

The Inland Empire's Canadian link

Spokane International was a product of classic 1900s railroad wars • By Jerry A. Pinkepank



Four of Spokane International's RS1s move in Spokane yard on September 3, 1956. All 12 were equipped to run in multiple, and did so regularly.

Peter Cox

Until 1891, Spokane, Wash. — today the largest city and commercial center of the Pacific Northwest's "Inland Empire," which spans 30 counties in eastern Washington and northern Idaho — was known as Spokane Falls. (The adjacent Canadian area is known as the British Columbia Interior.) Mining entrepreneur David Chase Corbin and associates built their first railroad from Spokane Falls (on the Spokane River) in 1886, linking their new gold and silver mines in the Coeur d'Alene district of Idaho's panhandle with the Northern Pacific's main line, which was built through

Spokane Falls in 1881. In 1888 Corbin, with associates, took interests in Canada's newly opened Kootenay mining district, and they incorporated the Spokane Falls & Northern to connect Spokane Falls and mines near Nelson, B.C. The Kootenay mining activities were, at the time, gold and silver, but soon metallurgical-quality, 14,000 Btu-per-pound coal from the Crow's Nest and Elk Valley fields became far more important, including as fuel for locomotives of Spokane's railroads.

The SF&N was sold to Great Northern in 1898. Canadians were concerned that the isolated, mountain-rimmed Kootenay district was becoming practically an American colony, and Canadian Pacific was encouraged to build what would become its Kettle Valley secondary main line into the Kootenay district in 1897. CPR had treated the SF&N as an invader of its territory rather than a potential ally, and with the sale to GN, it became so. Although CPR finally completed its Kettle Valley route in 1915, giving the Kootenay district an all-Canada route to the port of Vancouver, battles between

GN and CP over Kootenay traffic continued into the 1960s.

CPR repented of its enmity to Corbin's enterprise. In 1902, with CPR's support, Corbin and Washington's Sen. George Turner, who had been involved with Corbin in the Kootenay district gold and silver mines, incorporated the Spokane International's predecessor, the Spokane & Kootenai Railway (using an alternate spelling of the time). In announcing the new project, Corbin stated that CPR viewed its backing as tit-for-tat against GN and had stayed out of GN "Empire Builder" Jim Hill's territory until he invaded theirs. Commercial interests in the Spokane region provided political support, expecting lower rates because of CPR's competition with GN and NP, which included the ability to reach Minneapolis and beyond via CPR's Soo Line. Silent support came from E. H. Harriman's Union Pacific system, which would gain access to the Kootenay basin and connection to the CPR beyond.

The original group of associates could not finance the line, so Corbin formed a new group, and in 1905, with



C-13, at Sandpoint August 6, 1961, was one of three ex-NP cars among 17 SI wood cabooses.

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new financial guarantees from CPR, incorporated the Spokane International Railway, to meet CPR at the twin border towns of Eastport, Wash., and Kingsgate, B.C. CPR opened its 10-mile branch between Yahk on the Kettle Valley main and Kingsgate on July 31, 1906, and with financial backing from CPR, the 140.8-mile Spokane International main line was built at top speed and opened for business on November 1st. In 1910, a 12-mile branch to Bayview on Pend Oreille Lake and a 9-mile branch to Coeur d'Alene opened, both branches held by subsidiary Coeur d'Alene & Pend Oreille Railway but operated under lease by SI with SI equipment.

GN tried to block SI from terminal property in Spokane by acquiring critical land, but SI was able to obtain it by condemnation since GN was not holding it for transportation purposes and SI would be. Crucially, SI was able to cross the GN and NP in Spokane to reach a connection with Union Pacific, its only friendly connection at the south end of its railroad. SI passenger trains used UP's substantial station in Spokane (also used by Milwaukee Road when it got to Spokane on UP trackage rights). SI's line was reasonably well-engineered considering the terrain, with a ruling grade in both directions of 1 percent compensated, but lightly built with 85-lb. rail. Only in 1942 did heavier rail start to be laid in replacement, and then only 90 lb.; not until 1955 was some 112-lb. rail laid.

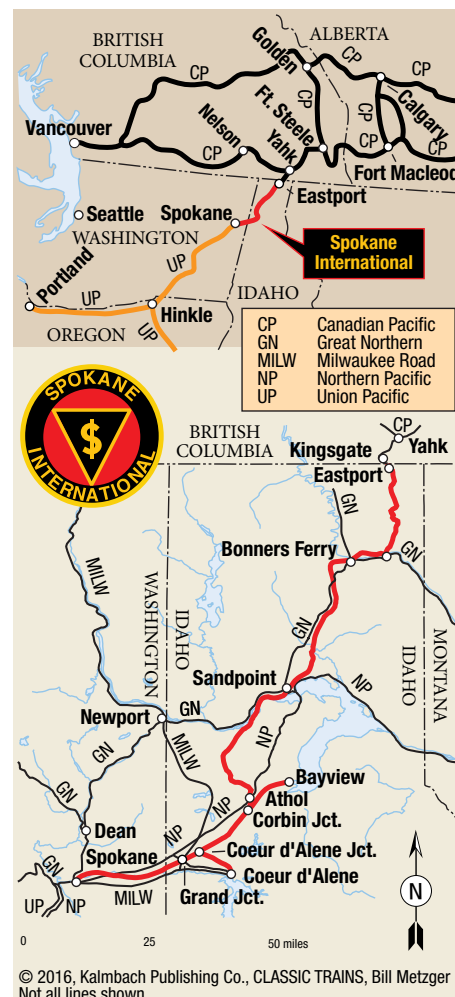
A slow start

The new railroad did not prove to be prosperous. Its first full year of operation, 1907, coincided with a steep economic

recession. Five years later, in the fiscal year ended June 30, 1914, SI was barely a Class 1, with \$1,020,069 in operating revenue when the definition of a Class 1 was \$1 million, and the net income after interest on debt was just \$52,983, which hardly dented an accumulated loss on the balance sheet, reducing it to \$358,085. A guarantee by CPR to set aside 10 percent of its earnings from interchange traffic to service SI's bonds, if needed, expired in 1915. The road carried 720,804 tons of revenue freight that year, an average of just 1,975 per day. Its average freight train was just 20 cars, both loads and empties.

Passenger trains 1 and 2 included both a coach and sleeper going through in each direction between Spokane and Calgary (via Fort Macleod, Alta.), with a smoker and dining car through between Spokane and Yahk. Local trains 3 and 4 ran Spokane-Bonnors Ferry. The two branches were covered by locals 50 and 51, which ran through from one branch to the other, 34.5 miles each way, over 13.4 miles of the main line. The schedule was arranged so the same crew could perform a turn-back over the same route in local freight service between the passenger trips. At \$231,316, passenger revenue was 31 percent of SI's total operating revenue. By 1935 the Bonnors Ferry trains and the Coeur d'Alene branch local were gone, and through cars only went 10 miles on the CPR to Yahk, connecting to the Canadian railway's Kettle Valley passenger trains. The SI became freight-only in 1954.

From the start of business until World War II, disregarding four small second-hand locomotives disposed of by 1923, SI



did all its business with 10 road engines built by Rogers in 1906 and one switcher, a 1910 Cooke 0-6-0, all built new for SI. Freights were handled by six 2-8-0s with 57-inch driving wheels, passenger and branch business with four 4-6-0s with 67-inch drivers. The Ten-Wheelers were superheated and given piston valve saddles in 1920. Three of the Consolidations were superheated and given piston valve saddles as well, receiving Elesco feedwater heaters in the 1920s.

Corbin died in 1918. The year before, CPR exercised an option and bought enough SI stock to have 94 percent control. During 1917-20 the SI, like all U.S. Class 1s, including the U.S. lines of Canadian systems, was operated by the United States Railway Administration.

The SI struggled on. Operating revenue peaked in 1926 at \$1.27 million, hardly more than in 1914, then from 1929 to 1933 plummeted from \$1.24 million to \$443,000. Although that was less than half the revenue of a Class 1, the Interstate Commerce Commission continued to have SI report as such because it



Fireman Bill Miller leans out the cab window of 2-8-0 25 as train 1 departs Sandpoint, Idaho. L. E. Shawver



Far from the Inland Empire, RS1s 1217 and 1213 work north of Denver on UP in 1962 shortly after the SI's new owner leased and scattered them.

K. C. Crist

was part of the Canadian Pacific system. From 1930 onward SI was not covering its fixed charges, and in 1933 it entered bankruptcy, from which it would not emerge until 1941 as the Spokane International Railroad. The old common stock was wiped out, and with it, Canadian Pacific control, but by then revenues had crept back over \$1 million so the SI never lost its Class 1 status. The new common stock was distributed to the bondholders, and the railroad became

independent. However, interchange with CPR continued to be crucial to SI's traffic base. Until World War II, about half of SI's traffic originated online, 80 percent of that being lumber, while the other half was received from connections.

Wartime boom

World War II brought a traffic boom. Freight tonnage more than doubled, from 749,547 in 1940 to 1,534,391 in 1943; interestingly, commodity break-

downs in the ICC statistics for 1942–44 were redacted “due to censorship.” Most of that jump in tonnage had occurred in '42. The censored traffic probably included some headed for the construction, and subsequent operation, of the Alaska Highway, for which Kingsgate was a logical gateway since through rail routes north from Vancouver, B.C., did not exist until after the war. Other traffic included ammonium nitrate from Cominco at Trail, B.C. (southwest of Nelson), produced by wartime munitions plants. To handle the wartime traffic, SI in March 1943 added to its roster four 1906-vintage ex-Delaware & Hudson 57-inch-drivered 2-8-0s.

Traffic held up after the war. Tonnage got no lower than 1,210,323 (in 1947) and was up to 1,997,920 in 1955, of which 82 percent was received from connections — SI had become primarily a bridge line between CPR and UP. Important in this sustained traffic was raw phosphate rock and phosphate fertilizer, which made up one-third of SI's total traffic by 1955. The phosphate rock, which began moving over SI in the 1920s, came from mines on the UP in southeast Idaho for production of fertilizer in Canada. By 1955, this most likely was at Cominco's operation at Trail, where the wartime ammonium nitrate plants were converted to fertilizer production and where Cominco already produced sulfuric acid in its metals operations, used to produce su-



On August 6, 1961, Eastport–Spokane through freight No. 9 is at Bonners Ferry, Idaho, its locomotives — UP F3s rebuilt into F9s — reflecting the shift from RS1s as road power on SI.

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perphosphate from phosphate rock.

The fertilizer would include return product from this process but also potash from Saskatchewan, which today has become of great importance on the Kingsgate route, exporting from the Port of Portland, Ore., via UP. In 1955 coal and coke from the Kootenay made up 11 percent of SI's traffic. Aluminum production had begun in Spokane during World War II, and by 1955 aluminum originated online made up 10 percent of SI's traffic. Lumber, both originated and received, made up 15 percent.

SI scrapped the ex-D&H engines in 1947 in favor of three ex-Union Pacific 57-inch-drivered 2-8-2s built in 1911-12. Dieselization occurred quickly in late 1949 as nine Alco RS1s, Nos. 200-208, were delivered. These were supplemented by Nos. 209-211 in 1953, and the SI was a one-model railroad until Union Pacific applied in 1956 to acquire it, completing the acquisition in 1958.

GN in particular resisted UP's application, proposing to acquire SI itself and eliminate the parallel mileage south of Sandpoint, but the ICC considered the proposed abandonments to be a negative factor and saw the competitive advantage for shippers in letting UP solidify its connection to CPR. UP leased to the SI F9s that had been rebuilt from F3s, and began to replace the light rail with its own 133-lb. section rail. Most of the RS1s were scattered to local assignments around Union Pacific's system, repainted in Armour yellow but still lettered SPOKANE INTERNATIONAL because the corporation continued as a wholly owned subsidiary until finally merged into UP on December 31, 1967. ■

SI fact file



(comparative figures are for 1929 and 1958)

Route-miles: 166; 150

Locomotives: 11; 12

Freight cars: 281; 201

Passenger cars: 6; 0

Headquarters city: Spokane, Wash.

Special interest group: Union Pacific Historical Society, www.uphs.org

Recommended reading: *Inland Empire: D. C. Corbin and Spokane*, by John Fahey (University of Washington Press, 1965)

Source: *Historical Guide to North American Railroads* (Kalmbach, 2014)