Beatty did all he could to hold back payment, forcing the Polsons to perform alterations and other work. When this tactic no longer worked, Beatty had the work done by Wm. Kennedy & Sons or Simpson (local enterprises at Owen Sound) and charged the Polsons for the work. The final account was not settled until December 1890. Perhaps one of the most telling letters is the one F.B. Polson wrote to Van Horne (by then President of the C.P.R.).

We are bringing to a conclusion a large and novel undertaking for this country, in the steamship we have built for your company, we have accomplished it in the face of a great many difficulties. It is scarcely more than a year since we closed our contract with you and took possession of a field at Owen Sound. Since then we have erected substantial buildings and equipped with modern machinery a first class steel and iron ship-building establishment with launching basin and pier. As a preliminary to carrying out our contract, we had to import our material from Scotland as well as a good many of our workman. We have had many drawbacks, but we are assured by competent judges that we have turned out the finest piece of marine architecture on the lakes.

Indeed the *Manitoba* was a superior ship, however, it had come at a cost to the company.

The Polsons had lost some \$40,000 on the contract even though Van Horne decided not to use the penalty clause in the contract against the Polsons for the late delivery.¹⁷

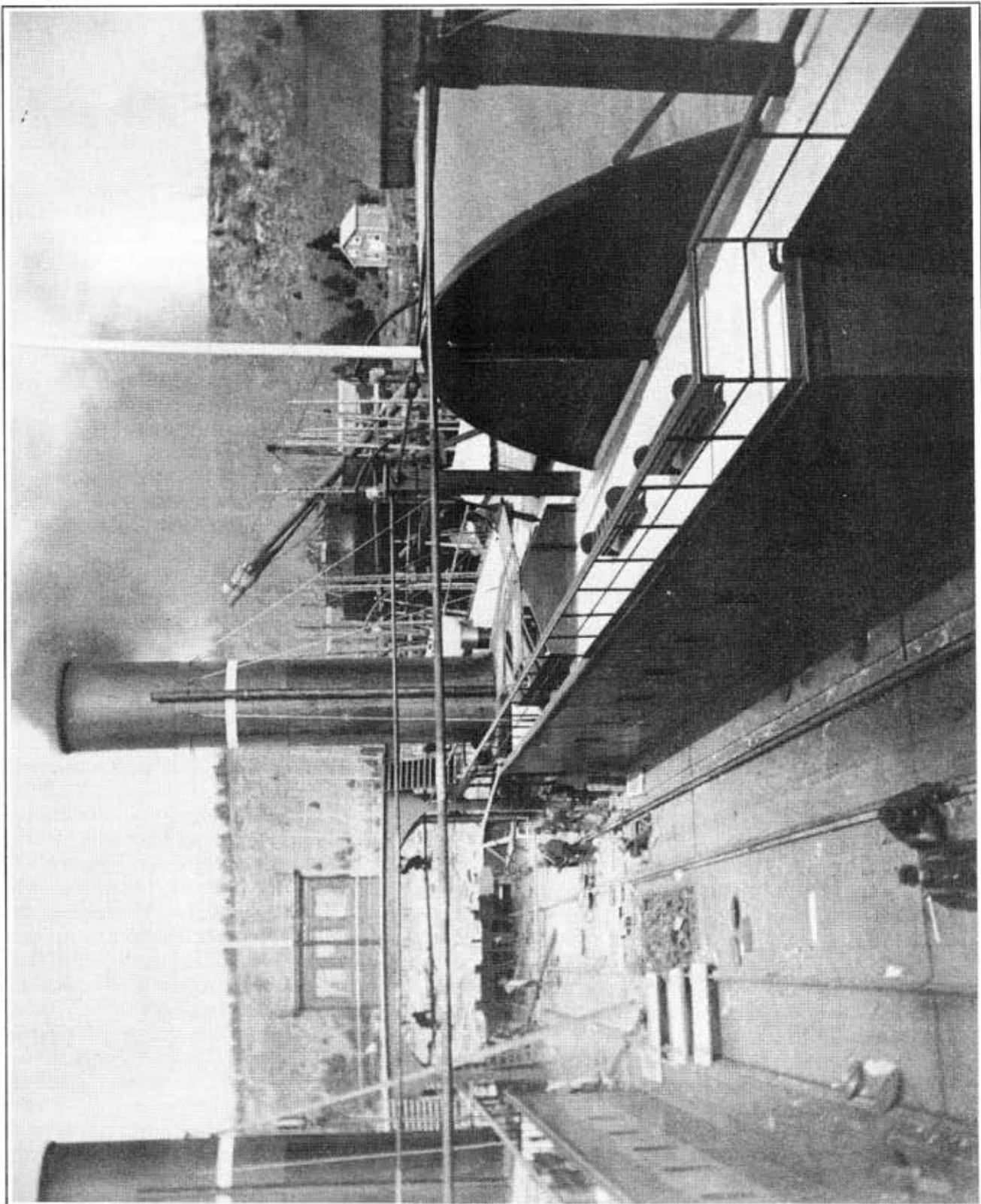
The Building of the *Ontario*

As early as 1888 the idea of using a rail car ferry between Windsor and Detroit was being discussed at the C.P.R. By January of 1889 several shipbuilders (three American firms and the Polsons) were asked to estimate the cost of building a steel rail car ferry. Negotiations with the Polsons began the following month as they had the lowest bid. According to Henry Beatty, Polson became concerned he would lose the contract and so accepted the price put forward by Van Horne. Polson requested that Van Horne promise to give them preference for the building of a second rail ferry, and that Van Horne lend assistance in convincing the government to waive duty on imported material with which to build the new vessel.¹⁸

The contract price of \$232,000 was announced 7 February 1889. According to Henry Beatty, Polsons' price was \$43,000 under any of the other bids, further more Beatty also predicted the Polsons would make no profit unless the government made concessions in the form of reduced duty on imported material.¹⁹

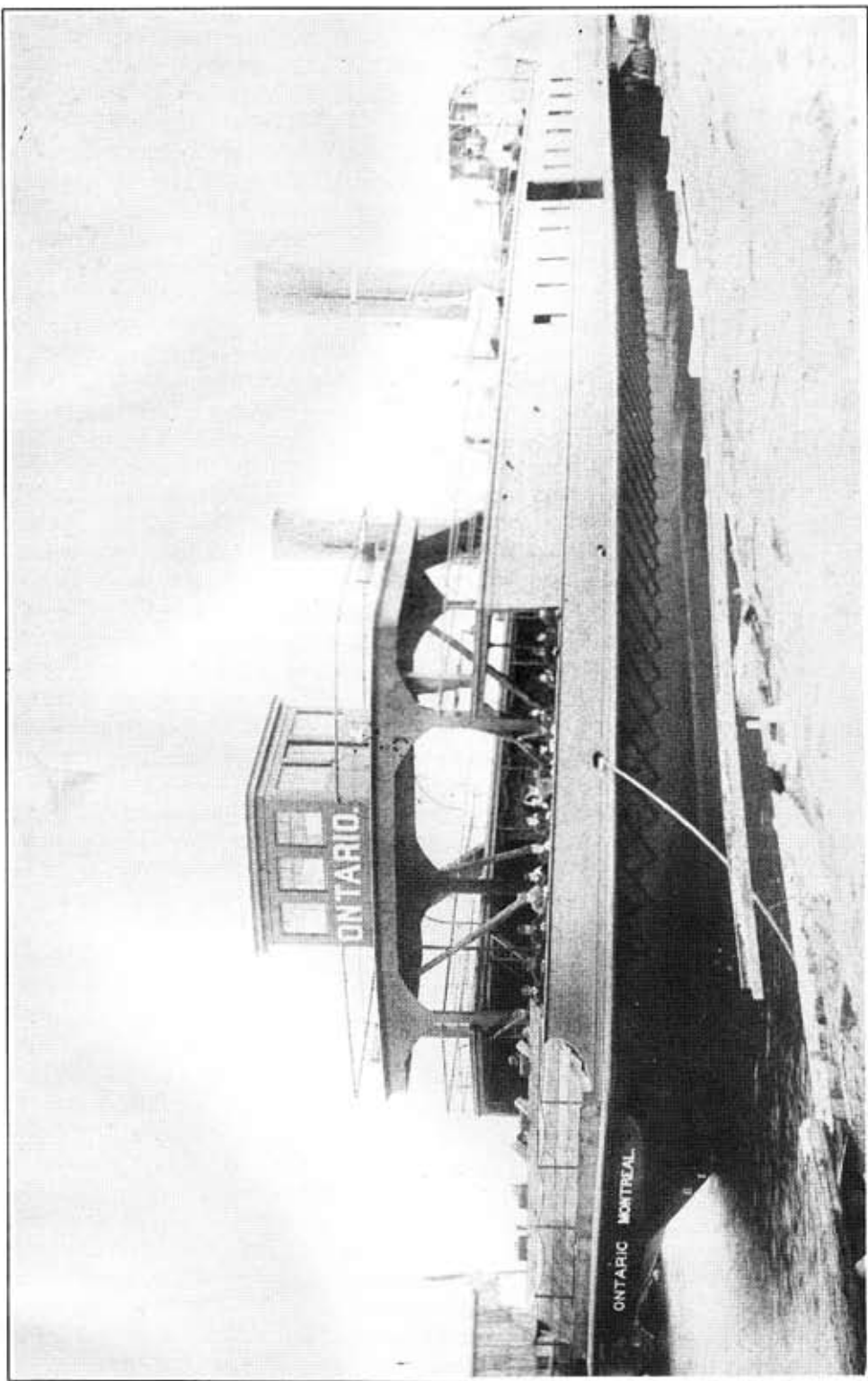
The new steel rail car ferry was to be called the *Ontario* and would be the first of her kind to be built in Canada. She would be 297 ft. in length and 71 ft. in width to accommodate her large paddle wheels. Each paddle wheel weighed 50 tons, being sheathed in steel to allow her to be used in the winter months. The order for 1200 tons of steel to be used in the construction of the *Ontario* took seven months to be filled. It is believed that Edmund Trist was both the architect and superintendent.²⁰ The *Ontario* had two tracks for a total capacity of 16 standard-sized rail cars. Four boilers combined with two single cylinder engines each with a diameter of 50 inches and a stroke of 114 inches, a total of 3,000 horsepower!

The *Ontario* was built on a time contract, so speed was of the essence. A new agent, Rice, Lewis & Son of Toronto, was used to import the steel. This would once again come from Scotland as the quantity and size was not made in Canada. Construction started immediately and the plating was well forward when the rivetters

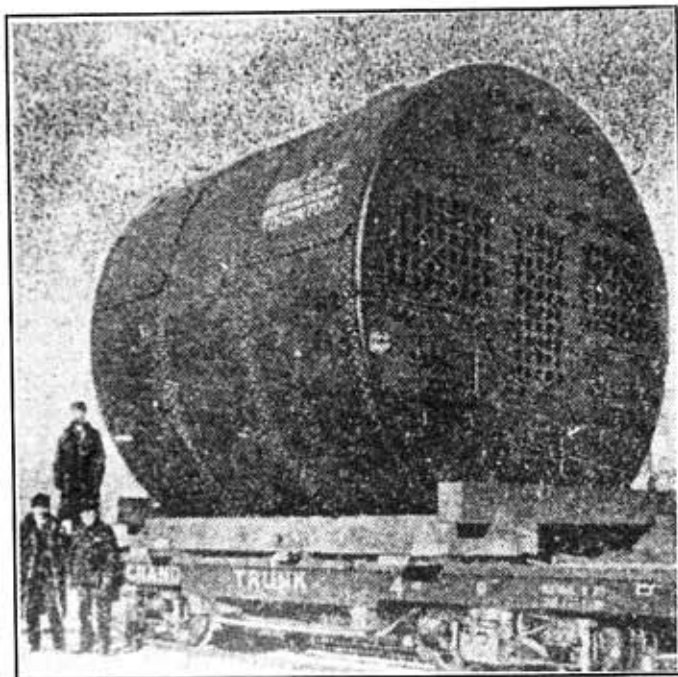


On board the *Ontario*. The escarpment can be seen in the background. Also the stern of the *Seguin* is visible to the right of *Ontario's* funnel. The details are being finished up before her trail run 16 May 1890.

Photograph courtesy NAC PA 135426.



The *Ontario* at the Polson slip in Owen Sound. Note the paddle wheel just visible.
Photograph courtesy of the Ontario Archives, AO 2739.



One of four boilers for the *Ontario* circa January 1890. This is one of the largest boilers that had been made in Canada and thought to be the largest that had been carried by rail anywhere. The location is the Grand Trunk rail yard in Owen Sound.

Photo credit: The Globe, Toronto.

went out on strike on 19 September 1889. The rivetters worked as a gang of four, two rivetters, a holder-on and a rivet-boy. They were paid \$3.00 per one hundred rivets (typically 400 rivets could be installed per day). The rivetters were demanding \$4.50 per one hundred rivets.²¹ By mid October the Polsons had reconciled their differences with the rivetters. They had not been back to work for a month when bad news hit the Polsons again. This time a court order forced them into liquidation.²² A liquidator, E.R.C. Clarkson, was appointed to oversee the completion of contracts that the Polsons were under obligation to finish.

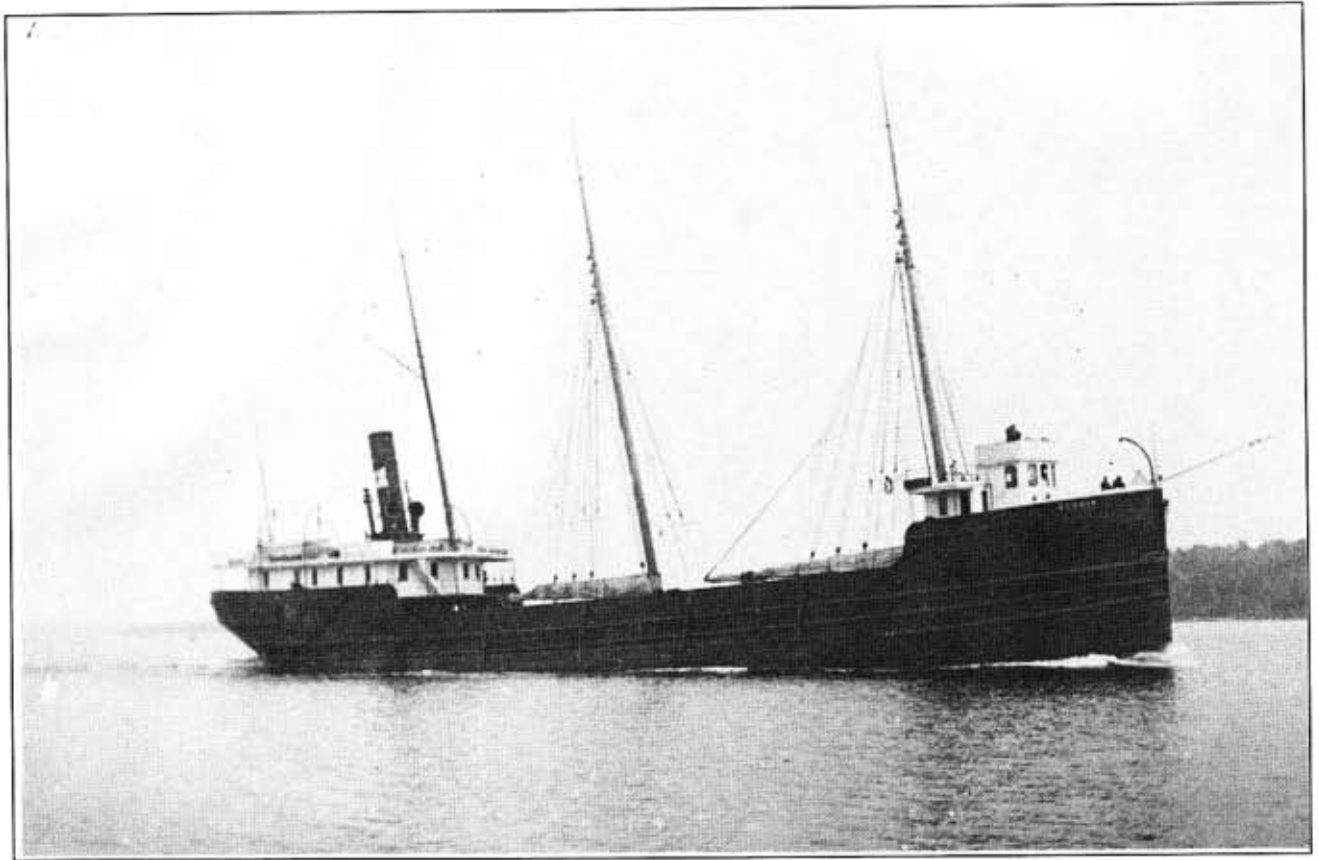
Polsons failure was probably brought on by a cash-flow problem. The fortnightly wages at Owen Sound were between \$4,000 and \$5,000 while the Toronto shipyard wages were half that much again.²³ There is no doubt that the company had simply assumed more work than their means would permit, considering the capital stock of the company was only \$100,000. The cash flow problem would have been exaggerated because of the enormous financial burden of building and equipping the Owen Sound

shipyard. That cost was just under \$60,000.²⁴ Adding to this the cost of material for the *Ontario*, the wages and the unpaid moneys for the *Manitoba*, it is no wonder that the Polsons encountered a cash flow crisis. The timing of all this trouble could not have been worse as the contract for the second C.P.R. rail car ferry had just opened for bidding. The C.P.R. now had an excuse for not giving the contract to the Polsons: however, it was lost because of protectionist measures by the United States Customs Authorities, which would not permit a Canadian ferry to carry U. S. goods.²⁵ This would necessitate that the new ferry be built and registered in the United States.

The Polsons were restructuring as fast as was possible. A company prospectus was written, new shareholders and directors were recruited. The town of Owen Sound was approached for a loan of \$50,000. Polson's suppliers and directors wrote to Shaughnessy and Van Horne pleading for the new ferry contract.²⁶ Polson even vowed to buy American steel (because it could be delivered sooner) if it would save the contract, but to no avail, the contract was awarded to F.W. Wheeler of Bay City, Michigan. This was a serious blow to the Polsons.

Arthur B. Lee was the president of Rice, Lewis & Son and was also a newly appointed director for the Polson Iron Works under the restructuring. Rice, Lewis & Son had a vested interest in Polson now that they had already loaned the company \$9,832.29.²⁷ They also had the largest direct unsecured liability in the material that they had supplied for the *Ontario* (\$19,234.10 as of 18 November 1889).²⁸ Since the restructuring of Polson Iron Works, a number of influential material suppliers had either gained control through the purchase of shares or in the case of Arthur B. Lee and James Worthington of Ontario Bolt Works had assumed the role of director.²⁹ Other Toronto based suppliers, such as James Morrison (Brass founder), James Robertson & Co. (Hardware), Treloar & Blashford (Iron Founders) and Coulter & Campbell (Copper-smiths) now had a foothold in the company. With all the new shareholders the capital stock of the company was \$261,000 by the end of 1889.³⁰

On 19 December 1889 the *Ontario* was launched. The completion date was officially pushed forward from 1 October 1889, to 1 March 1890 despite objections from Henry Beatty. The



The *Seguin*.

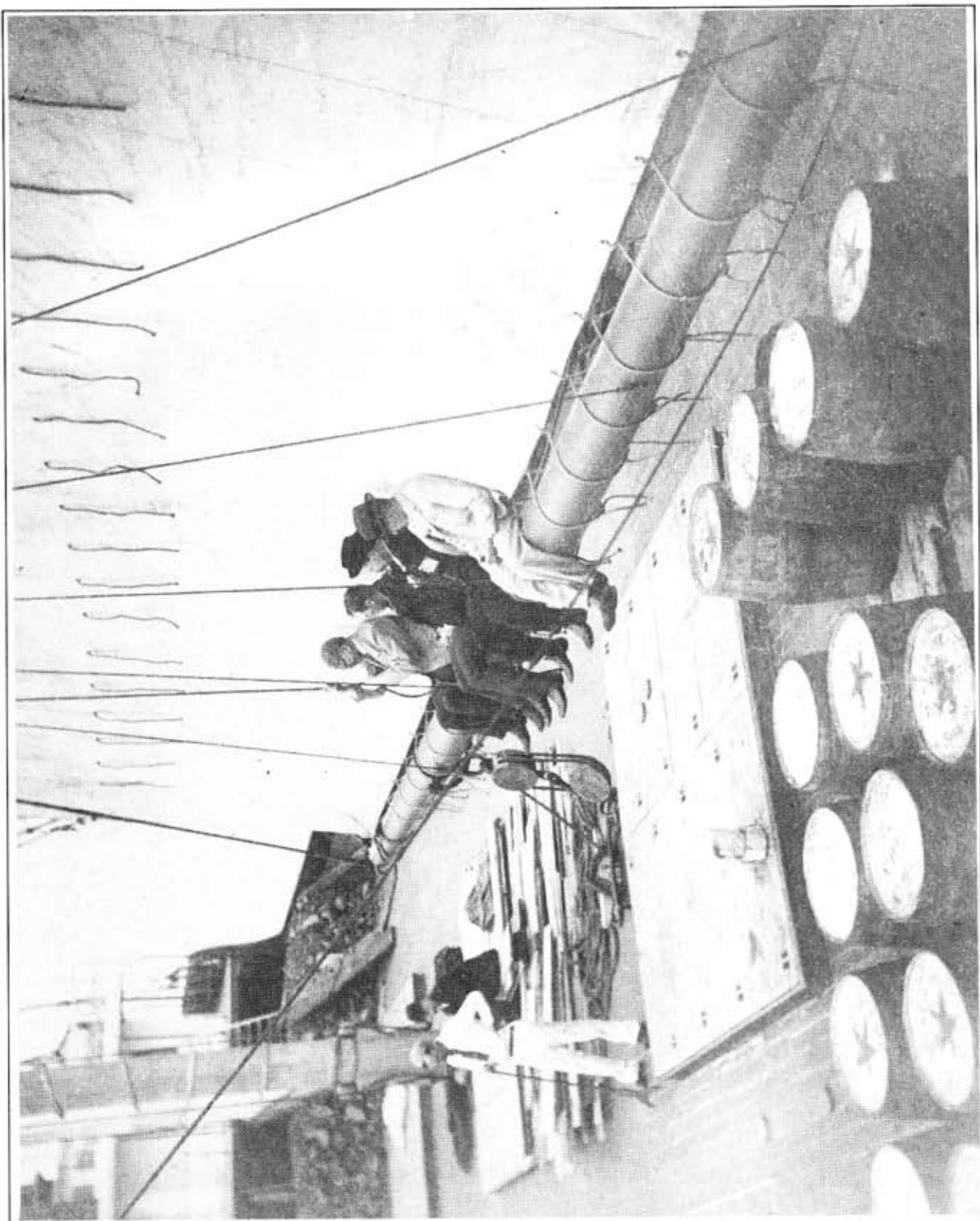
Photograph courtesy of the NAC, PA 139102

last of the four boilers was shipped from Toronto on 27 January. The boilers were unique in that they were the largest that had been made in Canada. Each was 13 ft 3 inches in diameter, 14 ft. long and weighed 37 tons. The boiler plate was 11/16 inches in thickness and had to be especially rolled in Scotland. A new Tweddell hydraulic rivetter had to be installed for this work.³¹

Some men had been laid off on account of there not being enough money to meet the Owen Sound payroll. Clarkson, the liquidator wrote to Henry Beatty requesting more money, but Beatty insisted on holding back. Work pressed on sometimes with double work gangs and the novelty of electric lights for the night shift. March arrived but the *Ontario* was still not ready. Once again Van Horne did not apply the penalty. It was not until 16 May 1890 that the

Ontario was given her trial run. For the most part, the *Ontario* was to the satisfaction of all; however, Beatty continued to press the Polsons for alterations well into the following year.

The worst of it was behind the Polsons now, with the additional stock that had been raised and the addition of Senator W.E. Sanford to the Board of Directors, the outlook was quickly improving. Sanford was well connected both politically and in business circles and he had taken a keen interest in Edmund Trist. Sanford had Trist design him a magnificent yacht, *Naiad*, and build it at Owen Sound.³² As an avid yachtsman Sanford seized the opportunity to have a yacht built by a renowned naval architect,³³ and use his shares in the company as 'collateral for the construction of the *Naiad*. If the company failed he could claim the yacht. Indeed the Polsons' position had greatly improved;



Leisure time on-board the *Sequin*, a steamship that used sail - a photograph rich in detail. *
Photograph courtesy of the NAC, PA 139104.

application to the county judge had been placed to remove the order for liquidation and debts had been paid off.³⁴

The Building of the *Seguin*

The contract for the *Seguin* actually predates the *Ontario*. The details of this were announced 18 December 1888; however, it would not be until April 1889 that the keel was laid.³⁵ Both ships were built at the same time, but because the *Ontario* was a "time contract", the emphasis was placed on her. The *Seguin* was of steel construction and was 215 ft. in length with a 34 ft. beam and 13 ft. hold. She used a triple expansion engine with cylinders 17, 28 and 46 inches in diameter and a 30-inch stroke. Two high-pressure boilers 10 1/2 ft. diameter by 10 ft. in length produced steam at 160 psi. The horse power was estimated at 800.³⁶ Although the *Seguin* was intended for the lumber trade, she contained 25 staterooms all finished in cherry and curled maple. The furniture was especially designed and built by G.A. Ross. The ship was illuminated throughout with the "Ball system" of electric lighting.³⁷

The *Seguin* was built for the Parry Sound Transportation Company at an estimated cost of \$100,000. It is worth noting that this company was owned by the Parry Sound Lumber Company whose president, John Bellamy Miller, was also director and second largest shareholder in the Polson Iron Works. The *Seguin* was launched 16 July 1890. The honour of christening the vessel was conferred upon Miss Gracie Polson, daughter of F.B. Polson, and Master John Clauson Miller, son of J.B. Miller.

Notes

1. *The Scanner*, Toronto Marine Historical Society, ship of the month No. 12, vol III, No. 3, December 1970. The *Cibola* was built at the Rathbun shipyard, Deseronto, Ont., and launched November 1887, like the *Manitoba* she was built with imported Scotch steel. The difference between the two ships is that the *Cibola* was a "re-erection", that is she was designed and built elsewhere. She was simply re-assembled once she reached Deseronto.

2. *The Monetary Times*, 8 June 1888, Pg.1513. C.P.R. Archives, RG-I, Van Horne correspondence, Indenture, Polson & C.P.R. 4 June 1888.

3. The C.P.R. salvaged as much as it could from the *Algoma*, this included at least one engine and two boilers, anchors and chain and other hardware. This was purchased from the underwriter for 500 pounds Sterling.

4. *The Toronto Empire*, 5 June 1888, this is probably not true. In a letter to Van Horne (2 August 1889) Beatty states that the *Manitoba* cost less by tens of thousands than the *Alberta* or *Athabasca*. C.P.R. Archives, RG-1 Van Horne Correspondence, The *Athabasca* and *Algoma* were built by Aitken & Mansell, the *Alberta* by connell & Co. The contract price was 100,000 pounds Sterling. This price was only for the hull and engines with no carpenter or joiner work. The exchange rate was \$4.866 to the pound Sterling.

5. The C.P.R. had control of the Toronto Grey & Bruce Railway which ran from Toronto to Owen Sound.

6. *Owen Sound Advertiser*, 14 June 1888.

7. C.P.R. Archives, RG-I Van Horne correspondence, Indenture, Polson & C.P.R. 4 June 1888.

8. *The Toronto Empire*, 22 November 1888.

9. *Owen Sound Advertiser*, 19 July 1888. C.P.R. Archives, RG-I Van Horne Correspondance, Polson Iron Works Prospectus, *The Toronto Empire*, 22 November 1888. The actual number of men employed would have closer to 320

10. C.P.R. Archives, RG-2, Shaughnessy correspondence, 31 October 1888.

11. C.P.R. Archives, RG-2, Shaughnessy correspondence, Beatty to Shaughnessy, 23 October 1888.

12. *Owen Sound Advertiser*, 30 August 1888.

13. *Owen Sound Times*, 31 January 1889, by-law #495.

14. *Owen Sound Times*, 17 January 1889.

15. *Owen Sound Advertiser*, 9 May 1889, A special car had been arranged for the guests for the launch, some of those who attended and may be visible in the Ontario Archives photograph S15975. This includes: Henry Beatty, Miss & Mrs. Beatty, Miss & Mrs. Jeffrey, Miss & Mr. Polson, Mr. Tait, J.W. Sutherland, Mr. Williams, Mr. Conway and representatives of the Toronto press.

16. C.P.R. Archives, RG-I, Van Horne correspondence, Beatty to Van Horne, 2 August 1889.

17. C.P.R. Archives, RG-1, Van Horne Correspondence, F.B. Polson to Van Horne, July 1889.

18. C.P.R. Archives RG-1 22737. Beatty to Van Horne, 4 February 1889. *Owen Sound Advertiser*, 13 March 1890. The C.P.R. actually came through for the Polsons in this case. A delegation consisting of several gentlemen including F.B. Polson and Donald Smith went to Ottawa to speak to the ministers of Finance and Customs. Polson claimed that his company had spent some \$10,000 in duties on material that had been imported for the *Manitoba* and the *Ontario* and that iron and steel vessels built in the old country were currently able to register in Canada without paying duty. Donald Smith testified as to the quality of the Polsons' work on the *Manitoba* and that Van Horne had

told him that the *Manitoba* was superior to the Clyde-built vessels owned by the C.P.R.

19. C.P.R. Archives RG-I 22737, Beatty to Van Horne, 4 July 1889.

20. *Owen Sound Times*, 26 December 1889. It has been suggested that Robert Logan was the architect of the *Ontario*, this probably incorrect. He did work as an architect for the Polsons at a later date. Robert Logan was the inspector on the *Ontario* for the C.P.R.

21. *Owen Sound Times*, 26 September 1889. Another article from the *Owen Sound Advertiser* says the strike was ended 17 October 1889 and that the rivetters were to get \$2.00 a day and their attendants \$1.25 a day.

22. The court order was under Judge J.E. McDougall.

23. *Owen Sound Advertiser*, 9 May 1889. It is very possible that the bi-weekly wages at Owen Sound were even higher depending, of course on the number of men employed at any given time period. For example, at the time of the liquidation Clarkson's report on the "Statement of Affairs" records the wages paid at Owen Sound to be \$5,700.00 and wages paid at Toronto to be \$2,219.53. (probably bi-weekly from what I can deduct from the correspondance between Beatty and Shaughnessy).

24. Ernst & Young Archives, Statement of Affairs, E.R.C. Clarkson, 18 November 1889. The breakdown on the cost to equip the shipyard is as follows: cost of the buildings \$13,250.00, machine shop \$23,804.70, furnace shop \$6,316.29, office buildings \$9,615.17, punch and shear shop \$2,463.11, oakum shop \$1,569.40, dry kiln \$620.50, sand pump shop \$1,000.00.

25. C.P.R. Archives RG-1 Van Horne correspondence, Beatty to Van Horne, 18 January 1889.

26. Potential shareholders like Osler and Matthews wrote to Van Horne and Shaughnessy before they bought stock to inquire who would get the new contract. Matthews bought stock anyway.

27. Ernst & Young Archives, E.R.C. Clarkson 1890 Indenture.

28. Ernst & Young Archives, E.R.C. Clarkson Statement of affairs.

29. *Toronto Globe*, 16 August 1890. Another director of interest is (G) D. Graham, president of the Montreal & Chicago Merchants Shipping Co. operated a small fleet of steamers. Graham worked hard for the Polsons during the restructuring, and tried in vain to convince both Beatty and Shaughnessy not to give the second ferry contract to the Americans.

30. Ontario Archives, RG8, Series I-1-D, File #425, box 333, 1890, List of shareholders. A complete list of shareholders is found from 1886 to 1891.

31. *Owen Sound Times*, 30 January 1890.

32. *Owen Sound Times*, 27 March 1890.

33. Although little is known about Edmund Trist, it is believed he is from Dartmouth, England. He is registered with Lloyd's as the designer of the *Naiad*, and rumored to have designed yachts for royalty. Sanford claimed that the *Naiad* was a copy of Queen Victoria's pleasure yacht. It is unknown when Trist came to Canada, however, he was involved in building *The City of Chatham* in 1888. As early as 1885 Polson claims to have secured the services of a noted English builder

34. *The Monetary Times*, 18 April 1890.

35. *Owen Sound Times*, 11 April 1889.

36. *Toronto Mail*, 17 July 1890.

37. *Owen Sound Times*, 28 August 1890.