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## Wilderness and waterpower: how Banff National Park became a hydroelectric storage reservoir

Armstrong, Christopher; Nelles, H.V.

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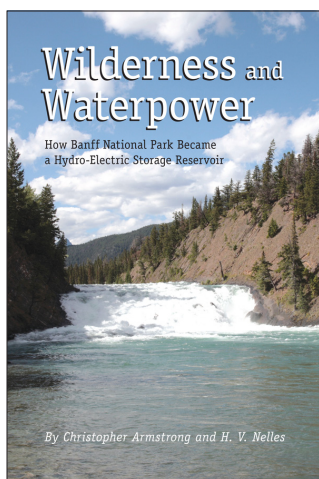
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**WILDERNESS AND WATERPOWER:  
HOW BANFF NATIONAL PARK BECAME  
A HYDROELECTRIC STORAGE RESERVOIR**  
Christopher Armstrong and H. V. Nelles

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## Selling Scenery

Blocked in its efforts first to raise its dam at Lake Minnewanka and then to construct a large new power plant at Anthracite on the Bow River in 1922, Calgary Power nevertheless refused to drop the idea of constructing reservoirs in Rocky Mountains National Park. For its own financial well-being, the company simply had to make all the expensive generating equipment that it had already installed in its powerhouses at Horseshoe Falls and Kananaskis more efficient to meet steadily growing power demand in Alberta and to stave off possible competition. Indeed, with additional power, Calgary Power hoped to expand its service territory north to include Edmonton.

The provincial government found itself under increasing pressure to play some role in power development: two possible choices were to set up an integrated utility modelled upon the Ontario Hydro-Electric Commission, linking Edmonton, Calgary, and the smaller centres, or to opt for a more modest role as the holder of development licences, which the province could hand over to private interests. Either scenario would permit the provincial government to exercise control over rates and open the way for rural electrification in the long run. Seen from Calgary Power's perspective, the provincial government could either emerge as a competitor or, under certain circumstances, be recruited as an ally. With so much at stake, the battle pitting power development against wilderness preservation intensified after 1923.

Even before the interior minister had finally rejected Calgary Power's application to raise its dam at Lake Minnewanka, an alternative

proposal surfaced that quickly sparked intense controversy. High up in Rocky Mountains National Park, east of Banff, lay the Spray Lakes, whose outlet, the Spray River, tumbled through the golf course at the Banff Springs Hotel before joining the Bow River just below Bow Falls. The company now proposed to turn the Spray Lakes into a huge reservoir linked by a tunnel to a new high-head power plant to be built on the Bow River near Canmore, east of Banff. That proposal sparked an outcry from mountaineering and conservation groups across the country. By mid-1923, this protest had coalesced into the Canadian National Parks Association, the first national lobby to decry the spoliation of wilderness preserves. The controversy generated an extra-parliamentary interest group desperately needed by the embattled Parks Branch bureaucrats.

As the debate over the fate of the Spray Lakes dragged on through the 1920s, the federal minister of the interior, Charles Stewart, found himself beset by angry power consumers in Calgary, ambitious provincial politicians in Edmonton, unhappy power company executives in Montreal, and angry nature lovers all across the country. The decision-making process was marked by the continuation of bureaucratic infighting inside the Interior Department between the Water Power Branch and the Parks Branch, two divisions that continued to hold strongly opposed positions on the question of power development inside the national park system.

When Calgary Power had first encountered water supply problems before World War I, it had commissioned studies that looked, among other things, at the possibility of developing the Spray watershed. The Spray River made the eight-hundred-foot descent from its headwaters to its mouth at a steady rate of about thirty feet per mile without any abrupt falls that would render hydraulic development easier, but the company concluded that as a reservoir, the Spray Lakes would be more expensive than Lake Minnewanka.<sup>1</sup> By 1920, however, Calgary Power's chief engineer, G. A. Gaherty, had begun to consider the more audacious possibility of damming up the Spray River, creating a much larger Spray Lake and then redirecting its flow through a tunnel over a cliff face to a pair of power plants in the Bow valley at Canmore, where the working head would be approximately eleven hundred feet. A relatively small flow could thus

generate quite large amounts of power, and the set-up would be immune to problems created by the winter freeze-up. Yet the size and complexity of this development meant that for the time being, the alternative Cascade plant at Anthracite was more economically attractive.<sup>2</sup>

However, after the minister of the interior rejected the company's plans for a higher dam at Lake Minnewanka, interest in the Spray Lakes intensified. This would be the first major project for Geoffrey Gaherty, a thirty-three-year-old former artillery officer and now an engineer with Calgary Power's consultants, the Montreal Engineering Company; Gaherty would go on to have a long and distinguished career as an engineer, director, and ultimately president of both companies.

Geoffrey Abbott Gaherty ascended to the upper echelons of Canadian business and finance the old-fashioned way, through family connections. But for the fortuitous remarriage of his widowed mother, his career would certainly have taken a different course. He was born in 1889 to William Gaherty and Helen "Nellie" Bell in the small – now vanished – town of Dickinson's Landing on the St. Lawrence River west of Cornwall. After her husband's sudden death, Helen returned with her young son, Geoffrey, to her home in Almonte, Ontario, just outside of Ottawa. She probably met John F. Stairs through the matchmaking skills of a family friend – Conservative MP Bennett Rosamond, owner of Almonte Knitting Company in nearby Carleton Place. Stairs, a prominent Conservative and member of Parliament from Halifax and one of that city's "merchant princes," was the single father of seven children, having lost his wife nine years earlier. After a brief courtship, the two married in 1895. Stairs, Helen, and her son moved to Halifax following his retirement from federal politics that same year, and Helen took command of a large blended family and a stately home at 170 South Street. In 1902, their only child together, Margaret Rosamond, was born.

Back home in Nova Scotia, John F. Stairs embarked upon a disastrous career as leader of the provincial Conservative Party, but he also resumed his very successful business career as a merchant, banker, industrialist, and company promoter. It was at this time that Stairs took Max Aitken on as a trainee. With Isaac Walton Killam and A. J. Nesbitt also on the

team, Stairs's Royal Securities Company peddled the stocks and bonds generated by Stairs's far-flung enterprises. In 1904, Stairs died suddenly at age fifty-seven while working on a bank merger deal in Toronto with Max Aitken at his side. His will generously provided for his widow, their daughter, his children by his first marriage, and his stepson. By the time he was a teenager, Geoffrey Gaherty was, through inheritance, effectively fixed for life. Nevertheless, Protestant ethics and bourgeois values drove him to make for himself a productive career. Having grown up in a house surrounded by talk of iron and steel industries, ships, railroads, electric utilities, and street railroads, Geoffrey chose engineering.

From private school in Halifax, Geoffrey was sent to Upper Canada College in Toronto. He returned to Halifax to study engineering at Dalhousie, where he resumed his friendship with his cousin by marriage, Denis Stairs. After graduating in 1909, these two long-time friends descended upon Max Aitken in Montreal looking for a job. Max, no doubt out of a sense of obligation to the Stairs family but also because of a desire to get them as far out of harm's way as possible, sent them to work on his Western Canada Power Corporation Stave Falls project in British Columbia. After gaining some experience with real work in hydroelectric construction, the two musketeers embarked in 1912 on what all young men with money in the Edwardian era desired: European travel. As legend has it, the two mates booked their return passage on the Titanic, but, lured to stay on by the attractions of London, they cancelled at the last minute.

When they returned, Royal Securities took care of them once again on the Western Canada Power project. When war was declared, Gaherty and Denis Stairs promptly enlisted. Gaherty served four years as an artillery officer, mainly in France, and returned physically intact. Stairs, serving in another unit, also survived but lost an arm. After the war, following a brief stint in the silver mines of Cobalt, Gaherty and Stairs once again sought out their friends at Royal Securities. Killam, a former employee of John F. Stairs and now in full command of the former family business and with numerous expansion prospects on the horizon, hired them both for the Montreal Engineering Company. Among his other tasks, Gaherty was given responsibility for improving the output and profitability of Calgary

Power. He was subsequently placed in charge of the reconnaissance, planning, design, and engineering of new storage, diversion, and generating works on the upper Bow River and was also responsible for seeking the necessary regulatory approvals. It would be a project that would occupy him for the next thirty or more years, with limited success for most of that period.<sup>3</sup>

The Spray Lakes diversion plan was intended to address Calgary Power's immediate and long-term corporate needs. Not only would the company be able to meet all of Calgary's normal peak needs, but the plan would also allow it to extend its transmission lines both northward to Edmonton and southward to Lethbridge. Most important was the fact that the new installation would also remedy the serious defects that had plagued the Horseshoe and Kananaskis stations from the outset. A "scientific combination" of the new high-head plant would supply the baseload in winter with the older run-of-the-river generators, which could be reversed in summer when the flow of the Bow swelled.<sup>4</sup> Although costly, the high-head plants at Canmore could greatly increase total output and help overcome the problems of lack of water downstream in the Bow. Gaherty frankly admitted that if accurate streamflow figures had been available in 1909, the run-of-the-river plants "would never have been constructed," but he contended that "it is only by the scientific combination of these two types [of power plant] that the maximum yield of power can be obtained from the water available."<sup>5</sup>

Calgary Power would have preferred to pursue the simpler and cheaper plan of developing the plant at Anthracite, using water stored at Lake Minnewanka, but with that possibility off the table, the company turned to the Spray Lakes development with enthusiasm, and it became Gaherty's pet project. The company knew that the plan would create controversy and encounter strong opposition from the Parks Branch. After Charles Stewart's announcement in the fall of 1922 that he would not approve the raising of the Minnewanka dam or the granting of any further power privileges inside the park system for the time being, Deputy Minister W. W. Cory privately told Gaherty in December that "in his opinion there

was not the slightest chance of an application for power in the Spray basin being accepted.”<sup>6</sup>

But the company refused to give up hope, pursuing its feasibility studies despite the opposition of the Parks Branch, which hastened to put on record its objections to a project that seemed objectionable in every way. First of all, there would be the flooding of nearly twenty-five hundred acres, which would prevent fish from spawning and drive away wildlife. The Spray valley was one of the prettiest near Banff, and turning the lakes into a reservoir would destroy them irrevocably. The economic arguments that had proven so persuasive in the fight over Lake Minnewanka were trotted out again. Pristine mountain scenery was a highly valuable commodity. In 1921, the national park system had earned Canada \$18 million in United States currency. Ruining this natural beauty would destroy the appeal of the parks to American tourists.<sup>7</sup>

Parks Commissioner Harkin was particularly annoyed in the spring of 1923 when Calgary Power asked that the minister of the interior make no final, definitive ruling on raising the Lake Minnewanka dam until the cost of the Spray Lakes project had been established:

The whole aim appears to be to get the department to mix up the Spray and the Minnewanka schemes and to have them considered together, not independently. In other words, the aim appears to be to get the department more or less committed to the idea that the company is entitled to further consideration in its Minnewanka application.<sup>8</sup>

Despite this opposition, the company persevered with its explorations of the Spray basin. Short of power in the winter and facing the need to renegotiate its power supply contract with the City of Calgary, the company felt that it had to have more water storage. By the spring of 1923, a proposal was ready to spend \$6 million on a dam, tunnel, and power plant at the Spray Lakes, which would produce 16,000 hp initially and permit the generators lower down the Bow to turn out an additional 20,000 hp. With that reserve of power in hand, the company was prepared to offer to build



trunk lines to supply Edmonton and the other cities in the northern part of the province as well. Ultimately, the development could be expanded to turn out over 250,000 hp in total, which could be expected to meet Alberta's needs for the next fifty years. The steam plants in both major cities could thus be dismantled, resulting in annual savings for consumers of \$7 million, while industry would receive a major incentive to locate in the province, which, in turn, would greatly benefit the agricultural sector.

After studying the proposal, the Water Power Branch of the Department of the Interior reported upon it in highly favourable terms.<sup>9</sup> Chief engineer J. T. Johnston argued that since opportunities for water-power development in southern Alberta were very limited and so much of the eastern slopes of the Rockies was inside the national park system, it was "*inevitable*" that reservoirs would be constructed in the parks. The combination of high-head and low-head power stations proposed by Calgary Power was the solution to the power problems that had long plagued the region: "a balanced system ... offers that *only* basis which will provide for an adequate supply of economic hydro-electric power and ... *the key lies in the Rocky Mountains Park.*" At stake, Johnston argued, was "*the right of the power consuming public in the Calgary district* to secure an ample supply of cheap hydro-electric energy if such is available." This development would place the city "on a plane" with other industrial centres in Canada where such low-cost energy was provided. Johnston contended that the discussion should not be wrongly allowed to resolve itself into an issue of Parks Branch interests versus Water Power Branch interests: "There is no such issue. The two interests are in no wise contradictory or in opposition to each other, but on the other hand may be considered as *complementary.*" Recent debates in the United States had led to the banning of hydraulic development within the national park system there, but Canadians should not be swayed by "the extreme result of carefully engineered and hysterical propaganda which represents the power interests as grasping monopolists determined to destroy the nation's beauty spots to serve the ends of private greed." In Canada, waterpower administration was "*many years in advance*" of American expertise and could easily

harmonize the competing interests. He urged that Canadians look instead to countries like Switzerland, where a *modus vivendi* had evolved.

Johnston was careful to refute each of the major arguments that he knew were certain to be raised by his bureaucratic rivals in the Parks Branch. National parks could never remain pristine wilderness: roads, bridges, sewers, and pole lines were essential. The Parks Branch itself was constructing a power plant near Banff: that constituted acceptance of the fact that dams and generating stations, if properly designed, could be “*features of added beauty and interest*” in a park. He rejected claims that visitors would go elsewhere:

It is doubtful whether the development of water power in the Park would influence the route of a single tourist. The number so influenced would certainly be infinitely small – witness Niagara Falls, and Lakes Como, Garda and Maggiore in northern Italy – while the rights of the surrounding districts to their local natural resources should be considered in the balance.

Clearly, the power company had powerful friends at court, and their influence was quickly reinforced when Calgary’s mayor and Board of Trade weighed in on the same side.<sup>10</sup> Company officials were given a full hearing by the minister of the interior. President V. M. Drury urged Stewart to issue the development licence immediately or else work would not be able to start for another year, and Calgary would be forced to start expanding its thermal generating station in order to avert a power shortage during the coming winter.<sup>11</sup>

Even if Charles Stewart had been disposed to move so swiftly, the whole matter was complicated by the fact that the Government of Alberta now began to express an interest in gaining control of the proposed power development. In mid-April 1923, the provincial legislature passed a resolution demanding that any development at Spray Lakes be controlled by Alberta. Premier Herbert Greenfield pointed out that as negotiations were already underway concerning the handing over of all Crown lands and resources to the province by Ottawa, it would not be appropriate for such

a valuable grant to be awarded without his government's consent. Stewart, however, responded that these resources lay inside a national park and thus would remain under federal control in perpetuity.<sup>12</sup>

There the matter rested for the moment, but in early June, Calgary mayor George Webster met with the premier about future power planning. Webster pointed out that thermal power was six times as expensive as hydroelectricity (3 cents vs. 0.5 cents per kwh) and urged Greenfield to establish a provincial commission to oversee new development. In late August, Greenfield filed a formal application with the Department of the Interior for permission to develop the Spray Lakes.<sup>13</sup> Only in December, however, did the premier request the chair of the Ontario Hydro-Electric Power Commission to lend its chief engineer, Fred Gaby, to study the power situation in Alberta and suggest how future needs might be met.<sup>14</sup> Clearly, the United Farmers of Alberta government still had doubts as to how popular increased state activity in this sector would be with their rural, agricultural constituency.

By December, the development of the Spray Lakes had become the centre of a heated public debate that ultimately led to the creation of a national lobby group to defend the integrity of the national park system against encroachment and commercial development. When the news of Calgary Power's application became public in the spring of 1923, organizations like the Alpine Club of Canada quickly expressed concern. The chair of the Calgary branch was among the first to register a strong protest with the minister of the interior against using the Spray Lakes as a power reservoir: "[H]ands off our national parks,' we say."<sup>15</sup>

Some of this public outrage was being quietly orchestrated by the parks commissioner and his staff.<sup>16</sup> While Harkin admitted that in this bureaucratic infighting, he ought not to "go outside and seek support for our side of the question," he told the president of the Calgary Automobile Club that he did feel it was proper for him to explain "the true significance of power applications of this kind with respect to the future of National Parks." Thanking the club for its support of the Parks Branch, Harkin set forth the reasons for opposing the conversion of the Spray Lakes into a power reservoir; in the process, he neatly summed up the ambiguities and

contradictions in the attitudes of the Parks Branch toward commercial development inside the national park system:

One of the most important aspects of the National Parks is the selling, or as we put it here, the exporting of scenery. Both the American Parks and the Canadian Parks seek business in the same market, namely the United States. The American Congress has tied up their National Parks system by legislation so that it is absolutely assured against any commercial invasion.... As we look to the American market for the bulk of our scenery selling business, it is obvious that unless we are prepared to sell them scenery which they look upon as ideal scenery, our sales cannot amount to very much.

Damming the Spray Lakes would ruin the appearance of the valley just as had happened with Lake Minnewanka.

Harkin challenged the economic justification for any power development in Rocky Mountains National Park:

Quite apart from the other considerations we, in the Parks Service, are convinced that on purely commercial grounds the preservation of the integrity of the Banff Park will pay the city of Calgary and the Dominion of Canada much greater dividends than will ever be paid by the power scheme.

Oblivious to the irony, he added that the Spray Lakes lay on the route to Mount Assiniboine, along which the Parks Branch hoped to construct a motor road: "Once we get foreign tourists in our parks, our object is to make them prolong their stay, and the eventual opening up of a scenic highway by the Spray ... will no doubt contribute very strongly in that connection." Harkin added a warning that any power concession would be a dangerous precedent that would ultimately permit lumbermen and miners to gain a foothold:



J. B. HARKIN, LONG-TIME  
DIRECTOR OF THE PARKS BRANCH,  
DEPARTMENT OF THE INTERIOR  
(LAC E010951726\_s1).

The Parks Service strongly opposes any form of commercial invasion of the National Parks. It feels that if a precedent like the Spray scheme is ever established it would be impossible to prevent the gradual disintegration of the Parks.... Certainly it would appear to be poor business to spend millions of dollars providing highways and other facilities for the tourists, if we are to destroy the value of such investments by ruining our scenery.

Harkin's argument found a receptive audience. Clubs, societies, and newspaper editors hastened to express their opposition to the Spray Lakes scheme to the federal government.<sup>17</sup> The executive director of the Alpine Club of Canada, Arthur O. Wheeler, reiterated the criticisms by the commissioner of parks concerning "commercial invasion" of the national parks:

The Spray project is one particular case.... There will be assuredly in the course of time hundreds of other cases of varying types, all of which will have the same general grounds for argument as this particular one, and if not checked the ultimate result will be ruination to the National Parks of Canada.... There is no doubt in my mind that our National Recreation Parks are the best paying proposition that we have, and I sincerely hope they may be held inviolate as such.<sup>18</sup>

We cannot let the introduction of Arthur O. Wheeler into our story pass without a brief digression into his intimate, extensive, and conflicted relationship with the Parks Branch. The interruption in the narrative will, we

hope, be more than compensated by Wheeler's astonishing chutzpah. The son of an aristocratic Irish immigrant in reduced circumstances whose position of harbourmaster in Collingwood was distinctly beneath him, Arthur Wheeler inherited his father's sense of entitlement and abrasive, imperious manners. As a surveyor for the Department of the Interior in the 1880s and 1890s, Wheeler laid out Indian Reserves and townsites, and surveyed the Selkirk Mountains using new photographic techniques. As a surveyor hauling his equipment over rough terrain, he developed an abiding love of the West, and of mountains in particular. As he rose in the bureaucracy, he would have been in line for the commissionership of the new Parks Branch, but he left the federal service in 1910 for a private consulting career and became executive director of the recently formed Alpine Club of Canada. Wheeler, an older, more experienced western hand, thus maintained a somewhat paternalistic, even patronizing attitude toward his junior, J. B. Harkin. And far from being in awe of government, he believed that he and the Alpine Club provided the Parks Branch with a reason for being.

It was in that spirit that Wheeler began what would become a long-standing relationship with the Parks Branch that focused on increasing utilization of Rocky Mountains National Park through a private business venture. Wheeler, reacting against the high cost of visiting Banff, proposed to organize inexpensive walking tours out of Banff to attract a new and more numerous clientele to the park. Wheeler's populism struck a chord with Parks officials, who readily agreed to accommodate and provide some financial support for this new form of tourism.

Wheeler first organized some walking tours as an experiment in 1920. Heading from Banff up the trail to the Spray Lakes, the walkers would skirt around the base of Mount Assiniboine and then go northwest along the Continental Divide to Healy Creek and back down to the townsite. A train of pack ponies was laid on to carry visitors' baggage. The Parks Branch gave enthusiastic support, clearing backcountry campgrounds and donating equipment, such as cots, worth \$6,750. These outings attracted enough interest that the following spring, Wheeler spent \$600 on producing a flyer entitled "Banff to Mt. Assiniboine, The Matterhorn of the Canadian Rockies via Spray Lakes Route," announcing walks departing twice a week



A. O. WHEELER, ALPINE CLUB OF CANADA (GLENBOW ARCHIVES, NA-4539-4).

from July through September. He persuaded the CPR to distribute ten thousand copies and to put a notice in their publicity bulletin, "Resorts in the Rockies," telling Harkin that for the railway, "it is evidently considered good business." Though Wheeler attempted to fudge the matter by heading his promotional stationary with "A Public Walking and Riding Tour, under the Patronage of the Alpine Club of Canada, Banff, Alberta," this operation was, in fact, a personal business venture from which he aimed to profit in his retirement. In order to keep going, in 1921 Wheeler sought \$3,000 from officials to produce more leaflets and to improve the camps for the walkers. Even his friend Harkin found this a bit excessive, though he agreed to put up \$600 (eventually raised to \$900) for the improvement of the camps in the backcountry although he refused to fund either the advertising or improvements to the jumping-off point at Middle Springs.<sup>19</sup>

The scheme generated a good deal of favourable publicity; the *Calgary Daily Herald* described the scenic walks as a "magic spell" for people needing relief for jangled nerves created by their daily grind. Wheeler passed up no opportunity to play the populist card by condemning big interests like the CPR, and even the local outfitters, for jacking up prices and putting off ordinary people who wanted to enjoy the wonders of the mountains at economical rates. He complained to Harkin that Park Superintendent R. S. Stronach had no interest in "mountain people" and wanted to cater to the well-off rather than to every class of person. In his appeals for financial support, Wheeler emphasized that he was putting in all this work only out of a sense of duty and would quit if he could not make a go of it. By the end of the 1921 season, though, he was ready to pronounce the walks a definite success, since 250 people had participated over the past two years and word-of-mouth advertising was sure to bring in more paying customers in future.<sup>20</sup>

Eventually, however, the self-righteous Wheeler overreached himself and undercut his relations with officials. He allowed some "walkers" to ride on saddle ponies for four dollars extra per day. Before long the licensed outfitters began complaining about the government-subsidized competition for riders on the trails up to Mount Assiniboine. In the fall of 1921, Harkin had to tell Wheeler that he must stop offering saddle ponies



if he wanted continued assistance for his walking tours. Serving the tourists was, after all, a business enterprise. Wheeler decided to pull out all the stops in an effort to protect his advantage: he organized prominent members of the Alpine Club of Canada to write to the federal minister of the interior endorsing his operation. On the first day of 1922, he followed up with a printed circular sent to all Alpine Club members denouncing the “transitory mountain outfitters” for challenging the club’s work of “opening up” the Rocky Mountains. Claiming that the club represented the “large majority” of people interested in the little-known areas of the mountains, Wheeler called for an attack upon the “obstructionists” who only served the wealthy and ignored those who desired “access to primitive nature in the Great Hills of Canada for our revitalization and who do not desire artificial moonlight.” The predictable result was a flood of letters to Ottawa from across Canada and the United States, obediently parroting Wheeler’s line.<sup>21</sup>

Feeling bruised, officials complained to one another about this “vigorous propaganda,” noting that despite all their generous assistance for the walking tours, only about two hundred people had ever taken them. The outfitters, who had their own influence, demanded a meeting with park officials in Banff. After that meeting, Wheeler was told that he could not expect a subsidy if he continued to offer mounted side trips for the walkers to places like Mount Assiniboine using his pack train as saddle ponies. He still tried to persuade officials to allow him to offer the side trips, provided that other outfitters offered them for the same price, but they realized that launching the riding tours from the subsidized camps would only generate continued criticism from important interests like the Brewster brothers. The quarrel presented Wheeler with abundant opportunities to expend his ample reserves of indignation, anger, and petulance toward any and all comers. Eventually, a compromise was worked out that permitted Wheeler to offer only one-day side trips, leaving longer saddle tours to the outfitters. On this understanding, the sorely tried bureaucrats agreed to grant him another \$800, and the relationship assumed a more amicable tone.<sup>22</sup>

By 1923, Wheeler seems to have expected his subsidy more or less as a matter of right. He claimed that he was only breaking even on the walking tours and asked Harkin for another year's grant. The parks commissioner replied that he needed a formal application and report; Wheeler complied and again received \$800. At the end of that year, the Calgary Power Company applied to dam the upper Spray River inside the national park and submerge the Spray Lakes. Wheeler helped organize strong opposition; he issued a veiled threat to tell prospective American walkers that he had discontinued the tours owing to the plan, warning that flooding the valley would "create a strong feeling of dissatisfaction in American centres where conservation of parks in their entirety is a vital question and one that has the full support of the public." He agreed, however, to continue the tours when Harkin offered a \$1,000 subsidy for 1924.<sup>23</sup> Wheeler's walks and the subsidies would continue into the 1930s, when financial stringency finally brought an end to the relationship.

In mobilizing the Alpine Club behind the Parks Branch in its struggle against the Calgary Power Company, Wheeler occupied a somewhat anomalous position, to say the least. First and foremost, he *was* the Alpine Club, as he was happy to remind anyone, particularly when he was angry. Friends and opponents alike recognized that he regarded the club as personal property, a convenient cover for his personal interests. Second, he was a paid client of the Parks Branch, carrying out its work for a fee. Third, he was a private businessman enjoying his hobby on public land and profiting from it. Finally, he was simultaneously a fierce advocate of the "sanctity" of public parks and a part of the "commercial invasion" of the parks, though he did not, of course, see it that way. An uncharitable view of the matter would conclude that the Alpine Club of Canada's support of Harkin's Parks Branch in the Spray Lakes affair had been bought and paid for.

With that background information on the relationship between the Parks Branch and the formidable A. O. Wheeler, we return now to the Spray Lakes story. In the summer of 1923, a group of conservationists gathered at the Alpine Club's campground at Larch Lake, Alberta. Harkin was present and repeated his familiar argument:

From a straight commercial standpoint our parks are one of our most important resources.... I am referring to money brought into Canada from foreign countries by tourists.... There can be no doubt that the revenue the National Parks brought into Canada in 1921 was at least \$15,000,000. That same year we spent \$850,00[0]. That is ... we brought into Canada eighteen times the amount of money we spent on National Parks.... I emphasize the commercial side because I find that the general public persists in the idea that National Parks are simply frills and luxuries. Nevertheless, on the basis of cold-blooded commercialism I don't think there is an institution that pays as big a dividend as the Canadian National Parks.

A unanimous resolution was then passed forming a new Canadian National Parks Association and condemning any further alienation of natural resources lying inside the park system without a vote of Parliament.<sup>24</sup>

One member of the executive of the new association explained to the minister of the interior that the application to dam the Spray Lakes had brought about "a crystallization of public opinion generally throughout Canada against the franchise." Fears were expressed that the government had reversed its policy regarding parks "to conserve these areas from the national standpoint and for national purposes." While such a lobby would probably have been set up before long in any event, the move, according to A. S. Sibbald, a charter member of the new organization,

... was probably hurried forward at the present time by the question growing out of the proposal to develop power in the Spray Lakes basin ... and undoubtedly marks the reaction of the general Canadian public to the attempt involved to develop power within the Parks and incidentally to establish a precedent which would make it more difficult to refuse later franchises of that kind.<sup>25</sup>

The executive of the new association then started a campaign to put pressure on the interior minister and letters poured in from across the country.<sup>26</sup> During the next two and a half years, he received protests from hundreds of individuals and numerous organizations denouncing the Spray Lakes power project.<sup>27</sup> Among the most vocal and persistent of these lobbyists was Major Selby Walker, son of Calgary's founder, Colonel James Walker, and a sparkplug of the new Canadian National Parks Association. Walker, as imperious and self-important as Arthur O. Wheeler, whom he replaced at the head of the movement, favoured theatrical, sensationalist public relations tactics.<sup>28</sup> He hit upon several ingenious ideas to arouse Alberta opinion against the idea of damming the Spray Lakes. First, he suggested spreading a rumour in Banff that the rock footings of the dam would be unsound, creating the danger of a sudden collapse followed by a tidal wave down the Spray valley that would inundate the town. Later, he got in touch with the secretary of the Western Canada Coal Operators Association to see if the association would be interested in joining in the agitation in the hope of promoting the construction of more thermal generating stations.<sup>29</sup>

Rather surprisingly, this latter approach bore fruit. At first the coal operators simply responded that they did not know what to think about the Spray Lakes project itself, but they did oppose the provincial government "committing itself to an expensive hydro-electric system without at first investigating the possibilities of steam electric plants." Sensing an opportunity, Walker hastened to point out that approving one encroachment on the national park system would almost certainly lead to other applications, since "it is extremely difficult if not impossible to pick and choose between the different projected encroachments of water power interests within our parks."<sup>30</sup> In the spring of 1924, Walker put the common interests of conservationists and coalmen to them as plainly as possible:

The National Parks Association desire[s], of course, to preserve the parks from commercial encroachment; your association desire[s] to mine as much coal as possible. The Spray Lakes concession, if granted, will, according to the Power Company's figures, save the

annual consumption of 2,000,000 tons of coal; and Alberta is not Ontario where coal must be imported.

That argument rang the bell. The Coal Operators duly registered their opposition to Calgary Power's plans (thus placing themselves in the somewhat unlikely company of the Toronto Field Naturalists Club).<sup>31</sup>

William Pearce, however, arguably one of the founders of Rocky Mountains National Park, raised his voice in favour of the Spray Lakes development. For him, the water requirements of prairie irrigation trumped other considerations. A torrent of letters poured out of his office, much to the embarrassment of his employer, the CPR, insisting that upstream storage would irrigate twice the amount of land presently under cultivation and would control flooding.<sup>32</sup> As for the scenic blight occasioned by reservoir drawdowns, he proposed clearing and laying down a gravel apron along the shoreline. But his was a weak and failing voice from the past, and it had little effect.

By 1923, the battle lines over the damming of the Spray Lakes had been firmly drawn. Ranged on one side were the Parks Branch of the Department of the Interior with the vocal alliance of conservationists in the Canadian National Parks Association. On the other stood the Calgary Power Company and the municipal government, which had recently signed another five-year agreement to take more power from the private utility.<sup>33</sup> Meanwhile, the provincial government hovered in the wings, increasingly interested in securing control of any further power development, either to provide the basis for a provincially owned utility or to give the province a firm regulatory hold over the electric industry.

Minister of the Interior Charles Stewart advised Premier Herbert Greenfield in December 1923 that Calgary Power had begun a forceful campaign to persuade him to grant their application.<sup>34</sup> When the question arose in the House of Commons in the spring of 1924, the minister seemed sympathetic to the company. He admitted that there was "no doubt" that additional power would eventually be needed. As for the route through the Spray valley, it was "not one of the most scenic" in the area although the higher terrain around Mount Assiniboine was very beautiful. As for

the application to build a reservoir, he thought it might be possible to do it without marring the scenery “to any considerable degree.” But, insisted Stewart, he knew how much the Parks Branch opposed the idea, so he was keeping “a perfectly open mind about it.” That declaration brought Vancouver Conservative H. H. Stevens to his feet. Stevens was a fervent defender of the principle of maintaining the national parks against outside pressures. Would the minister, he asked, promise to do nothing to grant the application for one more year. Stewart, happy to let matters rest because of the noisy conservationists who were hounding him, eagerly agreed to this: “I am not in a hurry to deal with this particular question,” he admitted.<sup>35</sup>

Stewart made it plain that if permission to dam the Spray Lakes were to be granted, the provincial government would have first refusal. Calgary Power, therefore, concentrated on persuading Premier Greenfield to press his application seriously on the understanding that Alberta’s rights, once obtained, would be turned over to the company. President V. M. Drury wrote to the premier, who was visiting Ottawa, to suggest that he come down to Montreal for a game of golf.<sup>36</sup> But it soon became clear that the United Farmers of Alberta government was not yet ready to make up its mind about whether to proceed with a provincial scheme, at least until it received the report by the engineers from Ontario Hydro.

Despite Stewart’s public commitment to delay the decision for at least a year, City of Calgary officials kept up the pressure in the hope that they would not have to operate their expensive thermal generating plant during the coming winter. But Stewart would not budge. All that he was prepared to do during 1924 was to formally reiterate his promise that the provincial government would be given first refusal on any grant.<sup>37</sup>

Early in 1925, the engineers of the Ontario Hydro-Electric Power Commission finally delivered their report to the Alberta government.<sup>38</sup> To the cabinet’s dismay, this study estimated that taking over the Calgary Power Company’s existing plants and completing the first stage of a new development at the Spray Lakes would cost between \$12 and \$14 million. Not only would such an investment tax the financial capacity of the government to the hilt, but in a province where rural electrification was

almost non-existent, it was likely to be highly unpopular with the voters who formed the backbone of the United Farmers of Alberta. After this dose of cold water, all that Premier Greenfield could do was to reassert his government's claim to priority in developing the Spray Lakes and convene a meeting of municipal representatives to discuss cost-sharing for a province-wide system.<sup>39</sup>

Despite the enthusiasm for a provincially owned hydroelectric utility in Calgary (which had the backing of both the Board of Trade and the Trades and Labour Council),<sup>40</sup> the representatives of the other municipalities proved decidedly cool when they met in June 1925. Edmonton's representatives preferred to consider other sites nearer that city, while Red Deer was neutral and Drumheller, a large coal-mining centre, was openly opposed. "All municipalities definitely decline all financial responsibilities in connection with provincial electrical development," wired George Hoadley, the provincial government's representative at the meeting. All that could be agreed upon was to appoint two more engineers to review the Ontario Hydro report. This review, in turn, simply reiterated that the Spray Lakes project appeared to be the logical next step in developing provincial power resources and recommended that it go forward as soon as possible.<sup>41</sup>

In June 1925, the Spray Lakes development came up once more in Parliament. Stewart admitted that he continued to be buffeted by strong conflicting pressures both for and against it. In an effort to escape these, he proposed bringing in legislation at the next session that would put the natural resources that were inside national parks under the control of Parliament itself. Meanwhile, he asked for the views of the MPs on the application for rights at the Spray Lakes. In the absence of H. H. Stevens, the Parks Branch was without its strongest defender on the Conservative benches. Opposition Leader Arthur Meighen blustered that the government was abdicating its responsibilities but finally allowed that if the power was really needed in Calgary, the development could hardly be blocked any longer.

Other Alberta MPs endorsed that position, arguing that there was already plenty of land set aside for parks in the province. The Spray valley was not particularly scenic and, like other areas of commercial value, ought

to be moved outside the boundaries of Rocky Mountains National Park. When nobody rose to challenge that point of view, Stewart announced that he would take this silence as an expression that Parliament favoured the development going ahead. Pressed further, the minister refused to say that he would definitely grant the development rights, in light of the opposition from conservationists; this was something for Parliament to decide. But, he added, if the Alberta government was “sincere” in its application, he would be “prepared to go forward with it.”<sup>42</sup>

This was seized upon by the Calgary newspapers as “a definite surrender of the Spray Lakes for power purposes,”<sup>43</sup> but that was a misunderstanding of what Stewart had committed himself to. What he meant was that if Alberta was ready to press ahead with a formal application, he would set the bureaucratic wheels in motion. In fact, he knew that the government was not prepared to put up the money for a provincial hydro-electric system, and he still hoped to evade responsibility for any decision by introducing legislation that would require parliamentary approval for the alienation of any natural resources inside the national park system.

Certainly, Calgary Power Company officials were convinced that they would never persuade the Interior Department to grant them a licence, since the House of Commons was “prejudiced against them.” Premier Greenfield simply renewed his demand that Stewart grant the development licence to the provincial government immediately so that it could be handed over to the company.<sup>44</sup> Stewart insisted, however, that nothing could be done unless the Province of Alberta gave a firm commitment to proceed with the development itself. As the commissioner of parks put it,

... the province is not yet convinced itself that the Spray scheme has enough merit in it to justify its proceeding with actual development, therefore there is no justification for the [Interior] Department granting any concession with the merit question still up in the air.

The final inference in Premier Greenfield’s wire is that if the province gets a concession it may proceed to authorize some other



institution to develop it. In other words he asks the Dominion to give it a concession which it can peddle.<sup>45</sup>

Federal officials believed in 1925 that the Government of Alberta would not proceed with direct development of the Spray Lakes project on its own, but in the absence of a clear statement to that effect, the provincial government's indecision justified further delay. In December, Charles Stewart responded to complaints about delay from the mayor of Calgary by telling the *Calgary Daily Herald* that he was

... still waiting for the provincial government to demonstrate its ability and desire to develop that project.... The federal government proposes to deal direct with the party that actually develops the scheme and cannot see why they should issue a license to any other applicant.

Although the new premier, John Brownlee, complained that this insistence made it impossible for him to bargain effectively with Calgary Power about the development of a province-wide hydroelectric system, Stewart refused to budge.<sup>46</sup>

At the end of 1925, then, it appeared that for the time being, the Parks Branch and its conservationist allies had won the day. The outcry against damming the Spray Lakes had caused the Interior minister to hesitate, then draw back, and ultimately seek a means to avoid bearing sole responsibility for the decision. The unwillingness of the United Farmers of Alberta government to commit itself to a publicly owned development of the hydroelectric potential of the Bow River valley provided a further excuse for stalling. By the end of 1925, matters were no further advanced than they had been more than three years earlier when the Minnewanka dam had been turned down.

Still, there remained a looming electricity shortage in Calgary in coming winters if nothing were done to increase the capacity of the plants in the Bow River valley. The editor of the *Calgary Albertan* probably spoke

for many Calgarians who resented being dismissed as thoughtless vandals in supporting further development in Rocky Mountains National Park:

Is it just and right that the people of the plains below should be deprived of light, heat and power at a price which they can pay, in order that the beauties of the park may be completely unimpaired? Is there not a beauty in well lighted houses, in better heated homes during the cold and cheerless winter nights, in power which will relieve the housewife of much of the drudgery on the daily round of household duties?

Many citizens regarded the failure to develop cheap hydroelectricity from the Spray Lakes as a bar to future progress: "We have plenty of scenery in western Canada," a *Calgary Albertan* writer declared.<sup>47</sup>

For the time being, however, arguments like those of Parks Commissioner J. B. Harkin carried the day. "Selling scenery" to the American tourists was too good a business to be risked by ruining the landscapes of the national park system. The Parks Branch officials and their lobbying groups continued to maintain that hydroelectric development had no place within a national park. That was an argument, they would subsequently learn, that cut both ways. Meanwhile, the standoff continued. Unless the Calgary Power Company could convince people that the Spray Lakes development was absolutely necessary, the Department of the Interior would continue to refuse permission for it.