

Frontier of Opportunity: The Social Organization of Self-Employment in Winnipeg, Manitoba, 1881–1901

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In the 1870s and early 1880s Winnipeg seemed a frontier of opportunity for hundreds of men seeking a future in business. This article links the manuscript census records and the credit reports of Dun, Wiman and Co. for 1881, 1891, and 1901 to evaluate the prospects of self-employed businessmen. The rate of self-employment in Winnipeg was higher in 1881 than that documented in studies of Ontario. This higher rate was not sustained past 1901, however, and was accompanied in the 1880s and 1890s by a high rate of business closures. By the beginning of the twentieth century, businesses fell under the surveillance of metropolitan credit reporters who informed lenders of their capital and credit worthiness. Credit ratings and business success became increasingly associated with capital, and those with the least capital and without credit reports had the greatest difficulty in staying in business.

Dans les années 1870 et au début des années 1880, Winnipeg ressemblait à une terre d'avenir pour des centaines d'hommes cherchant à se faire une vie dans le monde des affaires. Cet article couple les documents manuscrits de recensement aux rapports de solvabilité de Dun, Wiman and Co. pour les années 1881, 1891 et 1901 afin d'évaluer les perspectives qui s'offraient aux entrepreneurs autonomes. En 1881, le taux de travail indépendant observé à Winnipeg était plus élevé que celui relevé dans les études portant sur l'Ontario. Ce taux supérieur ne s'est toutefois pas maintenu après 1901 et s'accompagnait dans les années 1880 et 1890 d'un taux élevé de fermetures d'entreprises. Au début du XX^e siècle, les entreprises tombèrent sous la surveillance des agences métropolitaines d'évaluation du crédit, qui informaient les prêteurs de la suffisance de leur capital et de leur solvabilité. Les cotes de solvabilité et le succès des entreprises devinrent de plus en plus associés au capital et les entreprises ayant le moins de capital et n'ayant pas de rapports de solvabilité étaient celles qui avaient le plus de difficulté à rester en affaires.

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IN 1887 THE CREDIT rating firm of Dun, Wiman and Co. warned potential lenders about what it judged to be an excessive number of businessmen in Manitoba and the Canadian North West. With one trader for every 50 inhabitants, the region possessed roughly eight times as many businessmen per capita as the province of Ontario.¹ During the optimism of the land boom of the late 1870s and early 1880s, thousands of men moved westward in pursuit of the commercial opportunities expected from the opening of a new frontier of settlement. Winnipeg, Manitoba, the gateway to the North West and then the metropolis for the region, grew rapidly from a village with fewer than 250 residents in 1871 to a small city of 42,000 at the turn of the century.² The city's aspiration to become the Chicago of the North fuelled the ambitions of hundreds of men hoping to establish themselves profitably in business at a time when such prospects were becoming increasingly difficult to realize in the older regions of the country.

The frontier of opportunity did not last much longer than the time needed for Dun, Wiman to take notice and issue its warning, however. By the 1890s the level of self-employment in Winnipeg, at least, had dropped to approximate more closely that in eastern Canada. As well, the business community had undergone a turnover. Very few in business in 1891, only about one in ten, had been self-employed ten years earlier. The vast majority of Winnipeg's first businessmen gave up on their adopted city. Either the collapse of the western land boom in 1882 and the recession that started the next year forced them out, or perhaps some actually did strike it rich or, more likely, left when their achievements failed to match their dreams. In any case, those who followed confronted a very different business climate. More and more fell under the surveillance of the credit reporting agencies. Whether their reports were accurate forecasts of success, or lenders made them so by following their advice, remains to be seen. In the 1890s, however, more so than the decade before, business longevity depended upon unquestionable capital assets and unqualified credit worthiness. A relative absence of competitors may have characterized the frontier of opportunity, though this too was changing by 1901, but it nonetheless did not remove the businessman for long from the network of finance and credit which judged his ability to exploit those opportunities by the same standards imposed upon business in the more established urban centres of the east.

Historiography, Methods, and Sources

Businessmen have figured prominently in historical studies of the western Canadian urban frontier. Alan F. J. Artibise set the agenda for a generation

1 *The Monetary Times*, January 20, 1888.

2 The population of Winnipeg was 241 in 1871; 1,869 at its incorporation in 1874; 7,985 in 1881; 20,238 in 1886; 25,639 in 1891; 31,649 in 1896; and 42,340 in 1901. For annual population figures, see Alan F. J. Artibise, *Winnipeg: A Social History of Urban Growth, 1874–1914* (Montreal: McGill-Queen's University Press, 1975), p. 130.

of scholarship with his social history of Winnipeg's urban growth. Expanding on a theme first sketched in an article by J. M. S. Careless, Artibise asserted that businessmen were enthusiastic boosters who regarded the city as a community of private money-makers and felt little concern for issues which did not advance their individual and collective material progress: "Winnipeg was established by businessmen, for business purposes, and businessmen were its first and natural leaders."³ Throughout the region, Artibise later asserted, it was the boosterism of civic leaders, invariably business leaders, which "in the final analysis ... translated opportunity into reality."⁴ "Urban biographies" on places large and small across the Canadian Prairies have remained generally consistent with Artibise's interpretation. Like Artibise, their authors have been impressed by the brash and loud effectiveness of businessmen in nearly every matter relating to urban growth, and where success was lacking and some centre was passed by its rival, they have detected a failure of such initiative and leadership.⁵

We know very little, however, beyond impressionistic comments, about the social dynamics of business and the fortunes of businessmen who declared their booster outlook by their very presence in one particular place rather than another. Both Artibise and Careless note the prominence in civic leadership of men who had started in business in a small way in the early days of the city and prospered through the turn of the century. Their experience of self-made success, David J. Bercuson has further argued, hardened their attitudes to collective organization among workers and convinced them of their proprietorial role in a municipal government dedicated to the advancement of private interests.⁶ The implication of such interpretations is that the experiences of those who achieved prominence typified the social processes at work on the urban frontier. Was this indeed the case? What were the probabilities of success? Without a broader collective biography of businessmen in western Canada, it is difficult to say.

My earlier collective biography of business in Brantford, Ontario, argued that the mid-nineteenth-century transition to industrial capitalism rendered self-employment a more exclusive status. By the 1870s new businessmen

3 Artibise, *Winnipeg*, pp. 23–42; J. M. S. Careless, "The Development of the Winnipeg Business Community, 1870–1890", *Transactions of the Royal Society of Canada*, vol. 8, 4th series (1970), pp. 239–254.

4 Alan F. J. Artibise, "Boosterism and the Development of Prairie Cities, 1871–1913", in A. F. J. Artibise, ed., *Town and City: Aspects of Western Canadian Urban Development* (Regina: Canadian Plains Research Center, 1981), p. 209.

5 See the various articles published in Artibise, ed., *Town and City*. See also Max Foran, *Calgary: An Illustrated History* (Toronto: Lorimer, 1978); D. Kerr and S. Hanson, *Saskatoon: The First Half Century* (Edmonton: NeWest Press, 1982); J. William Brennan, *Regina: An Illustrated History* (Toronto: Lorimer, 1989).

6 Artibise, *Winnipeg*, pp. 23–25; Careless, "The Development of the Winnipeg Business Community", pp. 240–241, 254; David J. Bercuson, *Confrontation at Winnipeg: Labour, Industrial Relationships, and the General Strike* (Montreal: McGill-Queen's University Press, 1974), pp. 51–53, 191.

and those with the least property to support them found it increasingly difficult to start businesses and to continue in them. In consequence the rate of self-employment within the adult male work force dropped from about one in four men in the 1850s to one in seven by 1881. The desire to become independent through self-employment and the social stigma attached to failure were factors that propelled migration. Just as many of the British immigrants to Upper Canada from the 1820s through the 1850s hoped to find a place where a scale of enterprise which was passing at home could be restored, so, too, one might expect that the opening North West would attract another generation searching for economic independence. Would the new entrepreneurs find the same sorts of opportunities for upward social mobility as had existed for those with modest means in the 1840s and 1850s?⁷

Beyond these questions and their relevance to the social history of Winnipeg and other Prairie centres, a study of self-employment in a frontier city can shed more light on the larger problem of class formation within an increasingly well-integrated national and continental economy. As an epilogue to his study of "the emergence of the middle class" in nineteenth-century America, Stuart M. Blumin pondered the possibilities of generalizing from his conclusions derived mainly from major east coast cities. Smaller places, he speculated, exhibited much the same evolution of class experiences as capitalism matured across urban places of various sizes. In them, though, the pace of middle-class formation and the balance among classes varied with metropolitan connections, distances, economic specializations and growth, population mobility, and the strength of social networks.⁸

It would be premature to debate the merits of two- or three-class models of industrial society as Blumin has done. But in places like Winnipeg, on the geographical margins, the challenge of staffing and managing the complex organizations needed to transact business across great distances elevated the status and rewards of white-collar employment, even to the point of creating salaried entrepreneurship, and enhanced its appeal as a permanent and satisfying condition. On the other hand, as Geoffrey Crossick and Heinz-Gerhard Haupt have reminded us, small enterprise failed to disappear in the nineteenth century, despite contemporary expectations and subsequent scholarly judgements that it was poorly suited to the demands of industrial society. Urbanization in particular, they argue, challenged yet stimulated small craft workshops, especially the small family retail shop.⁹ Thus, the expanding and then waning prospects for self-employment set the other

7 David G. Burley, *A Particular Condition in Life: Self-Employment and Social Mobility in Mid-Victorian Brantford, Ontario* (Montreal: McGill-Queen's University Press, 1994).

8 Stuart M. Blumin, *The Emergence of the Middle Class: Social Experience in the American City, 1860-1900* (New York: Cambridge University Press, 1989), pp. 298-310.

9 Geoffrey Crossick and Heinz-Gerhard Haupt, *The Petite Bourgeoisie in Europe, 1780-1914: Enterprise, Family, and Independence* (London: Routledge, 1995), pp. 13-14.

parameter for middle-class formation by sustaining an alternative to white-collar work.

To explore the social organization of business self-employment in Winnipeg, this study presents a collective biography of the city's businessmen at three cross-sections — 1881, 1891, and 1901. The major sources have been the nominal manuscript census schedules for those years, supplemented by the city directories and the credit manuals of The Mercantile Agency of Dun, Wiman and Co. and its successor, R. G. Dun and Co. Self-employment has been defined to include both those businessmen who purchased the labour power of others and those whose businesses depended just upon their own labour and that of their families. Only men are considered. Business and property relations were gendered conditions and activities — especially in the west, where changes to property law in the mid-1880s deprived women of rights they enjoyed in eastern Canada — and so, at this stage at least, it seemed preferable to set aside the experiences of “women of enterprise” for another study.¹⁰

Since the nature of opportunities presented by a particular place concerns this inquiry, self-employed men whose occupations suggested that they earned their livelihood elsewhere have not been included. Prospectors, miners, fishermen, ranchers, horsemen, and farmers probably were only temporary or seasonal residents of Winnipeg. Some farmers, it might be argued, did till the soil within the city, especially since in 1882 speculative hunger for urban lots pushed the municipal boundaries even further across open prairie.¹¹ They represented only a handful of the farmers enumerated in the census, however, and they cannot easily be distinguished from the sojourners.¹² On the other hand, market gardeners and dairymen have been included since their operations were local and served the city's residents.

Professionals have also been left out. The major legal firms, in particular, were substantial establishments by the turn of the century, employing both professional and clerical workers and serving many of the corporate and individual business enterprises in the city and region, but the dynamics of these occupational groups, especially physicians and lawyers, were exceptional in their evolution into closed corporations. Entry thus depended upon more than an evaluation of market opportunities, and even the very few

10 Preliminary analysis suggests some intriguing differences in women's experiences in self-employment. See Appendix A. For a model study of women and enterprise, see Peter A. Baskerville, “She Has Already Hinted at ‘Board’: Enterprising Urban Women in British Columbia, 1863–1896”, *Histoire sociale/ Social History*, vol. 26, no. 52 (November 1993), pp. 205–227.

11 Artibise, *Winnipeg*, pp. 135–136.

12 The manuscript census schedules listed a large, though declining, number of farmers in Winnipeg: 243 in 1881, 196 in 1891, and 155 in 1901. My impression from the city directories and from the assessment rolls is that relatively few farmed within the city and that quite early in the city's development the largest part of unoccupied urban space by far was left vacant and held for investment purposes.

dentists and veterinarians practising in Winnipeg needed to demonstrate a command of a specialized body of knowledge, if not actual accreditation by educational and professional authorities.¹³

Business managers and corporate officers are a problematic group, a growing part of the business community over time, but were excluded from this study of self-employment because of their salaried positions.¹⁴ Especially by 1901, with the incorporation of local businesses and the location of branch operations and regional headquarters in Winnipeg, managers discharging various degrees of responsibility — from corporate officers, to divisional or departmental superintendents, to middle-management supervisors and inspectors — played an increasingly prominent role in the urban economy. Ironically, the Canadian census took greater care in identifying the self-employed at a time when such men exercised less power and responsibility in the economy.¹⁵

How can the self-employed, so defined, be identified empirically? Not until the 1901 census were explicit questions asked about self-employment. Only by accepting certain assumptions can we extract more or less comparable data from earlier census schedules. As it was taken, the 1881 census is unfortunately the least helpful for the purposes of this study. The nominal schedule of the census recorded only occupations, not the conditions and relations under which they were plied. Certain occupations, especially but not exclusively mercantile ones, did, however, connote self-employment.¹⁶

13 Richard Willie's study of Winnipeg's lawyers suggests the development of the social and cultural boundaries of the profession. See "'A Proper Ideal During Action': Fraternity, Leadership, and Lifestyle in Winnipeg Lawyers' Professional Culture, 1878–1900", *Journal of Canadian Studies*, vol. 27 (Spring 1992), pp. 58–72, and "'It Is Every Man for Himself': Winnipeg Lawyers and the Law Business, 1870 to 1903", in C. Wilton, ed., *Beyond the Law: Lawyers and Business in Canada, 1830 to 1930* (Toronto: The Osgoode Society, 1990), pp. 263–297. More generally on the evolution of the professions, see R. D. Gidney and W. P. J. Millar, *Professional Gentlemen: The Professions in Nineteenth-Century Ontario* (Toronto: University of Toronto Press, 1994).

14 Olivier Zunz has maintained as well that the growing "managerial class" possessed a distinctive culture and social milieu that contributed to the formation of a new and larger "white-collar culture". See *Making America Corporate, 1870–1920* (Chicago: University of Chicago Press, 1990), p. 5.

15 Managers of various sorts and with diverse titles numbered only 12 in 1881 and 60 in 1891, but 189 in 1901. In a convincing study of the "construction" of the work force in the 1901 census, Peter Baskerville and Eric Sager have argued that the definitions of various occupations and employment statuses were the products of a dialectic arising from the demands of labour to investigate and report on employment and the efforts of the state and its "trained experts" in social science both to effect class conciliation and to document the nation's industrial progress. By implication, employers and those working on their own account were a residual concern to that of waged and salaried labour. See "Finding the Work Force in the 1901 Census of Canada", *Histoire sociale/Social History*, vol. 28, no. 56 (November 1995), pp. 521–539.

16 In this study, holders of the following occupations in 1881 were considered to have been self-employed: agent, auctioneer, boardinghouse keeper, broker, builder, caterer, clothier, contractor, dairyman, dealer, founder, fruiterer, furrier, grocer, hotel keeper, jobber, manufacturer, merchant, pedlar, publisher, restaurant keeper, seedsman, speculator, stable keeper, storekeeper, tobacconist, trader.

Such assumptions cannot be made about trades. Nor has schedule 3 on industrial establishments survived to permit identification of men involved in craft production, as has been possible from earlier censuses.¹⁷ Instead other sources must be used.

Dun, Wiman and Co. provided quarterly estimates of the capital and credit worthiness of businessmen across Canada.¹⁸ Partnership, company, and corporation entries, however, do not identify all of the principals involved. To some degree, the city directories fill in the missing information, but not always, especially when a silent (or fictitious) partner was implied with the suffix “and Co.” The city directory published in March 1881 also contained business listings, though these appear to have been by subscription. On the other hand, in the nominal section, the directory gave an individual’s business address, if it was different from his residence. Finally, business inventories were taxed municipally, and the 1882 assessment roll was used to identify those whose personal property suggested their self-employment.¹⁹ Because these other sources were taken at different times than the census manuscript, there is a possibility that some, perhaps apparently self-employed at the time of the directory, credit manual, or assessment, were not listed as self-employed in the census. Only if an individual had the same occupation as indicated in the census was he considered self-employed.

For subsequent years the census schedules proved sufficient in themselves to identify the self-employed. For the first time the 1891 census form asked enumerators to record conditions of employment (or unemployment). Column 17 was headed “Employers”; Column 18, “Wage Earners”; and Column 19, “Unemployed during week preceding census”. The instructions to enumerators explained that Columns 17 and 18 “are intended to separate the people into two classes — the employers and the employed — and the sign

17 *Manual containing “The Census Act”, and the Instructions to Officers Employed in Taking the Second Census of Canada (1881)* (Ottawa: Queen’s Printer, 1881), pp. 30, 38.

18 In the first two years, professionals fell under Dun, Wiman and Co.’s scrutiny; neither they nor the few women who were rated have been included in the analysis for this study. In 1901 professionals were not rated. See *The Mercantile Agency Reference Book (and Key) for the Dominion of Canada...* (Montreal: Dun, Wiman and Co., September 1881); *The Mercantile Agency Reference Book (and Key) for the Dominion of Canada...* (Montreal: Dun, Wiman and Co., September 1891); *The Mercantile Agency Reference Book (and Key) for the Dominion of Canada...* (Montreal: R. G. Dun and Co., September 1901).

19 The 1881 assessment roll has not survived. Its utility would be suspect in any case since, in response to numerous public complaints, a special committee was struck to investigate the city assessor. It concluded that he had been derelict in his duties by not accurately and completely assessing personal property. One suspects that the following year’s roll, started in late 1881 and completed in April 1882, was scrupulous in recording this controversial form of property. *Winnipeg Times*, January 31, 1882; David G. Burley, “The Keepers of the Gate: The Inequality of Property Ownership During the Winnipeg Real Estate Boom, 1881–2”, *Urban History Review/Revue d’histoire urbaine*, vol. 17 (October 1988), pp. 63–64.

to be used [to denote one or the other] is '1'". Employers of labour and workers then were asked to declare themselves. But what of those who were neither? Enumerators were told explicitly to enter a dash, "-", as a negative sign in every column in which there was nothing to be entered or if the appropriate answer was "No".²⁰ Logically, in some cases, when a person worked for himself and employed no one, enumerators could record neither a "1" nor a dash and so left Columns 17 and 18 blank. These blanks have been taken as indications of self-employment, though a sufficient number were checked with other sources to sustain confidence in this interpretation.²¹

Perhaps it was this ambiguity which resulted in the inclusion, in the 1901 census schedules, of three columns to denote the conditions under which someone was engaged in his or her occupation — "Employer", "Employee", and "Working on own account". An affirmative answer was to be marked with a downward stroke and the negative with a dash. Self-employment was now clear in the record.²²

Different as the census schedules were in identifying the self-employed, in two respects they were equally limited. First, the census enumerators often recorded occupations that were far too general or indefinite, despite their explicit instructions to provide detail. The 1891 manual, for example, explained that, unlike the situation of 30 years earlier, "in every branch of industry the specialist has succeeded the general worker". Only by knowing the general occupation, the particular branch followed by the respondent, and the material worked upon could census-takers form conclusions about the increasing "sub-division of labour".²³ Winnipeg's enumerators seldom achieved the level of specificity, certainly not on a city-wide basis, to permit the sort of analysis desired. Recourse to other sources — the city directories, the credit manuals, and even on occasion the municipal assessment rolls — was necessary in this study to discover just what sort of agent, merchant, or storekeeper a man might have been. Even then, not all generalities could be resolved.

Second, the census categories of employer and employee were not well suited to describing the roles of managers of the growing corporate sector. Several examples represent the sorts of contradictions that can arise from

20 *Manual containing "The Census Act", and the Instructions to Officers Employed in Taking the Third Census of Canada* (Ottawa: Department of Agriculture, 1891), pp. 9, 18.

21 In a research note on unemployment in 1891 using the responses to Column 19, Peter Baskerville and Eric Sager have imaginatively interpreted the meaning of the dash. See "The First National Unemployment Survey: Unemployment and the Canadian Census of 1891", *Labour/ Le Travail*, vol. 25 (Spring 1989), pp. 171–178.

22 *Fourth Census of Canada, 1901. Instructions to Chief Officers, Commissioners and Enumerators* (Ottawa: Government Printing Bureau, 1901), p. 15.

23 *Manual containing "The Census Act"* (1891), pp. 13–14; *Instructions to Chief Officers, Commissioners and Enumerators* (1901), pp. 15–16.

apparently straightforward categories. John McKechnie, a prominent iron founder from the mid-1870s, was categorized differently, yet logically, in all three censuses. In 1881 McKechnie, a partner in the Winnipeg Foundry and Machine Shop, told the census enumerator he was a founder by occupation. By 1891 he had bought an interest in Vulcan Foundry and had taken over the running of the plant for the partnership, presumably on a salaried basis. The census noted that as an “iron works manager” he was a “wage earner” and not an employer, even though the municipal tax rolls reveal that he was a part owner of the property. In 1901, still an owner of Vulcan Foundry, though with a new associate, McKechnie was designated an iron founder in the census. At first he was classed as an employee and reported \$3,000 in salary, an entry which, according to the census instructions, was to denote “the amount of money which one person employed by another receives for his service”.²⁴ (One expects that, as co-owner of Winnipeg’s largest foundry and machine works, McKechnie earned substantially more than he reported for what were probably his managerial duties.) At some later time, his employee status was crossed out on the manuscript schedule and “employer” inserted instead.

Elisha F. Hutchings, a saddler and wholesale harness dealer, presents a slightly different example. Arriving in Winnipeg in 1876, he worked at the bench for a year before starting up on his own. Three years later he formed a partnership with Richard Stalker, and by 1882 the firm had a branch in Winnipeg employing 18 men under Hutchings’s direction and a branch in Portage la Prairie under Stalker. In 1891, on his own again, Hutchings reported that he employed 12 workers in his harnessmaking and wholesaling business. That year Dun, Wiman and Co. estimated his assets to be in the \$75,000 to \$125,000 range. In 1899 he incorporated his business as the Great West Saddlery Co. Ltd., with himself as president. Literally he was correct when he told the census enumerator in 1901 that he was an employee and earned the modest income of \$1,500 as a manager, but a manager for his own company with assets in excess of \$200,000.

Both McKechnie and Hutchings, though managers, could claim total or partial ownership of their businesses. George Broughall could not, even though in 1891 he reported employing 125 people, the third largest number recorded in the nominal schedule of the census.²⁵ Broughall was general

²⁴ *Instructions to Chief Officers, Commissioners and Enumerators* (1901), p. 16.

²⁵ The 1891 data on average number of employees during the year must be treated very carefully, not because the numbers themselves are inherently suspect but because the question was more difficult to answer categorically than it might have seemed. The largest employers, including the Canadian Pacific Railway and the Hudson’s Bay Co., were corporations whose local officers and managers logically did not report for their employers. Broughall was the exception. As well, which of several partners would report for the whole firm? James A. Mitchell, partner in the grain exporting firm of Martin, Mitchell and Co., stated that he employed 20 workers, while his partner William Mitchell, who also managed the affiliated Martin Elevator Co., claimed no employees. R. J. Whitla, senior

manager of the Equitable Life Assurance Society for its northwestern region of Algoma, Manitoba, the North West Territories, British Columbia, and Alaska. But was he really an employer, even though he probably hired office staff and agents across two countries? Were all of the 125 employees he claimed really employees; did Equitable Life have salaried or commissioned agents selling policies? Broughall moved on shortly after the census, probably because Equitable was reorganizing its divisions to locate its Canadian Office in Montreal, reducing the importance of the Winnipeg operations. By 1901 there was no longer a general manager in Winnipeg. Kingsforth F. A. Graburn headed the branch as Cashier, assisted by Alexander W. Law, Manager. Graburn said he was an employee, not an employer like his predecessor, at a respectable salary of \$1,500 a year. He also reported additional, non-salary earnings of \$1,500, however, which suggests that his position may have had a commissioned component, perhaps like that of the numerous insurance agents in Winnipeg who claimed self-employment. Indeed, his subordinate Law identified himself not as an employee, but as someone working on his own account.

George F. Carruthers and Jeffrey H. Brock ran a general insurance agency in 1881, extending their operations to a real estate and loan agency in 1891. Brock reported employing one person in the latter year, while Carruthers reported none. By 1901, although their business assets remained in the range of \$40,000 to \$75,000, they had reorganized, taking in two new partners and placing the firm's management in Carruthers's hands. He now considered himself an employee and received a \$4,000 salary. The change probably permitted Brock, who remained a partner, to devote more of his time to his new position as Managing Director of the Great West Life Assurance Co., which he had been instrumental in organizing in 1892 and which paid him

partner in Winnipeg's leading dry goods firm, R. J. Whitla and Co., had 10 employees, while D. K. Elliott, the firm's other member, had four. Hyman Miller, a hardware wholesaler, listed no workers, while his partners in Miller, Morse and Co., Frederick and Morton Morse, informed the enumerator that they had eight and two respectively. Edward Egan of Egan Bros., railroad contractors, reported 10 employees, brother John 12, and brother Pat 20. Did partners refer to the whole business, or just the departments for which they were responsible? Finally, one might expect that, were there employers who had mistakenly been enumerated twice, an internal check on the reliability of the data could be made. The three such cases were more anomalous than expected. James Doyle, a young barber, appeared to have one employee both times he was enumerated, but the other men's situations were not so straightforward. Robert Alexander, a grocer at 412 Fonseca Avenue, reported having four employees. When visited by the census-taker at home in Ward 6, however, Robert, or his wife, said that he had two employees. Was Margaret Alexander so unfamiliar with her husband's business that she erred in giving information? Or could it have been that four people were indeed employed at the store, and two others were required to tend the 29 cattle for which Alexander was taxed several months later when the assessment was taken? Mrs. Normandie Burden reported that her 40-year-old husband Richard, a bill poster, worked on his own without help. Enumerated across the city with his 21-year-old "wife" Annie, Richard Burden claimed to have two people in his hire. The 1892 assessment revealed that Richard, who also ran a Turkish bath on Portage Avenue, had left his first wife and five children to live with the mother of his infant son.

\$6,000 a year.²⁶ Neither Brock nor Carruthers claimed self-employment in 1901.

Two final examples merit brief mention. James Jackson, listed in the 1901 city directory as an employee of the *Winnipeg Morning Telegram*, more accurately was an agent, presumably on a commission basis, who employed assistants to sell advertising space for the paper. William White, identified by the directory as manager of the retail hardware department of the Hudson's Bay Company's store, told the census that he worked on his own account, perhaps because he sold on commission. Could it be that men like Jackson and White, because their earnings depended entirely on their own initiative, considered themselves to be self-employed, albeit within a corporate context?

Anomalies and peculiarities such as these — and there were more, though not all were as puzzling — were not that numerous even by 1901, but they occurred sufficiently often to make it necessary to qualify the interpretation of the census data. Employers might not own the businesses for which they hired workers, contract employees might consider themselves self-employed, and substantial capitalists might appear as employees. The new census categories introduced in 1891 and 1901 were perhaps more complete in describing earlier forms of social relationships that predominated before the era of the corporation. With all of their limitations and qualifications, the sources have been sufficient for us to identify with confidence a very large population of the self-employed.

This enumeration of the complexities of definitions should not undermine confidence in the data. The proportion of the self-employed who can be identified is difficult to estimate; however, internal evaluation of the sources suggests that the bias runs counter to the trend observed in rates of self-employment. Declining rates coincided with the greater ability of the sources to identify self-employment. If anything, source bias may have produced an underestimation of the relative reduction in self-employment from 1881 to 1901.²⁷

Trends in Self-Employment

As a frontier of business opportunity, Winnipeg appeared, especially in the late 1870s and early 1880s, to throw few obstacles in the way of enterpris-

26 Richard Bennett, *"A House of Quality It Has Ever Been": A History of Great West Life Assurance Company* (Winnipeg: Great West Life, 1992).

27 Tables 3 and 4, which present the occupations of the self-employed, indicate several possible occupations in which self-employment may not have been fully identified. Some cross-sectional differences are difficult to explain, although one would not expect the occupational and sectoral structures to remain constant. There may be fewer self-employed apparel makers (tailors, shoemakers) reported for 1881; certainly there are too few construction tradesmen (bricklayers, carpenters, plasterers) reported for that year. Were one to assume for 1881 a relative number of construction tradesmen comparable to that in 1891, the total number of the self-employed would be 4% to 5% higher.

Table 1 Rates of Self-Employment in Business, 1881–1901

	Year		
	1881	1891	1901
Businessmen	727	1,319	2,178
Population of Winnipeg	7,985	25,639	42,338
Businessmen per 1,000 population	91.0	51.4	51.5
Men 16 years of age and over	3,354	8,837	14,738
Per cent in business	21.7	14.9	14.8
Businessmen 20 years of age and over	706	1,313	2,146
Men 20 years of age and over	3,055	7,871	12,956
Per cent in business	23.1	16.7	16.6
Men 16 years of age and over with occupations	2,976	8,290	13,414
Per cent in business	24.4	15.9	16.2

Source: National Archives of Canada, RG31, C1, Manuscript Census Returns, Winnipeg, Manitoba, 1881, 1891, 1901.

ing men who wished to embark upon self-employment. Large numbers were attracted by the promise of the frontier throughout the last quarter of the nineteenth century.

Almost a quarter of those reporting occupations in 1881 were self-employed, a proportion which had not prevailed in communities of comparable size in Ontario since the early 1860s (Table 1).²⁸ As well, though historians have noted the predominantly Ontario, British, and Anglo-Saxon backgrounds of business leaders in Winnipeg,²⁹ in general businessmen were not distinguished from the rest of the adult male population by their ethnicity, either in 1881 or thereafter. Even in 1901, by which time an increasingly visible and impoverished eastern European immigrant community was forming in the city, the only groups significantly overrepresented in business were very small ones — Russian Jewish pedlars, traders, and merchants and Chinese laundrymen (Tables 2A and 2B).

Previous research has postulated that in the mid-nineteenth century chain migration and mutual support among co-religionists gave immigrants from particular localities or members of some religious denominations advantages in becoming self-employed in this or that community. With the second and

28 There have been few social histories of Canadian business, and so comparative observations are difficult to make. My earlier study, *A Particular Condition in Life*, reported that 25% of the males 16 years of age and over with occupations in the 1852 and 1851 censuses were self-employed (pp. 24–25). Winnipeg in 1881 was approximately the size of Brantford in 1871, which had a population of 8,107 in that year.

29 Artibise, *Winnipeg*, pp. 36–37; Careless, “The Development of the Winnipeg Business Community”, p. 254.

Table 2A Place of Birth of Self-Employed and Male Population 20 Years of Age and Older, 1881–1901

Place of birth	1881		1891		1901	
	Self-emp. (%)	Men 20+ (%)	Self-emp. (%)	Men 20+ (%)	Self-emp. (%)	Men 20+ (%)
<i>Canada</i>						
Atlantic	5.6	6.7	3.5	3.5	3.2	3.1
Quebec	9.8	8.2	7.5	5.7	2.2	4.3
Ontario	43.1	41.2	40.5	33.7	35.3	35.7
West	1.4	1.6	1.0	1.7	5.2	4.5
Subtotal	59.9	57.7	52.5	44.6	45.9	47.6
<i>Great Britain</i>						
England	14.2	16.5	16.1	23.4	19.3	20.0
Scotland	10.6	9.4	9.3	9.4	7.0	4.6
Ireland	7.8	7.0	5.6	6.4	4.7	6.6
Other	–	0.2	0.2	0.4	0.4	0.4
Subtotal	32.6	33.1	31.2	39.6	31.4	31.6
United States	4.2	3.2	2.9	3.2	3.0	3.2
Eastern Europe	0.3	0.3	6.8	2.8	8.7	6.8
Southern Europe	0.3	0.1	0.5	0.1	1.0	0.5
Northern Europe	0.6	4.0	3.3	7.0	4.3	6.3
Western Europe	1.9	1.3	1.8	2.0	2.3	2.3
China	0.1	0.1	0.7	0.2	2.2	0.8
Other	0.1	0.2	0.3	0.5	1.2	0.9
Total	100.0	100.0	100.0	100.0	100.0	100.0
N	704	3,055	1,313	7,867	2,142	12,881

Note: “Other Great Britain” includes Channel Islands, Isle of Man, Wales. “Eastern Europe” includes Austria, Bohemia, Galicia, Hungary, Poland, Romania, Russia. “Southern Europe” includes Gibraltar, Greece, Italy, Spain. “Western Europe” includes Bavaria, Belgium, France, Germany, Prussia, Switzerland. “Northern Europe” includes Denmark, Finland, Iceland, Norway, Sweden. “Other” includes Africa, At Sea, Australia, British Guiana, Ceylon, East Indies, India, Jamaica, Mauritius, New Zealand, South Africa, St. Helena, Strait Settlements, Syria, Turkey, West Indies.

Source: National Archives of Canada, RG31, C1, Manuscript Census Returns, Winnipeg, Manitoba, 1881, 1891, 1901.

third generations of businessmen, Canadians with deeper roots in their communities became more likely than immigrants to be self-employed. Men in Winnipeg seemed to be neither helped nor harmed by their backgrounds, and even Catholics, whom the Brantford study revealed as the most under-represented group, accounted for a number of businessmen proportionate to their number in the larger population.³⁰

30 Burley, *A Particular Condition in Life*, pp. 68–76.

Table 2B Religion of Self-Employed and Male Population 20 Years of Age and Older, 1881–1901

Religion	1881		1891		1901	
	Self-emp. (%)	Men 20+ (%)	Self-emp. (%)	Men 20+ (%)	Self-emp. (%)	Men 20+ (%)
Church of England	25.7	24.9	24.3	29.0	22.2	25.4
Presbyterian	33.0	34.2	26.5	24.6	25.1	25.5
Methodist	21.7	19.9	17.9	17.6	17.8	17.1
Baptist	4.9	3.7	4.1	3.6	4.8	4.3
Congregationalist	1.9	1.1	5.8	4.4	4.3	3.0
Lutheran	0.1	2.7	3.8	7.9	4.7	8.2
Roman Catholic	11.8	12.9	9.1	9.6	10.2	11.1
Jewish	0.6	0.2	7.3	2.0	7.9	2.1
Other	0.3	0.4	1.2	1.3	3.0	3.3
Total	100.0	100.0	100.0	100.0	100.0	100.0
N	704	3,018	1,307	7,818	2,117	12,811

Note: “Other” includes Agnostic, Atheist, Baptised Believer, Brethern, Buddhist, Catholic Apostolic, Calvinist, Christian Brethern, Church of Christ, Christadelphian, Chinese, Christian, Christian Scientist, Disciple, Evangelical, Free Thinker, Greek Catholic, German, German Reformed, Greek, Icelandic, Independent, Mennonite, Mormon, Non-denominational, Non-sectarian, Pagan, Plymouth Brethern, Polish, Primitive, Protestant, Quaker, Reformed, Reformed Episcopalian, Reformed Lutheran, Russian, Salvation Army, Seventh Day Adventist, Spiritualist, Swedenborgian, United Brethern, Unitarian, Universalist.

Source: National Archives of Canada, RG31, C1, Manuscript Census Returns, Winnipeg, Manitoba, 1881, 1891, 1901.

The absence of religious and ethnic associations with rates of self-employment may seem consistent with a theory of frontier equal opportunity. The advantages of organizational membership and communal identities may not have transferred to the edge of settlement. No doubt a letter from a clergyman back home or knowing the secret handshake helped newcomers fit into a new community. As well, co-religionists or lodge brothers probably still preferred to patronize one another’s businesses or perhaps give a job to one of their fellows. But their preferences bestowed little advantage in opening shop for businessmen who relied upon wholesalers and creditors, often at a distance, to supply and finance their operations. Thus, rather than frontier equality, the lack of distinctive ethnic or religious business communities attested to the importance of metropolitan connections.

Throughout the last two decades of the nineteenth century, Winnipeg’s representative businessman was the retail merchant or agent — perhaps somewhat more of a hustler and speculator in the early eighties. Typical of those merchants at the height of Winnipeg’s boom was Thomas Nightingale, who arrived in the summer of 1881 and stayed off and on through the following year, never appearing in the census, assessment, or directory

listings, but recording his activities in a brief diary. The day after arriving in the city in late August, he applied for land from the Canadian Pacific Railway and began looking at city lots and nearby farms. He stayed only about ten days before returning to Belleville, Ontario, for the winter. In March he returned with a friend to speculate in land. Nightingale soon began considering other ventures: \$500, he judged, would be sufficient to start a grocery business; if he purchased a stove, he could set up a laundry; he did lend sums of money to others for small speculations. In late May, with some friends who had bought a horse and buckboard, he rented a cellar in a downtown block to store eggs, butter, and ham, which they brought from St. Paul, Minnesota, to sell to local provision dealers, and ale which they obtained on commission from an Ontario brewer for sale to local hotels. As these commodities were sold, Nightingale took consignments of confectionery, Bibles, wood, tea, tobacco, and local produce for sale in the city and surrounding area. He recorded making \$4 here, \$15 there, \$1 on another trade, \$20 from a trip to the nearby town of Selkirk, but never really striking it rich. He disappeared from the record in 1882.³¹

Even more substantial operators, like Robert T. Riley, who acted as agent for and junior partner with William E. Sanford of Hamilton, Ontario, at first commuted to and from the frontier in the early 1880s. Immigrating from England in 1873, Riley had done many things before working for Sanford — carpenter, builder, share cropper employing immigrant child labour, farmer, lumber and cordwood cutter, road contractor, collection agent for the Bank of Commerce, land agent for a railroad. Sanford first hired Riley as a manager and troubleshooter for one of his southern Ontario clothing stores, and then in 1881 sent him west to Winnipeg to oversee his interests in the Manitoba Drainage Company and various real estate speculations. With the collapse of the boom and the end of drainage work for the year, Riley returned briefly to his farm near Hamilton in 1882. But Sanford prevailed upon him to manage his Winnipeg wholesale clothing business. Despite brief thoughts about moving to California, Riley stayed in Winnipeg. On his own account, he bought and sold land and scrip, farmed, and raised and traded livestock. When in the early 1890s Sanford refused to sell him a larger interest in the business, Riley asked to be bought out. With this capital and profits from other ventures, he became a promoter of the Great West Life Assurance Company and the Canadian Fire Insurance Company, and later founder of the Northern Trusts Company.³²

More stolid traders replaced the hustlers, and by the 1890s they settled into meeting various consumer demands in more stable lines of business. Feeding, clothing, and furnishing a growing urban population always occu-

31 Archives of Ontario, MSS Diaries Collection, MU842, Diary of Thomas Nightingale, 1881–1882.

32 Robert T. Riley, *Memoirs* (Winnipeg: n.p., n.d.), pp. 53–79.

Table 3A Economic Sectors of Self-Employment, 1881–1901

Sector and occupational group	1881 (%)	1891 (%)	1901 (%)
<i>I. Industry</i>			
Apparel maker, leather worker	2.3	3.3	3.1
Artist, photographer, printer, publisher	1.7	1.8	2.9
Food, beverage producer	2.6	5.4	5.1
Metal fabricator	2.9	2.0	2.4
Wood worker	1.5	1.8	1.5
Other manufacturing	0.7	1.1	1.2
Subtotal	11.7	15.4	16.2
N	85	203	352
<i>II. Construction</i>			
Architect, civil engineer, surveyor	3.0	1.6	1.5
Builder, contractor	12.4	7.0	8.7
Construction tradesman	2.9	6.7	9.6
Construction materials manufacturer	0.7	0.8	1.0
Subtotal	19.0	16.1	20.8
N	138	213	453
<i>III. Commerce</i>			
Agriculture, commodities dealer	3.0	8.0	6.7
Groceries, provisions, liquor dealer	9.1	14.4	10.3
Dry goods, apparel merchant	5.1	6.2	4.9
Furniture, home furnishings, china merchant	0.4	1.1	1.0
Hardware, tinware, stove merchant	1.5	1.8	1.3
Other consumer goods dealer	3.5	5.0	4.2
Other or unspecified agents and merchants	20.9	10.5	11.1
Subtotal	43.5	47.0	39.5
N	316	620	861
<i>IV. Services</i>			
Accommodation, food provider	11.3	7.1	6.1
Personal service provider	0.6	1.5	2.1
Financial service provider	9.3	8.5	6.6
Transportation service provider	4.7	3.8	5.9
Other service providers	–	0.2	0.8
Subtotal	25.9	21.1	21.5
N	188	278	469
<i>V. Unclassified, blank, illegible</i>			
	–	0.4	2.0
N	–	5	43
Total	100.0	100.0	100.0
N	727	1,319	2,178

Note: “Other manufacturing” includes animal feed manufacturer, cigar maker/ manufacturer, farm implement manufacturer, grease manufacturer, hairbrush maker, unspecified manufacturer, mattress manufacturer, soap manufacturer, taxidermist, tent manufacturer. “Other or

unspecified agent or merchant” includes agent, building materials merchant, farm implement dealer, machinery dealer, merchant, speculator. “Other service provider” includes advertising agent, employment agent, animal trainer, bandmaster, bill poster, canvasser, carpet cleaner, chimneysweep, draughtsman, entertainer, musician, piano tuner, showman. “Unclassified” includes gentleman, inventor, labourer, manager. When economic sectors and cross-sections were treated as dichotomies (e.g., industry/other; 1891/other), a number of statistically significant associations were apparent. Negative associations: industry in 1881 (*chi* sq = 8.912, *df* 1, *p* = 0.003); construction in 1891 (*chi* sq = 4.134, *df* 1, *p* = 0.042); commerce in 1901 (*chi* sq = 13.295, *df* 1, *p* = 0.000). Positive associations: service in 1881 (*chi* sq = 6.009, *df* 1, *p* = 0.014); commerce in 1891 (*chi* sq = 13.745, *df* 1, *p* = 0.000); industry in 1901 (*chi* sq = 4.492, *df* 1, *p* = 0.034); construction in 1901 (*chi* sq = 11.103; *df* 1, *p* = 0.001).

Source: National Archives of Canada, RG31, C1, Manuscript Census Returns, Winnipeg, Manitoba, 1881, 1891, 1901.

ped about a third of the self-employed.³³ As the wholesale advantages of Winnipeg were secured and as commodity trading developed with the maturing of Prairie agriculture, the commercial sector of the economy diversified further. It was always the largest sector, accounting for as many as 47 per cent of all businessmen in 1891. The extent of commercial enterprise demonstrated that lines of supply and credit stretched eastward from Winnipeg, tying it even from the 1870s into a national and continental trading and finance system.

For that reason, Winnipeg did not offer much respite for craft producers who from the 1860s and 1870s were increasingly unable in eastern Canada to sustain self-employment in competition with factory-produced goods. In 1878 the *Manitoba Free Press* had cautioned journeymen contemplating the trip west that they would not find much employment in the new province. The prospects for “a good workman, with a small capital” were somewhat better, since he “would easily find localities to establish himself where his services would be valuable”.³⁴ Still, not many stopped in Winnipeg. There were relatively fewer businesses in the industrial sector in 1881 than in urban centres of comparable size in Ontario,³⁵ and craft and manufacturing production remained the smallest area of business participation in all three cross-sections (Tables 3A and 3B).

The industrial sector was a growing one, however, at least in relative terms, though the numbers tend to reflect less the migration of displaced

33 Allan G. Levine, *The Exchange: 100 Years of Trading Grain in Winnipeg* (Winnipeg: Peguis, 1987), pp. 33–58; Donald Kerr, “Wholesale Trade on the Canadian Plains in the Late Nineteenth Century: Winnipeg and its Competition”, in H. Palmer, ed., *The Settlement of the West* (Calgary: Comprint, 1977), pp. 130–152.

34 *Manitoba Free Press*, March 18, 1878.

35 In Brantford the industrial sector had fallen with industrialization from between 35% and 38% of all the self-employed in the 1850s and early 1860s to about 25% in the 1870s. Burley, *A Particular Condition in Life*, pp. 25, 177–178.

Table 3B Selected Occupations by Sector of Economy

Occupation	1881 (N)	1891 (N)	1901 (N)
<i>I. Industry</i>			
Apparel maker, leather worker			
Shoemaker	4	19	20
Tailor, clothing manufacturer	6	11	29
Artist, photographer, printer, publisher			
Artist, photographer	4	11	23
Printer, publisher	8	10	28
Food, beverage producer			
Baker, confectioner, biscuit manufacturer	5	14	29
Butcher	8	46	73
Metal fabricator			
Blacksmith	10	19	29
Tinsmith	4	4	10
Wood worker			
Cabinet, furniture maker, upholsterer	4	8	7
Carriage maker	4	10	11
<i>II. Construction</i>			
Architect, civil engineer, surveyor			
Architect	10	9	18
Civil engineer, surveyor	12	12	15
Builder, contractor			
Builder	18	22	21
Contractor	72	71	168
Construction tradesman			
Bricklayer, mason, stone cutter	3	5	21
Carpenter	9	48	96
Painter, decorator, paperhanger	7	15	43
Plasterer	1	6	12
Plumber	–	5	17
<i>III. Commerce</i>			
Agricultural, commodity dealer			
Grain merchant	3	27	46
Livestock dealer	11	37	49
Wood and other fuels dealer	3	26	25
Groceries, provisions, liquor dealer			
Fruit dealer	6	20	21
Dairyman	4	31	44
Gardener	1	8	26
Grocer, provision merchant	53	115	117
Dry goods, apparel merchant			
Clothier	10	31	40
Dry goods merchant	15	20	35
Merchant tailor	5	17	17
Shoe merchant	7	14	14
Furniture, home furnishings, china merchant			
Furniture dealer	2	10	19

Table 3B Concluded

Occupation	1881 (N)	1891 (N)	1901 (N)
Hardware, tinware, stove merchant			
Hardware merchant	11	20	27
Other consumer goods dealer			
Bookseller, stationer	7	15	19
Chemist, druggist	5	15	23
Jeweler, watchmaker	6	21	22
Miscellaneous or unclassified agent, merchant			
Agent	40	8	21
Building materials dealer	15	18	16
Commission agent, merchant, jobber	20	25	29
Farm implement dealer	11	14	11
Huxter/pedlar	5	42	75
Merchant, unspecified	34	15	52
Speculator	20	1	–
Storekeeper	7	7	19
<i>IV. Services</i>			
Accommodation, food provider			
Boardinghouse keeper	18	8	18
Hotel keeper	60	59	48
Laundry man	–	15	54
Restaurant keeper	2	11	12
Personal services provider			
Barber	4	17	35
Financial services provider			
Agent, insurance, trust company	10	32	34
Agent, real estate	37	45	62
Auctioneer	8	11	7
Banker, broker	4	16	25
Transportation service provider			
Stable keeper	8	24	29
Teamster	14	8	62
Expressman	–	8	25

Source: National Archives of Canada, RG31, C1, Manuscript Census Returns, Winnipeg, Manitoba, 1881, 1891, 1901.

tradesmen and small producers than a response to growing urban demand. In 1901 the industrial sector was half again as large as a proportion of the business community as it had been in 1881, and in absolute numbers had increased fourfold from 85 men in 1881 to 352 in 1901. Butchers stand out. Their increase from eight in 1881 to 73 in 1901 attested not just to the hunger of city dwellers, but also to the development of the packinghouse industry and trade in dressed meat.³⁶ In general, though, no particular type

³⁶ Jim Silver, "The Origins of Winnipeg's Packinghouse Industry: Transitions from Trade to Manufacture", *Prairie Forum*, vol. 19 (Spring 1994), pp. 15–30.

Table 4 Persistence in Business by Sector of Economy, 1881–1901

Part A: 1881–1891							
Sector	Persisting in business		Quitting business		All		Persistence rate %
	N	%	N	%	N	%	
Industry	31	22.0	54	9.2	85	11.7	36.5
Construction	24	17.0	114	19.5	138	19.0	17.4
Commerce	54	38.3	262	44.7	316	43.5	17.1
Service	32	22.7	156	26.6	188	25.8	17.0
Total	141	100.0	586	100.0	727	100.0	19.4

Part B: 1891–1901							
Sector	Persisting in business		Quitting business		All		Persistence rate %
	N	%	N	%	N	%	
Industry	64	15.1	139	15.6	203	15.4	31.5
Construction	74	17.5	139	15.6	213	16.2	34.7
Commerce	205	48.3	415	46.6	620	47.2	33.1
Service	81	19.1	197	22.2	278	21.2	29.1
Total	424	100.0	890	100.0	1,314	100.0	32.3

Note: When economic sectors were treated as dichotomies (e.g., industry/other), there was a statistically significant association between being in industry and persisting in business until 1891 ($\chi^2 = 17.953$, $df\ 1$, $p = 0.000$).

Source: National Archives of Canada, RG31, C1, Manuscript Census Returns, Winnipeg, Manitoba, 1881, 1891, 1901.

of production accounted for growth in the sector, and all sorts of businesses, especially those which met a local demand — tailoring, shoemaking, printing, and similar enterprises — rose substantially in number.

As well, few though they were, those engaged in industry generally did well in the 1880s and were significantly more likely to persist in business from 1881 to 1891. Five of ten blacksmiths, five of eight butchers, three of five harnessmakers, one of two machinists, two of four printers, two of four shoemakers, three of six tailors, and two of four tinsmiths lasted for ten years in business. On the other hand, only one of three cabinetmakers and one of four carriage makers were still in business in 1891. Their trades, more so than the others, were susceptible to competition from merchants retailing products brought in from the east. In the following decade, persistence in business was unrelated to the sector or type of business and depended more upon capital and credit (Table 4).

As common and as open as self-employment was in Winnipeg, sustaining that status, once achieved, proved to be exceedingly uncommon. Only one in five of those self-employed in 1881 remained in business in 1891, a much lower rate of persistence than found for an earlier era in the study of Brantford, Ontario.³⁷ Still, new arrivals continued to replenish the ranks of the business community; 1,178 men in 1891 and 1,756 in 1901 had been self-employed for less than ten years.³⁸ The business population almost doubled in size in the eighties, but the rate of self-employment dropped to one in six men in 1891, a level approaching but still somewhat higher than that found in Brantford.³⁹ This rate held until 1901, but because more men continued in business — one in three from 1891 to 1901 — the relative, if not the absolute, number of openings for new businessmen was somewhat reduced as the new century opened.

Relatively fewer business opportunities and an increasing failure rate gave greater prominence to those who persisted among the self-employed and, in consequence, altered the age structure of the self-employed population. Though, as one might expect, the young and the old were always less likely than men in their full maturity to be self-employed, the boundaries of that prime of life changed in the late nineteenth century. In 1881 age was of less consequence than ambition in identifying the self-employed and, for the almost 70 per cent of all businessmen between 30 and 64 years old, no particular age group was more likely than any other to be in business. That band narrowed to the years between 35 and 64 years of age in 1891 and 45 to 64 in 1901 (Table 5).

As well, the median age of businessmen increased only slightly between 1881 and 1891, from 32 to 35 years of age. By 1901 it had risen to 41 years of age. In part this was a consequence of the presence of those who had stayed in business for a decade, but it was also a product of the somewhat later age at which men started businesses. In 1891 the middle 50 per

37 In Brantford roughly half of the businessmen in 1852, 1861, and 1871 retained that status in the subsequent census year. Burley, *A Particular Condition in Life*, pp. 174–175.

38 Of course, the number of men setting up businesses in Winnipeg through the period was probably considerably higher. If we assume that the number of businessmen per 1,000 population diminished at an even average annual rate from 1881 to 1891 and remained constant from 1891 to 1901, then the number of businessmen can be estimated from the total city population from 1881 to 1901. (For annual population figures, see Artibise, *Winnipeg*, pp. 130–131.) As well, if the decadal rate of business discontinuation is converted to an average annual rate of attrition, then the numbers of persistent and new businessmen can be estimated for each year from 1881 to 1901. The total number of men entering business from 1881 to 1901 can be taken as the sum of the new businessmen each year. In the period considered here, there were 727 men in business in 1881, plus 2,445 estimated to have started up between 1881 and 1891, plus 2,819 estimated to have started up between 1891 and 1901 for a total of 5,991. These are not “real” numbers of men, but they do suggest something of the magnitude of entry to and exit from self-employment.

39 In 1881 approximately one in seven men was self-employed in Brantford. Burley, *A Particular Condition in Life*, pp. 25, 36.

Table 5 Self-Employment and Rate of Self-Employment by Age Group, 1881–1901

Age group (years)	1881		1891		1901	
	Self-emp. (%)	Rate (%)	Self-emp. (%)	Rate (%)	Self-emp. (%)	Rate (%)
20–24	9.8	9.9	4.6	3.8	5.5	4.9
25–29	20.5	19.4	11.6	10.0	11.0	10.1
30–34	24.1	29.8	20.0	18.3	12.5	13.9
35–39	17.3	34.1	19.9	24.1	14.7	19.1
40–44	11.6	29.2	16.8	25.6	16.4	23.7
45–49	6.9	30.1	11.4	29.8	14.3	27.6
50–54	4.5	28.6	6.9	24.9	11.3	30.0
55–59	2.3	30.1	4.0	22.7	6.2	28.5
60–64	1.9	35.1	3.0	26.8	4.1	26.4
65–69	0.4	14.3	1.1	22.1	2.2	22.3
70 plus	0.7	27.8	0.7	12.7	1.8	17.5
Total	100.0	23.1	100.0	16.7	100.0	16.6
N	706	3,055	1,313	7,871	2,146	12,956

Note: *Chi* sq analysis revealed that in 1881 there were no significant associations between self-employment and age group for men between the ages of 30 and 64 (*chi* sq = 3.063, *df* 6, *p* = 0.801). In 1891 there were no significant associations between self-employment and age group for men between the ages of 35 and 64 (*chi* sq = 4.196, *df* 5, *p* = 0.522). In 1901 there were no significant associations between self-employment and age group for men between the ages of 45 and 64 (*chi* sq = 1.101, *df* 3, *p* = 0.777).

Source: National Archives of Canada, RG31, C1, Manuscript Census Returns, Winnipeg, Manitoba, 1881, 1891, 1901.

cent of men in business for less than ten years were between the ages of 30 and 44; in 1901 the upper limit of that group was 47 years of age.

The strengthening association of self-employment in Winnipeg with older age groups recapitulated the pattern evident in the study of Brantford in a slightly earlier era.⁴⁰ Together, the two situations suggest the contours of a cycle of expanding and contracting opportunities in new areas in the nineteenth century. Initially business opportunities attracted men in a fairly wide age group. Over time, self-employment declined as incrementally more men persisted in business and as external business forces — competition from suppliers outside the community and discipline from sources of finance — raised the entry requirements. Symptomatic of these structural changes was an aging business population.

Scale of Business: Organization, Capital, and Credit

Associated with increasing persistence in business were changes in the organization and scale of business through the 1890s. In 1891, 741 business-

40 Burley, *A Particular Condition in Life*, pp. 84–89.

men, 56 per cent of all, reported that they were employers. Ten years later 651 men, only 30 per cent, claimed that status. Even if the data are not straightforward and for some reason the question was difficult to answer, one would not expect such an extreme variation between the two cross-sections. Employment in Winnipeg must have become much more concentrated as fewer businesses hired many more workers, and the overwhelming majority of businessmen depended only upon their own labour and perhaps that contributed by family members. Put another way, absolutely and relatively fewer businessmen in 1901 enjoyed operations or prospects that would warrant the employment of wage labour.

The reports compiled by credit investigators sustain the impression of greater concentration in business. The Mercantile Agency of Dun, Wiman and Co., later R. G. Dun and Co., offered its subscribers regular reports on the business capital and credit worthiness of Winnipeg businessmen through the period considered here. Not all businesses fell under the Agency's scrutiny, no doubt because there were so many. The major firms and those most likely to seek credit from suppliers and lenders outside the city were always listed in the quarterly reports, but Dun increased its coverage from 358 male-headed businesses in 1881 to 773 in 1891 and 856 in 1901 by assessing the smallest operations more thoroughly. Businesses with less than \$5,000 in capital accounted for almost 70 per cent of reports in 1881, but almost 80 per cent in 1901.

The Agency estimated capital in fairly broad ranks, in \$250,000 graduations for the wealthiest and in \$1,000 increments for the smallest. At the lowest end, it allowed its subscribers to read between the lines. Each manual published a caution of this sort: "The absence of a rating, whether of capital or credit, indicates those whose business and investments render it difficult to rate satisfactorily ourselves. We therefore prefer, in justice to these, to give the detailed reports on record at our office."⁴¹ A polite ambiguity, perhaps it was hoped, would not be actionable from men who might argue that their businesses had suffered because of the Agency's unwarranted slander about their resources.

Dun's reluctance to rate the capital resources of a growing segment of the business community was an indication of the Agency's ongoing concern about the overpopulation of business in the North West. Whereas 11 per cent received a blank rating for capital in 1881, a third did in 1891. By the beginning of the century, Winnipeg was well into a period of rapid economic growth, serving an expanding agricultural hinterland as a transportation, grain marketing, and wholesaling centre.⁴² The Agency acknowledged that capital had tripled from 1881 to 1901. The biggest appeared to be growing

41 *The Mercantile Agency Reference Book (and Key) for the Dominion of Canada...* (1901).

42 Ruben Bellan, *Winnipeg's First Century: An Economic History* (Winnipeg: Queenston House, 1978), pp. 71–82.

even bigger as the upper five percentiles increased their estimated share of total capital from 59 per cent in 1881 to 73 per cent in 1901.⁴³ Overall assets were concentrated in fewer firms: 500 firms in 1901 received a ranking, down from 510 ten years previously. Put another way, despite the city's economic growth, R. G. Dun and Co. judged the business community with pessimism and refused to commit itself in public concerning the assets of 42 per cent of firms in 1901 (Table 6).

The Agency raised its eyebrows in response to some of the new ways in which businesses were organized by the turn of the century. The need to mobilize larger sums of capital, more and more a feature of Winnipeg enterprise, often required the participation of more than one individual, and not surprisingly the largest enterprises frequently were run as partnerships. Partnerships, however, declined in importance in the 1890s as incorporated and unincorporated companies were established to combine individual capital investments or at least to give the appearance of substantial capital assets. By 1901, 11 per cent of all businesses listed by Dun and 19 per cent of those with assets exceeding \$10,000 were companies. More than half of all companies — 21 of 26 unincorporated and 38 of 69 corporations — were not assigned an estimate of capital, however. The Agency was suspicious about what might be hiding behind a name or limited liability (Table 7).

Dun's increasing pessimism about Winnipeg entrepreneurs did not bode well for small businessmen, since the agency's evaluations of credit worthiness were associated with its rankings of capital. Firms with capital over \$5,000 were always most likely to receive the two highest credit ratings — "High" or "Good". Over time the relationship strengthened. In 1881 two-thirds of those with capital between \$5,000 and \$10,000 received a "Good" rating. In 1891 and 1901 almost 90 per cent received "Good" or better (Table 8).

To evaluate those at the other end of the scale, the Agency introduced more detailed reporting in 1882. It began to distinguish those with less than \$500 in capital. About two-thirds of those with less than \$1,000 in 1891 and

43 The Mercantile Agency reported capital by rank rather than by actual dollar figures. A rough estimate of the distribution of capital was made by assuming that every firm in a rank possessed capital equal to the mid-point in the range covered by that rank. For the top rank of \$1,000,000 and over (in which the Hudson's Bay Company was alone in 1891 and 1901), the minimum was used in calculations. For the bottom rank of under \$1,000 in 1881, \$400 was taken as the average, while in 1891 and 1901, when the lowest rank was under \$500, \$250 was taken as the average. The effect of these decisions is probably to make the distribution of capital more even than was the reality, though not more so in any one cross-section year. In 1881 the wealthiest 5% (19 firms) accounted for an estimated \$2,022,500 or 59% of all capital; in 1891, 38.65 businesses claimed \$4,415,375 or 68.9%; in 1901, 43.25 firms totalled \$7,610,625 or 73.4%. The growing concentration is also demonstrated by the substantial increase in the Gini index, which measures the inequality in the distribution of business capital, cited in Table 6. On the Gini index, see Charles M. Dollar and Richard J. Jensen, *Historian's Guide to Statistics: Quantitative Analysis and Historical Research* (New York: Holt, Rinehart and Winston, 1971), pp. 122–124.

Table 6 Capital of Businesses Rated by The Mercantile Agency, 1881–1901

	1881			1891			1901		
	N	Cum% N	Cum% capital	N	Cum% N	Cum% capital	N	Cum% N	Cum% capital
Over \$1,000,000	–	–	–	1	100.00	100.00	1	100.00	100.00
\$750,000–\$1,000,000	–	–	–	1	99.86	99.80	2	99.88	99.80
\$500,000–\$750,000	1	100.00	100.00	–	–	–	–	–	–
\$300,000–\$500,000	–	–	–	–	–	–	2	99.65	99.40
\$200,000–\$300,000	2	99.73	99.70	2	99.73	99.60	5	99.42	99.00
\$125,000–\$200,000	–	–	–	2	99.47	99.21	5	98.84	98.00
\$75,000–\$125,000	4	99.17	99.10	9	99.21	98.82	9	98.26	97.00
\$50,000–\$75,000	–	–	–	–	–	–	14	97.22	95.20
\$40,000–\$75,000	5	98.05	97.90	–	–	–	–	–	–
\$35,000–\$50,000	–	–	–	11	98.05	97.06	17	95.60	92.40
\$20,000–\$40,000	16	96.65	96.39	–	–	–	–	–	–
\$20,000–\$35,000	–	–	–	26	96.63	94.90	20	93.63	89.00
\$10,000–\$20,000	34	92.18	91.57	39	93.27	89.90	57	91.32	85.00
\$5,000–\$10,000	49	82.68	81.33	71	88.22	82.15	56	84.73	73.60
\$3,000–\$5,000	–	–	–	79	79.04	68.23	54	78.26	62.40
\$2,000–\$5,000	47	68.99	66.57	–	–	–	–	–	–
\$2,000–\$3,000	–	–	–	–	–	–	30	72.02	51.60
\$1,000–\$2,000	32	55.86	52.41	76	68.82	52.74	49	68.55	45.60
Less than \$1,000	142	46.92	42.77	–	–	–	–	–	–
\$500–\$1,000	–	–	–	61	58.99	37.84	57	62.89	35.80
Less than \$500	–	–	–	132	51.10	25.88	122	56.30	24.40
Blank	26	7.26	–	263	34.02	–	365	42.20	–
Total	358		\$3,439,300	773		\$6,408,750	865		\$10,372,750
Gini index		0.811			0.884			0.919	

Source: *The Mercantile Agency Reference Book (and Key) for the Dominion of Canada...* (Montreal: Dun, Wiman and Co., September 1881), (Montreal: Dun, Wiman and Co., September 1891), and (Montreal: R. G. Dun and Co., September 1901).

Table 7 Capital by Form of Business Organization, 1881–1901

Capital	Proprietorships (%)	Partnerships (%)	Companies (%)	All (%)
1881				
Over \$75,000	0.9	2.3	40.0	2.0
\$10,000–\$75,000	6.3	29.2	60.0	15.3
\$5,000–\$10,000	12.6	16.2	–	13.7
\$1,000–\$5,000	23.8	20.0	–	22.1
Under \$1,000	49.7	23.8	–	39.6
Blank	6.7	8.5	–	7.3
Total	100.0	100.0	100.0	100.0
N	223	130	5	358
1891				
Over \$75,000	1.0	3.5	2.7	1.9
\$10,000–\$75,000	6.7	16.8	2.7	9.8
\$5,000–\$10,000	7.5	12.5	8.1	9.2
\$1,000–\$5,000	22.5	18.4	–	20.1
Under \$1,000	31.5	15.6	5.4	25.0
Blank	30.8	33.2	80.5	34.0
Total	100.0	100.0	100.0	100.0
N	480	256	37	773
1901				
Over \$75,000	0.6	5.1	7.4	2.8
\$10,000–\$75,000	7.4	19.4	18.9	12.5
\$5,000–\$10,000	6.3	8.1	3.2	6.4
\$1,000–\$5,000	17.9	13.9	6.3	15.4
Under \$1,000	27.2	15.4	2.1	20.7
Blank	40.6	38.1	62.1	42.2
Total	100.0	100.0	100.0	100.0
N	497	273	95	865

Source: *The Mercantile Agency Reference Book* (1881, 1891, 1901).

1901 fell into this new category. As well, a new credit rating of “Limited” was added mainly for those with \$500 to \$1,000 in their businesses. The effect was to tighten credit. In 1881 slightly more than a quarter of those with less than \$1,000 were deemed a “Fair” credit risk. In 1891 only a very few, and by 1901 none, received this rating. Instead, “Limited” was the best that they generally received. Eighty-two per cent of those in the \$500 to \$1,000 range were rated “Limited” and 10 per cent “Fair” in 1891; all were “Limited” in 1901. About a third of those with less than \$500 were recommended for “Limited” credit in 1891, and about half in 1901. From the mid-1880s, then, Dun’s Agency was providing far more nuanced credit ratings, tied more closely to capital.

Table 8 Credit Ratings by Capital, 1881–1901

Assets	Credit rating						N	All (%)
	High (%)	Good (%)	Fair (%)	Limited (%)	Blank (%)	All (N)		
1881								
Over \$75,000	100.0	–	–	–	–	7	–	2.0
\$10,000–\$75,000	3.6	94.6	1.8	–	–	55	–	15.3
\$5,000–\$10,000	–	67.3	32.7	–	–	49	–	13.7
\$1,000–\$5,000	–	2.5	93.7	–	3.8	79	–	22.1
Under \$1,000	–	–	26.1	–	73.9	142	–	39.7
Blank	–	–	–	–	100.0	26	–	7.2
Total	2.5	24.3	35.8	–	37.4	–	–	100.0
N	9	87	128	–	134	358	–	–
1891								
Over \$75,000	100.0	–	–	–	–	15	–	1.9
\$10,000–\$75,000	26.3	67.1	2.6	2.7	1.3	76	–	9.8
\$5,000–\$10,000	–	88.7	8.5	1.4	1.4	71	–	9.2
\$1,000–\$5,000	–	4.5	90.3	4.5	0.7	155	–	20.1
Under \$1,000	–	–	3.1	49.2	47.7	193	–	25.0
Blank	–	–	1.5	1.5	97.0	263	–	34.0
Total	4.5	15.7	20.4	14.1	45.3	–	–	100.0
N	35	121	158	109	350	773	–	–
1901								
Over \$75,000	66.6	29.2	–	4.2	–	24	–	2.8
\$10,000–\$75,000	23.1	74.1	2.8	–	–	108	–	12.5
\$5,000–\$10,000	1.8	83.9	14.3	–	–	56	–	6.5
\$1,000–\$5,000	–	–	96.2	3.8	–	133	–	15.4
Under \$1,000	–	–	–	67.0	33.0	179	–	20.7
Blank	–	1.4	16.4	9.0	73.2	365	–	42.2
Total	4.8	16.1	23.0	18.4	37.7	–	–	100.0
N	42	139	199	159	326	865	–	–

Note: Percentage rows total 100.0 when added horizontally.

Source: *The Mercantile Agency Reference Book* (1881, 1891, 1901).

Staying On or Giving Up

Whether or not Dun's reports influenced the fates of Winnipeg's businessmen, over time they did become increasingly accurate, and increasingly tied to the estimates of assets, in predicting who would stay in business for ten years and who would quit. Because the Mercantile Agency's reports assessed a varying proportion of the business population at each cross-section, using them to study the associations between capital or credit and persistence in business is not as straightforward as analysing them to observe the changing capital structures and credit ratings. As well, because men joined and left partnerships, even if a firm lasted a decade its principals may not have

stayed the same. Thus, the reports have been linked to manuscript census schedules from which persistence in business has been calculated. All partners in a firm are considered to have had the capital and credit ratings of that firm. This does result in some double counting, and not all parties can be identified. The method still makes sense, however, if one is careful about attributing the capital and its credit worthiness not to the man, but to the enterprise with which he was associated.

Dun, Wiman and Co. had mixed success in evaluating the prospects of businessmen in the 1880s. Men participating in businesses given “High” or “Good” credit ratings in 1881 were significantly more likely to be still in business in 1891. Just receiving a credit rating, even if it was a poor or weak one, increased a man’s chances of continuing in business over those who received no notice from the Dun reporter. In 1881, 26.1 per cent of those receiving a “Fair” or blank rating were still in business ten years later; only 10.4 per cent of those not mentioned in Dun’s credit manual continued for that period of time.⁴⁴ Those about whom Dun had doubts and so preferred to remain silent in print were no more likely to quit, however, than those whose credit worthiness was rated somewhat higher as “Fair”. As well, no strong association existed between capital and persistence in the 1880s, and although, as one might expect, those who had held more assets were more numerous among those still self-employed in 1891, the difference was not statistically significant. The real estate speculations of the early eighties had tempted big and small fish, and all risked disaster with the collapse of the land market in the floods of 1882. Even those who had profited may have felt that the play in Winnipeg had run its course by mid-decade and may have left in pursuit of the next frontier boom or taken their profits back to more established cities for reinvestment (Table 9).

Thus, the commitment of those arriving in Winnipeg during the late seventies and early eighties should not be exaggerated. The collapse of the real estate boom in 1882 made the strength of a businessman’s attachment a moot point for many. Some of those who could sold out profitably and left for greener pastures. W. H. Lyon typified the booster entrepreneurs whom historians like Alan Artibise and J. M. S. Careless have credited with creating and directing Winnipeg’s development — promoter of municipal incorporation, president of the Board of Trade, president of the Great North West Building and Loan Society. An American frontier trader who located in Winnipeg in the 1860s before the annexation of the North West to Canada, he build a successful grocery and provisions wholesaling business; his assets tripled from 1876 to 1881 to between \$75,000 and \$150,000, in the estimation of Dun, Wiman and Co. Lyon left not long after the boom broke. First in Denver and then in Salt Lake City, he did what had helped make

44 When the persistence of those receiving a “Fair” or blank rating is compared with those not receiving a rating: $\chi^2 = 26.282$; $df = 1$; $p = 0.000$.

Table 9 Capital of Those Quitting and Persisting in Business, 1881–1891 and 1891–1901

	Quitting (%)	Persisting (%)	All (%)	N
1881–1891:				
Capital in 1881				
Over \$75,000	1.8	4.0	2.5	8
\$10,000–\$75,000	16.9	20.0	17.8	58
\$5,000–\$10,000	14.2	21.0	16.3	53
\$1,000–\$5,000	24.0	22.0	23.4	76
Under \$1,000	35.5	27.0	32.9	107
Blank	7.6	6.0	7.1	23
Total	100.0	100.0	100.0	–
N	225	100	–	325
No report	360 (89.6%)	42 (10.4%)	100.0	402
1891–1901:				
Capital in 1891				
Over \$75,000	2.4	4.6	3.4	20
\$10,000–\$75,000	12.6	17.2	14.6	87
\$5,000–\$10,000	9.9	14.5	11.9	71
\$1,000–\$5,000	20.7	26.3	23.2	138
Under \$1,000	18.3	19.5	18.8	112
Blank	36.1	17.9	28.1	167
Total	100.0	100.0	100.0	–
N	333	262	–	595
No report	561 (77.5%)	163 (22.5%)	100.0	724

Note: *Chi sq* analysis revealed that there was no significant association between persistence in business from 1881 to 1891 and the amount of capital held in 1881 (*chi sq* = 5.609, *df* 5, *p* = 0.347). There was a significant association between persistence in business from 1891 to 1901 and the amount of capital held in 1891 (*chi sq* = 25.96, *df* 5, *p* = 0.000).

Source: *The Mercantile Agency Reference Book* (1881, 1891, 1901).

him wealthy in Winnipeg: he invested in commercial real estate, preferring to profit from the business ambitions of others, rather than trade himself.⁴⁵

H. S. Donaldson, the largest property owner in Winnipeg at the height of the real estate boom, was not so lucky. Like Lyon, Donaldson arrived in Winnipeg in the 1860s by way of the United States and represented St. Paul business interests through the sixties and seventies, while running a bookselling and stationery business with his brother. He, too, invested in Main Street commercial space, but his holdings were so heavily encumbered with mortgages that he lost everything. He stayed in Winnipeg selling books and stationery until

45 Careless, "The Winnipeg Business Community", pp. 240, 247–248; J. Steen and W. Boyce, *Winnipeg, Manitoba and Her Industries* (Winnipeg: Steen and Boyce, 1882), p. 20; *Winnipeg Free Press*, March 2, 1897.

about 1889 when he felt able to live in modest retirement, supplemented by the occasional patronage job, like commissioner for the 1891 census.⁴⁶

The Mercantile Agency had rated Donaldson's business a "Good" credit risk in 1881. By the 1890s it was able to provide its subscribers with better information on others. Or, as may also have been the case, its subscribers acted upon its advice faithfully, to the advantage of those highly rated and the disadvantage of those not so favoured — with the result that the reports became self-fulfilling prophecies. In either case, persistence in business between 1891 and 1901 was strongly associated with the capital of the enterprise in which men were engaged: 95 of the 178 men, or 53.4 per cent, whose businesses had assets above \$5,000 in 1891 remained in business in 1901, compared with just a quarter of those with assets between \$1,000 and \$5,000 and a fifth of those with assets under \$1,000. Only 37.8 per cent of those belonging to businesses in 1881 with assets exceeding \$5,000 remained self-employed in 1891. As well, while persistence remained associated with credit ratings, Dun more effectively distinguished the prospects of those at the lower end of the business community. Those businessmen who received a "Limited" credit rating were not significantly more likely to go out of business than those with higher ratings. On the other hand, those whom Dun declined to rate in print were more likely to discontinue their businesses. An unqualified credit rating, even if "Limited", was by 1891 an increasingly important characteristic of business longevity (Table 10).

Those who were able to stay in business for ten years generally embarked upon their second decade with greater assets than those just starting out, placing the newcomers at a competitive disadvantage. Even in 1881, just eleven years after the North West's annexation to Canada, those who had been in business for as little as five years had significantly higher capital in their businesses than those who had set up since 1876.⁴⁷ In 1891 and 1901 capital was associated with longevity, though longevity itself was not sufficient to mask business problems. Those whose assets Dun thought might be compromised in some way were just as likely to have been in business for more than ten years as for a shorter time (Table 11).

Perhaps those seeking business opportunities by 1901 were coming to appreciate that persistent businessmen had achieved a security that would put newcomers at a disadvantage. Already Winnipeg appeared to be less attractive to men with middling amounts of capital to back their enterprises. There were only 71 new businessmen with capital in the \$5,000 to \$35,000 range, whereas ten years earlier there had been 102. On the other hand, in

46 Burley, "The Keepers of the Gate", p. 71; *Winnipeg Free Press*, May 14, 1904.

47 Of the 80 men in business in 1881 who had received a credit report in 1876, 55% had \$5,000 or more in assets in 1881, compared with 31% of those who were in business for a shorter length of time. *The Mercantile Agency Reference Book (and Key) for the Dominion of Canada...* (Montreal: Dun, Wiman and Co., July 1876).

Table 10 Credit Rating of Those Quitting and Persisting in Business, 1881–1891 and 1891–1901

	Quitting (%)	Persisting (%)	All (%)	N
1881–1891:				
Credit rating in 1881				
High	2.7	5.0	3.4	11
Good	23.1	36.0	27.1	88
Fair	40.9	35.0	39.1	127
Blank	33.3	24.0	30.4	99
Total	100.0	100.0	100.0	–
N	225	100	–	325
No report	360 (89.6%)	42 (10.4%)	100.0	402
1891–1901:				
Credit rating in 1891				
High	5.7	10.7	7.9	47
Good	19.5	27.5	23.0	137
Fair	20.1	24.8	22.2	132
Limited	10.5	11.8	11.1	66
Blank	44.2	25.2	35.8	213
Total	100.0	100.0	100.0	–
N	333	262	–	595
No report	561 (77.5%)	163 (22.5%)	100.0	1,319

Note: *Chi* sq analysis revealed that there was a significant association between persistence in business from 1881 to 1891 and the credit rating assigned in 1881 (*chi* sq = 7.955, *df* 3, *p* = 0.000). Persistence in business continued to be associated with credit ratings from 1891 to 1901 (*chi* sq = 25.041, *df* 4, *p* = 0.000). When the 1891 credit ratings were dichotomized into blank and all others, *chi* sq analysis revealed a significant association (*chi* sq = 22.919, *df* 1, *p* = 0.000). When 1891 credit ratings were dichotomized into (blank + limited) and all others, there was no significant association (*chi* sq = 0.601, *df* 1, *p* = 0.000). When 1891 blank credit ratings were not included in *chi* sq analysis, there was no significant association between persistence in business from 1891 to 1901 and credit rating (*chi* sq = 2.093, *df* 1, *p* = 0.000).

Source: *The Mercantile Agency Reference Book* (1881, 1891, 1901).

1901 more men, 24 in all, had opened businesses with substantial capital resources in excess of \$35,000 than in 1891, when just 13 had done so. At the very bottom, those businesses that Dun thought to be inadequately financed increased in number and proportion. Thus, other places, perhaps not so large, perhaps not so established, drew the interest of those men with significant though modest funds to invest.

Those in business the longest may well have possessed more capital than new businessmen. That did not mean that they had fared uniformly well over the past decade. In both the 1880s and the 1890s slightly more men suffered losses than accumulated assets, and scarcely any middle ground existed between the two. Forty-seven per cent of those lasting ten years

Table 11 Capital of Men in Business Longer than Ten Years and Less than Ten Years, 1891 and 1901

Assets	Less than 10 years (%)	More than 10 years (%)	All (%)	N
1891				
Over \$75,000	1.6	11.6	3.4	20
\$10,000–\$75,000	12.8	22.3	14.5	86
\$5,000–\$10,000	11.0	16.5	11.9	71
\$1,000–\$5,000	24.5	17.5	23.2	138
Under \$1,000	21.6	5.8	18.9	112
Blank	28.5	26.2	28.1	167
Total	100.0	100.0	100.0	–
N	491	103	–	594
1901				
Over \$75,000	2.7	13.1	6.5	45
\$10,000–\$75,000	12.1	19.9	15.0	103
\$5,000–\$10,000	6.9	8.8	7.6	52
\$1,000–\$5,000	17.8	15.9	17.1	118
Under \$1,000	20.8	8.8	16.1	103
Blank	39.7	33.5	37.4	258
Total	100.0	100.0	100.0	–
N	689	251	–	689

Note: The numbers of men staying in business for ten years in Tables 9 and 10 differ from those in Table 11 because in one or another year The Mercantile Agency may not have issued a report on certain individuals. *Chi sq* analysis revealed a significant association between the length of time a man had been in business and the amount of capital in his business (1891: *chi sq* = 46.018, *df* 5, *p* = 0.000; 1901: *chi sq* = 49.949, *df* 5, *p* = 0.000). *Source:* *The Mercantile Agency Reference Book* (1881, 1891, 1901).

from 1881 and 45 per cent of those from 1891 received a lower estimate of their capital in the subsequent cross-section. One decade was no better than the other; some ranks of capital might have gained or lost in one decade compared with another, but either the changes were not significant or the numbers were too small to permit generalizations. What can be said, though, is that the experiences of the 1890s were those of a relatively larger minority of the self-employed (Table 12). If this was the best that could be achieved in business on the frontier of opportunity, it paled in comparison with the boosterist hopes and dreams that drew men to the West.

Conclusion

In 1890 in his presidential address to the Winnipeg Board of Trade, R. J. Whitla, a dry goods wholesaler, confidently asserted that “we may well with confidence face the future, feeling satisfied that our brightest anticipations

Table 12 Changes in the Capital of Men in Business for Ten Years, 1881–1891 and 1891–1901

	More (%)	Same (%)	Less (%)	N	(%)
1881–1891:					
Capital in 1881					
Over \$75,000	25.0	25.0	50.0	4	4.0
\$10,000–\$75,000	55.0	10.0	35.0	20	20.0
\$5,000–\$10,000	28.6	23.8	47.6	21	21.0
\$1,000–\$5,000	45.5	–	54.5	22	22.0
Under \$1,000	37.0	7.4	55.6	27	27.0
Blank	50.0	33.3	16.7	6	6.0
Total	41.0	12.0	47.0	–	100.0
N	41	12	47	100	–
1891–1901:					
Capital in 1891					
Over \$75,000	66.6	16.7	16.7	12	4.6
\$10,000–\$75,000	40.0	20.0	40.0	45	17.2
\$5,000–\$10,000	42.1	13.2	44.7	38	14.5
\$1,000–\$5,000	37.7	7.2	55.1	69	26.3
Under \$1,000	21.6	15.7	62.7	51	19.5
Blank	40.4	34.1	25.5	47	17.9
Total	37.4	17.2	45.4	–	100.0
N	98	45	119	262	–

Note: Men were considered to have more capital in the second year if credit reports ranked them in a higher category than in the first year, and to have less capital if ranked in a lower category. The categories used were those reported in Table 6. Those whom The Mercantile Agency had listed in the manual in the first year but who went unlisted in the second were considered to have lost capital, as were those who had received an estimate of capital in the first year but whose entry was left blank under capital in the second. Those who received a blank in the first year and a ranking in the second were considered to have gained capital. Those who had not been listed in the manual in the first year were considered to have accumulated capital if they were listed in the second year with any ranking; if they received a blank ranking, they were considered to have lost capital, on the assumption that no ranking represented greater resources than one which in effect sounding a warning about inadequate capital. Rows total 100.0 when added horizontally.

Source: *The Mercantile Agency Reference Book* (1881, 1891, 1901).

will be realized.”⁴⁸ Whitla would not be disappointed. The capital that he and his partner had invested in their business rose to between \$200,000 and \$300,000. But Whitla had been a man of considerable substance from his arrival in Winnipeg in 1879, and already in 1881 Whitla and Co. was one of the city’s major firms with capital in the range of \$40,000 to \$75,000. Others had not been and would not be so fortunate.

48 Cited in Careless, “The Winnipeg Business Community”, p. 254.

The frontier of opportunity passed quickly. Impressive urban growth assured an equally impressive growth in the numbers of self-employed in the last two decades of the nineteenth century. But what had been a relatively high rate of self-employment, at least in comparison to that found in a previous Ontario case study, was followed by a rate of business attrition that was comparatively high. Moreover, men in business could not escape the scrutiny of credit reporters who informed local and metropolitan leaders of their capital and credit worthiness. As credit ratings and the ability to stay in business became increasingly associated with capital, men with few assets at their command encountered stiff odds against success. If, as earlier scholarship has suggested, the prominence of self-made men characterized Winnipeg's business community, they were exceptional. Perhaps they had arrived and prospered very early in Winnipeg's frontier history, or they had enjoyed the same good fortune as their kind in the older centres of eastern Canada.

A sense of grievance and disappointment, just as inflamed as the rhetoric of western promise, festered quickly. The restriction of credit after the collapse of the real estate boom of 1881–1882 angered businessmen, especially those who felt punished wrongly for the excesses of others. In 1883 the *Manitoba Free Press* disputed the suggestion that in Winnipeg there was “a greater proportion ... than in other parts of Canada” of “mere adventurers, traders of very small means, and those with stocks beyond all proportion to their resources, credit and opportunities”. Such men would fail inevitably, regardless of credit restrictions, but “the order to restrict has been applied generally”, and in consequence “traders of good capacity, good character and good assets” had been sacrificed because of “the mandate from the East”.⁴⁹ The *Free Press*'s complaint was as good a prophecy as Whitla's.

Hundreds of men saw the frontier of opportunity in Winnipeg, and, despite the *Free Press*'s denial, there were relatively more men opening their shops in the city. Whether because of credit restrictions or because of the example of failures by the hundred, self-employment had dropped by the early 1890s and, as the new century began, continued at a level comparable to that in the east. Not many could stay in business for very long; even though more persisted in the 1890s than in the previous decade, they were just as likely to lose money as to share Whitla's good fortune.

APPENDIX A: WOMEN AND SELF-EMPLOYMENT

A few preliminary observations attest to the ways in which self-employment was a different condition for men and women. Principally, for most women, personal and family circumstances, rather than business prospects or credit relations, influenced their decisions to be self-employed.

49 Cited in Bellan, *Winnipeg's First Century*, pp. 34–35.

Table A-1 Marital Status of Self-Employed Women, 1881-1901

Marital status	1881 (%)	1891 (%)	1901 (%)
Married	16.7	17.5	10.9
Single	53.3	42.9	41.7
Widowed/separated	30.0	39.6	47.4
Total	100.0	100.0	100.0
N	30	154	302

Source: National Archives of Canada, RG31, C1, Manuscript Census Returns, Winnipeg, Manitoba, 1881, 1891, 1901.

Table A-2 Marital Status of Self-Employed Women by Selected Occupations, 1891 and 1901 (N)

	1891				1901			
	Married	Widowed/ separated	Single	All	Married	Widowed/ separated	Single	All
Boardinghouse keeper	15	39	17	71	8	59	9	76
Dressmaker	4	8	27	39	7	19	56	82
Laundress	–	–	–	–	5	18	2	25
Nurse	–	–	–	–	–	13	14	27

Source: National Archives of Canada, RG31, C1, Manuscript Census Returns, Winnipeg, Manitoba, 1891, 1901.

Rates of self-employment for women did not change significantly from 1881 to 1901, even with urban growth and the changes in credit relations. Roughly 7 to 8 per cent of women reporting an occupation to census enumerators were self-employed (30 of 432 in 1881; 154 of 2,137 in 1891; and 302 of 3,493 in 1901).

Nor did the marital status of women vary substantially from 1881 to 1901. Married women seldom were in business, and a discernible, but statistically significant, trend to more widowed and separated women among the self-employed probably reflected the aging of Winnipeg's population (Table A-1).

Finally, widowed and separated women engaged in different businesses than did single women. Perhaps because they generally had children to raise, widows and separated wives continued to manage their own households and provide other domestic services such as laundering. Single women, on the other hand, whether daughters at home or lodgers on their own, were more often dressmakers and seamstresses (Table A-2).