

THE LEVIS and KENNEBEC RAILWAY By Carl Riff

The same day the Sherbrooke, Eastern Townships & Kennebec Railway was incorporated in 1869, an allied project, the Lévis and Kennebec Railway also received its charter, along with four other "wooden" (i.e., to operate with wooden rather than the more expensive iron rails) railroads. The Lévis and Kennebec was to leave Lévis, travel down the Chaudière through the Beauce region to a connection with the Somerset Railroad, which was to construct a railway from the Maine coast to an L&K connection. The proposal of the International to build through Maine, later in the 1870s, kept the intention to build to the Maine border alive. Either the Somerset or the International would give a new route from Quebec to an ice-free Atlantic port.

At the first meeting held on October 10, 1870 at Lévis, President Alexandre-René Chaussegro de Léry was elected. The principal backers were the Honourable J. G. Blanchet, L. N. Larochelle, C. H. Pozzer and H. L. Langevine.

A contract was awarded December 31, 1870 for the first fifty miles to the ubiquitous promoter of wooden-railed roads, J. B. Hulbert. Work did not start immediately as was planned, mainly because Hulbert was preoccupied with attempting to control and operate the Quebec & Gosford Railroad.

The first work of grading started, near the St. Henry toll gate, in June 1871. This was at the point where the Grand Trunk Charny-Rivière-du-Loup railway intersected the L&K. In a few years the Grand Trunk leased this portion to the Intercolonial Railway. Mr Hulbert had 500 - 600 men at work grading the line. Sufficient work had been accomplished to allow rails to be laid the following summer.

During the winter of 1872 Hulbert had received the contract for building the Sherbrooke Eastern Townships & Kennebec. The SET&K was supposed to connect Sherbrooke with the L&K. Mr Hulbert now had four railroads, in various stages of promotion and completion, all around the province. He was involved in the affairs of the Quebec & Gosford, the Richelieu, Drummondville & Arthabaska, the SET&K and the L&K. Only the first railroad was operating.

During the spring of 1872, 90,000 ties were ready, along with 7,000 feet of timber for the Etchemin River bridge. There were again misgivings about the use of wooden rails by 1872. The Quebec & Gosford and Hulbert were in trouble. The SET&K decided that iron rails should be used, and so did the L&K. To these ends the company increased its capital stock to \$3,000,000.

At the annual meeting held in July 1872 the first speaker of the Quebec Legislature Assembly, the Honourable Joseph-G. Blanchet, became the new president of the Lévis & Kennebec. The most influential director was one Louis-Napoléon Larochelle. He was born at St Anselme, in 1834, and "*was the son of an enterprising industrialist who owned a sawmill, foundry and textile factory; when his father died in 1859, Louis-Napoléon took over his interests.*" His prosperous background allowed him to invest large amounts of money in the Lévis & Kennebec.

The failure of Hulbert to fulfill his contract led Larochelle to enter into a partnership with Hulbert's previous foreman, Charles Armstrong Scott. Scott and Larochelle, as contractors, took the contract to build the Lévis & Kennebec.

The first locomotive of the L&K arrived at St. Henry the last week of August 1873. Christened the *Hon. H. G. Blanchet*, it was a Rogers Locomotive Works product, complete with balloon smokestack and fluted brass domes. At the same time two ships arrived, bearing one thousand tons of English rails. The

locomotive and rails were purchased by Larochelle with money borrowed from Judge **Joseph-Noël** Bos-sé and James G. Ross:

"at that time the company decided to issue debentures to provide financial backing for the contractors and commissioned Scott to negotiate these securities. Scott went to London and signed a contract with British broker John Langham Reed for the sale of debentures of the Lévis & Kennebec Company in the amount of £100,000. Reed paid only £55,000 for the debentures securing the right to resell this issue, bearing 7 per cent interest over a 20 year period, as well as first claim to purchase the next two issues. Because the broker made various deductions Scott and Larochelle actually received only £48,000 (instead of £55,000) on the first debenture sale, and by 1874 the Lévis & Kennebec Company was saddled with a debt of £100,000 and annual interest payments of £7,000."

In 1874 the steamship *Amelia* from Cardiff arrived with an additional 2,000 tons of rails. The first twenty-eight miles of rails were laid from Lévis to Scotts.

On June 20th 1875 the Lieutenant-Governor of Quebec and a large party of dignitaries attended the excursion inaugurating the Lévis & Kennebec to Scotts. The two special trains left the Lévis station at noon. Speeches were made at the destination. The speakers at the inauguration included, in addition to the L&K directors, Mr Inglis, President of the Wiscasset road, Col. Rhodes of the North Shore RR and John Langham Reed, the financial agent of the company. The trains arrived back at Lévis at 8 pm.

The railway already owned one Rogers engine, and in 1874 the company acquired two Rhode Island engines appropriately named the *L.N. Larochelle* and *C. A. Scott*. The company had a first-class coach supplied by Wason Manufacturing. The four second-class coaches were built at the sawmill and foundry of Larochelle at St Anselme. "*They are substantial specimens of workmanship and for build and comfort would compare favourably with the cars of their class of any railway.*"

Having laid only 43½ miles of track by 1876, the Lévis & Kennebec company was not yet legally authorized to issue the second series of debentures, Reed already had these securities in hand, having got the documents signed in advance by the company's president, Joseph-Godric Blanchet, and he now asked for the third series.

Failing in the attempt, Reed demanded to be reimbursed for the entire amount already paid to the Lévis & Kennebec company, and this brought its operation to a standstill. Scott and Larochelle declared themselves insolvent. The two contractors became embroiled in a quarrel when Scott transferred to Reed the 65,000 Lévis & Kennebec shares he had acquired under the terms of the construction contract. Reed thus gained control of the company.

Anxious to present his version of the facts, Scott in 1877 published a pamphlet entitled '*The Lévis and Kennebec Railway, and its difficulties*', which prompted Larochelle to defend himself similarly in a pamphlet also brought out that year entitled "*Chemin de Lévis & Kennebec; refutation de la brochure de C.A Scott*".

In it Larochelle attempted to show how Scott had shirked his responsibilities by making over his shares to Reed without requiring him to acknowledge a personal debt of \$40,000 to the workers and suppliers of the Lévis & Kennebec company. Larochelle further reproached Scott for acting from the outset as a servant of the English capitalists, regularly accepting their "one thousand dollar gifts" and readily submitting to their terms, while pocketing \$1,800 annually for representing the company's interests in London. Initially without financial resources, Scott had quickly made a fortune for himself in this operation, which by now had seriously depleted Larochelle's assets.

By the end of July 1877, regular trains were operating between Lévis and Sainte Marie de Beauce. The following year, a fifteen and a half mile section between Scotts and St Joseph was built. On this section was a unique wood trestle called the Domaine Trestle. It was not until 1878 that trains began running into Sainte Marie de Beauce.

The Lévis and Kennebec was rented to Louis-Adélarde Senécal for twelve years in February 6, 1877. The contract with Senécal called for the railway to be completed ten miles in a year, and thirty five additional miles to the American border in three years. The contract prevented any of the creditors of Larochelle and Scott being able to seize the revenues, hoping that with the extensions planned the railway would become valuable in a number of years and would be able in twelve years to recover their losses.

Rolling stock of the Lévis & Kennebec and the Quebec, Montreal, Ottawa & Occidental Railway was traded back and forth with some regularity during 1877 according to QMO&O contractor Thomas McGreevy, who reported that some QMO&O second class passenger cars were ferried across the St Lawrence for use on the L&K. He acknowledged that he had borrowed, many times in the past, rolling stock from L&K contractor Senécal.

A judgement was rendered by the Superior Court of Quebec February 1, 1879 in the favour of Wason Manufacturing Company against the Lévis & Kennebec Railway. The plaintiff Wason issued an execution against the railway. The property was to be seized and offered for sale in a manner prescribed by law. The defendants L&K attempted two obstacles, to stop the sale of the line. The first obstacle: Larochelle and Scott claimed that the rolling stock belonged to their construction firm. This opposition was rejected by the Courts. The defendants then opposed upon two principal grounds, the first was a legal technical objection to the method the execution was effected. The second was that railways subsidized by the province, under the Quebec Railway Act of 1869, were not liable to seizure and sale. The defence claimed that in part the charter and guarantee given by the province protected the property from being sold. The courts rendered a judgement in March 1880 that upheld the right of the Wason Mfg. Co. to sell the railway to satisfy its judgement.

The future of the Lévis & Kennebec was fast coming to an end. One creditor, a Mr Wyatt, besides seizing 3,000 railway ties, 1950 railway fastenings, a supply of cord wood, also seized the office furniture of the L&K in September 1880.

There was a most stormy meeting of the shareholders held at Lévis on February 7, 1877, at which time it was decided to lease the road to Mr L.A. Senécal, regardless of the rights of the bondholders, knowing that a seizure of the rolling stock was about to take place by Reed and the bondholders.

Contractor Senécal, a controversial and crafty contractor, who had built the Richelieu, Drummondville & Arthabaska, was at this time involved in the construction of the Quebec, Montreal Ottawa & Occidental Railway (QMO&O) between Quebec City to Montreal and Ottawa, on behalf of the provincial government. His role in railway construction and the manipulations of Quebec politics led to what one historian refers to "*as a dark period in the political history of Quebec*" when the man responsible for a public company was also the chief treasurer. The expression "*Senecaleux*" from then on became synonymous in the public mind with "cheat, thief and pilfer of the public purse". He had as a rival politician and Quebec Central lawyer George Irwin.

George Irwin allied the Quebec Central interests with financier Reed and the English bondholders against Senécal gaining any influence on the L&K. At this February shareholders meeting they attempted to deprive Reed the power to exercise his power as the principal shareholder, asking that Reed return the second issue of stock to the L&K.

Mr Irwin had made application before the Superior Court the day prior for writs to seize L&K rolling stock on behalf of different American companies who claimed to own the locomotives and other rolling stock. The Rhode Island Locomotive Works sued the company for the value of \$6,000, and the Wason Manufacturing Company for \$20,000. On the day of the shareholders' meeting, the writs were issued. One was served that night upon the locomotives which were in consequence attached in due process of law. Mr Hall, late Superintendent of the road, was placed in charge of them by authority of the court.

The directors of the L&K employed a strong posse of men, about 100 in number, to seize the rolling stock and move it out of the jurisdiction of the court that had issued the seizure order. All of the rolling

stock was moved south to St Joseph at the end of steel. Five days later, George Irwin made application in Superior court on behalf of Reed, one of the largest English bondholders, for an order to the notary who drew up the contract between Senécal and the L&K directors. Mr Bossé on behalf of the directors and Mr. Senécal strongly opposed the application. Irvine's request was granted: "*Senecal in the next two years defended himself for two years in civil and criminal suits. He resisted the police and orders of the courts, kept possession of the road. He successfully defended himself against fifty law suits brought by QC lawyer Irvine.*"

A week later all employees were discharged, and trains were not running pending the outcome of the law suits.

The *Montreal Daily Witness* reported May 5, 1880 that the English bondholders of the Lévis & Kennebec Railway seized the rolling stock of the company the day prior, and will run the trains in the future themselves. Mr Justice Wurtele attempted resistance but to no avail. The stock seized at this time was the locomotive *J .G. Blanchet*, seventy-eight boxcars, two first class coaches, two second class coaches and two flat-cars.

It would appear that either Senécal or Scott had removed some of the engines and cars, possibly for use on the QMO&O.

The purchase of the Lévis & Kennebec by the Quebec Central was accompanied by the sale of a £556,000 bond issue in June 1881. The bonds had the Provincial Guarantee for interest until they were due July 1, 1886. Most of the 5% bonds were sold to English investors. The money from the bonds were used to purchase the L&K from the contractors.

The Quebec Central now had a direct line between Sherbrooke and Lévis and the first through train went over the line on May 23, 1881. There were no speeches, celebrations or excursions to accompany the first run.

Steam Locomotives of the Levis and Kennebec Railway

No.	Name	Specifications	Builder	Boiler no.	Built	Disposition
1	'Hon. H. J. Blanchet'	4-4-0 16x24 60"	Rogers			1873 to QCR 4
2	'L. N. Larochelle'	4-4-0 16x24 60"	Rhode Island	#637	9-1874	to QCR 5
3	'Chas. A. Scott'	4-4-0 16x24 60"	Rhode Island	#676	11-1874	
22.		4-4-0 15x25 60"	Kingston		1876	ex QMO&O

QMO&O 22 was sold to or transferred to the Lévis and Kennebec in February 1878 when Senecal was managing both the QMO&O and the L&K. (Quebec Sessional Papers.)