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As a Factor in the Economic Development of Toronto,
1850-1860

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Cette préférence est d’ordre financière et peut avoir été
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Articles

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Résumé/Abstract

L'article analyse les transformations survenues au niveau du nombre et de la nature des navires des Grands Lacs appartenant aux hommes d'affaires de Toronto et aux marins, durant la décade 1850-1860, en les situant dans le plus vaste contexte de l'économie urbaine. La comparaison des données recueillies pour cette décade indique que, durant les années 1850, les entrepreneurs torontois réduisent leurs engagements financiers envers les navires à vapeur et les augmentent dans le secteur de la navigation à voile. Cela laisse supposer que cette préférence est d'ordre financier et peut avoir été concomitante avec les investissements requis pour le développement de l'hinterland du nord et de l'ouest. Les résultats de cette recherche sont mis en relation avec les études de White, McCalla et Baskerville sur les hommes d'affaires de Toronto.

The changing patterns in the numbers and kinds of Great Lakes vessels owned by Toronto businessmen and mariners across the decade from 1850 to 1860 are analyzed within the context of the larger urban economy. A comparison of the data collected for 1850 and 1860 indicates that Toronto entrepreneurs through the 1850s reduced their financial commitments to steam-powered vessels and expanded their commitment to sail. It is suggested that this preference was a financially sensible one and may have been a concomitant of the heavy investments required to develop a northern and western hinterland. The relationship of these findings to studies on Toronto businessmen by White, McCalla, and Baskerville is indicated.

As J. M. S. Careless has observed, “urban life in nineteenth-century Ontario was strongly shaped by ports.” It is unfortunate, therefore, that the study of Canadian ports on the Great Lakes has received so little attention. In 1972, Frederick H. Armstrong, in a review of Canadian business historiography, found that there were “virtually no examinations of the major ports.” More than a decade later, the state of affairs which Armstrong deplored is only partially corrected. The following is offered as a contribution to both the history of Great Lakes shipping and the economic history of Toronto, by 1850 the busiest Canadian port on the Lakes. Briefly stated, it is the intention of this study to present the evidence which strongly, though not conclusively, suggests a linkage between changing patterns in vessel ownership at the port of Toronto in the 1850s and the northward and westward thrust of Toronto's economic development and transport geography during that decade. It will also be suggested that the evidence presented here throws light on the nature of Toronto's entrepreneurship in the 1850s. The conclusions offered in this regard will be set into the context of Canadian and international literature on the history of entrepreneurship.

There are strong reasons for intensive examination of the port of Toronto during the 1850s. Firstly, the 1850s consti-
tute the first complete decade for which statistical data are available on the commercial vessels registered at Toronto. Secondly, the decade of the 1850s clearly was an important one for Toronto's economic development. It seems a significant matter, therefore, to determine the relationship of the marine sector during this period to the city's business success.

The Context: Toronto in the 1850s

Before the depression of 1857 took the wind from its sails, Toronto in the early- and mid-1850s had fairly bustled with brisk commerce and industry. During the decade 1851-1861, the city's population advanced from 30,775 to 44,821. Manufacturing establishments increased in size and number. Notable gains were made in several industries: flour milling, iron founding, brewing and distilling, and woollen and cotton manufactures. Commercial and financial organization mushroomed in complexity with the chartering of the Bank of Toronto in 1855, the founding of the Canada Permanent Mortgage Company in the same year, and in 1852 the creation of the Toronto Stock Exchange. Toronto not only registered gains in the commercial, industrial, and financial dimensions of its economy but increased the stock of architecturally-distinguished buildings which had begun to appear in the 1830s and 1840s. The most significant feature of all this pushing and shoving was, as correctly discerned by Douglas McCalla, the tendency for Toronto's businessmen, especially the wholesalers, to diversify their interests, into banks, building societies, insurance companies, and railroads.

Consistent with the city's economic spurt, shipping at the port also showed considerable vigour, especially in the first half of the decade. Statistics for gauging the full extent of Toronto's port trade (both coastwise and international) are somewhat deficient. Statistical series on tonnage, and on arrivals and departures of vessels exist only for 1855 and 1860. Fortunately, however, there are three other indicators which help fill this lacuna. Firstly, the gross receipts of dues levied by the Toronto Harbour Commissioners on all imports — both coastwise and foreign — show a near doubling, from £2,421 in 1851 to £4,754 in 1857, with a peak during this period of £5,997 in 1856. Secondly, the value of foreign imports shot from £634,722 in 1850 to £1,738,657 in 1856, though dropping off thereafter without any appreciable upswing as the business cycle nosed upwards in 1859 and 1860. Thirdly, the value of the port's foreign exports more than octupled from £67,577 in 1850 to £551,333 in 1856. Plunging during the dog-days of 1857 and 1858, exports had rallied by 1860 to £1,786,773 or approximately 78% of the decadal peak of £2,205,333 (1856). Port activ-
The Fleet in 1850

Since its inception in 1976, the Atlantic Canada Shipping Project (ACSP) has impressively demonstrated the knowledge to be gained for economic history by a study of the fleets registered at five Atlantic ports.15 Cyclical fluctuations within the shipping trade have been illuminated by an analysis of trends in terms of rig, vessel life expectancy, building specialization, and ownership distribution. An analysis of Toronto's fleet on the ACSP paradigm also has proved fruitful. It is essential, however, that the limitations of such an analysis, based on vessels' port of hail (= port of registry), be clearly stated. Toronto registry did not necessarily mean that a vessel was occupied either primarily or even secondarily with trade to and from that city's port. Within the limits imposed by the coasting laws,16 vessel owners were free to seek charters anywhere on the Lakes. For example, a schooner owned in Chicago conceivably could have been assigned by its owner to the Toronto-Oswego, New York route for all, or any part of, the shipping season. However, research on port of hail is significant for our purposes because of the insights it offers into shipowning as a sector of Toronto business enterprise, and it is within that context that our findings are presented.

By Canadian legislation of 1845, "An Act Respecting the Registration of Inland Vessels," owners of vessels of fifteen or more tons were required to secure a certificate of ownership from the customs collector at the port to which a given vessel was "deemed to belong," i.e., the port at or near to which one or any number of the owners of a vessel resided.17 As luck would have it, the registry maintained by the customs collector at Toronto has been lost for the period before 1874.18 Necessarily, then, information on Toronto's fleet in 1850 has been compiled from other sources. The chief of these is the list of vessels published in the Toronto city directory for 1850-51.19 This list details the number of vessels in each category (steamers, propellers, schooners; and "small craft," whether propelled by steam or sail), tonnage and value, the horsepower ratings of steamers and propellers, and the principal owner(s) of each vessel.20 It does not include the untold multitude of dories and small scows and sloops which hauled stone, wood, and small lots of produce, but which were too tiny to be registered. It seems probable that this list was based on the registry. This hypothesis is supported by the directory compiler's near reproduction of the peculiar language used in the statute — "deemed to belong" — in his introduction to the list.21

Upon analysis, the list revealed that Toronto's fleet in 1850 consisted of 46 vessels: nearly 50% (or 22) were schooners, 10 (or 21.7%) were sidewheel steamers, 3 were steam-powered screw propellers, and 11 were classed by the register as "small craft." In this last category, two of the vessels were
ferries to and from the Peninsula, the one being powered by a horse walking on a treadmill, and the other a mini-steamer. The total tonnage was 5,484, consisting of 1,844 (or 33.6%) in schooners, 2,595 (or 47.3%) in steamers, 800 (or 14.6%) in freight propellers, and roughly 245 (or 4.5%) in small craft. The total value of the fleet was £74,255. The steamers, while accounting for 47.3% of the total tonnage had a relative value well in excess of this figure, i.e., 64.0% (£47,500). Propellers accounted for 14.8% of the total value, roughly proportionate to their share of the tonnage (14.6%). Schooners were valued at £14,680 (19.8% of the total, and seriously disproportionate to their 33.6% of total tonnage). Small craft, constituting 4.5% of the tonnage, registered 1.4% of the total value.

The most significant fact about the composition of the Toronto fleet is that it seems slightly in advance of trends on the Lakes as a whole. From Superior to Ontario in the 1850s the ratio of sail to steam was at least three to one. The always thorny problems of statistical interpretation aside, it seems certain that Toronto in 1850 had a ratio closer to two to one. Primarily on the energies of one brash newcomer, the rising metropolis between the Don and the Humber had muscled its way in 1850 to ownership of more steamboats than any other Canadian port on Lake Ontario. Of the thirteen steamboats owned at Toronto in 1850, eight were in the financially palsied hands of Donald Bethune and Company. The centre of gravity in the steamboat business had shifted from Kingston to Toronto in the period from 1839-45. In those years, Bethune, formerly a not particularly successful Lake Ontario forwarder in the Cobourg-Kingston area, moved to Toronto and expanded (in the words of one observer) into "the largest Steam Boat Proprietor in Canada West." But Toronto's apparent strength in 1850 as a steamboat port is deceiving. By the late 1840s, Bethune was floundering, surviving only by the grace of the Bank of Upper Canada. Bethune's continuing tribulations in the 1850s will be explored in our discussion of the composition of the fleet in 1860.

For purposes of our analysis at a later stage in this paper, it is also important to report the identity of the owners of the other five Toronto-registered steamboats in 1850. The principal owners of three of these five vessels were representative of an entrepreneurial type which knew its best days in the 1830s and early 1840s — the steamboat promoter-captain as a self-made man. These individuals were Thomas Dick, Andrew Heron, and James Sutherland. In a recent article, Walter Lewis described this entrepreneurial type in the following terms:

As I have argued elsewhere, the promoter steamboats were unique because 'in addition to a substantial portion of the capital, [the promoter] brought to the enterprise a knowledge of steamboat operations which was applied to the day-to-day management of the boat. The balance of the necessary funds was then contributed by other investors who were attracted by the promoter's reputation.'

Another of these five vessels was possessed by an individual who may have belonged to the same category — Ralph Jones — but it has proved impossible to identify him through biographical research. The fifth vessel — the "Western Miller," a propeller — was the property of the Toronto-based distilling company Gooderham and Worts.

The Fleet in 1860

Information on the fleet in 1860 has been compiled from several sources. The first step was to search out all vessels which both were owned in Toronto and built before 1861 from the Register of the Shipping of the Great Lakes and River St. Lawrence, published in Buffalo in 1864 by Robert Thomas, formerly the general inspector for an association of marine insurance agencies. This register was considered by the Canadian marine historian C. H. J. Snider to be the most complete catalogue of nineteenth-century lake shipping ever published. It provides the name of the vessel, tonnage, shipbuilder, year when built, principal owner(s), port of registry, category for insurance purposes, insurable
TABLE 1
Tonnage by Vessel Categories in Toronto's Fleet, 1860

<table>
<thead>
<tr>
<th>Category</th>
<th>Tonnage</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Schooners</td>
<td>4,651</td>
<td>(66.6%)</td>
</tr>
<tr>
<td>Brigantines</td>
<td>998</td>
<td>(14.3%)</td>
</tr>
<tr>
<td>Barkentines</td>
<td>333</td>
<td>(4.8%)</td>
</tr>
<tr>
<td>Steamers</td>
<td>1,003</td>
<td>(14.3%)</td>
</tr>
<tr>
<td>Totala</td>
<td>6,985</td>
<td>100%</td>
</tr>
</tbody>
</table>

SOURCE: Research based on Robert Thomas, Register of the Shipping of the Great Lakes and River St. Lawrence, 1864 (Buffalo, 1864), and sources on fleet dynamics listed in footnote 32 of this paper.

Note: *All sailing vessels, 5,982 (85.6%).

value, information on any repairs carried out on the vessel, and the year in which said repairs were performed. It is obvious that this research procedure is imperfect. Some of the vessels owned at Toronto in 1860 could have been scrapped, wrecked, sold to another port, or sold to another Toronto owner between 1861 and 1864. To offset this problem, several other sources of value for research on fleet dynamics have been consulted. As a result of this research, three vessels — the schooner "Omar Pasha" and the steamers "Zimmerman" and "Peerless" — have been added to the list of 36 vessels compiled from the Thomas register.

Our analysis indicates that in 1860, 39 vessels were owned at Toronto, including three steamers, and 36 sailing craft (31 schooners, four brigantines, and one barkentine). The total tonnage was 6,985. Table 1 details the breakdown of this figure by vessel categories.

Table 2 indicates that the 1850s were a period of considerable investment in new vessels by Toronto's shippers. As this Table illustrates, 26 of Toronto's 36 sailing vessels were built during the period 1850 to 1860 inclusive, and all three of the steamboats during the period 1850-55. It is evident that among the vessels built before 1850 there is a predominance in the least recent category, i.e., 1835-40. This suggests that there were two extremes in the Toronto fleet: the new vessels and the old, with very little in between.

To provide further insight into the physical condition of the fleet, it is worthwhile to report the statistics on insurance ratings and its total insurable value, even though these statistics represent value in 1864 not in 1860. The vessels not listed by Thomas (i.e., "Omar Pasha," "Zimmerman," and "Peerless") necessarily are excluded from these calculations. The total was $114,200, of which schooners accounted for $87,400 (76.5% of total), brigantines $20,300 (17.7%), the single barkentine $5,000 (4.4%) and the single steamer $1,500 (1.3%). Thomas' insurance ratings for the 35 Toronto sailing vessels are itemized in Table 3. Just half the fleet was in the third class or above, and only three vessels made the second class or better. Considering that 11 vessels in Toronto's fleet had been built as recently as 1856-60 (see Table 2), it may appear surprising that there were so few rankings in 1864 in "A," "AE," and "B." It might seem that the same doubts about the quality of British North American vessels which caused Lloyd's of London to deny them the "A1" classification also influenced American insurers, like Thomas. But if Thomas' classification practices were the same as those of the Board of Marine Inspectors of the Association of Lake Underwriters, the low representation of Toronto vessels in the highest ranks in 1864 would be readily understandable. It was the Board's practice to downgrade vessels built in accordance with its specifications from the first class to the second class after five years, and to the third class after another three years. For example, therefore, a Toronto vessel built and graded "A" in 1857 would have tumbled to the third class by 1865. And, indeed, all 11 vessels shown in the 1856-60 category in Table 2 were built in 1856 or 1857. The depression destroyed all enthusiasm for investment in shipbuilding.

Change in the Toronto Fleet from 1850 to 1860

As a preliminary to our analysis, it should be stressed that our reconstructions of Toronto's fleet in 1850 and in 1860 are not strictly comparable. As previously indicated, our sketch of the fleet in 1850 was distilled from a document which appears to have been compiled from the official vessel registry. The purpose of this register was to record information on all vessels of more than fifteen tons owned at a given port. Because such a vessel list is not available for the port of Toronto in 1860, we were compelled to assemble our profile of the fleet in that year from a document whose purpose was to serve as an aid to underwriters. The smallest vessel which the Thomas register ascribes to Toronto ownership is the "Swift," forty-two tons. It is improbable in the extreme, however, that the 'small craft' category (15 to 25 tons) of the 1850 vessel list had entirely disappeared by 1860. It may be that it was so unusual for these small vessels to apply for
### TABLE 3
Insurance Ratings of
Toronto Sailing Vessels, 1864

<table>
<thead>
<tr>
<th>Class</th>
<th>Comments/Requirements</th>
<th>No. of Vessels</th>
</tr>
</thead>
<tbody>
<tr>
<td>First Class (A)</td>
<td>new vessels meeting several specified criteria of shipbuilding excellence</td>
<td>0</td>
</tr>
<tr>
<td>Half-Class (AE)</td>
<td>new vessels falling short in some particular of the requirements for “A,” and vessels rebuilt entirely new from the bottom with new or nearly new outfit</td>
<td>1</td>
</tr>
<tr>
<td>Second Class (E)</td>
<td>eligible for carrying grain (required well-secured hatches, etc., to keep cargo dry)</td>
<td>2</td>
</tr>
<tr>
<td>Third Class (B)</td>
<td>eligible for carrying grain</td>
<td>15</td>
</tr>
<tr>
<td>Fourth Class (I)</td>
<td>doubtful for grain cargoes</td>
<td>8</td>
</tr>
<tr>
<td>Fifth Class (C)</td>
<td>fit only for lumber and similar cargoes</td>
<td>5</td>
</tr>
<tr>
<td>Sixth Class (O)</td>
<td>entirely unseaworthy</td>
<td>4</td>
</tr>
</tbody>
</table>

**Source:** Research based on Thomas, *Register.*

insurance that Thomas chose not to list them. Accordingly, it would be patently inaccurate to conclude that Toronto's fleet suffered a decline in the 1850s because, according to our compilations, its numbers dropped from 46 in 1850 to 39 in 1860. Despite these difficulties, we believe that the following discussion will sustain our contention that appropriately cautious generalizations can be made about changes in Toronto's fleet from 1850 to 1860.

The most dramatic change in Toronto's fleet between 1850 and 1860 was the drastic decline in the number of steamboats, from thirteen to three. All three of these vessels were sidewheel steamers. One of them is hardly worth counting. James Moody's "Fire Fly" was a 50-ton ferry to the Island, better suited to an urban amusement park than to the Great Lakes. The other two vessels can be taken more seriously. The "Zimmerman" was acquired by Captain Duncan Milloy in 1857 and employed on the Toronto-Hamilton route. The "Peerless" was acquired from its builder, Alexander Denny, of Dumbarton, Scotland, in 1852 by Andrew Heron and Thomas Dick. They operated it between Niagara and Toronto from 1853 to 1857. During the depression of that year, the "Peerless" was acquired by the Bank of Upper Canada and was operated on the Niagara-Toronto run until 1861. In that year, she was purchased by J. T. Wright of New York, and left Toronto for service on the Atlantic coast.

However depressing these reversals, Toronto entrepreneurs in the 1850s were never so disheartened as entirely to withdraw from Lake Ontario steamboating. Milloy's venture, apparently the only one which survived to 1860, has already been mentioned. Andrew Heron and Thomas Dick, operating as partners, bought two steamers during the 1850s. The fate of one of these — the "Peerless" — previously has been indicated. The other was the "Chief Justice Robinson," which they acquired from the celebrated steamboat captain and Toronto harbour master, Hugh Richardson, in 1850. The "Chief Justice Robinson" plied various Lake Ontario routes until the spring of 1857. Owing to the depression of that year, the vessel was laid up, and, shortly thereafter, dismantled.
FIGURE 4. Captain Thomas Dick (1809-74). A co-owner of the Lake Ontario steamers “Peerless” and “Chief Justice Robinson,” Dick in the late 1850s shifted his interests from Lake Ontario steamboating to steamboat operations from Collingwood to the Lakehead.

SOURCE: Metropolitan Toronto Library.

Others also had tested the waters. One M. W. Brown purchased the “Lady of the Lake” from an Oswego-based steamboat company in 1853, renamed the vessel “Queen City,” and placed it in service between Toronto and Hamilton. It burned to the water’s edge at Toronto’s Queen’s Wharf in 1855. Rochester and Toronto interests in 1855 organized the International Steamboat Company to run across the lake between Toronto, Hamilton, Rochester, and Kingston. This venture seems not to have withstood the difficulties of the late 1850s. Only the financially strongest steamboat men could withstand the dual impact of the depression of 1857 and railway competition for both the passenger and freight trades. By September, 1857 some Great Lakes steamboat lines were losing $1,000 a day. In these circumstances, the independents operating out of Toronto and the two-boat International Steamboat Company could not survive against the giants of the Montreal-Kingston axis (in collusion of course with the Grand Trunk Railway) and the American-owned Lake Ontario and St. Lawrence Steamboat Company.

Toronto’s failure to maintain its brief supremacy as Canadian steamboating capital on Lake Ontario is not ade-quately explained, however, by Bethune’s incompetence or the superior financial strength of steamboating interests in other centres. What needs to be explained is why Bethune was not replaced by other Toronto entrepreneurs with the capital resources necessary to buy lines of steamers and propellers and successfully compete in the passenger and freight trades. Indeed, the necessity of acquiring propellers had been acknowledged by Toronto businessmen and shipping interests even in the late 1840s. On December 28, 1846, a public meeting had been convened by the Board of Trade for the purpose of hearing a proposal from Captain Archibald Taylor for the establishment of a line of freight propellers between Toronto and Oswego. E. F. Whittmore, a merchant, told the meeting that the line was necessary because Toronto businessmen in the previous year had experienced inconvenience because of delays in transference of their goods from Oswego. He assured potential investors that the line would turn a profit and that one or more of the propellers could be diverted to carrying grain and other produce to Montreal and Quebec City in slack periods in the Oswego trade. Whittmore’s reference to the St. Lawrence route fired Globe publisher George Brown to counsel businessmen to undertake a great “national effort” with their “brother merchants in the cities and towns” of Canada West to crush the stranglehold of the Laurentian forwarding firms by establishing a “broad stock company” to operate freight and passenger boats from Toronto to Quebec City direct. In subsequent meetings that winter, it was agreed to establish the Canada Steam Navigation Company. But before this concern could be capitalized, the unity of its promoters dissolved in disagreement over whether to concentrate on the east-west “national” route, to be capitalized at £200,000, or the Oswego line, at £25,000. The failure to launch the Canada Steam Navigation Company resulted from indecision within

FIGURE 5. Sketch of the steamer “Peerless,” by C.H.J. Snider, 1915? Pen and ink over pencil. Owned by Andrew Heron and Thomas Dick from 1853 to 1857, the “Peerless” was acquired by the Bank of Upper Canada during the depression of 1857.

SOURCE: Metropolitan Toronto Library.
the business class over Toronto's place in the economic geography of North America. One group counselled the expenditure of a huge amount of capital to challenge Montreal metropolitanism on its own ground — its control over the commercial empire of the St. Lawrence. The other group counselled abandonment of the St. Lawrence to Montreal, and Toronto's closer integration into the north-south trade axis. In both cases, the purpose was to escape Montreal's clutches. Only the strategies were different.

As for the subsequent decade, the 1850s, several reasons might be suggested for Toronto investors' unofficial or unspoken decision not to commit large amounts of capital to Lake Ontario steamboat lines after the liquidation of Bethune and Company. In the first place, the very example of Bethune's failure may have dampened enthusiasm for steamboating ventures. Secondly, initiatives may have been discouraged by expectations of the advent of railways and of their probable depressive effect on the lake trade. Thirdly, by the 1850s Toronto had solved its identity crisis of the late 1840s. It was committed to the organization of a northern hinterland. The city would continue politically loyal, but under the stimulus of reciprocity it would avail itself of every opportunity to tighten its north-south links. Such is the significance of the Ontario, Simcoe and Huron Railroad Company (usually called the Northern Railway), of the Board of Trade's obsession throughout the decade with projects for a Georgian Bay Ship Canal, and of the Northern Railway's attempt in the late 1850s to recruit capital in Toronto for a through line of steamers from Collingwood to Chicago.63

Indeed, some of the capital which might otherwise have been available for steamboating on Lake Ontario was being diverted into steam vessels purchased for the sake of extending the Queen City's northern hinterland. In 1853, Torontoian Charles Thompson bought the steamer "Kaloolah" and operated it first from Dunnville, on Lake Erie, to Sault Ste. Marie, and later from Collingwood to Owen Sound.64 The completion of the Northern Railway in 1855 stimulated further interest in shipping out of Collingwood. In August 1856, those interested in establishing steamboat communication with the North-West met in Toronto to launch a scheme which two years later would result in the formation of the North-West Transportation, Navigation and Railway Company. Toronto businessmen and politicians predominated on the board of directors. Among the less prominent directors was Thomas Dick. It is noteworthy that Dick's involvement in the scheme coincided with his failure in, or perhaps intentional withdrawal from, Lake Ontario steamboating. In 1858 the North-West Transportation Company began carrying freight, passengers, and the mails in its steamer "Rescue" (commanded by Thomas Dick and his brother James) from Collingwood to the Lakehead, for transfer from there across the Dawson Road to the Red River settlement.65 But these ventures northward, on which little information has survived, merely confirm the conclusion that

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FIGURE 6. Northern Railway Wharves, Toronto Harbour, probably about 1870. The Northern Railway constructed its first elevator on Toronto's waterfront in 1855.


Toronto in the 1850s was too heavily committed to developing its landward hinterland to invest the huge quantities of funds in Lake Ontario steamboating which would have been necessary to compete with the already well-established Laurentian and American interests.66

Toronto's "vessel men" in the 1850s abandoned heavy financial commitments to steam but they did not abandon the Lake Ontario shipping trade. As previously noted, numerous new masts and yards bobbed at Toronto's wharves in that decade. In 1850, the city possessed 18 sailing vessels of 35 tons or more; in 1860, the number of vessels of this size had doubled to 36. In part, this expansion can be explained by the considerable growth of Toronto's population and agricultural hinterland during the decade. In addition, however, expanded commitment to sail rather than steam can be interpreted as sound financial strategy in the context of Toronto in the 1850s. On the one hand, Toronto's involvement in the lake trade continued. On the other, resources which might have been squandered in an overexpanded steam fleet were directed to hinterland development.

Investment in sail was essentially a conservative business decision but it made eminent financial sense. Propellers had the advantage of speed, often a critical consideration in ensuring that shipments of grains reached their markets when the rapidly fluctuating prices were most favourable.67 But the schooner's low initial cost, its slow rate of depreciation, and its comparatively small maintenance expense, combined to ensure its retention of the lion's share of the bulk traffic — grain, coal, lumber, laths, shingles, sawn timbers, and plaster — until the last quarter of the century.68 The schooner also had the advantage of longevity. By contrast, steam had a horrendous safety record. In the 1850s the average life expectancy of a steamboat was from three to four and one-

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In 1860 insurance rates on sail ranged from six to 15% of insurable value, increasing with the size of the vessel; those for steam were from eight to 20%. In the mid-1850s, when the Crimean War and the loss of Russian harvests sent the price of wheat above $2 a bushel, a grain schooner could earn its initial cost in a single season. Furthermore, an alert schooner captain could reap a bounty by dicing with destiny and taking advantage of high freight rates after November 30, when the insured season expired.

Conclusions

Careless has stressed that “metropolitanism involves not just the treatment of cities but of the countryside with which they interact.” In the case of a port-metropolis — and some of the most powerful metropolises in history have been ports — the parameters of the metropolis-hinterland dialectic must be expanded to include the complex of interrelations between the metropolis and its shipping trade. This tripartite interplay — hinterland-metropolis-shipping trade — has been emphasized by several investigators associated with the Atlantic Canada Shipping Project. Rosemary Ommer, for example, in her studies of the Pictou, Nova Scotia ship register, has argued that Pictou in some senses could be considered a “non-port” because the town “proceeded along a landward, rather than seaward development path.” She has suggested that Pictou in the 1850s retreated from invest-
ment in shipping in order to fuel the development of its landward hinterland.85

Toronto's case was somewhat more complex. In the 1850s Toronto vessel owners continued to invest at a healthy rate in the age-old but not yet obsolete technology of sail, while rejecting the much heavier capital requirements represented by a commitment to steam.86 Moreover, the city invested very little in the improvements necessary to transform its harbour into a first-rate commercial port.87 Toronto's extensive import hinterland, as well as its larger population and financial resources vis-à-vis other ports on the Canadian shore of Lake Ontario, meant that from an early date the city was virtually assured of dominance in the volume of port trade handled at its wharves. Without any serious competitive pressure for port trade, Toronto could afford to allow its harbour to be less than first-rate and to permit ownership of the Lake Ontario steamboat business to migrate back to Kingston. But a more important factor in explaining the relationship between Toronto and its port and shipping trade is precisely the one mentioned by Ommer in the case of Pictou. Low to moderate expenditures on harbour improvements and investment in sail rather than steam meant that Toronto could concentrate its resources on the organization of a metropolitan economy. If, for example, the Toronto industrialist William Gooderham had chosen to invest in steam rather than sail, perhaps less of his capital would have been available for investment in that project so important to development of Toronto's northern hinterland, the Northern Railway. This interpretation of Toronto businessmen's motives is, we admit, both tentative and speculative; it cannot be confirmed or denied by any sources of which we are aware. Like many historical interpretations, it is advanced as a reasonable reconstruction of circumstantial evidence.

As indicated at the outset of this paper, the historiography of Canadian ports on the Great Lakes is poorly developed. It is difficult, therefore, to compare our conclusions about the relationships between shipowning patterns and the broader urban economy at Toronto to developments at other ports. Though valuable information on port activity is provided by John C. Weaver's fine monograph on Hamilton,88 Weaver's data are not strictly comparable to the findings reported here. Significantly, however, he generalizes about the behaviour of Hamilton's business elite in the 1850s in a manner which apparently is congruent with our analysis of the Toronto commercial barons: "Shifts in steamboat ownership and technology concerned Hamilton's business leaders, although not to the same degree that railway affairs were to focus their energies. . . . Except for a brief period when the Great Western Railway (GWR) operated vessels, the city had to depend on lines managed elsewhere. . . ."89 Unfortunately, there are no studies on American ports on the Great Lakes which are strictly comparable to the one undertaken on Toronto in this paper.

The data and conclusions presented here should also be related to another field of international scholarly literature, namely, that on entrepreneurship. This analysis of entrepreneurial behaviour in Toronto in the 1850s carries us far from the pioneering work of Joseph A. Schumpeter in the late 1940s, according to which entrepreneurship was virtually "synonymous with the introduction of technological innovations, especially innovations of a momentous character."70 The apparent contradiction between the co-existence of technological regression in shipowning patterns at the port of Toronto and expansion in other sectors of Toronto's economy vanishes when viewed against the background of post-Schumpeterian studies by Weaver on Hamilton,71 by Raphael Samuel on Britain,72 and by David S. Landes on the United States, Britain, and western Europe.73 All of these studies emphasize that in spite of the "industrial revolution" entrepreneurs sometimes chose "backwardness" for sound profit-making reasons.

William A. White is only partially correct, therefore, in his otherwise perceptive article on the entrance of Toronto's businessmen into the railway "mania" of the 1850s.74 The cautiousness which White suggests was characteristic of the Toronto business elite in the 1830s and 1840s did not disappear in the early 1850s. It was merely displaced to another sector which previously had enjoyed comparative bullishness — investment in Lake Ontario steamboating. This cautiousness should not be interpreted as the persistence into the 1850s of the conservative, pseudo-aristocratic mode of entrepreneurial behaviour which Peter A. Baskerville posits as characteristic of the Family Compact elite in York and Toronto from the 1820s through the 1840s.75 The combination of cautiousness in some sectors and bullishness in others which is suggested here is fully consistent with McCalla's portrait of a Toronto business elite aggressively pursuing diversification through the 1850s.76

Further research will be required to anchor developments at the port of Toronto between 1850 and 1860 into the broader contexts of the history of that port in the latter half of the nineteenth century and of the development of the transport dimension of Toronto's functions as a metropolis. Preliminary research by Paul Marsden, reported by Careless in Toronto to 1918, suggests that the trends indicated in this paper prevailed into the twentieth century.77 In the long run, obviously, steam supplanted sail at Toronto as at all other ports. But Toronto shipowners in the late nineteenth century "were not investing greatly in long-range steam freighters, leaving these to other, mainly American, centres, although the trade of small neighbouring Lake Ontario ports did largely fall to Toronto shipping during the later Victorian years."78 Nor did Toronto entrepreneurs in the early twentieth century invest readily in "expensive, specialized, steel lake freighters," preferring to retain "older, cheaper vessels crammed indiscriminately with freight."79 And finally, the marked reluctance to provide Toronto harbour with first-rate physical facilities also persisted into the new century.80
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Notes

4. The conclusions of an earlier version of this paper were reported briefly by J.M.S. Careless, Toronto to 1918: An Illustrated History (Toronto: James Lorimer and Company, 1985), 86.
8. On the building program, see Careless, Toronto to 1918, 86-89; Masters, The Rise of Toronto, 54; and Armstrong, Toronto, 97-99.
10. See “Tables of Trade and Navigation,” published annually as appendices to the Journals of the Legislative Assembly of the Province of Canada (JLAPC) 1856-1861.
11. Harbour Master’s Registry Books, Toronto Harbour Commissioners Archives. Before 1 January 1852, harbour dues were levied on all exports and imports, both coastwise and foreign. As of 1 January 1852, export dues were abolished. The dues remained constant throughout the decade until 1 January 1859, when they were slashed by 50% and even more on some commodities. All commodities except wood, coal, and stone were included in the reduction. (See the “Financial Statement” dated 2 January 1860, by Hugh Richardson, harbour master; and also by Richardson, “The Commissioners’ Report,” dated 10 January 1860. These documents are reproduced in “J” — Supplement on Queen’s Wharf,” 30-34, Vaughan Roberts Papers, Metropolitan Toronto Library). The dues schedule as it existed from 1850 to 1 January 1859 is reproduced in Toronto Harbour Commissioners, Rules, By-Laws, and Regulations of the Port of Toronto (Toronto, 1852), folding frontispiece. The stability of this tariff through such a long period makes it suitable as an indicator of fluctuations in port business.
13. “Tables of Trade and Navigation,” JLAPC, 1851-1857. Moreover, it was the perennial plaint of the Toronto Board of Trade that Toronto’s exports were underestimated in the official returns. See, for example, Annual Report of Toronto Board of Trade with Statistics of the Trade of the City for the Year 1858 (Toronto, 1859), 23-24.
15. David A. Sutherland, “Wooden Ships and Iron Men Revisited,” Academica 8 (Autumn 1978): 101-07. It would appear that the project described by Young, 33, on Canadian ports on the Great Lakes will follow the ACSP paradigm, though this is not explicitly stated to be the case.
16. The strictly coastwise trade of the United States was reserved to American-owned and -registered vessels by “An Act concerning the navigation of the United States,” for which see Vol. 3, United States Statutes at Large (1817), Chapter 31, 351. Similar structures governed the coastwise trade of Great Britain and its colonies until 1854, when the coasting trade throughout the United Kingdom was opened to foreign vessels on exactly the same footing as to domestic vessels (Public General Statutes, 17 Vic., Chapter 5, 73).
17. 18 Victoria, Chapter 5 (1845).
18. See the itemization of the “Shipping Registers of Ontario Ports at Public Archives of Canada” provided on request by Economic, Communication, and Indian Affairs Records, Federal Archives Division of the Public Archives of Canada.
20. In accordance with nineteenth-century usage, the term “steamer” will refer only to the sidewheel steamer, not to the propeller. The generic term “steamboat” will be used to refer to steamers and propellers collectively. The travelling public preferred the greater comfort and luxuries of the large sidewheelers. Most passenger steamers also carried some freight. Propellers were favoured for the freight trades.
21. The exact wording in the listing in the directory is “Steamers and sailing vessels belonging to Toronto” (emphasis added).
22. The impression conveyed by the word “roughly” is necessitated by the fact that the tonnage figure is not given by the 1850 vessel list for four of the small craft. I have estimated each, perhaps too generously, at 25 tons.
27. On Dick, see K.R. Macpherson, “Dick, Thomas,” Dictionary of Canadian Biography, Volume X (Toronto: University of Toronto Press), 230-31; on Heron, see History of Toronto and County of York, II (Toronto, 1885), 64-5; on Sutherland, see the article by Lewis, “Steamboat Promotion and Changing Technology.” Lewis correctly interprets Sutherland and his associates as representing “on a per-
sonal level the metropolitan aspirations of Hamilton," 224. It is clear, however, from Lewis' account of Sutherland's complex financial dealings of the late 1840s that in order to ensure his own survival in the rough-and-tumble world of Lake Ontario steamboating, Sutherland had found it necessary to become one of Bethune's subcontractors in the Lake Ontario Mail Line. This might explain the inclusion of the vessel owned by Sutherland's group — the "Magnet" — on the list of vessels "belonging" to Toronto in the Toronto city directory for 1850-51.


30. Thomas' former position is indicated on the title page of his book.

31. Snider made this statement in many of his "Schooner Days" columns, published in the Toronto Evening Telegram from 1931 through 1956 (see the collection of "Schooner Days" clippings held in scrapbooks at the Archives, York University, Toronto; and the complete run of "Schooner Days" on microfilm in C.H.J. Snider Papers, Archives of Ontario).

32. Armstrong, éd., Rowell's City of Toronto and County of York Directory for 1850-51, iii-iii; Register of British Shipping, Inland Waters, 1854 (Toronto, 1854); JLPAC, Appendix PPP, 1855; the list of "British Steamers running on Lake Ontario and the St. Lawrence River, 1856," compiled by John Disturnell, in A Trip through the Lakes of North America (New York, 1857), 251-52; Canadian Merchants' Magazine and Commercial Review, I (Toronto, 1857), 148-53; Toronto Board of Trade, Annual Report of the Board of Trade (Toronto, 1861), 16; ErikHeyl, Early American Steamers, 6 volumes (Buffalo, 1953-1969); C.H.J. Snider, typescript catalogue containing the author's notes and other data on Lake Ontario schooners, compiled from several sources (e.g., Toronto Globe vessel list of 1856, Cleveland Herald shipping lists, Port Whithby Harbour Co. records, Buffalo customs records, newspaper clippings on accidents to vessels, etc.) (Upper Canada Marine Museum, Toronto); Middleton, Municipality of Toronto, I, 272, through Middleton does not cite his sources and therefore must be used cautiously.

33. As previously indicated, neither the "Zimmerman" nor the "Peerless" appears in the Thomas register. The "Zimmerman" was destroyed in 1863 by fire, and the "Peerless" went down in a storm off the North Carolina coast in 1861. The insurable values of these vessels at the time of their destruction are not known. Nor is the schooner "Omar Pasha" listed by Thomas. In Tables 1 and 2, therefore, data on the "Omar Pasha" were taken from Canadian Merchants' Magazine and Commercial Review, I (1957), 152. It has not been possible to discover any source which indicates the vessel's insurable value.

34. The "Omar Pasha" necessarily is omitted.

35. On English suspicions of British North American shipbuilding timber, see Robertson, Landmarks of Toronto, 3rd series, 305.

36. Association of Lake Underwriters, Proceedings of the Board of Marine Inspectors of the Association of Lake Underwriters held at Buffalo, August, 1856 (Buffalo, 1856), 9.

37. Heyl, Early American Steamers, III, 353-54.

38. On the history of the "Peerless," see Heyl, Early American Steamers, III, 275-76. Heyl erroneously refers to the Bank of Upper Canada as the Bank of Upper Niagara. On the sale of the vessel from the Bank of Upper Canada to Wright, also see Robertson, Landmarks of Toronto, 2nd series, 911.

39. See the discussion below at page 250.


42. The "Western Miller" was owned by Macpherson and Crane in 1853, if not earlier (Robertson, Landmarks of Toronto, 2nd series, 892).

43. Though Andrew Heron, of Toronto, was a prominent shareholder in the Canadian Lake and River Line, the main proprietor was, as previously indicated, Kingston resident John Hamilton.

44. For the history of the "Chief Justice Robinson," see Heyl, Early American Steamers, V, 53-54.

45. On the "Lady of the Lake"/"Queen City," see Heyl, Early American Steamers, V, 161-62.


49. McKevel, "The Port of Rochester: A History of Its Lake Trade. Part II," 271-73. The "King of Algiers," a steamer owned by one McCord, of Toronto, and launched in 1855, has not been included in this discussion because it was intended for use strictly as a tugboat (see Robertson, Landmarks of Toronto, 2nd series, 899). It does not appear in the Thomas register or any of the other sources listed in n. 32.

50. The Globe, 2 January 1847.


52. Ibid.

53. On the Northern Railway, see Russell D. Smith, "The Northern Railway: Its Origins and Construction, 1834-1855," Ontario History 48 (1956): 24-36; on the Georgian Bay Ship Canal and other development schemes for the organization of a northern and western hinterland, see McCalla, 55-57 and accompanying references; and on the attempt to recruit capital for Collingwood-Chicago steamers, see Toronto Board of Trade, Report of the Board of Trade, Toronto, 1857 (Toronto, 1858), 3. From 1855 onwards, the Northern Railway had chartered four steamers for the Collingwood-Chicago and Collingwood-Green Bay routes from the giant steamboat line owned by Chicago's Captain William A. Reid (see Smith, "The Northern Railway," 35; and Ralph G. Plumb, "Lake Michigan Navigation in the 1850s," Inland Seas 7 (1951): 229-36 at 234). It is difficult to determine the extent of Toronto's investment by 1860 in steamboating out of Collingwood. The vessel registry for that port is not extant for the period before 1877. There is no evidence that the line of steamers proposed by the Northern Railway in 1857 was established.


56. McCalla, "The Commercial Politics," 58, correctly indicates that the Toronto Board of Trade was "not averse to further development of the St. Lawrence system, provided Montreal monopoly did not accompany it." As McCalla's further discussion also indicates, the measures which the Board of Trade supported for development of the Laurentian system all involved expenditures by government, for the improvement of facilities for trade. He correctly stresses that the Board's concern with the St. Lawrence was distinctly secondary to its commitment to northern and western development.


66. It would be desirable to compare the rate of investment in new vessels in the 1850s with the rate of investment in other sectors of Toronto's economy, but this information is not available. See, however, the admirable use of this approach by Lewis R. Fischer, "The Shipping Industry and Regional Economic Development in Atlantic Canada, 1871-1891" (Paper presented to the Canadian Historical Association, Halifax, 5 June 1981), 1-27.

67. This conclusion is supported by the author's research in progress.


69. Ibid., 42.


71. Weaver, *Hamilton*, 55.


76. Ibid., 25-30. Baskerville correctly states that the Compact's mode of entrepreneurship had been superseded by the 1850s.

77. Careless, *Toronto to 1918*, 120, 155 (citing research by Marsden).

78. Ibid., 120 (citing Marsden).

79. Ibid., 155 (citing Marsden).

80. Ibid., 120, 155.