A TALE OF THREE TOWNS:[1]

Transportation, Fruit-Growing, and Regional Growth in the Okanagan Valley, c. 1891 – c. 1941

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Historical geographer Cole Harris notes the importance of CPR branch lines, steamboats, and a network of roads in making BC communities "functionally integrated components of an international economy."[2] This observation is particularly applicable to the Okanagan Valley, a region that is endowed with a moderate climate, many areas of good soil, and a navigable lake that extends ninety miles (145 kilometres) from north to south and with short portages at the south to Skaha and Osoyoos Lakes. The First Nations and early settlers took advantage of these benefits, planting grain and forage crops and raising horses and cattle. Yet, not until the early 1900s, when railways – complemented by lake steamers and barges – fully connected the valley with coastal, prairie, and overseas markets, was large-scale commercial production of fruit practical.[3] Not only was there a complex and reciprocal relationship between agriculture and transportation but, in different ways, transportation influenced the growth of the region's main urban centres – Vernon, Kelowna, and Penticton – their sources of employment, and their local hinterlands.

After a brief historiographical review, we sketch the early history of the Okanagan and trace the development of the fruit industry, touching on the cost of this to the Syilx people. We then explain how the introduction of new transportation systems affected each of the three centres that started from different bases and by 1941 were of roughly equal size.

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1 We use the term "town" generically. Vernon was incorporated as a city in 1892; Kelowna in 1905; and Penticton as a town in 1908 and as a city in 1948.

2 Cole Harris, "Moving amid the Mountains, 1870–1930," *BC Studies* 58 (Summer 1983): 37.

3 On the relationship with the coast, see Patricia E. Roy, "'Eat the Okanagan into Prosperity'": The Relationships of the Okanagan and the Coastal Cities, 1858–1941," *BC Studies* 217 (Spring 2023): 79–113.

We also suggest that transportation changes influenced Kelowna's later ascendancy.

The major histories of western Canadian railways show how railway companies expanded the transportation grid across the Canadian Prairies and how the transcontinentals, the Canadian Pacific (CPR), the Canadian Northern, and the Grand Trunk Pacific (GTP) – the latter two both later incorporated into the government-owned Canadian National Railways (CNR) – dealt with the challenges of BC's mountains and politics but give scant attention to Okanagan branch lines.[4] Their views are mainly from head office, not the places served. With the exception of Robert Turner's short but insightful study of Okanagan steamers and barges, most publications referring to transportation in the Okanagan are concerned with engineering problems, rolling stock, or boats.[5]

Within British Columbia, the classic case of transportation affecting a city was the arrival of the CPR. Victoria declined relatively as Vancouver, with access to both the ocean and the continent, rose. With its extensive land holdings, the CPR did much to determine Vancouver's layout.[6] At Prince George, the GTP took pains to locate its station where it had townsite land to sell and even planned low-level bridges to hinder river traffic, but it failed in part because of limited local traffic.[7] In the Okanagan, where settlement preceded the railways and their lake boats, the railways had a limited effect on determining the layout of communities, but their facilities fed their mainlines, enabled the growth of the

[4] John Eagle, *The Canadian Pacific Railway and the Development of Western Canada* (Montreal and Kingston: McGill-Queen's University Press, 1989), 108–40, explains the rivalry between the CPR and the Great Northern Railway but only mentions Penticton once. Despite its subtitle, T.D. Regehr's *The Canadian Northern Railway: Pioneer Road of the Northern Prairies, 1892–1918* (Toronto: Macmillan, 1976) deals with British Columbia but scarcely mentions the planned Okanagan branch (352, 360). Similarly, an older work, G.R. Stevens' *Canadian National Railways: Towards the Inevitable* (Toronto: Clarke, Irwin, 1962), only mentions the KVR and the S&O (104–5).

[5] Robert D. Turner, *The Sicamous and the Naramata: Steamboat Days in the Okanagan* (Victoria: Sono Nis, 1995). Other examples include Barrie Sanford, *McCulloch's Wonder: The Story of the Kettle Valley Railway* (Vancouver: Whitecap, 1978); Robert D. Turner, *Steam on the Kettle Valley: A Railway Heritage Remembered* (Victoria: Sono Nis, 1995); Robert D. Turner, *Sternwheelers and Steam Tugs: An Illustrated History of Canadian Pacific Railway's British Columbia Lake and River Service* (Victoria: Sono Nis, 1984).

[6] R.A.J. McDonald, "Victoria, Vancouver, and the Evolution of British Columbia's Economic System, 1886–1914," in *Town and City: Aspects of Western Canadian Urban Development*, ed. A.F.J. Artibise (Regina: Canadian Plains Research Centre, 1986), 31–55; Norbert MacDonald, "The Canadian Pacific Railway and Vancouver's Development to 1900," *BC Studies* 35 (Autumn 1977): 3–35.

[7] Frank Leonard, *A Thousand Blunders: The Grand Trunk Pacific Railway and Northern British Columbia* (Vancouver: UBC Press, 1996), 177, 186–217.

fruit industry, and influenced the growth patterns of Vernon, Kelowna, and Penticton.[8]

Major sources for Okanagan history are the *Annual Reports* of the Okanagan Historical Society, which began publication in 1936. While some are traditional articles based on research, others are primary sources, memoirs, or interviews of "pioneers" that preserve information unlikely to appear in a newspaper or government records. We use them, city directories, government reports, a variety of secondary literature, and especially newspapers as sources. While newspaper editors tended to be boosters and had to be on the good side of advertisers, their papers offer a wealth of information about activities in the valley.

THE BEGINNING OF NON-INDIGENOUS SETTLEMENT

For millennia before European contact, the Syilx people relied on the Okanagan's natural resources as they hunted animals, caught fish, and gathered fruits and vegetables.[9] The fur traders and cattle drovers of European origin who came in the mid-nineteenth century used the Okanagan as part of the "best natural access" to the interior of British Columbia.[10] In the 1860s, the market for cattle in the Cariboo goldfields attracted a few men, mainly British immigrants, who established small cattle ranches and mixed farms. Cattle can walk so only needed trails. The end of the gold rush limited markets after the 1860s, but, despite snow, fallen trees, and washouts that often made the Similkameen-Hope trail impassible, southern ranchers drove cattle to BC's coastal markets.[11]

The CPR, completed in 1885, passed by the north end of the Okanagan Valley at Sicamous. To support its mainline, the CPR needed local traffic. The provincial government had A.S. Farwell, a surveyor, investigate the prospects of a proposed Shuswap and Okanagan railway. He reported in 1887 that grain was the main output. Local farmers used a wagon road from Priest's Valley (Vernon) or a steamer to take grain and flour

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8 T.G. Shaughnessy, president of the CPR, personally invested in the Summerland Development Company, which subdivided land into orchard-size parcels. See Eagle, *Canadian Pacific Railway,* 122.

9 For a detailed study of the Okanagan peoples and their economy, see Duncan Duane Thompson, "A History of the Okanagan: Indians and Whites in the Settlement Era, 1850–1920" (PhD diss., University of British Columbia, 1985).

10 Richard Somerset Mackie, *Trading beyond the Mountains: The British Fur Trade on the Pacific, 1793–1843* (Vancouver: UBC Press, 1997), 39. On the trail's later history, see Ken Mather, *Trail North: The Okanagan Trail of 1858-68 and Its Origins in British Columbia and Washington* (Victoria: Heritage House, 2018).

11 This paragraph draws on Gregory E.G. Thomas, "The British Columbia Ranching Frontier, 1858–1896" (MA thesis, University of British Columbia, 1976).

from a grist mill at Fortune's Landing (Enderby) to the CPR main line at Sicamous and Kamloops.[12] Once the railway arrived, fruit farming gradually replaced grain growing as the heart of the agricultural economy.

Farwell correctly predicted that the valley's economic future lay in agriculture. Anticipating that growth, local entrepreneurs chartered the Shuswap and Okanagan Railway (S&O) to link the Okanagan with the CPR main line. The S&O reached Vernon in 1891 but did not go farther south. Forty miles (sixty-four kilometres) south of Vernon the rugged terrain, dominated by five-thousand-foot-high (1,524 metres) Okanagan Mountain, posed a formidable barrier. Avoiding the mountains would have required a bridge across Okanagan Lake. Moreover, immediate traffic prospects were not great and the lake itself offered access to southern Okanagan points in 1892. The CPR acquired the S&O and the next year launched the *Aberdeen*, a sternwheeler with a cargo capacity of 180 tonnes (two hundred tons) to provide tri-weekly service the full length of Okanagan Lake.[13] Fruit and vegetables could now be more easily shipped to outside markets. By 1891, the first commercial orchards were planted in the Kelowna area, and, by 1893, a group of Kelowna farmers was cooperating to sell fruit, vegetables, and other farm produce to mining towns in the Kootenays.[14] A severe North American depression in the mid-1890s and the need for expensive irrigation systems in the dry climate slowed development.

When the economy began to boom in the early 1900s, the large independent cattle ranchers saw a different future. With the railway, their Alberta counterparts could easily ship cattle to the BC coast year-round, whereas Okanagan ranchers, faced with over-grazed winter pasture, but reluctant to stall-feed in the winter and spring, continued to bring their cattle to market mainly in summer and fall. They began selling land to orchard development companies, many of which were speculative enterprises. After extensive advertising, a trickle of British settlers hoping to take up "fruit ranching" turned into a flood.[15] By 1911, the Okanagan had three main towns: Vernon, with a population of 2,671; Kelowna,

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12 Donald Graham, "The Rise and Fall of Grist Milling in the Okanagan Valley," *Okanagan Historical Society Annual Report* (hereafter *OHSAR*) 4 (1930): 13.

13 Eagle, *Canadian Pacific Railway*, 122.

14 David Dendy and Kathleen M. Kyle, *A Fruitful Century: The British Columbia Fruit Growers' Association, 1889–1989* (Kelowna: British Columbia Fruit Growers' Association, 1990), 17.

15 Thomas, "British Columbia Ranching Frontier," 131, 137, 154; Paul M. Koroscil, *The British Garden of Eden: Settlement History of the Okanagan Valley, British Columbia* (Burnaby: Simon Fraser University Department of Geography, 2003); Jason P. Bennett, "Blossoms and Borders: Cultivating Apples and a Modern Countryside in the Pacific Northwest, 1890–2001" (PhD diss., University of Victoria, 2008), 75–86.

TABLE 1
Population of the three major centres in the Okanagan Valley

	1901	1911	1921	1931	1941	1941 region*
Kelowna	261	1,663	2,520	4,655	5,118	13,000
Penticton	n/a	800	4,000	4,638	5,743	18,500
Vernon	802	2,671	3,685	3,937	5,209	15,000

Sources: Kelowna and Vernon, *Canada Year Book, 1945* (Ottawa: King's Printer, 1946), 117, Penticton, Various *BC Directories* for years ending in "2" exept for 1911 for which the nearest available directory was for 1909. For the region: https://www2.gov.bc.ca/gov/content/data/statistics/people-population-community/census.

* The 1941 regions included:
Kelowna: Central Okanagan
Pentiction: Summerland, Southern Okanagan, and Similkameen
Vernon: Northern Okanagan, including Lumby

with 1,663; and Penticton, with about 800. Around them and along the lake, many smaller settlements developed around orchards. Thirty years later, all three towns had populations of between five and six thousand, although, as this article shows, their growth patterns varied.

MARKETS: DOMESTIC AND INTERNATIONAL

Okanagan growers have cultivated a variety of vegetables and fruits, but apples have been the primary commercial crop.[16] Despite efforts to promote sales at the coast, the market there was limited.[17] Apples, however, are popular and, as good keepers, lend themselves to export. By 1901, the CPR had reduced freight rates sufficiently to let Okanagan growers begin with small experimental shipments and then compete effectively with Ontario and Nova Scotia in the rapidly growing prairie market.[18] Not until the federal government raised the tariff on American apples in 1914 did apple growers have a protected market, although ineffective marketing organizations could mean costly competition among

[16] Soft fruits and vegetables were shipped to other Canadian provinces, but apart from small-scale shipments of onions, only apples were exported to foreign countries.
[17] Roy, "Eat the Okanagan into Prosperity."
[18] F.M. Buckland, "Kelowna: Commercial and Social," *OHSAR* 18 (1954): 77; David Dendy, "The Development of the Okanagan Orchard Industry, 1890–1914," *OHSAR* 38 (1974): 70.

themselves.[19] The BC government successfully promoted sales through such ventures as "Apple Weeks." In addition, often in cooperation with the railways, which provided free transportation and publicity, the provincial government sent displays of fruit and other natural products to exhibitions and fairs elsewhere in Canada, the United States, and the United Kingdom. BC apples won many prizes. Although the Okanagan began shipping apples to Britain in 1903, encouraging immigration and investment – not selling apples – was the main objective of these promotions.[20]

By 1915, as many Okanagan orchards were coming into full production, exports began on a modest scale to Australia, New Zealand, and Fiji. Shipments to Britain, however, were "sporadic and insignificant in quantity." When J. Forsyth Smith resigned in 1915 as the provincial government's prairie markets commissioner to become the federal government's fruit trade commissioner in Britain, he hoped to save BC's apple industry by an "aggressive policy" that would prepare the British market for the larger quantities of fruit that would be available as more orchards matured.[21]

Overseas markets fluctuated because of such factors as embargos imposed by Australia to protect its industry from disease and Britain's wartime conservation of shipping space. In the 1920s, lower ocean and rail freight rates after the opening of the Panama Canal allowed for increased sales in volume and destinations. By 1938, for example, 1,713,492 boxes of BC apples were sold in Canada, of which 515,575 boxes went to Alberta, the largest customer. Domestic sales, however, were significantly less than the 2,232,143 boxes sold to Britain. Other export markets were small. The South American countries, which collectively purchased 100,002 boxes in 1938, were the second largest overseas customers.[22] Overseas markets varied annually depending on crop, economic, and international conditions, but no matter the state of supply or demand Okanagan growers had access to international and domestic-markets.

19 British Columbia Department of Agriculture, *Annual Report*, 1915 (Victoria: King's Printer, 1915), R3, R37.

20 Agriculture, *Annual Report*, 1913–14, R19-21, R68, R64.

21 Agriculture, *Annual Report*, 1915, R58.

22 Agriculture, *Annual Report*, 1921, U76; Agriculture, *Annual Report*, 1917, N27; Agriculture, *Annual Report*, 1938, L26.

LINKING RAIL AND LAKE

The S&O reached Vernon, which is not on Okanagan Lake, and began regular operations early in 1892. It was a branch line with operating crews living in Sicamous and later in Revelstoke where the rolling stock was serviced. It did not serve the rest of the valley until 1893, when it built a five-mile-long (eight-kilometre-long) spur to Okanagan Landing at the north end of the lake, where it built a shipyard. The shipyard, which only operated when the CPR needed to build a new vessel or repair an old one, relied on crews hired on short-term contracts and never supported a permanent settlement. From the Landing, the *Aberdeen* carried passengers and freight along the length of the lake. The delay in building the spur suggests the valley south of Vernon had not previously offered much traffic.

Waterborne transport is generally less costly than land transport since the right of way is effectively free. Having coordinated rail and water transportation in the Kootenay mining areas with the Columbia and Kootenay Steam Navigation Company, which it bought in 1896, the CPR was familiar with such arrangements.[23] Most Okanagan agricultural land had easy access to the lake. After both production and the prairie market grew, the CPR built the larger steamers *Okanagan* and *Sicamous* and, more important, an efficient railway car transfer barge network that reduced the need for shore crews. A transfer barge, launched in 1908, allowed it to move fruit in large volumes during the fall fruit "rush" by loading it directly onto railway cars, which, in turn, were loaded onto barges moored to lakeside slips. By 1911, the CPR had such docks and small railway yards at Kelowna, Penticton, and Summerland. Barge crews used winches to load and unload railway cars on and off the barges. Later, the CPR at Kelowna and the CNR at Penticton had specially converted trucks shunt the rail cars. At smaller landings, growers themselves loaded fruit onto railway cars. By lashing them to its sides, a tug could move two barges at a time, each capable of carrying two hundred tons (181 tonnes) of fruit, or, in total, double the load handled by the *Aberdeen*. Because the fruit-shipping season only ran from June or July to September, with a peak in August and September, neither the lake boats and barges nor the railway created significant long-term employment.[24] Yet, the integrated system was essential for shipping fruit to market in an economical and timely way.

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23 Turner, *Sternwheelers and Steam Tugs*, 49–50. Until 1897, the CPR used an independent firm, the Columbia and Kootenay Steam Navigation Company, to provide steamer services in the Kootenays.

24 *Vernon News*, 14 August 1914.

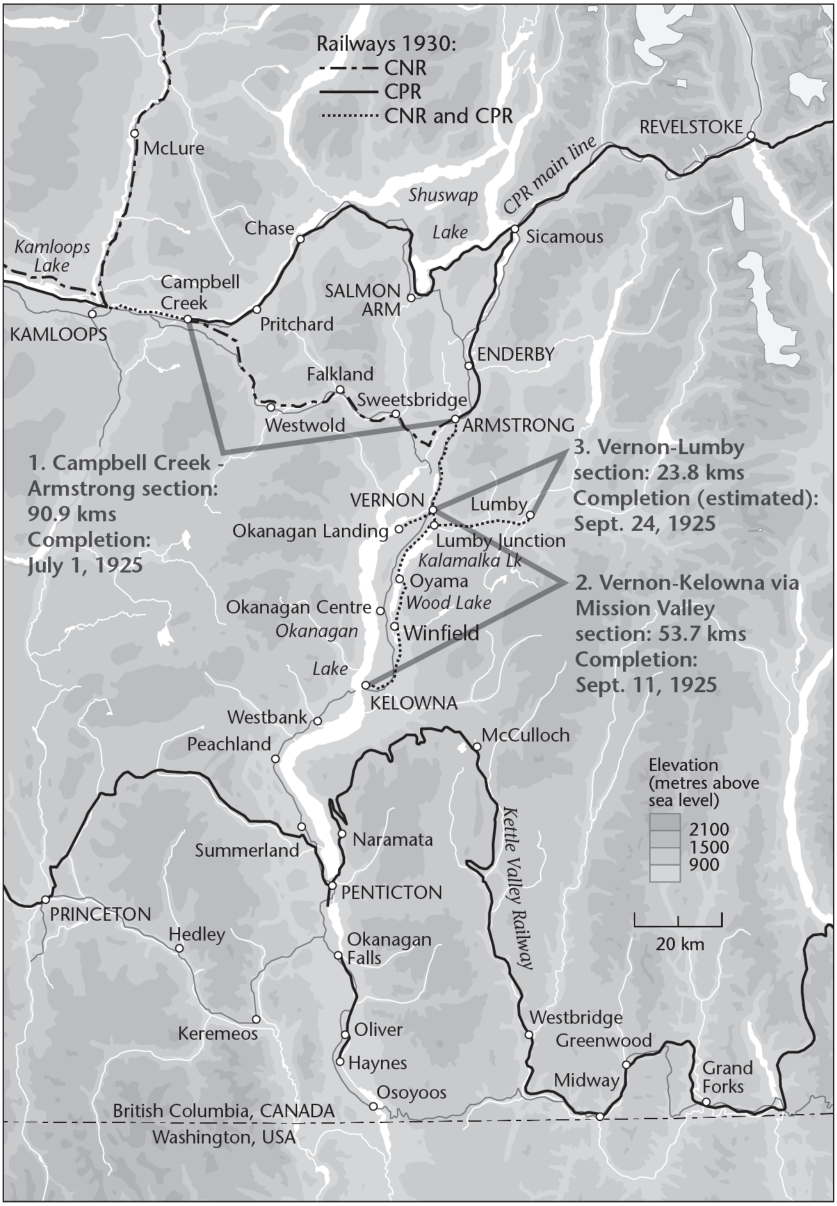

Figure 1. The CNR's Kamloops-Kelowna line, and Lumby branch. Cartography by Eric Leinberger.

Figure 2. In 1910, railway cars, filled with fruit and vegetables, and bearing banners, “This car is loaded with Orchard City and Standard of Empire canned goods,’” were loaded on a railway barge at Kelowna for transport to Okanagan Landing and its link to the CPR mainline. *Source*: Kelowna Museums Society, KPA#3076.

THE SYILX LANDS

As Jeanette Armstrong observes, the coming of settlers created a clash between “the expanding frontier world of the settler and the shrinking Indigenous world of the Syilx Okanagan people.”[25] The railway rights of way cut through reserves. The S&O went through the Splatsin Reserve in 1891; the Kettle Valley Railway (KVR) built through the Penticton Band’s land in 1912; and the Canadian National extension went through the Head of the Lake and the Duck Lake Reserves in 1919. No one asked the affected people for permission, although before constructing the Lumby branch, the railway purchased 5.48 acres (2.3 hectares) of reserve land and paid $548 to Jimmy Antoine, its only resident.[26]

[25] Jeanette Armstrong, “Standing Between,” in *Okanagan Women’s Voices: Syilx and Settler Writing and Relations, 1870s–1960s*, ed. Jeanette Armstrong, Lally Grauer, and Janet MacArthur (Penticton: Theytus Books, 2021), 1.

[26] Margaret A. Ormsby, *Coldstream Nulli Secundus: A History of the Corporation of the District of Coldstream* (Altona, MB: Friesen, 1990), 28, 58.

Additionally, the orchard economy dramatically affected the value and use of certain reserve lands. Responding to province-wide demands for access to "under-used" reserve land – in the Okanagan, a tempting source of fruit land – the provincial and federal governments established the McKenna-McBride Royal Commission in 1912 to select land to be "cut off" from reserves for sale to white settlers. The Penticton municipal council argued that idle land should be made available to people who, unlike the "Indians," could afford irrigation.[27] Traditionally, the Syilx people saw water as a resource for fish, drinking, bathing, and spiritual purposes.[28]

When the commission's recommendations were implemented in the early 1920s, the Penticton Band lost its remaining west bench land to orchardists. In Kelowna, Reserve No. 9 (one of the two Westbank reserves) already faced a water dispute: in 1909 the band, anxious to find a secure water supply for domestic use and irrigation of about 250 acres (210 hectares) of bottom land where it grew potatoes, wheat, and hay, applied for water rights on McDougall Creek, which flowed through the reserve. Unfortunately, the rights had been granted to a white settler, John Allison, and passed on to subsequent owners of the property. In 1913, the McKenna-McBride Commission, determined to secure more land in the area for white fruit growers, ignored the band's call for redress. Confirming the commissioners' decision, without band consent, a federal Order in Council in 1924 dispossessed the band of 1,790 acres (724 hectares) cut off from Tsinstikeptum Reserve 9. There is no record of any compensation being offered.[29]

As well as losing land to developers and railway companies, local Syilx had difficulty taking advantage of the employment opportunities presented by railway and land developments. When the Coldstream Ranch near Vernon had to look beyond the local band for labour, it

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27 Cole Harris, *Making Native Space: Colonialism, Resistance, and Reserves in British Columbia* (Vancouver: UBC Press, 2002), 236. A map of the Okanagan reserves showing the recommended cut-offs is on p. 242.

28 John R. Wagner, "Landscape Aesthetics, Water and Settler Colonialism in the Okanagan Valley of British Columbia," *Journal of Ecological Anthropology* 12, no. 1 (2008): 29.

29 *Courier*, 25 November 1909. In 1913, at a meeting with the McKenna-McBride commissioners, Indian Agent J.R. Brown largely corroborated the band's complaint about water rights. See Okanagan Agency: Examination of Agent Brown, 171. A separate meeting took place with the band regarding use of reserve land. See McKenna-McBride Royal Commission, Okanagan Agency Testimony: Meeting with the Tsinstikeptum Band , 61–63. Transcripts of testimonies from the Royal Commission on Indian Affairs for the Province of British Columbia, 1913-1916 (McKenna McBride Commission) are available here: https://ourhomesarebleeding.ubcic.bc.ca/Testimonies2/index.html. The final decision to cut off land was made in 1916 and implemented in 1924. See Final Report – Okanagan Agency. Available at https://www.ubcic.bc.ca/mckenna_mcbride_royal_commission

seasonally hired about a hundred Nez Percé (Nimiipuu) people, who came by horseback from Washington State,[30] and Indigenous groups from Lytton and the Nicola Valley who likely came by railway.[31] So satisfied was the ranch with this labour that it avoided hiring from the small and scattered Okanagan Syilx bands, whom it deemed uncompetitive.[32] In short, local Indigenous people were left out in the rush to expand towns and orchards, lost out on employment opportunities, and had their claims to water or land brushed aside in the interests of the railways and fruit growers.

VERNON: THE FIRST DISTRIBUTING CENTRE

The Shuswap and Okanagan Railway gave Vernon an early advantage and a dominant position in the Okanagan. Moreover, Vernon had political clout through its members of the legislature: initially, Forbes Vernon, chief commissioner of lands and works (1887–94) and, later, Price Ellison, chief commissioner of lands and works (1909) and minister of finance and agriculture (1910–16). It also had the prestige of Lord and Lady Aberdeen's venture at the nearby Coldstream Ranch. A 1895 directory reported that "since the advent of railway communication the town has grown wonderfully and is a duly incorporated city."[33]

Vernon's railway terminus and access to lake navigation made it the distributing centre for the entire valley. By 1910, it had a population of almost three thousand, two banks, and many stores, as well as hotels, sawmills, and sash and door factories, all of which gained trade from the nearby BX and Coldstream Ranches and the adjacent farming communities of Enderby, Spallumcheen, Lumby, Oyama, Armstrong, and Okanagan Landing.

During his 1909 election campaign in which an agreement to bring the Canadian Northern Pacific Railway (CNPR) to British Columbia

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30 *Vernon News* (hereafter, *News*), 19 September 1901, referred to "Indian hop-pickers" at the Coldstream Ranch. It has been estimated that about three hundred Nez Percé, including women and children, worked on the ranch. See John A. Sugars, ed., *An Okanagan History* (Westbank, BC: Sugars Publishing, 2005), 47.

31 The movement of BC Indigenous groups for seasonal work on the Coldstream Ranch is noted in the *Armstrong Advertiser* (6 September 1907; 29 August 1908), which also reported *Nlaka'pamux* hop-pickers returning to Lytton (21 October 1909). The *Vernon News* noted recruiting for *Scw'exmx* hop-pickers in the Nicola Valley (12 August 1909).

32 E.V. de Lautour, who in the first decade of the twentieth century recruited hop-pickers for the ranch, recalled that the ranch did not encourage Syilx to apply because they "liked to visit rather than work." See Edward V. de Lautour, "The Nez Percé Indians," *OHSAR* 14 (1950): 112.

33 *Williams Official BC Directory, 1895* (Victoria: Williams BC Directory, 1895), 186.

was the centrepiece, Premier Richard McBride promised that a branch line would serve the Okanagan. Such a branch would generate traffic for the main line, provide competition for the CPR, and, as McBride expected, win votes. In July 1910, a rumour circulated that the provincial government would soon extend bond guarantees made for the CNPR main line to include branches from Kamloops to Vernon, the White Valley, the sawmill town of Lumby, and Kelowna.[34]

That set off a boom in Vernon. Contracts were signed and building began for a new and enlarged Hudson's Bay store; a bigger CPR station, with "faced boulders and pressed brick"; two hotel additions; a new brick firehall; a new post office and customs building; and a $150,000 courthouse built of "fine red granite" and, in the words of the local paper, "the largest, handsomest and most costly government building in the Interior," concrete evidence of the city's pre-eminence as an administrative centre – even though the federal government kept Vernon as an outport of the Revelstoke customs office despite its providing over three-eighths of the entries in the district.[35]

Vernon by 1911 was clearly the dominant Okanagan centre: all the fruit coming out of the valley was handled or sorted there or nearby. Vernon's largest fruit grower cooperative, the Vernon Fruit Union, had branch packing houses at Penticton, Summerland, and Peachland. A decade later, it was still referred to as "the inevitable distribution centre of the Okanagan Valley,"[36] even though the cost of building the main line and the drying up of the London money markets delayed construction of the CNPR's Okanagan branch.[37] The onset of the First World War and the CNPR's bankruptcy caused a further delay. Not until 1920 did the company, now part of the government-owned CNR, set up an engineering staff to oversee the project in Vernon. The government's focus, however, was on building new prairie branch lines, so the line from Kamloops to Vernon and Kelowna, even though a high priority for Okanagan fruit growers, was not completed until 1925.

The new line, part of which was run jointly by the CNR and the CPR, carried a variety of freight. It hauled gypsum from Falkland to the CNR main line; on the jointly managed Lumby branch, the CNR and CPR

34 *News,* 21 July 1910. Regehr, *Canadian Northern Railway*, 301, 360. The Canadian Northern operated under a complicated series of charters. The Canadian Northern Pacific had the charter for the main line in British Columbia.

35 *News*, 21 July, 12 August, 4, 12, 14 October, 2 November 1911.

36 *News*, 6 April 1911; *Wrigley's British Columbia Directory, 1921* (Vancouver: Wrigley, 1921), 1020.

37 Regehr, *Canadian Northern Railway*, 352–53.

on alternate days carried lumber and poles to their main lines.[38] The new branch gave Okanagan growers greater access to some 144 prairie towns and communities.[39] The CPR and the CNR shared the volume of traffic almost equally. Cooperation enabled them to ship "mixed" cars of fruit and vegetables to specific prairie customers.

The new branch created few direct jobs in Vernon. Excluding local section crews, the CPR and the CNR collectively employed only about twenty people, but Vernon acquired a new hinterland. When the CNR initiated passenger service to Kamloops early in 1926, the *Vernon News* expected local merchants to secure trade from the five to six hundred families from Grande Prairie (now Westwold) and the Salmon River Valley, "a territory previously difficult of access," who could now travel more easily, cheaply, and quickly to Vernon than to Kamloops. It also brought new industry. In late February 1926 the Vernon Box and Pine Lumber Company opened a plant. From lumber brought by the CNR from new mills at Mile 23, Westwold, and Monte Lake, and raw logs from Falkland, it made shook and fruit and vegetable boxes.[40] It initially employed fifteen to twenty men.[41] By 1941 it was Vernon's largest year-round private employer with a staff of over forty. The boxes, essential for protecting fruit while in transit, illustrate how agriculture and railways created industrial jobs. Another major employer, with as many as two hundred seasonal employees in 1932 but only about ten in the off-season, was Bulman's Limited, which canned and dehydrated fruits and vegetables. Originally established in 1916 on a ranch north of Kelowna, ten years later it moved to the fruit and vegetable nexus around the Vernon railway yards.[42]

Beginning in the mid-1920s, better roads and more cars and trucks improved access to Vernon. Residents of a broad circle of satellite communities (Westwold, Falkland, Spallumcheen, Enderby, Lumby, Cherryville, Lavington, Oyama, Winfield, Okanagan Centre, and even Kelowna) could easily come to Vernon for services and shopping. By 1941, with twenty employees, Vernon's Hudson's Bay store had twice

38 J.W. Macrae, General Freight Agent, CNR, Vancouver, to W.G. Manders, Freight and Traffic Manager, CNR Western Division, 12 January 1933, "Consolidation of Boat and Train Services in the Okanagan District: Co-operative Committee CN and CP Railways," RG 30, vol. 9965, Library and Archives Canada.

39 The CNR, which had an extensive prairie network, served 112; the CPR served thirty-two. Table appears in Macrae to Manders, "Consolidation of Boat and Train Services." In 1932, the CNR shipped 3,158 carloads; the CPR, 3,801.

40 Shook is pre-cut lumber that can be made into fruit boxes.

41 *News*, 18, 26 February, 22 April 1926; 14 July 1927.

42 *News*, 20 May 1926.

as many as did Fumerton's, Kelowna's largest department store. Vernon had a Massey Ferguson farm machinery distributorship; the main office of Okanagan Telephone; the office of the Okanagan's fruit-grower magazine, *Country Life*; and the *Vernon News*, which claimed to have "the largest circulation of any weekly newspaper" in BC's interior.[43] It also had canneries and packing houses, including the Vernon Fruit Union, the largest packing house.[44] Vernon was head office of Associated Growers, a major fruit shipping agency for the whole Okanagan until the Depression of the 1930s, when marketing problems greatly weakened it. By 1931 it marketed only slightly over 50 percent of the Okanagan apple crop, as opposed to 70 percent in 1927. Its role as a fruit shipper would definitively end in 1939, when BC Tree Fruits Ltd., based in Kelowna, took over all apple sales from the BC interior to the Canadian market.

Reflecting Vernon's head start, government was a major employer. In 1941, in addition to teachers and hospital workers, about one hundred people worked for governments, many in jobs related to agriculture. The province had over forty employees, including a district horticulturalist, an entomologist, a lab assistant, a field inspector, three forest rangers, and ten provincial police officers. The smaller federal staff included both a fruit and a forest entomologist, a seed inspector, and seven fruit inspectors.[45]

At the time of the First World War, Vernon was still the only Okanagan centre with easy access to the main lines of the transcontinental railways, and this led to the expansion of its army camp. At times, the camp housed as many as seven thousand trainees as well as interned enemy aliens. In 1940, after much new construction, the camp was reopened. The presence of new recruits, instructors, and camp administrators likely explains the dramatic jump in Vernon's population in the 1941 census.[46]

The CNR and CPR generated few jobs in Vernon, and the city, at the extreme north end of the Okanagan's semi-arid fruit-growing belt, had less suitable orchard land than did Kelowna. As well, two important towns in Vernon's hinterland, Enderby and Lumby, whose lumber and pole mills exploited rich timber stands in the upper Shuswap River watershed, had their own rail connections to the mainline via the CPR and CNR, respectively. Nevertheless, having benefitted from early access

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43 *McKim's Directory of Canadian Publications, 1930* (Toronto: A. McKim, 1930), 481.

44 In the 1950s some men worked in the packing houses from August to late January, had a few months' layoff, and spent the spring and early summer on railway track maintenance. This pattern of seasonal work likely existed earlier.

45 Data for Vernon and Kelowna gathered from *Wrigley's BC and Yukon Directory, 1941*.

46 Vernon Cadet Museum, "Vernon Military Camp," vernoncadetmuseum.com/history-vernon-military-camp.html#/.

to the CPR and the whole of the lake, Vernon remained an administrative and distributing centre, even after Penticton and Kelowna acquired direct access to railways.

THE IMPACT OF THE CANADIAN NATIONAL RAILWAYS ON KELOWNA

Whereas Vernon had a railway connection early on, Kelowna, thirty-three miles (fifty-two kilometres) to the south, remained isolated. Much of its hinterland was occupied by large cattle ranches. As late as 1901, Kelowna and nearby Okanagan Mission were little more than post offices serving a few scattered farms and orchards. However, the town soon began to grow. In 1904, with the cattle business suffering, two cattle barons, Bernard Lequime and Arthur Booth Knox, after holding out for a decade, sold their land. Development companies with the capital to build irrigation systems began to exploit the area's water resources and lay the foundations of an orchard and vegetable industry. Kelowna-area fruit growers used CPR lake boats and barges to move their fruit to the rail head at Okanagan Landing. By 1911, Kelowna was an incorporated city with over sixteen hundred inhabitants. It had concrete sidewalks, a high school, a hospital, and many recreational facilities, including a six-hundred-seat opera house. It had two sawmills, a planing mill, a cement block factory, a brickyard, two banks, an assortment of retail stores, other small businesses, two factories converting locally grown tobacco into cigars, three fruit packing plants, and daily steamer service to Okanagan Landing.[47]

Despite the general depression of the immediate postwar years, in 1919 the promise of a CNR branch from Kamloops to Kelowna via Vernon prompted a *Kelowna Courier* headline that proclaimed: "Merchants Prepare for Big Development." The presence of CNR construction camps inspired the building of new commercial structures and a theatre. Increasing fruit and vegetable crops explain three new buildings: the Kelowna Growers' Exchange's frost-proof fruit storage warehouse, a "little short in capacity of the big OUG building in Vernon"; the Occidental Fruit Company's two-storey fruit and storage warehouse; and Dominion Canners' storage warehouse and apple evaporator. Late in December 1919, the *Courier* glowingly reported that in that year "fruit

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[47] *News*, 5 January 1893; *Henderson's British Columbia Directories, 1901 and 1911.*

and produce from Kelowna by freight totalled … the colossal sum of at least $2,200,000."[48]

The joint CNR/CPR line, finally completed in 1925, provided a direct rail route to markets and soon made Kelowna "the fruit-shipping capital of the Okanagan" for both apples and soft fruits.[49] By 1932, over 30 percent of the Okanagan's orchards were in the Kelowna area. As well, fruit was barged daily from the south to Kelowna, where some of it was re-sorted by destination at local packing houses and reloaded into refrigerator cars or special fruit cars attached to fast passenger trains for delivery to major prairie centres within two days or less.[50] In the late 1920s, the largest packing house in Kelowna was shipping about 70 percent of its fruit to the Prairies.[51]

By 1941, the packing houses and canneries provided long-term work for over 110 men and women and, of course, a much larger work force, including many women and students, at peak times. As the packing houses took advantage of the new railway corridor, rural packing houses in outlying districts such as Belgo, East Kelowna, and Okanagan Mission slowly fell into disuse,[52] and bunkhouses for seasonal labour in East Kelowna closed.[53]

The decision of Okanagan fruit growers in 1939 to adopt central selling in the domestic market encouraged the consolidation of the industry. Already a clearing house for much of the valley's fruit, Kelowna, at the mid-point of Okanagan Lake, was an ideal location for the new grower-controlled umbrella agency, BC Tree Fruits, which set up its offices with a staff of twenty-four and laid the foundation for later fruit-related enterprises, including the Sun-Rype juice plant and the Fruit Growers' Mutual Hail Insurance Company, a pioneer cooperative insurance provider.[54]

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48 *Kelowna Courier and Okanagan Orchardist* (hereafter *Courier*), 10 July, 11 September, 31 December 1919; 10, 24 June 1920.

49 For the complicated history of plans to build a railway from Vernon to Kelowna, see Ian Pooley, "When the Titans Met: Railway Rivalry in the Okanagan and Kelowna's Rise as a Fruit-Shipping Centre," *BC Studies* 176 (Winter 2012–13): 57–67. See comparative data on Okanagan orchard acreages on p. 87.

50 Pooley, "When the Titans Met," 84–85, 92.

51 Shipping data from weekly shipping reports from the Kelowna Growers' Exchange, 1926–28, as published in the *Courier*. About 20 percent went to the United States or overseas.

52 Listings for the two East Kelowna packing houses disappeared from the telephone directory in this period.

53 The bunkhouses are not mentioned in newspaper accounts after the 1920s.

54 See Dendy and Kyle, *Fruitful Century*, 82–83. When the government-owned Insurance Corporation of British Columbia took over the Fruit Growers Mutual, two of its executives, including its CEO, Hugh Earle, went on to positions in the new corporation.

Fruit and vegetables provided traffic for the railway and, as at Vernon, spawned other businesses in an industrial area by the railyard. The valley-wide demand for specialized fruit and vegetable containers prompted the establishment of S.M. Simpson's sawmill and veneer plant (1930) and box plant (1933).[55] With a year-round staff of over 120, Simpson's was the largest single private non-railway employer in the Okanagan. Using local timber milled at its sawmill, it produced orchard ladders, shook, boxes, veneer lids and bottoms, specialized veneer baskets for soft fruits, berries, and Concord grapes, and container tops from sheet tin imported from Britain. The smaller Kelowna Sawmill Ltd. had about fifty employees.[56] Both companies had their own tugs to transport log booms along the lake, but the new railway brought raw logs from inland points, took lumber out of the valley,[57] and provided steady jobs.

While the trains did much for agriculture and related industries, as in Vernon, they brought few railway jobs. The forty Kelowna residents employed by the CPR or CNR in 1931 worked mainly on the lake boats, by now all Kelowna-based, or in ancillary activities such as the telegraph. Their number declined in the next decade.[58] The CNR and CPR based their operating crews, respectively, at Kamloops and Revelstoke, where the rolling stock was serviced. If crews could not return home the same day, they could stay in a shared CPR/CNR bunkhouse. The CNR built a passenger station, an express freight shed, a telegraph office, a transfer barge slip, a wharf, and a second express freight shed on the lake north of the CPR barge slip.

In sum, fruit growing preceded the railway in Kelowna, but the railway turned the city into a key assembly point for prairie-bound fruit and vegetables. It made shipments faster and more efficient, encouraged the concentration of packing there, and developed the related industries of manufacturing orchard boxes and specialized shipping containers.[59]

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[55] *Courier*, 2 October 1930.

[56] By 1941 the combined workforce of the two mills totalled almost two hundred men and women. S.M. Simpson employed mostly female machine operators to make containers. In 1941, thirteen women were listed in the *BC Directory*.

[57] In 1927, Kelowna Sawmill Ltd. used the new CNR connection to bring in pine logs from Falkland for shook. *Courier*, 14 April 1927.

[58] In 1931, the CNR employed about thirty Kelowna residents; the CPR had fourteen. By 1941 this had declined to eighteen and ten, respectively. Information from *Wrigley's British Columbia Directory, 1931*; and *The British Columbia and Yukon Directory, 1941* (Vancouver: Sun Directories, 1941).

[59] Turner, *The Sicamous and the Naramata,* 62.

THE KETTLE VALLEY RAILWAY AND PENTICTON

Penticton, the last major Okanagan centre to emerge, was the only one to have a railway – the Kettle Valley Railway – as a major employer.[60] Forty miles (sixty-four kilometres) south of Kelowna and approximately midway between the coast and the Kootenays, Penticton had space for a large railway yard and offered the easiest route through the difficult terrain to the east and west of the valley. In conjunction with the barge link to the north end of the Okanagan, it also had the prospect of local traffic from nearby orchards and along the lake. As a divisional point, it became headquarters for train crews, maintenance workers, and administrative staff. Ironically, the KVR did little for the fruit business, hitherto the backbone of Penticton's economy.

Situated between the south end of Okanagan Lake and the north shore of Skaha Lake, Penticton had easy access by water to the rest of the Okanagan but was sparsely populated until the South Okanagan Land Company subdivided cattle ranches into orchard-size plots in 1905.[61] A townsite emerged by 1907. The *Penticton Press* optimistically expected the CPR to come and create a divisional point. That the Land Company was a major advertiser was not coincidental.[62] CPR officials and surveyors visited, and rumours circulated about the coming of the American-owned Great Northern Railway (GNR). In October 1909, Premier Richard McBride's election platform promised a subsidy to construct the missing Penticton-to-Nicola link of a Coast to Kootenay Railway. The CPR acquired the KVR through a 999-year lease, so, in all but name and local management, the KVR was the CPR. Expecting the KVR to bring new business, raise property values, and improve transportation, Penticton ratepayers granted it tax exemptions, running rights over certain streets, and spent $25,000 to buy land for the lakeshore station.[63]

Problems in finding suitable grades and routes and a labour shortage delayed construction until 1 July 1911, when the first sod was turned at Penticton. Construction work gave Penticton little benefit.[64] At the

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60 On the complex political and engineering problems of the KVR, see Sanford, *McCulloch's Wonder*; and Eagle, *Canadian Pacific Railway*, chap. 6.

61 See Edward Wahl, "Penticton and Region" (MA thesis, University of British Columbia, 1955).

62 R.N. Atkinson, *Historical Souvenir of Penticton, BC, 1867–1967* (Penticton: City of Penticton and Penticton Branch Okanagan Historical Society, 1967), 36ff; *Penticton Press,* 16, 30 November 1912.

63 Patricia E. Roy, "Progress, Prosperity, and Politics: The Railway Policies of Richard McBride," *BC Studies* 47 (Autumn 1980): 19–20, 10–13; *Penticton Herald* (hereafter *Herald*) 9, 16, 20, 30 July, 27 August 1910.

64 Penticton ratepayers approved a time extension (*Herald*, 6, 13 May, 3 June 1911).

peak, in 1913, about fifteen hundred men and two hundred horses and mules were employed between Summerland and the western summit.[65] Most supplies were barged in from elsewhere or carried on tote roads from Kelowna and Okanagan Mission.[66] When about five hundred workers quit because of a threatened strike, they went to Penticton but only stayed long enough to cash their paycheques. There was nothing to keep them there.[67]

In October 1914, the arrival of a work train from Midway brought permanent KVR jobs maintaining eight locomotives and other rolling stock and customers for the KVR's luxurious lakefront sixty-two-room Incola Hotel. Unlike Vernon and Kelowna, tourism was part of Penticton's economy. Before it was complete, the KVR brought delegates to the Western Canada Irrigation Association convention by a combination of special train, automobiles, and boat. The CPR advertised the KVR to tourists who could not go to Europe because of the war.[68]

Regular train service began on 31 May 1915. At a celebratory banquet, Reeve C.S. Conkin envisioned Penticton assuming a "place among the great cities of western Canada."[69] The KVR's final link, the Coquihalla or Hope cut-off, opened for service on 31 July 1916. While shortening the route to the coast, heavy snowfalls, snow, and landslides often closed it for anywhere from a few days to an entire winter. A detour via Merritt and Spences Bridge added time and cost.[70]

In its first full year, the KVR carried 49,972 passengers and 300,563 tons (272,666 tonnes) of freight, including a car of ore from Hazelton in north central British Columbia to the Granby smelter near Grand Forks, but operated "in the red." The CPR blamed poor economic conditions for the KVR not being "particularly profitable." The economy slowly improved. In 1922, freight traffic was 12 percent higher than in 1921. The Consolidated Mining and Smelting Company (CM&S), a CPR

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65 Among them were an unknown number of Indigenous men from the Coldwater Reserve and from around Hope. See Rolf Knight, *Indians at Work: An Informal History of Native Labour in British Columbia, 1959–1930* (Vancouver: New Star, 1996), 259.

66 Once the line opened, Summerland had a resident agent, who mainly sold passenger tickets and tended a busy express service for small shipments of fruit. Most fruit still left Summerland by water. See *Herald*, 28 October, 2 December 1911; *Summerland Review* (hereafter *Review*), 11 April, 21 November 1913; 25 October 1915.

67 R.D. McCaw, "Photographic Survey in Okanagan Valley," 20 November 1915, in British Columbia, Department of Lands, *Annual Report*, 1915, 108; *Review,* 28 March, 9 May 1913.

68 *Review*, 28 June 1913; *Herald*, 17, 28 October 1914; 13 December 1917; 31 July 1919.

69 *Herald*, 3 June 1915.

70 In 1916, the fare from Penticton to Vancouver via Spences Bridge was $14.30; via the cut-off, $10.15. Freight rates were about 20 percent less via the Coquihalla. See *Herald*, 22 July 1916; 31 March 1921; *Review*, 4 August 1916.

subsidiary, shipped spelter (zinc ingots) from Tadanac near Trail to the coast for export by sea, and the demand for lumber and coal rose. When heavier traffic required an improved roadbed, the KVR hired about twenty-five Penticton men to replace trestles and bridges with more permanent landfill.[71]

Penticton was a waypoint as well as a destination. East- and westbound trains stopped for ten to fifteen minutes at the South Penticton yards to change engines and crews and to take on water and ice. Many passengers were travelling between Vancouver and the Kootenay and Boundary districts. Passengers for points along the lake could connect with the *Sicamous*, the CPR's lake steamer, although schedules were not always coordinated.[72]

The KVR's local payroll doubled during 1916 to $16,000 a month. The 207 employees were mainly in the well-paid running trades and the machine shop. Others were managers and clerks who worked in administration, including the payroll for approximately one thousand employees. Some road maintenance workers settled their families in Penticton, whose population increased by about one thousand; school enrolment rose by 25 percent. The value of building permits doubled in 1916 over 1915, but rental housing was so scarce that the post office cited a lack of housing for its workers as a reason for not putting a mail car on the KVR.[73]

To generate freight, station agents reported weekly on goods available or required locally and shared the information with other agents. The KVR adjusted some freight rates to gain custom, and its ventilated cars enabled the express shipment of small quantities of fruit to Vancouver. Yet most fruit destined for the Prairies, where carloads of mixed fruit were often desired, went via Vernon and, after 1925, via Kelowna. The KVR did take fruit to Vancouver for local consumption and apples for export to Singapore, New Zealand, the eastern United States, and the United Kingdom. The *Herald* extolled the KVR for saving growers thousands of dollars each year through its "expeditious transportation facilities."[74]

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71 *Herald*, 29 July, 1 October 1915; 2, 9 August 1917; 25 April, 23 May 1918; 14 May 1921; 24 March, 25 July, 1 November 1922; 3, 28 February, 16, 20 June 1923. *Review*, 27 August 1915.

72 *Herald*, 6, 20 July 1916.

73 *Herald*, 14 December 1916; 4 January 1917; 15 April 1919.

74 Pooley, "When the Titans Met," 86–87; *Review*, 27 August, 19 November 1915; *Herald*, 29 July 1915; 11 May, 8 June 1916; 2 August 1917; 28 September 1921; 23, 30 September, 21 April 1922; 24 June 1926; 31 March 1927. The KVR did not provide a fast route to the Prairies for perishable fruit before 1931 because its link with the CPR's Crow's Nest Pass line required a barge trip across the Kootenay River.

While recognizing that Penticton's success depended on "development along other lines," the *Herald* in the 1920s correctly called the KVR the town's "vital money circulating concern."[75] It gave access to a hinterland stretching west to Princeton, south to the American border, and east towards the West Kootenay. The KVR brought coal from Coalmont and Princeton to Okanagan fuel dealers and shook from Merritt to Okanagan box manufacturers. The CPR put carloads of hay from Salmon Arm and Enderby on its barges; the KVR took hay to the Kootenays.[76]

Local firms relied on the KVR for raw materials and shipping their products, many of which related to agriculture. With an average monthly payroll of $4,000 to $5,000 in 1917, the Penticton Lumber Company was the town's second largest single employer. The KVR brought fir and pine logs from its camps to its South Penticton mill. When rebuilt after a fire in 1919, the sawmill produced shook and fruit boxes.[77] Prairie sales declined in 1930 with the onset of the Depression, but forty-five men still manufactured four thousand fruit boxes a day. The mill also cut construction lumber. A small business, the Oliver Chemical Company, converted lime and sulphur brought by rail into insecticides and fungicides.[78] The Pacific Pipe and Flume Company, established in 1923, built irrigation pipes and flumes and later manufactured such products as air conditioners and hot air furnaces.[79]

By 1924, the *Vernon News* conceded Penticton's advantage of being "the hub of a wheel" to which all parts were accessible by road, steamer, or rail.[80] The federal government in 1915 had appointed a customs collector who oversaw outports in Kelowna, Princeton, Osoyoos, and the Similkameen. Nine years later, the Royal Canadian Mounted Police sent six officers to Penticton to establish headquarters for its West Kootenay subdistrict, an area east to Nelson, west almost to Hope, and north to Vernon and Kamloops. Similarly, the provincial land registry office became responsible for the area from Osoyoos, north almost to Westbank (West Kelowna), and west almost to Brookmere.[81] By 1937, thirty-eight provincial employees, including the police; the government agent who, with his staff, had many functions; a game warden; public works officials; liquor vendors; the district public works engineer; and clerks and stenographers resided in Penticton. Commercial enterprises,

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75 *Herald*, 13 January 1923; 31 March 1927.
76 Macrae to Manders, 12 January 1933, "Consolidation of Boat and Train Services."
77 *Herald*, 13 December 1917; 2 October, 20 November 1919; 20 February 1924.
78 *Herald*, 8 May 1930; 6 October 1938; 2 August 2017 (a retrospective article).
79 *Herald*, 15 September 1938.
80 *Herald*, 8 March 1924; and *News* quoted in *Herald*, 3 April 1924.
81 *Herald*, 10 June 1915 and 8 March 1924.

albeit small employers, also recognized Penticton's strategic location to serve the Similkameen and Boundary districts. This included exporters of liquor to the United States where, from 1920 to 1933, Prohibition prevailed. Legal wholesalers, either locally owned or branches, were likely less profitable but more economically significant.[82]

The CPR lost its monopoly in Penticton in 1926 when the CNR launched its Kelowna-based freight and passenger vessel the *Pentowna* and in 1929 opened a telegraph, express, and ticket office uptown. Over the KVR's protests, the federal Board of Railway Commissioners approved the CNR's construction of a spur to gain access to CPR tracks serving the Penticton fruit warehouses.[83] Despite competition, the KVR provided Penticton with a stable payroll that, in 1927, amounted to $43,000 a month for 270 employees. With their families, they occupied 189 houses, of which 139 were owned (they were 151 of the telephone company's eight hundred subscribers).[84]

The southern Okanagan did not escape the 1930s Depression. As part of a land settlement plan designed to settle veterans of the First World War, the provincial government invested heavily in irrigation in the desert-like land around Oliver and Osoyoos.[85] Partly to relieve unemployment, in 1931 the CPR hired over 150 men, about half of them Penticton residents, to build an eight-mile-long (thirteen-kilometre-long) line along Skaha Lake to replace the barges that carried freight cars from Penticton to Okanagan Falls and the rail line to Oliver. Craig's grocery supplied food and the Home Gas station, gas and oil. Penticton garages did repair work. On Saturday nights some men patronized Penticton restaurants and theatres. Once completed, the line only operated when required and had no regular passenger service.[86] Settlement on the provincially developed irrigated fruit lands at Oliver was slow and traffic – mainly fruits and vegetables and some cattle – was light. When Osoyoos growers complained of having to truck their produce a few kilometres to the railhead, CPR officials told them that "tonnage talked."

82 Roy, "Eat the Okanagan into Prosperity," 86–87. Greenshields, Hodgson, and Racine, a dry goods and clothing wholesaler, was a branch of a Montreal firm. See *Herald*, 16 May 1935; 2 December 1937; 27 June 1940.

83 *Herald*, 9 May, 6, 20 June, 14 November 1929. Board of Railway Commissioners, report for the year ending 31 December 1929, 21, City of Vancouver Archives; Pooley, "When the Titans Met," 82–84, 91.

84 *Herald*, 31 March 1927.

85 James A. Murton, *Creating a Modern Countryside: Liberalism and Land Resettlement in British Columbia* (Vancouver: UBC Press, 2007), chap. 5.

86 *Herald,* 2 October 1930; 5 February, 18 June 1931.

By growing more soft fruits, tomatoes, cucumbers, and other vegetables, they increased railway traffic and work for the Penticton cannery.[87]

When the CPR created a through rail line between Vancouver and Alberta by building bridges across the Kootenay River, the *Herald* expected the KVR to expand its local facilities to serve new traffic, especially grain cars from southern Alberta and Saskatchewan going to elevators in Vancouver. It was not to be. On completing the through route in 1931, the CPR fully incorporated the KVR into its operations. While the CPR had done long-term planning and financing, Penticton had been the KVR's head office for routine activities. Now, it was merely a division within the CPR. The *Herald* rightly feared this "blow" would mean the loss of twelve to fifteen positions in the accounting department, the transfer of much rolling stock work to Vancouver, and the move of some brakemen and conductors to Vancouver or Nelson. "Trains running through Penticton day and night are of no value to this community unless the trainmen" live here, it bewailed. Penticton did lose personnel. A 1930 provincial directory listed approximately 256 KVR employees in Penticton; the 1933 directory, about 191. The greatest single loss was of clerks. A dozen were on the payroll in 1930; only three in 1933.[88] Some crews were transferred to Vancouver or Nelson.[89]

In the midst of the Depression, which reached its nadir in 1932, the KVR continued to be a significant source of employment for Penticton. Despite a general decline of traffic, shipments of fertilizer, lead, and zinc to the coast began rising in 1936. This gave regular time to permanent crews and occasional work to spares. Improving the roadbed also employed Penticton men. To generate business, the CPR advertised to potential tourists, offered excursions from Vancouver, and adjusted the timetable to eliminate an unpopular overnight stop in Nelson.

American tourists, however, often came by road. Few motorists were likely to proceed farther north as the road to Peachland was subject to mudslides and, at one point, was only nine feet (three metres) wide.[90] In 1935, when a delegation of Vancouver and Victoria business leaders asked the provincial government for a $50,000 grant for tourist

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87 R.O. Hall, "Early Days of Fruit Growing in the South Okanagan," *OHSAR* 25 (1961): 116; Sanford, *McCulloch's Wonder*, 212–13; *Herald*, 28 February 1933; 4 January, 31 May, 4 October 1934; 25 April, 25 July 1935; 12 January 1939.

88 These numbers, calculated from various BC directories available through the website of the Vancouver Public Library, are not exact. Many listed in 1930, but not in 1933, were "employees" or "helpers" likely with little seniority.

89 *Herald*, 15 November, 27 December 1928; 23 January, 13 February, 25 December 1930; 1 January 1931; 14 January, 10 November 1932.

90 *Herald*, 22 April and 8 July 1937.

promotion, boards of trade in Vernon and Kelowna said advertising would be worthless since tourists could not easily reach the Okanagan,[91] but the Penticton Board of Trade, with access to the American market, endorsed the request. The Depression was hard on the tourist industry. The Incola Hotel normally hosted eighteen hundred to twenty-seven hundred American visitors annually; that number fell to three hundred in 1932. Competition from the new forty-eight-room Three Gables Hotel and auto camps compounded its problems. By 1937, as the economy improved the streets were busy with visitors.[92]

In the Depression, any source of employment helped: a revival of gold mining also gave short-term benefits to Penticton and the KVR. In 1932, a Penticton-based company developed a mine and mill at Twin Lakes, twenty-five miles (forty kilometres) to the southeast. The monthly payroll of $5,000 and expenditure of about $10,000 a month on supplies was a boon since most employees were Penticton residents. After a winter closure, it operated intermittently and on a much smaller scale. The Morning Star mine at Fairview, however, shipped ore to Trail for smelting in 1934 and in 1935.[93]

While the revival of Copper Mountain mining operations near Princeton in 1937 had little effect on Penticton, all told the Similkameen mines did. This was especially true of the gold mine at Hedley, which had regular bus service to Penticton. Much of the mine's monthly payroll of about $150,000, was spent in Penticton, the Similkameen's "supply centre" and home of many miners' families whose housing needs contributed to a minor building boom. The *Herald* attributed much of Penticton's "continued development" to the mining payroll.[94]

The outbreak of war in September 1939 sharply reduced shipments from Trail, which now used the shorter Atlantic route to Europe. Despite that and a poor year for the fruit business, traffic held up. Fertilizer shipments continued, and wartime industries at the coast, especially shipbuilding, required copper and other minerals.[95]

Although the railway's payroll was a primary contributor to Penticton's economy, the *Herald* rightly boasted of Penticton not being a "one-industry town." Agriculture was a major employer, but, as in Vernon and

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91 Michael Dawson, *Selling British Columbia: Tourism and Consumer Culture, 1890–1970* (Vancouver: UBC Press, 2004), 95–97.

92 *Herald*, 5 May, 3 November, 1 December 1932; 16 February 1933; 5 May, 3 November 1932; 22 April and 8 July 1937.

93 *Herald*, 19 April, 14 June, 5, 23, 26 July, 8 November 1934; 16 May 1935.

94 *Herald*, 22 March 1934; 31 December 1936; 29 December 1938; 12, 19 January 1939; 22 August 1940.

95 *Herald*, 14 September, 14 December 1939.

Kelowna, this was seasonal. Most orchards and vegetable farms used family labour except at harvest time. Seasonally, the packing houses had as many as 335 employees and the cannery had 155. In 1928, at the peak of the apricot season, Dominion Canners employed about 150 women, mainly local housewives and students, and twenty-five men, mainly students. Year-round, the packing houses and canneries had a skeleton staff of a manager and perhaps a warehouse man and a clerk-stenographer.[96]

When the CPR opened a new station and offices in the South Penticton yards in December 1941, there was no "fanfare," possibly because the war had just extended to the Pacific. Two years earlier, the *Herald* had neatly summarized the impact of the KVR: "Penticton merchants have always realized the value of the railroad payroll and . . . the advantages of a busy line and a correspondingly larger payroll brings to the fore the part the railroad holds in our business, civic and social life."[97]

MOTOR VEHICLES AND THE DECLINE OF LAKE SHIPPING

That was almost a "last hurrah." In the mid-1920s, the Okanagan began experiencing two marked changes in transportation. The CNR began actively competing with the CPR, and cars, trucks, and buses, along with improved roads, challenged the lake and rail system.

With more modern vessels than the CPR and new barge slips,[98] by 1934 the CNR had captured over 30 percent of the traffic.[99] The CPR retired the SS *Okanagan*. For both companies, passenger and less-than-carload freight fell as more cars, buses, and trucks used the slowly improving road system. In 1933, the CNR's chief of transportation admitted that "passenger boat service was neither essential to either company nor a matter of public necessity" given the highway between Vernon and Penticton and the fact that, since 1927, a government ferry crossed the lake at Kelowna as many as fourteen times a day.[100]

More important, Okanagan roads were slowly being improved and the restoration of the Fraser Canyon road in 1927 allowed automobiles to travel between the coast and the interior without having to use rail

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96 *Herald*, April 1937; 12 January 1939; 27 March 1936, and 28 July 1928. The Penticton Co-operative Growers appears to have had a permanent staff of four in 1928 and seven in 1929.

97 *Herald*, 7 December 1939; 18 December 1941.

98 Pooley, "When the Titans Met," 82, 94.

99 Data based on tables in Macrae to Manders, "Consolidation of Boat and Train Services."

100 D. Crombie, Chief of Transportation, to S.W. Fairweather, Chairman, Canadian National Section, Joint Co-operative Committee, Montreal, 14 August 1933, "Consolidation of Boat and Train Services"; *Courier*, 27 February 1927; 14 June 1928.

flat cars or American roads.[101] The Fraser Canyon highway, so narrow in places that large trucks had problems, had limited value to the Okanagan since drivers had to go to Kamloops and then turn south. Nevertheless, Okanagan boards of trade promoted motor tourism, while railway officials feared truck competition. In the context of a proposed amalgamation of railway service in the Okanagan, the CNR's general freight agent in Vancouver warned that reducing rail service would give trucks and buses "a fine field" both in the valley and to and from the coast.[102] Only within the valley was his concern justified in the short run. By 1941, trucks were replacing lake boats in taking fruit from orchards to packing houses, but as late as 1951, 98 percent of BC Tree Fruits' shipments out of the valley went by rail.[103]

Buses, first used when ice prevented lake travel in the winter of 1931, became a regular means of transportation. That spring, Interior Greyhound introduced a daily round-trip service from Princeton to Penticton. Other firms operated from Kelowna to Oliver and between Oroville (in Washington State) and Kamloops. When the *Sicamous* was being refitted in 1934–35, Greyhound buses carried passengers and mail between Penticton and Kelowna. Despite landslides that could close the road for several weeks at a time, the bus service remained.[104] Henceforth, until retired in 1937, the *Sicamous* carried mainly soft fruit and "unhurried tourists." The CNR converted the *Pentowna* to a tug for railway barge duty.[105] An era when lake boats and railways played a key role in explaining the relative growth of Vernon, Kelowna, and Penticton was ending.

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[101] The road, built during the Cariboo Gold Rush, was closed following damage during the construction of the CPR. In the early 1920s, the southern Okanagan pressed for the construction of the Hope-Princeton road as a priority over the reconstruction of the Fraser Canyon road. The province chose the canyon because it offered more links to existing highways. See Ben Bradley, *British Columbia by the Road: Car Culture and the Making of a Modern Landscape* (Vancouver: UBC Press, 2017), 13.

[102] *News*, 26 January 1928; J.M. Macrae to W.G. Manders, 12 December 1933, "Consolidation of Boat and Train Services."

[103] Dendy and Kyle, *Fruitful Century*, 109.

[104] R.G. Harvey, *The Coast Connection* (Lantzville, BC: Oolichan, 1994), 114–19.

[105] *Herald*, 7 March 1929; 2 April 1931; 20 December 1934; 9 May 1935. Fuelling the coal-fired *Sicamous* cost about six times as much as fuelling the diesel-powered CNR tug No. 5 (data from tables in Macrae to Mander, "Consolidation of Boat and Train Services").

CONCLUSION

What has this study revealed? First, the agriculturally based economy of the Okanagan would not have grown without efficient transportation to take its products to markets. Second, transportation facilities, affected the Syilx Peoples, created variations in the development of the three urban centres, and influenced the establishment of secondary industries such as manufacturing wooden boxes for shipping of fruit and vegetables.

Vernon's early link rail to the rest of the country and water link to the rest of the valley made it the Okanagan's administrative and commercial centre. With its head start, it remained a regional centre for a hinterland that overlapped with that of Kelowna. Despite being surrounded by good agricultural land, Kelowna's long-time dependence solely on water transport meant that it grew more slowly than did Vernon and Penticton. After securing direct rail access to the transcontinental railways and the prairie markets in 1925, it underwent a boom with the construction of packing houses, canneries, and cold storage plants. By 1931, it was the valley's major shipping point. Its sawmill, veneer plant, and box plant were integrated with the whole valley's fruit industry and offered year-round work. Kelowna's leadership was recognized and enhanced in 1939 when BC Tree Fruits, the new grower-owned single-desk fruit marketing agency, established its head office there.

Penticton was an anomaly. While it depended on agriculture and, at times, benefitted from mining, the KVR was the major employer. Farmers and orchardists continued to ship mainly by water, but the KVR carried passengers and commodities between the West Kootenay and the coast and in-between points. It expanded Penticton's hinterland westward into the Similkameen, eastward into the Kettle Valley and Boundary district, and south to the American border. Penticton had only slightly more residents than Kelowna or Vernon in 1941 but a significantly larger hinterland.

In writing of the westward expansion of the major railways in the United States, historian Richard White observed that "the social costs of farm and business failures, [and] the dispossession of Indian peoples … tend to be ignored" as the result of agricultural overexpansion resulting from the construction of (often redundant) railway lines in the American west and unwise investments in grain farms in drought-prone areas.[106] White's comments on Indigenous Peoples ring somewhat true. The Syilx were largely dispossessed before the railways came, but the need of the

[106] Richard White, *Railroaded*: *The Transcontinentals and the Making of Modern America* (New York: W.W. Norton, 2011), 462, 489.

railways for rights of way and the desire of settlers for orchard land and water for irrigation continued the process. Unlike White's grain farmers, Okanagan orchardists were able to use irrigation, although expensive, to overcome a dry climate. Despite many marketing problems, good transportation and irrigation made agriculture a viable industry in the Okanagan, at great cost to the Syilx.

In the half century prior to 1941, the baleful effects of railway overexpansion and redundancy do not apply in the Okanagan. In their day, the branch lines provided profitable traffic for the main lines. A major raison d'être of the KVR was to link the coast and the Kootenays; serving the Okanagan was an incidental benefit. In addition, as Robert Turner points out, the barge service consistently generated profits "that would have made many railroads envious."[107] New technology – namely, more and better roads and better motor vehicles, not overexpansion – explains why the Okanagan's lake and rail system became obsolete.

In sum, save in Penticton, the railways and the complementary lake boats were not significant sources of employment; yet, without them, a large-scale agricultural industry would have been impossible, and without agriculture, the railways, except the KVR, would not have come to the Okanagan. The development of the extensive railway and barge network, which reached its apogee in the mid-1920s, largely explains variations in the growth patterns of Vernon, Kelowna, and Penticton between the 1890s and 1941, the nature of their employment opportunities, and their integration into the national and international economies.

EPILOGUE

Soon after the end of the Second World War both the transportation systems and the relative status of the three communities began a dramatic change. Post–Second World War improvements in highways and the construction of new ones, beginning with the Hope-Princeton Highway (1949) followed by continuing improvements to the Trans-Canada Highway through the Fraser Canyon, eventually drove the railway system out of business. Although in the Okanagan as late as 1952, the CPR was operating a special fast fruit train between Kelowna and Winnipeg, it started cutting back on its lines in the BC interior, beginning with the KVR, which it began to shut down in 1960.[108] Over the next decade, both the CPR and CNR gradually closed their complex infrastructures

[107] Turner, *The Sicamous and the Naramata*, 62.
[108] Turner, 62.

serving the fruit industry, notably refrigerator cars and their special facilities and servicing crews. In 1972 and 1973, the CPR and CNR, respectively, ended barge services.

The start of regular air service between Penticton and Vancouver in 1947 and the opening of the Hope-Princeton Highway briefly gave that southern city a small advantage. Indeed, in 1951, with 10,548 residents, it was the largest Okanagan community.[109] The opening of the Rogers Pass Highway, the missing link in the Trans-Canada Highway, in 1963 benefitted Kelowna and Vernon more than Penticton because they were closer to Alberta. By then, W.A.C. Bennett, a Kelowna-based booster and owner of a chain of Okanagan hardware stores, had become premier (1952–72) to be followed by his son, W.R. Bennett (1975–86). Their governments favoured Kelowna with: a floating bridge across Okanagan Lake to replace the slow and often crowded ferries (1958); Highway 33 to Rock Creek (1969) for direct access to the Southern Trans-Provincial Highway and the Kettle River Valley, hitherto part of Penticton's hinterland (1969); and, especially, the Okanagan Connector linking Kelowna with the Coquihalla Highway (1990), which provided a short route to the coast. While the role of entrepreneurship cannot be ignored, that highway anchored Kelowna's status as the Okanagan's main urban centre and accelerated its growth. Kelowna's one-time handicap of being "in the middle" had become a major advantage. By 2021 it was the third largest metropolitan area in British Columbia after Vancouver and Victoria.[110] Transportation still matters.

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[109] Kelowna had 8,517 residents; Vernon, 7,822. The census numbers refer only to people residing within the city limits. *Canada Year Book, 1957–58* (Ottawa: Queen's Printer, 1958), 132 .

[110] Population figures in 2021 were: Kelowna, 222,162; Vernon, 67,086; Penticton, 47,380. Statistics Canada, Census Profiles, 2021, Census of Population.