The significance of Highlanders in the development of the Canadian West

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Chapter I
Introduction

The significance of Highlanders in the development of the Canadian West

When Alexander Mackenzie, a 28-year-old fur trader from the Highlands of Scotland, inscribed his initials on a rock in Bella Coola in 1793, in what is now Pacific Coast British Columbia (BC), it signalled the beginning of a new transcontinental era in the Canadian fur trade. Ninety-three years later, Donald Alexander Smith, a descendant of Clan Grant, drove the final spike into the Canadian Pacific Railway (CPR) at Craigellachie, British Columbia, and completed the line which made the West accessible to settlement, securing its place in the Confederation of Canada. Scottish Highlanders were a distinct and influential group throughout the progress of Canada from a colony to a nation, and nowhere was their involvement more pronounced than in the exploration and development of the West. They featured prominently amongst the ranks of Canadian fur traders and explorers, rail contractors and politicians. This dissertation examines the effect that an origin in the Highlands had on the experiences of seven successful entrepreneurs, who were active from the late eighteenth century through to the early twentieth century.

Men of Highland origin helped spearhead the fur trade’s penetration into the Canadian West. Many of Canada’s most celebrated explorers emerged from the Highlands and five of the seven entrepreneurs considered in this study were active in the fur trade. Alexander Mackenzie was a North West Company (NWC) trader who led the first overland expedition across the North American continent, utilising a canoe to negotiate the waterways to reach the Pacific. Robert Campbell was another Highland explorer and he conducted extensive explorations in the Yukon, in the
capacity of a chief factor in the Hudson’s Bay Company (HBC). These men traversed unexplored regions and enabled their fellow fur traders to follow after them to establish trading posts and exploit the region’s fauna for furs. George Simpson, born and brought up in the Highlands, was, perhaps, the pre-eminent fur trading administrator of the nineteenth century. Feared and respected in equal measure by his contemporaries, he oversaw some of the industry’s most prosperous years, and during his tenure an increasing number of Highlanders entered the Company’s employ. Another fur trader examined in this dissertation is Archibald MacDonald, a contemporary of Simpson’s, who was one of the HBC’s pioneering chief factors in British Columbia. Although he did not achieve the same level of influence in the industry as Simpson, he exemplified the model of the hard working and practical fur trader, who was able to carve out a foothold in the western frontier lands.

If George Simpson was the most significant man in the Canadian fur trade during the first half of the nineteenth century, then Donald Alexander Smith was undoubtedly the most influential fur trader of the second half of the century. Smith spent long years rising through the HBC’s ranks to achieve the position of governor. However, his business interests expanded in the intervening years beyond the scope of the fur trade. He was a founding member of the Canadian Pacific Railway (CPR) and became a long-serving Canadian politician, reaching the position of Canadian High Commissioner to Britain. Born in the Moray town of Forres, his long life bridged the gap between the pre-Confederation Canadian West, which was sparsely populated and dominated by the fur trader, and post-Confederation Canada, which was linked by the CPR and experiencing rapid settlement and development. The latter years of the nineteenth century constituted a transitional period between the two eras, and there
were some significant crossovers, including personnel, from the fur industry to the
CPR. Men of Highland origin remained influential in this ‘new era,’ as is evidenced
by their appearance at all levels of operation in the CPR hierarchy. George Stephen,
Smith’s first cousin, and the CPR’s first president, was responsible for raising the
railway’s finances. James Ross, the final entrepreneur of Highland extraction
highlighted, managed the CPR’s construction through the mountain sections in the
western provinces. Ross accumulated great wealth from his railway and iron and coal
interests, and was the only entrepreneur amongst the seven who entered Canada after
Confederation.

**Historiography**

While there has been extensive research undertaken on the role Scots played in
the exploration, settlement and development of Canada, the bulk of the literature
analyses the issue from a Canadian perspective. Highlanders are often referred to as a
distinctive group who originated from Scotland, but few details are generally given of
the influences that Highland entrepreneurs experienced from their origins in the north
of Scotland. Texts which give general overviews, such as Jenni Calder’s *Scots in
Canada*,¹ provide a useful outline of the general emigration patterns and influence of
Scots over an extended period. However, as is common with general texts, there is
little focus on many specific aspects and little attempt to explain why Scottish
entrepreneurs were so successful in eighteenth and nineteenth century Canada, or
remark specifically on the Highland element. G. M. Adam’s *The Canadian North-

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West: *Its History and Its Troubles*\(^2\) gives details on the history of the Highland-dominated NWC, but does not analyze in detail the origins and ethnic interactions of those involved with the Company.

The historian J. M. Bumsted, in his essay entitled ‘The Curious Tale of the Scots and the Fur Trade: An Historiographical Account,’ comments that ‘the origins of the NWC partners…were, of course, almost without exception from Scotland, mainly from the northern regions.’\(^3\) Despite this comment, the essay only gives an overview of Highland and Scottish influence within the fur trade, and does not offer an extensive analysis of the traders’ origins in the Highlands and Scotland. In ‘Sojourners in Snow? The Scots in Business in Nineteenth Century Canada,’ Douglas McCalla does go further and comments on the prevalence and origins of Scots who were active in the fur trade. However, his essay discusses Scots in general, rather than Highlanders specifically. McCalla does make an important observation on the role of successful family members in encouraging and facilitating entry into the fur trade, and he mentions that family and business were very interconnected. He also makes some useful comparisons between Scotsmen entering Canada to pursue economic gain, and those who had migrated to Virginia and Jamaica to seek wealth in the plantations.\(^4\) The essay does not delve deeply into the backgrounds of the entrepreneurs, however, and offers a general overview, rather than focusing on specific entrepreneurs.

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There has been less research carried out on the influence that Highlanders, and Scots in general, had on the construction of the Canadian Pacific Railway. Popular historians, such as Pierre Berton, do make reference to the Highland background of syndicate members Donald Smith and George Stephen, and remark on some of the fur trading elements which were incorporated into the Company. In a similar vein, David Cruise and Allison Griffith, in *Lords of the Line*, emphasise the centrality of Smith and Stephen in the CPR syndicate, and their interaction and co-operation with other CPR men of Scottish descent. However, these texts are written with a non-academic readership in mind, and neither carry out an in-depth examination of the entrepreneurs’ early years, or delve extensively into their networking patterns. Information is also available in the personal memoirs produced by CPR employees, such as P. Turner Bone’s *When the Steel went Through*. Although not a Highlander himself, he gives some description of other Scots, including Highlanders, with whom he worked and interacted during the railway’s construction. Such sources, however, do not often seek to shed light extensively on the Company’s composition, the origins of its members and their interaction with each other, but rather give a narrative of the writer’s own experiences. Apart from a focus on the ‘main players’ within the syndicate, little research has been done to elucidate whether their Highland and Scottish origins may provide some explanation for their prominence in the upper echelons of the Company.

**Defining social identity and Highland ethnicity**

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In order to understand these issues, it is necessary to examine both the concepts of ethnic identity and social capital, and to give a definition of what constituted a Highlander in the context of this thesis. Ethnicity can be defined in terms of groups who share ‘similarities in status, attitudes, beliefs and behaviour’ which ‘facilitate the formation of intimate (or consensual) relationships among incumbents of social positions.’ There is often an assumption that members of the same ethnicity share a common geographical origin, a commonality in language and perhaps religious beliefs. Some also assert that members of an ethnicity share character traits and attitudes, although these two features are more contentious and difficult to pinpoint. A person may originate from any area in Scotland and hold that he or she is of Scottish ethnicity. In another instance, a person may be a Roman Catholic of Irish background from Glasgow and, while describing herself or himself as Scottish, may feel the he or she is not ethnically identical with a person of Presbyterian background from the Isle of Skye.

Social capital can be described as ‘an attempt to capture the intangibles or the non-economic aspects of society which promote economic growth, or more widely positive development.’ In its most general definition, social capital is said to develop out of repeated social interactions between individuals and groups, which is asserted to develop trust, social norms and strengthen co-operation and reciprocity. Robert Putnam suggests that social capital is the glue which binds people together as a group.

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10 Ibid. p. 270.
He asserts that it is a resource which communities or groups possess. For Bourdieu, on the other hand, social capital is a part of the resources available to members of a group in competition with one another or other groups – the more elite the group is, the more social capital is available to its members. Following this theory, the Highland partners of the North West Company would have possessed a large amount of social capital, considering their commonality in the upper echelons of the Company hierarchy and their preference for interacting amongst their own. In contrast, the voyageurs, the NWC’s labourers, rarely progressed up the Company’s ranks, and possessed less social capital.

While outsiders visiting the Highlands have made frequent observations on the distinctions between Highlanders and Lowlanders, accounting for the ways in which those who originated in the Highlands perceived themselves can prove more elusive. The idea of a common Highland experience amongst the entrepreneurs is problematic, as conditions and experiences were not uniform across the Highlands over the course of the nineteenth century. In addition, individual clan identities had been distinct and the Highlands was certainly not an area of complete homogeneity even during the nineteenth century. For instance, a child raised in the town of Inverness would have had access to a wider range of educational and social facilities than a child brought up in Gairloch, in the north-west Highlands. Similarly, a child could have been brought up speaking Gaelic on the Isle of Skye, whereas in Cromarty, the child may have only spoken English. A common Highland identity, within a Scottish identity, may have gained more force after the effective demise of the clan system. With the

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11 Ibid.
12 Ibid. p. 271.
displacement of clan identities, a Highland identity developed to encompass the
distinct cultural heritage of the region and also its economic and infrastructural
differences from the South. Later, when the Highlands became a politically defined
region, perceptions of a Highland regional identity became more concrete. In the
context of this thesis, the primary feature chosen to define the Highland ethnicity of
all seven entrepreneurs was their Highland parentage and ancestry. All the
entrepreneurs possessed parents who were born and brought up in what is defined as
the Highland region, and their families had ancestral roots there. Five of the seven
were themselves born and raised in the Highlands. Although Donald Smith and his
cousin George Stephen were the two exceptions, they did live in fair proximity to the
Highlands, and the localities in which they were raised were such as to make it
unlikely that their childhood experiences differed radically from those of children
growing up in similar areas inside the Highlands.

The entrepreneurs make multiple references to their clan ancestry, their
Scottish identity and their role as subjects of the British Empire. None of these
identities – clan, Highland, Scottish, British – were necessarily mutually exclusive. A
Highlander may have identified himself with his clan and locality, the Highlands,
Scotland and Britain at the same time. Indeed those who emigrated to Canada, such as
Donald Alexander Smith, might have added Canadian to that list. A Highland identity
and association may have been more clearly perceived when those who emigrated
from the Highlands became the minority in the New World. In addition, the regional
distinctions which differentiated the emigrants in the Highlands, may have become
less pronounced once they had emigrated and interacted more readily in Canada.
Highlanders were one of the most visible minorities, and there Highland/Scottish
identity often rose to the fore when they lived amongst their own kind, as a minority away from their homeland. Indeed, one Ross from Nova Scotia, whose family emigrated to the region 200 years before, ‘confidently asserts that his family’s two hundred year isolation from Scotland makes him “more Scottish than the Scots as far as ancient culture goes.”’¹⁴

The structure of the thesis

In order to examine the effect that an origin in the Highlands had on the success of the seven entrepreneurs in western Canada, the thesis first examines, in Chapter II, the impact that an upbringing in the Highlands had on shaping their future development and the opportunities that they encountered in Canada. This chapter analyses the individual socio-economic conditions in which the entrepreneurs were raised, and the quality of the education they received during their youth. While the early years of life may have affected their outlook and abilities, networking through contacts was often a primary source for opening up new opportunities. Chapter III examines the extent to which the entrepreneurs possessed and utilised kinship networks, and the effect that these had on their emigration and employment in Canada. The second half of the thesis, in particular Chapters IV and V, analyses the conduct and experiences of the entrepreneurs in western Canada. Chapter Four looks at Highland patterns of influence and interaction in the fur trade, focusing on the NWC and the HBC, and highlighting the experiences of the five entrepreneurs who were involved in that industry. Chapter V analyses the same issues in the context of

the CPR, and notes the extent to which patterns of Highland networking and influence were changing in the closing decades of the nineteenth century.
Chapter II
Education and Upbringing

Introduction

None of the seven entrepreneurs selected for study gained great prominence or wealth until they emigrated to North America, but it is argued here that their early years in Scotland went some way to laying the foundations for their later success. Education, location, social class, economic resources and religion were all, in varying degrees, significant factors during their childhoods and these influences shaped their attitudes, aspirations, opportunities and approaches to business in later life. This chapter will analyse the extent to which the background of the seven entrepreneurs exerted a significant influence over their achievements in western Canada.

The basics of education – reading, writing and simple arithmetic, often referred to as the ‘three R’s’ – were required for administrators or clerks in the fur trade, the position held first held by Donald Smith, Archibald McDonald and other Highland fur traders. Over and above the basics, skills like accounting and medical knowledge would have been advantageous for organising trade out of the cities and operating in the wilderness. While attitudes towards education across Scotland were comparatively progressive by international standards and literacy rates were quite high, some of the outlying regions of the Highlands lacked infrastructure, which, in some instances, obstructed the provision of adequate formal schooling facilities in those areas. While the availability of education fluctuated between different regions of the Highlands, those living in isolated and rugged environments are likely to have had more familiarity with an outdoor life. This natural environment could have given
them some grounding, in physical constitution and skill, for a life in the wilderness of the Canadian West.

Information on the childhoods of successful businessmen or women, even those who achieved great wealth or fame, is often meagre. None of the entrepreneurs considered in this thesis were born into well-known families, their schooling did not attract contemporary attention, and they themselves made few references to their early life in Scotland, or their specific educational experiences. While a little information concerning the early years of figures such as Simpson, Smith and Stephen is available, documentation on the childhood experiences of men such as Archibald McDonald and James Ross is scantier. Consequently, much of what is said in this chapter about particular individuals has been inferred from their general circumstances – rather than grounded in specific biographical detail.

The entrepreneurs of Highland descent studied here all participated in some level of formal education. Given the differences in their origins and abilities, however, their family upbringing and educational experiences did vary to some degree. George Simpson was raised in the early nineteenth century by his aunt in the relative isolation of Wester Ross, and was not educated beyond parochial school, the most basic level of education. By contrast, James Ross who was born into a merchant family in the little town of Cromarty, on the east coast of the Highlands, fifty years later, attended the academy in Inverness and went on to study engineering. Others, such as Robert Campbell and Archibald McDonald, were the sons of tacksmen.

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families, a distinctive Highland group whose members were a sort of aristocracy, just below clan chiefs in the traditional clan system of the Highlands.

A complicating factor arises from the fact that two of the selected entrepreneurs, George Stephen and Donald Smith, were raised just outside the Highlands. Although both Smith and Stephen make references to their clan ancestry, their non-Highland childhoods made for some distinctions between their early experiences and those of individuals like Archibald McDonald or Alexander Mackenzie who came from what were, in their time, largely Gaelic-speaking and still comparatively isolated localities in the West Highlands and Islands.

The social and economic background of the entrepreneurs

In popular perception, nineteenth century emigrants from the Highlands have often been characterised as having emerged from poor crofting families, evicted during the Clearances and exiled, sometimes by force, to rebuild their lives from scratch in the harsh environments of Canada and other locations. Works such as John Prebble’s *Highland Clearances*¹⁸ and James Hunter’s *The Making of the Crofting Community*¹⁹ have demonstrated that the majority of those emigrating from the Highlands during the nineteenth century were indeed from such lowly socio-economic backgrounds and commonly left in extended family groups. Highlanders who achieved entrepreneurial success abroad during this period, have often been assumed to have emerged from such backgrounds, and are commonly highlighted as

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examples of the social mobility possible in the colonies. However, only Alexander Mackenzie, and to some extent George Stephen, emigrated along with their families to the Canadian colonies, and none of the seven entrepreneurs emigrated as a result of eviction – something that suggests they were, in general, of higher social standing than many other Highland emigrants.

Amongst the entrepreneurs under examination, George Simpson appears to come from the background of least social status and economic resource. The illegitimate son and namesake of George Simpson, a Dingwall-born writer or lawyer who became the British Fisheries Society (BFS) agent in Ullapool in 1805, he had no knowledge of his mother and was brought up by his father’s sister and her family in the isolated parish of Lochbroom.20 His father resided close by in Ullapool, and, considering his position in the BFS, he would have had some local standing. However, the two did not maintain regular contact, and they never developed an intimate emotional bond.21 Simpson’s aunt, however, exerted a strong influence on his upbringing and Simpson’s nephew, Alexander Simpson, later remarked,

George Simpson owed his success largely to his aunt, Mary. She was responsible for his early education, and prevailed upon her brother Geddes, who had moved to London and established himself in the West Indian Trade, to take George into his firm.22

22 Ibid. p. 12.
Birthplaces of the entrepreneurs in Scotland

Donald Smith was born into what might be characterised today as a lower middle-class background, in the provincial town of Forres. His father, Alexander Smith, was ‘volatile, fond of song and a convivial glass, a cheerful companion,’ and had worked variously as a soldier and a farmer. Beckles Wilson, a biographer and friend of Smith’s, commented that the family home was modest and may have been considered a reasonable middle-class abode in the nineteenth century. Smith’s father appears to have had a profound respect for education, and managed to accumulate enough capital to give both his children the opportunity of acquiring a good schooling. The educational institutions the brothers attended and the prospects that were open to them provide examples of the social mobility that was possible.

George Stephen was brought up in close proximity to his cousin Donald Smith, and appears to have spent his childhood in rather modest surroundings. Despite growing up just outside the Highlands, near Dufftown, his upbringing was similar to that of many contemporary Highlanders. His parents owned a small croft in Banffshire and he attended school until the age of fourteen. In 1844, he left Banffshire for Aberdeen where, along with his friend Patrick Collie, he was apprenticed to Alexander Sinclair, a draper and silk mercer. It is possible that the family’s lack of capital damaged Stephen’s educational prospects, as he was supposedly one of the most promising students in his class, and yet did not continue his education on to university level. However, schooling up until the age of fourteen was still more than many of his contemporaries would have received and Stephen’s employment in the

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24 Ibid.
textile industry in Aberdeen, and then in London, launched him on a successful career path.\textsuperscript{27}

Some of the Highland entrepreneurs emerged from fairly affluent backgrounds. James Ross was born in 1848, almost two decades later than any of the other six entrepreneurs, and during his childhood, the north of Scotland was experiencing increasing development and improvements to its infrastructure, through the construction of roads and railways. His father, John Ross, was a sea captain and owner of the \textit{Glencairn} trading vessel, which operated between Cromarty and Newcastle.\textsuperscript{28} Although Cromarty was only a small town on the east coast of the Highlands, its trading links with other regions meant that its inhabitants would have been more connected to and familiar with the wider world. The town was an embarkation point for emigrants heading to the colonies and, as such, its inhabitants would have had some awareness of and perhaps some family members in those regions of the world. John Ross met Mary McKeddie, Ross’s mother, in Newcastle and brought her back to Cromarty to settle.\textsuperscript{29} Given that Ross received a good level of education and his father was a merchant who owned his own ship, it can be inferred that he enjoyed a prosperous upbringing in a middle-class household.

Alexander Mackenzie, Archibald McDonald, Robert Campbell and many of the key partners in the North West Company (NWC) all belonged to a distinctive Highland class called ‘tacksmen.’ In comparison with the other entrepreneurs, they

\textsuperscript{27} Ibid. pp. 4-5.
\textsuperscript{28} Malcolm, \textit{Heroes…and Others who left Cromarty for even wider skies}. p. 27.
were raised with a stronger connection to the clan society of the pre-clearance Highlands.

‘Next to the chief in social position were the tacksmen, his immediate kin, who traditionally served as the chief’s military lieutenants in war and his estate managers in peace. When given a tack, or a lease, usually on favourable terms, the tacksmen farmed part of the land, with the help of servants and rented the remainder to subtenants; the rent paid by these subtenants generally more than paid the tacksmen’s rent to the chief.’

Hence the title: tacksman, which means lease man. Interestingly, the Gaelic term for tacksman was *duine uasal*, which translates as ‘wise man,’ but in this case means a gentleman. These men were responsible for managing the *baile* or township, which was a small community of families, containing as few as four families or as many as sixteen, who worked the land. The tacksman collected rent from the clansmen to whom they were subletting the land, and paid a nominal rent to the clan chief, keeping the difference for himself. Consistent with their position, they were often well educated and possessed ‘considerable endowments.’ Archibald McDonald’s father, Angus, was a tacksman at Inverigan in Glencoe at the turn of the nineteenth century, but he seems to have been almost a remnant of an earlier time. At 82, he was 61 years

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older than Archibald and had fought at the battle of Culloden in 1746. Angus and his brothers were the last in a long-line of tacksmen.34

By the nineteenth century the significance of the tacksmen had all but disappeared, along with the clan system itself. The subjugation of the Highland clans, in the wake of the Jacobite Rebellions, resulted in the end of the clans as a semi-autonomous force. This was compounded by the transformation of many of the chieftains into landed gentry, which was often effected for the chieftains’ own material gain and their desire to match the spending power of the Lowland nobility. 35 Some decided to extract the highest possible profits from their land, as well as align their agricultural practices with the modernisation occurring elsewhere in Britain. To this end, they asserted that they had full ownership of their estates and began leasing their lands to sheep farmers, hiring factors to manage their estates and tenants on their behalf – all of which nullified the position of the tacksman.36 While Archibald McDonald emigrated to Canada, his brothers became sheep farmers at home, leasing land from large landholders.37 Perhaps they were continuing in a similar capacity as their tacksman ancestors, though they would not have possessed the administrative and military responsibilities that had existed in the clan system. With the former role of tacksmen in decline and the prospects of maintaining their important social status limited, the colonies in Canada offered them an enticing opportunity to preserve or further their status through enterprise, to become powerful land holders in their own

right and leaders among those who emigrated.\textsuperscript{38} Men such as Alexander Mackenzie, Simon McTavish and William McGillivray, all of the NWC, had been raised in tacksman families and they achieved leading positions within the fur trade and in colonial society.\textsuperscript{39} J. N. Wallace, an early twentieth century historian, thought these men made the most effective fur traders.

Self-dependant, inured to Spartan conditions, accustomed to scattered communities, their character was suited to new surroundings, and the clan system, whatever may have been its faults, certainly produced men who knew how to rule in their own small circle.\textsuperscript{40}

Social and economic factors played a role in determining the access entrepreneurs had to the education system and also the resources they could draw upon when they emigrated to Canada. There was a certain commonality in the social status of men such as Mackenzie, McDonald and Campbell, who all came from tacksmen backgrounds. Ross appears to have had a reasonably affluent background and progressed furthest in his education among the entrepreneurs, while Smith and Stephen, although they were from less prosperous backgrounds, were still able to build their careers on the foundation of a good education.

\textsuperscript{38} Mclean. The People of Glengarry. p. 5.
Theory and practice in Scottish education

Anthony Slaven, in his research on Scotland’s business leaders in the nineteenth century, commented that, ‘Scotland has long prided itself on being in the forefront of schooling, and it is undoubtedly true that a systematic sequence or hierarchy of schools was set out as early as 1560 by John Knox and his fellow Reformers.’

John Knox asserted, in his *First Book of Discipline*, that all males had a right to an education, so that they might be able to read the Bible and gain a better understanding of God’s teachings. Making education accessible to as many people as possible, and increasingly the literacy rate in particular, was widely canvassed in the mainstream thinking of eighteenth and nineteenth century Scotland, and the various religious institutions often played an important role in its dissemination.

Prior to the Scottish Education Act in 1872, which established state control and made it compulsory for children to continue schooling until the age of thirteen, there was great diversity in Scottish education. Parish schools, run by the local churches, were the most common and basic form of education, and taught children until the age of ten. Education in the parish schools generally focused on drilling the ‘three Rs’ into students, though other subjects, such as Latin, might also have been taught in more prosperous areas. Teachers were generally appointed by local landowners and dignitaries. Private schools offered an alternative to parish schools,

and they were generally set up by individuals or organisations, one example of which was the Anderson Institution in Forres, attended by Donald Smith. They were most common in the more prosperous Lowland regions and some of the more developed regions of the Highlands. They would often have been too expensive for the poorer students to attend, unless they were sponsored or the school was subsidised.

Academies provided the next level of education, a link between basic schooling and the prestigious universities. There, pupils were taught subjects ranging from Latin, Greek and rhetoric, to the higher branches of arithmetic, differential calculus and logic. In the more prosperous schools book-keeping, geography and French might also be included on the teaching curriculum. For the few children who were in a position to attend, and none of the seven entrepreneurs did, universities offered the opportunity to study the more academic – particularly classical – subjects. Up until 1872, few students even progressed up to the academy level of education. This was because the fees would have been too high for many of the poorer families, who would often have required their children to begin earning a wage as early as possible.

The success of the entrepreneurs, despite their lack of higher education, suggests that the classically-dominated university system was largely irrelevant to those wishing to forge a commercial career. Indeed, one reason why the academies came into being in the eighteenth century was to meet the needs of those training for a career in business by offering relevant scientific, technical and commercial subjects.

While R. A. Houston\textsuperscript{47} and R. D. Anderson have contested traditional assertions that Scotland was more progressive in its educational provision and had higher literacy in comparison with other Western European countries during the eighteenth and nineteenth centuries, historians generally agree that the Scottish education system fared well in comparison with educational practices prevalent across most of England. T. C. Smout asserted that the English ruling class were ‘untrusting and hostile’ towards mass education.\textsuperscript{48} Formal education in England was often seen as a method of preparing students to play a certain role within society and not to offer them an education beyond the requirements of their social standing. In comparison, the Scottish educational system focused on imparting children with the ability to both read and write, as well as perform the rudiments of arithmetic.\textsuperscript{49} R. D. Anderson asserts that Scottish interest in dealing with education in a more centralised manner, in contrast to England, could, in part, be attributed to the central role played by the church in Scottish schooling.\textsuperscript{50} Smout provides information that states that illiteracy among Scottish males was half that of their English counterparts, and was one quarter less in Scottish females than among English females.\textsuperscript{51} With more progressive attitudes in Scotland towards education, and the movement in nineteenth century Britain towards a more democratic society, it may be asserted that the Scottish beliefs in the need for mass education gained some acceptance in England by the close of the nineteenth century.\textsuperscript{52}


\textsuperscript{49} Kerr. \textit{Scottish Schools}.

\textsuperscript{50} Anderson. \textit{Education and the Scottish People}. pp. 2-3.

\textsuperscript{51} Smout. \textit{A Century of the Scottish People}. p. 210, 216.

Literacy in Scotland as whole compared favourably with levels in England, however, literacy rates within Scotland varied considerably. The contrast appeared especially pronounced between areas in the industrialised Lowlands and the remoter regions of the Scottish Highlands, which were some of the least literate areas in Europe. While Donald Withrington calculated Scottish literacy levels in the eighteenth century as being higher than in many other areas of Western Europe, R. A. Houston has offered revisionist estimates. Houston estimated that by 1750, male literacy rates in the Lowlands stood at no more than 65 percent and between 40 and 45 percent in the Highlands. Official statistics compiled in 1855 from marriage certificates (signing names) gave Scottish literacy figures as 89 percent for men and 77 percent for women. Houston believes there was a large increase in literacy over the hundred years between his estimates and the publication of the official estimates.\(^{(53)}\) This view is in contrast to the opinions of previous historians, including Withrington, who asserted that literacy levels remained more constant over that time frame. R. D. Anderson agrees to some extent with Houston’s estimates, but points out that even by the early nineteenth century, many more could read than write. Reading was seen as a more fundamental skill than writing, especially by the religious institutions, and reasonably accurate figures for those who could read are even more difficult to estimate.\(^{(54)}\)

The disparity in literacy and access to education between areas in the Highlands and in the Lowlands can be attributed in part to the more remote and less developed nature of many regions in the former, and to the urbanisation and industrialization taking place in the latter. Education was held in high esteem across

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\(^{(54)}\) Ibid.
many areas of the Highlands, but in many of the more remote communities, people often had fewer resources and opportunities to access education beyond basic parish schooling. R. D. Anderson comments that ‘the west highlands and islands…brought down the averages for Inverness-shire and Ross-shire. Argyll was more advanced than the counties to its north, while Caithness reached ‘lowland’ standards.’

Thus while the more developed regions on the east coast of the Highlands had reasonably high literacy rates, areas such as Lochbroom, where George Simpson was raised, supported fewer schools and offered fewer opportunities for those who obtained an education to put it to use in the locality.

However, there were groups which were committed to spreading formal education to the furthest corners of the Highlands. Prominent among these, were religious organisations which attempted to adhere to elements of Knox’s teachings and propagate religion through education. The Society in Scotland for the Propagation of Christian Knowledge (SSPCK) had, in particular, become synonymous with efforts to educate and anglicise the Highlands in the eighteenth and early nineteenth centuries. Formed in 1709, it assumed a leading role in funding and constructing schools, and helped to provide education in isolated areas where there was little or no infrastructure. The Society’s express desire to anglicise the Highlands, particularly in the wake of the Jacobite Risings, contributed to the rapid decline of the Gaelic language and culture. To begin with, the SSPCK taught entirely through the medium of English and this proved problematic because, in many regions of the Highlands, Gaelic was still the mother tongue. However, many Highlanders who could speak in Gaelic could not write in the language. Archibald McDonald was a native Gaelic

56 Ibid. p. 11.
speaker, yet he could only write in English.\textsuperscript{57} In order to teach children English, the teacher would need to be able to speak Gaelic. Realising the error of this approach, the SSPCK changed its policy so that teachers were required to read and write in Gaelic.\textsuperscript{58} The SSPCK conducted a survey in 1755 which concluded that there were no parochial schools in 175 parishes across the Highlands. Donald Withrington, however, disputed these figures, and stated that the SSPCK excluded many legitimate schools from the survey, for reasons such as the failure of some schools to pay their teachers the wage stipulated under Knox’s recommendations. Withrington asserted that around 84 per cent of parishes in the Highlands had parish schools at the time the SSPCK survey was conducted.\textsuperscript{59}

The Edinburgh Society for the Support of Gaelic Schools (ESSGS), formed in 1810, was also committed to offering education to Highlanders who had limited access to schooling. This organisation’s primary aim was to eradicate illiteracy, and it taught in Gaelic from the outset. It has been credited with making significant contributions to increasing Highland literacy levels. Although the organisation was set up as an evangelical educational mission, its rules stated that teachers were to educate, not preach or proselytise. Teachers who pressed their religious views too strongly on their pupils could be disciplined. In 1818, the ESSGS set up a branch in Inverness, and was involved in 65 schools across Scotland by 1825.\textsuperscript{60}

The Free Church, which became a major religious force in the Highlands after the Disruption in 1843, also took an interest in education. By 1855 there were 719

\textsuperscript{58} Ansdell. \textit{People of the Great Faith}. pp. 97-100.
\textsuperscript{59} Ibid. 91, 94.
\textsuperscript{60} Ansdell. \textit{People of the Great Faith}. p. 103.
schools with Free Church connections throughout the Highlands.\textsuperscript{61} While there is no evidence that the entrepreneurs studied here benefited directly in their educations from the efforts of groups such as the SSPCK and the ESSGS, it is clear that these organisations did play a role in furthering the penetration of education and the increase in literacy across the Highlands, especially in isolated and unpopulated regions where education levels were low.

**Geography and education**

Geography played an important role in the availability of formal schooling in the Highlands, the quality of education offered, and the number of students who attended schools. The more remote areas had fewer schools, were often less prosperous, and offered fewer opportunities for those who aspired to continue on to higher education. In these areas, school attendance numbers were often substantially lower than in the more populated areas. Douglas Ansdell highlights another problem in many Highland parishes, stating that ‘size was a major obstacle… A number of the parishes were simply unmanageable as they could be up to forty or fifty miles long.’\textsuperscript{62} Lismore and Appin, which included Glencoe where Archibald McDonald was raised, was one such parish. In parishes of this kind, where one school per parish was the statutory requirement, sending children to school could be a difficult undertaking if a family lived on the opposite side of the parish. In these remote regions, only those children who were born into backgrounds of superior economic means consistently received schooling into their early teens. This problem persisted throughout and beyond the nineteenth century. Henry Craik, Permanent Secretary of the Scottish

\textsuperscript{61} Ibid. p. 105.  
Education Department (SED) from 1885 to 1904, found, on his travels throughout Wester Ross and Lewis, that attendance was very poor in some areas, where sixty or seventy names might be on the rolls but often only twenty students were in attendance.\(^6^3\)

Alexander Mackenzie was born in close proximity to Stornoway, Lewis, and was educated in the town during his childhood. Lewis, one of the Outer Hebrides, is separated from the Scottish mainland by the waters of the Minch, and therefore constitutes a geographically remote region of the Scottish Highlands. However, its accessibility from the sea meant that the region was less isolated in reality than many inland regions of the Highlands. Contrasting with the strikingly mountainous island of Harris to the south, the Lewis landscape is primarily composed of small undulating rocky hillocks, bordered on the coastline by some beautiful sandy beaches. Stornoway, the island’s capital, was described in the *Statistical Account* of 1796 as being a ‘well-known town,’ which ‘from a small beginning, has now arrived to some distinction and utility.’\(^6^4\) Living near a regional centre and coming from a tacksman family, Mackenzie would have been brought up with some awareness of both urban and rural settings. Stornoway was said to have two ‘well frequented’ schools, provided with able teachers. One was a parochial school with around forty students, while the other


school was funded by the SSPCK and contained 129 students. Subjects such as arithmetic, English, Latin, writing, geography, navigation and book keeping were all taught at the parochial school. The Statistical Account states that Gaelic was in common usage in the schools and within the wider community. Mackenzie received his early schooling in Stornoway and, though he was born some three decades before the date of the Statistical Account, little is likely to have changed in that period. Obtaining a formal education would have been more difficult for families living in the isolated regions of the island and for those of a lower social status.

At the age of eleven, Mackenzie emigrated with his family to New York. Their departure was, perhaps, stimulated by the economic depression which was gripping Lewis during the 1770s. In America, his father fought on the side of the Loyalists during the American Revolution. After Britain’s defeat, the Mackenzie family, like many other loyalists, relocated to Montreal, which was still in British hands. There, Mackenzie completed his final year of education at the age of fourteen. Considering the prominence of Highlanders and Scots in Montreal at the time, he may well have been educated amongst the Scottish community. It was a powerful community, which would have been a source of potential contacts for a young Highlander settling in the region. The following year he entered the fur trade as a clerk, a position for which he would have needed to possess adequate writing and counting skills.

65 Ibid. p. 4.
66 Ibid.
67 Ibid. p. 21.
George Simpson was raised in the remote parish of Lochbroom and educated in the parish’s parochial school. The western seaboard village of Ullapool was the only village of note in the region. It was established in 1788, a couple of years after Simpson’s birth, as a planned village by the British Fisheries Society. In 1796 the parish had almost no manufacturing industry, with the exception of two spinners in Ullapool. The Statistical Account for the parish describes the region as consisting primarily of ‘uncultivated mountains and hills, abounding with rocks, moss and heather,’ and estimates the parish’s dimensions at twenty-five by twenty miles. Lochbroom was an isolated parish, even more so than Lewis, as it did not enjoy as much sea-borne traffic. While not offering the same range of education as other regions, the parish would have given Simpson the opportunity to gain a fair acquaintance with a rugged environment, possessing an unpredictable climate.

The records claim that Lochbroom’s local school offered a good quality of education, and that the teachers who taught there were ‘sufficiently qualified for their business.’ While teaching materials and the subjects offered in the school may have been fairly limited, given the nature of the parish, quality of education does not appear to have been compromised. Pupils attending the school would have at least learned to grasp the basics of reading, writing and arithmetic. However, the Statistical Account asserts that the school was not able to fulfil a significant role in the region because much of the populace was indifferent to its existence, and did not perceive formal education as a primary concern. In an area of low population density, where many of

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70 Ibid. p. 461.
71 Ibid. p. 467-469.
72 Ibid.
the inhabitants would have been small crofters living on a subsistence level, practical
skills useful in the locality may have been more highly valued over the learning of
intellectual pursuits. Despite this, Simpson acquired reading and writing skills, as well
as some arithmetic, during his childhood in Lochbroom. He was able to build on these
basics to become highly literate and to evolve his sharp business mind.

Not all the entrepreneurs grew up in remote regions where schooling options,
and the opportunity to mix with a wider range of people, were limited. Donald Smith
was raised in the royal burgh of Forres, which had historically been of some
consequence.73 His family had relocated there from Granton, a Highland locality, in
1818, and he would have experienced quite a different upbringing from Simpson. By
1831, the town of Forres contained 3,895 inhabitants and those living there
experienced ‘a considerable measure [of] the comforts and advantages of society.’74
Although Donald Smith had Highland parentage, the majority of Forres’s inhabitants
did not consider themselves to be Highlanders. In addition, very few people in the
town would have been able to speak Gaelic. Despite this, the region was close to the
Highlands, and would have shared many similarities with towns of the same size in
that region, in terms of services on offer, the number of schools and the quality of
education available.

The New Statistical Account of 1842, compiled some twenty years after
Smith’s birth, records six schools in the parish for the education of boys, while girls

73 Edina. Reverend Duncan Grant. ‘Parish of Forres: Presbytery of Forres, Synod of Moray, 1842.’
[accessed on 7 November 2006]
74 Ibid. p. 168-169.
were educated separately in boarding schools. Three of the schools were parochial schools, supported by the inhabitants of the burgh and the local lairds. Two of the number were private schools, financed by fees paid by the scholars’ families, and the final school was the Anderson Institution. This school was set up through an act of philanthropy and was attended by Donald Smith and his brother John Stuart Smith, named after their famous fur trading uncle. The *New Statistical Account* states that the Anderson Institution ‘was endowed by… Jonathon Anderson, Esq. of Glasgow, for the education of poor children, from the parishes of Forres, Rafford and Kinloss.’ The express aim of the school was to provide the children of families of limited means with the basics of a good education. Pupils were to be ‘instructed in reading, writing, arithmetic, and such branches of education as the Provost, Magistrates and the Town Council should deem proper.’ Little detailed information is available concerning Smith’s specific experiences at the school, but it is stated that he distinguished himself in Latin and mathematics. An insight into his character at the time is given by a fellow student, who remembered him as being ‘shy, proud, of patient disposition, but with a fund of sturdy resolution and even hardihood when occasion demanded it.’

Finishing his early schooling, Smith was enrolled in Forres High School, a privilege afforded to a minority of Highlanders at the time. The high school had a good reputation in the locality, and Smith again distinguished himself as one of the

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75 Ibid. p. 175.
76 Ibid. p. 165.
80 Ibid. p. 8.
top students in his class. After completing his formal education, he was apprenticed to Robert Watson, the town clerk of Forres, while concurrently studying law. Clearly he had good prospects ahead of him, but this career was curtailed when he decided to follow in the footsteps of his uncle, John Stuart, and emigrate to Canada. Smith’s above-average level of education would have given him certain advantages when considering the fur trade. He had experience of working as a clerk and this meant he was already familiar with some aspects of book-keeping and accounting, skills which could be put into practice in the fur trade.

George Stephen was born and brought up on a croft in rural Speyside, and educated in the small kirktown of Mortlach, later renamed Dufftown. Like Forres, Mortlach was located just outside the Highlands but was of smaller size and less regional significance. The New Statistical Account records that the parish of Mortlach had five schools and a census in 1836 concluded that all parishioners of ‘proper age’ could read and write with some proficiency. Stephen attended the town’s parochial school from the age of five and, in 1836, a few years after his education there, the school had 90 pupils. John McPherson, a graduate of Aberdeen University and a competent mathematician, was Stephen’s teacher at the school and a great inspiration in his childhood. The influence of his teaching was especially evident in Stephen’s confident grasp of mathematics, which proved very useful in his later business and financial activities in Canada. McPherson was also responsible for introducing him to

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81 McDonald. Lord Strathcona. p. 15.
84 Ibid. p. 108.
angling, when he took the class achievers out on fishing trips. Fishing was later to prove Stephen’s sole leisure activity.\textsuperscript{85}

Despite performing well in school, financial constraints almost curtailed Stephen’s education. As the oldest child, he was removed from school by his father, William Stephen, at the age of ten, and ‘fee-ed,’ or hired out, on a six month contract to a local farmer.\textsuperscript{86} McPherson, obviously unwilling to lose one of his more promising students, intervened however, and prevailed upon Stephen’s father to return the boy to school. William Stephen apparently had a profound respect for education and was willing to suffer the financial consequences of giving his son a good education.\textsuperscript{87} Thereafter, Stephen’s formal schooling continued uninterrupted until he left school at the age of fourteen.

Stephen was not the only celebrated alumnus of his generation to emerge from Mortlach parochial school. Donald Stewart, a friend and classmate of Stephen’s, also achieved great wealth and renown in the British colonies. Stewart joined the army, another outlet for young Highlanders and other Scotsmen wishing to see something of the wider world. By 1881 he had become Commander in Chief of the British forces in India, a General and a Baronet. The two remained in contact and they were re-united in September 1888 to make a triumphant return to Dufftown. On that occasion, both men paid tribute to John McPherson, Stewart referring to him as ‘the most highly educated and cultivated gentleman I ever met.’\textsuperscript{88}

\textsuperscript{85} Gilbert. \textit{Awakening Continent}. p. 3.
\textsuperscript{86} Ibid. p. 3-4.
\textsuperscript{87} Ibid. p. 4.
\textsuperscript{88} Ibid. p. 187.
James Ross was also educated in a small town, though some two decades after Stephen. Information concerning his upbringing and education is elusive, and he appears to have left little correspondence or documentation concerning these matters. However, it is still possible to give some details about his early education, if what is known is set against the state of education in Cromarty, prior to and during his youth. Hugh Miller, the famous Scottish geologist, journalist and author, was born and educated in Cromarty some 40 years prior to Ross and recorded, in his autobiographical *My Schools and Schoolmasters*, that the town at that time had a ‘sprinkling of intelligent, book-consulting mechanics and tradesfolk.’\(^8^9\) Miller, whose father had also been a sea-trader and had died in his youth, was unable to progress beyond parochial school as a result of his family’s poor finances. However, he comments that quite a few of his contemporaries were able to attend college and that some went on to ‘have some success in life and society.’\(^9^0\)

The *New Statistical Account*, compiled in 1836, eleven years before Ross’s birth, states that Cromarty had four schools: a parochial school, a society school which taught Gaelic and two private schools.\(^9^1\) Ross completed his early schooling in the town, presumably in one of the above schools. There is no doubt that Ross was born into more affluent circumstances than Cromarty’s more famous son, Miller, and, together with being educated at a later date, experienced a higher level of education. Although, Miller excelled in Geology, a more academic field than Ross entered. After completing his schooling in Cromarty he attended Inverness Academy, and then

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\(^9^0\) Ibid. p. 46.

continued his education in England, where he received the bulk of his engineering training. Ross received a superior education to many of his peers, and his professional training opened up ample prospects when he arrived in North America.

Information is also scarce concerning the childhoods and educations of Archibald McDonald and Robert Campbell. However, these two pioneering fur traders shared certain similarities in the upbringing they experienced. Both men emerged from similar geographical areas in the countryside of the southern Highlands and were born into tacksman families of some means. McDonald was born in Glencoe in 1790, eighteen years before Campbell. Glencoe was located in the parish of Lismore and Appin, an extensive parish of around forty-five miles in length, whose size could have proven problematic for some families coordinating their children’s schooling. In the Statistical Account the upper extent of the parish is described as being ‘an uninhabited wild, consisting of hill, and moss, and moor’ and acting as pasture to the southern inhabitants. This description is reminiscent of the area which McDonald inhabited in Glencoe. The lower part of the parish consisted of ‘fertile meadows and well cultivated fields, with many gentlemen’s seats.’ While the parish was large and had a small population, there was a parochial school in Glencoe, which was the location of McDonald’s early education. After completing his schooling in the region, it is documented that he received further teaching in mathematics and medical subjects in London, under the patronage of the Earl of Selkirk. This training

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92 Rootsweb. Montreal, Pictorial and Biographical.
94 Ibid.
95 Ibid.
96 Ibid. p. 253.
was intended to supply him with some skills and knowledge in preparation for his leadership of emigrants to the Red River Settlement in 1813.\footnote{Cole. Exile in the Wilderness. p. 11.}

Robert Campbell received a ‘fair’ schooling in his native parish of Glenlyon before continuing his education in the large town of Perth.\footnote{George Bryce, 1898. Sketch of Life and Discoveries of Robert Campbell. Winnipeg: The Manitoba Free Press. p. 2.} While little specific information is given about either his or McDonald’s formal schooling, as sons of tacksman families it might be expected that they would both receive a good level of education. Considering this, it appears likely that they progressed beyond the parochial stage, perhaps up to the high school level. Samuel Johnson, in his account of his journey around the Western Isles, gives a favourable account of the tacksmen, and states that they were intelligent men who occupied the role of community leaders.\footnote{Johnson. A Journey to the Western Isles of Scotland. pp. 55-57} ‘I never was in any house of the islands,’ Johnson wrote of the time he spent in tacksmen’s company, ‘where I did not find books in more languages than one.’\footnote{Ibid. p. 34.} Outside their formal educational experience, McDonald and Campbell both originated in mountainous and rugged parishes, which experienced a fair amount of snowfall during the winter. They would therefore have had some familiarity with terrains and weather conditions reminiscent of areas in western Canada, though not quite on the same scale.

The experiences of the entrepreneurs show that geography was an important factor in determining access to education, as well as the quality and variety of teaching. For instance, it is clear that Simpson, living in isolated and unpopulated Lochbroom, experienced quite a different upbringing and education from Smith, who
was raised in the town of Forres. A greater variety of educational institutions were open to Smith, and he would have been in a position to interact with a greater range of people through living in a more urban centre. None of the entrepreneurs, however, lost out on experiencing some level of education. They all emerged with the basics of reading and writing, and some of the entrepreneurs specifically commented on the value and quality of the education they received.

The religious dimension in Highland life

In the course of the eighteenth century, evangelical Christianity became rooted in many parts of the Highlands, and was inculcated through family and schooling, as well as the churches. While the entrepreneurs’ adherence to religious practice varied, they all would have been raised with an awareness of the prevailing religious creeds. During the late seventeenth and eighteenth century, the religious institutions in the Highlands were going through a major period of upheaval and change. Episcopalianism was widely suppressed in the region during the eighteenth century, particularly after the Jacobite Rebellion of 1745-46. By the beginning of the nineteenth century, Presbyterianism was by far the most prevalent form of religion in the Highlands. Its teachings of sobriety, hard work and the importance of education, had, to some extent, become part of mainstream thinking and attitudes. As such, these precepts would have played a role in shaping some of the entrepreneurs’ basic approaches to life and work. Amongst the entrepreneurs, Donald Smith and Archibald McDonald make the most overt references to their religious views and experiences, while George Simpson’s policies in the fur trade towards the various religious groups reveal some of his own attitudes.
Religion remained important to Donald Smith throughout his life. Smith’s mother, Barbara Grant, was a significant influence in his early years, endowing him with strong religious and moral convictions. She stressed ‘to her children the value of education and learning…teaching them the principles and practice of the Scots Presbyterian faith and imbuing them with the history and tradition of their Scottish ancestry.’\textsuperscript{101} In order to instil the faith into Smith, she made him repeat psalms in the manner of rhymes off by heart each evening before he retired to bed. The result was that, even on his death bed, he was able to recite the psalms his mother had taught him.

Smith appears to have lived his life following relatively closely to the Presbyterian teachings of hard work, self-sufficiency, temperance and thrift. Even in the wilds of Labrador he remained resourceful, engaging in activities outside the fur trade, despite the seemingly limited scope of the region for entrepreneurial activity. He set up the region’s first productive farm, on which he reared cattle and cultivated crops.\textsuperscript{102} Unlike many of his contemporary fur traders, he did not turn to alcohol in order to ease the long winter nights. In the first few years of his posting to Esquimeaux Bay, the region lacked a minister, and Smith organised church services and schooling in the absence of an ordained clergyman.\textsuperscript{103} He was also extremely careful with his own spending and savings and put aside half his salary, investing some of it in the Bank of Montreal through Governor Simpson.\textsuperscript{104}

\textsuperscript{101} McDonald. \textit{Lord Strathcona}. p. 14.
\textsuperscript{102} Wilson. \textit{The Life of Lord Strathcona and Mount Royal}. pp. 89-90.
\textsuperscript{103} Ibid. pp. 92, 93.
\textsuperscript{104} McDonald. \textit{Lord Strathcona}. p. 90.
George Simpson’s adherence to religious practice appeared to be flexible and based on expediency. Although no documentary evidence has been retrieved on his early religious experiences, it is possible to form some ideas of his beliefs through his conduct in Hudson’s Bay Company (HBC) employment. In North America, Simpson demonstrated that his greatest commitment was to the HBC and he toiled endlessly to increase the Company’s profits and dominion. Religion, like everything else, took a secondary position to the Honourable Company’s affairs. Since he was brought up in the Presbyterian tradition, in his capacity as Governor he was generally more sympathetic towards the Protestant community. However, he also cooperated with Catholics when this was in the Company’s interests.\textsuperscript{105} Considering that the French-Canadian community was dominated by Catholics, it would have been unwise for an influential member of the fur trade to antagonise them too much. His religious beliefs, such as they were, may have shaped some of his attitudes, but they did not impinge on his, and by extension the HBC’s, business interests. This seems to be mirrored in the actions of men such as George Stephen and James Ross as well.

Archibald McDonald, unlike many of the other entrepreneurs, was brought up as an Episcopalian. His religious beliefs were perhaps unsurprising considering his family’s involvement with the Jacobite cause.\textsuperscript{106} Emerging from a strong clan tradition, religion also formed an intrinsic part of McDonald’s life and he became involved with the church when he retired from the fur trade to Lower Canada.\textsuperscript{107} It is difficult to quantify the effect that religion had on the individual entrepreneurs. While it cannot be disputed that religion formed an intrinsic part of life in the Highlands and religious teachings, especially those passed on from close familial sources, may have laid the

\textsuperscript{105} Galbraith. *The Little Emperor*. p. 64.
\textsuperscript{107} Ibid. pp. 223-227.
foundations for certain attitudes and characteristics amongst the entrepreneurs, the surviving correspondence contains few references to religious views or issues. Linda Colley\textsuperscript{108} states that Protestantism was a driving force behind British imperialist policy and asserts that the French, as the pre-eminent Catholic nation of the nineteenth century, were the British’s most bitter enemies. Colley later remarks, however, that ‘Scottish responses to Catholic Europe could sometimes take a different and markedly more generous form.’\textsuperscript{109} Certainly it must be observed that various Highland clans formed some significant alliances with the French through the ages, including during the Jacobite Rebellion of 1745. It is quite interesting to note that while the NWC, directed in the colonies as it was, contained many French Catholics within its ranks, including the voyageurs who powered the Company’s transport system and often married into the French-Canadian elite who had established themselves in Montreal, the imperial venture of the HBC employed far fewer French-Canadians. However, the HBC still conducted business with the French community when it was economically and strategically advantageous to the Company. Differences of religion may have had an affect at a local level, but on a grand scale, business was business, and, particularly in the post-merger period, the HBC was developing into a more dynamic business venture where such prejudices would have had little place.

**Implications and applications of an upbringing in the Highlands**

While the seven entrepreneurs did not, in general, possess an exceptional level of education or emerge from families of great wealth, their early years in the Highlands did equip them with some useful knowledge and skills which helped to


prepare them for a pioneering life in the Canadian colonies. The childhood experiences of the entrepreneurs were not uniform, and their socio-economic circumstances, location and period of birth all impacted on the quality and quantity of the education they received, as well as their experiences outside formal education. Some of the Highlanders who were emigrating in the second half of the eighteenth and early nineteenth century were descended from tacksmen and, equipped with their superior social status and education, it is not surprising that these men often became leaders amongst the Scottish emigrants and fur traders in the Canadian colonies.

There was a certain commonality in the level of education the majority of the seven entrepreneurs received, with fourteen or above frequently the age at which they finished their formal schooling. However, it cannot be said conclusively that progressing further in education was of crucial importance in order to excel in many trades in the colonies. George Simpson experienced the least privileged upbringing and was not educated to a high level, yet compared to Archibald McDonald and Robert Campbell, he reached a higher level in the HBC hierarchy and wielded more influence in the fur trade. His example appears to be the exception, rather than the rule, however. A firm grasp of reading, writing and basic arithmetic was essential for fur traders and merchants alike, and all seven of these entrepreneurs grasped these skills competently in their early years. Further education would have been advantageous but not necessarily essential.

Some of the entrepreneurs, such as George Simpson and Archibald McDonald, were brought up in fairly mountainous and rugged areas of the Highlands and, through interaction with these environments during their youth, they would have
equipped themselves with some knowledge and experience of the outdoors and a familiarity with some harsh weather conditions. This may have enabled them to adapt more easily to the undeveloped and mountainous nature of the Canadian West. Certainly, Highland fur traders made reference to some of the similarities they saw between areas in Western Canada and in the Scottish Highlands, however different the scale of the regions may have been.

Religion would have been a significant aspect of the entrepreneurs’ upbringing in the Highlands. Whether or not they were committed religious practitioners in later life does not necessarily exclude the potential effect religious teachings might have had on their early development. With scant evidence of the majority of the entrepreneurs’ early religious practice, it cannot be suggested that religion was the most significant factor in shaping each entrepreneur’s attitude towards how he engaged with work or the management of his finances. However, religion formed the most binding moral code for many of those living in the Highlands and would have had an effect on some of the entrepreneurs’ basic approaches to life.

While an upbringing in the Highlands would have equipped the entrepreneurs with a good skills base with which to begin operating in the Canadian colonies, there were other key factors which influenced both their desire to emigrate and their chances of gaining employment in the colonies. Social-networking, usually through members of the extended family, constituted a vital resource upon which the entrepreneurs could draw to precipitate and aid their emigration to the colonies. It is to this influence that we now turn.
Chapter III

Binding Kinship? The importance of social networking and chain-migration in the early lives of the entrepreneurs

Introduction

Access to extensive social networks, and the possession of superior social capital, would have been advantageous to those considering emigrating to British North America. Relatives who had already achieved some success in the colonies were a significant source of patronage, an avenue through which to conduct further social networking and a valuable source of information concerning the colonies. Through correspondence, these relatives played a primary role in inspiring the next generation to emigrate. Not all significant contacts were kin, however. Archibald McDonald received patronage from the Earl of Selkirk, although in this case, as in many others, the contact was still established through kin.

While social-networking through kin forms an essential aspect of all cultures, kinship and the concept of the clan as an extended family network were the central tenets of the Highland clan system. Despite the fact that the clan system had effectively disintegrated in the Highlands by the early nineteenth century, there can be little doubt that some aspects of clanship still endured in Highland culture. Men such as George Campbell and Archibald McDonald were very aware of their clan origins, and took pride in their heritage. In Canada, the North West Company (NWC) was characterised by many of its clan-like elements, and in its ranks Highland identity had powerful social capital. This chapter seeks to analyse the extent to which social networking, through kin and close contacts, influenced the entrepreneurs’ interest in
the colonies, and also whether it played a significant role in facilitating their emigration and employment there. Each of the entrepreneurs considered in this study either had family members who had emigrated to Canada or had business interests there or, alternatively, knew family friends who had some connection with the area. The amount and value of the social capital available to the entrepreneurs will be discussed.

The pre-eminence of kinship and extended family networks amongst the Highland clans

Kinship was the foundation on which the Highland clan system rested. A. I. Macinnes describes clans as:

‘territorial associations composed of a dominant kin-nexus and satellite family groups, that were held together, by the paternalism and patronage of their chiefs and leading gentry who maintained an ethos of protection within the localities settled by their clansmen.’\(^{110}\)

The ‘clan’ was a social grouping whose members, bound by kinship, owed their allegiance to the chieftain of the clan. In return for his leadership and protection they would support him in his claims and rally to his banner when necessary. The word ‘clan’ originates from the Gaelic clann, which translates as ‘children.’\(^{111}\) Clansmen were the loyal and obedient ‘children’ of the chief, whom he would call upon when he had need. The chief was the ‘father,’ responsible for leading the clansmen and


\(^{111}\) Ibid. p. 1.
ensuring their protection. The two central aspects of clanship were encapsulated in the concepts of duthchas and oighreachd. Duthchas translates as heritable trusteeship, and obliged the clan chiefs to promote security of possession for their clansmen’s lands. Oighreachd concerned the chiefs’ heritable rights to their estates and the institutional jurisdiction they held there.\(^{112}\) Allan Macinnes comments that ‘the traditional belief that clansmen were members of an extended common family compelled the chief to succour the needy, making compassion a testing virtue of chieftainship.’\(^{113}\) Demanding the loyalty and fealty of his clan members, the chief had the responsibility of overseeing each clan member’s security and hearing and responding to his demands. The concept of the clan as an extended family meant that there were various branch families within the clan, each related in some manner to the central family of the chieftain. While they may have been separated by distance and local traditions, they would have had a shared ancestry and folklore, mutual responsibilities and shared enmities.

By the nineteenth century the Highlands were firmly under the control of the central government. Despite the end of the clan system, many of the traditions and attitudes of clanship were preserved through the clans’ descendants. The entrepreneurs featured in this thesis were brought up in varying awareness of and proximity to their clan ancestry, depending on their date of birth and place of origin. While George Stephen and Donald Smith were both able to trace their ancestry back to the Clan Grant, Stephen through his father and Smith through his mother,\(^{114}\) Archibald McDonald possessed stronger links with his clan past. In addition to being

\(^{112}\) Ibid. pp. 1, 3-5.
\(^{113}\) Ibid. p. 3.
\(^{114}\) Beckles Wilson, 1915. The Life of Lord Strathcona and Mount Royal. London: Cassell & Company Ltd. p. 3.
a tacksman’s son, he could trace his family’s involvement in some of the most significant events in seventeenth and eighteenth century Gaeldom. His great grandfather, Allan Dhu, fought on the side of the Marquis of Montrose and the Royalists during their conflict with the Covenanters in 1645. His elderly father, Angus McDonald, had fought on the side of Charles Edward Stuart, the royal claimant from the House of Stuart, during the Jacobite Rebellion of 1745-46. Through his father, McDonald had been brought up in intimate contact with his clan’s past, at a time when the clans could still mobilise their members, and occupied a central role within Highland society. As such, he inherited some of the traditions that would have been expected of a tacksman of his ancestry. One particularly important aspect of this was the ability to recite his ancestral lineage, or *sloinneadh*, off by heart in Gaelic.\(^{115}\) In December 1830, McDonald recorded his *sloinneadh* at the Hudson’s Bay Company (HBC) outpost of Fort Langley. The account, which began with the line ‘Gillespie, Moach Aonish, Ic Iain, Ic Alan Dhu, Glenocoan,’ proceeded to describe his lineage in detail, dating back to the seventeenth century.\(^{116}\) The ability to recite one’s *sloinneadh* was expected of any Gaelic-speaking Highlander, but it was unusual to have it set down in writing, albeit phonetically as McDonald had done. While family networking is the most common example of informal interaction in any culture, Highlanders had a long history of thinking beyond the closely bound nuclear family unit, and interacting and identifying with more distant kin.

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The role of kin and acquaintances in inciting emigration

Marjory Harper has asserted that the advice and recommendations given by family and friends, residing in or affiliated with the colonies, concerning emigration and the prospects in the region, were ‘much more significant than general press encouragement… particularly if the encouragement to emigrate was accompanied by a remittance or a pre-paid Atlantic ticket.’ There can be little doubt that propaganda from emigration agencies and enthusiasts helped publicise and promote the colonies, albeit in a frequently exaggerated form. However, while public dissemination of knowledge was widely available throughout newspapers and periodicals, letters from a family member residing in Canada, recounting the opportunity and success they encountered, often constituted a more powerful positive attraction for those considering emigration. In addition, tales of adventure and opportunity imparted by a successful relative in the fur trade, such as Donald Smith and Robert Campbell both had, surely would have fired a young Highland lad to thoughts of emigration, more than any impersonal colonial propaganda. In advanced age, Smith remarked that ‘it had been John Stuart’s description of their province [Manitoba] which had caused him to throw away his Indian job offer and take his chances in Canada.’ As a result of the popularity of Canada as a destination for Scottish emigrants in the eighteenth and nineteenth century and the high probability of having an emigrant in the extended family network, many Highland emigrants had valuable and direct sources of information concerning the Canadian colonies by the nineteenth century.

Potential opportunities and valuable information provided by close contacts

In addition to being a valuable source of information, ‘family was clearly influential in opening access to skill…and we may assume, was also important in providing capital.’ Patronage, from family members, friends or other sources, was a significant factor in boosting the prospects of the entrepreneurs receiving a reasonable education and also aiding them in gaining access to the colonies and a profession. Those who received aid in emigrating would often have bequeathed patronage to the next generation of relatives back in Scotland. This was a phenomenon entrenched in the classic nineteenth century myth of success: a young man would emigrate to one of the colonies, whether to British North America, the East or West Indies, and there accumulate a fortune. Subsequently, he would return home and resettle in splendour with his new found wealth and become a patron to a number of his younger relatives, bestowing financial aid and a potential future position in one of his affiliated companies to them. Certainly, among those Highlanders who achieved success in the wider world, this trend, in some form or other, appears to have been evident – after becoming wealthy, Donald Smith purchased an estate back in the Highlands, and made financial contributions to his wife’s family in Canada, and his sister’s family in Scotland.

George Simpson benefited immensely from the patronage of his uncle, Geddes Simpson. Geddes, a brother of Simpson’s aunt Mary, was a partner in Graham and

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Simpson, a London based trading firm involved in the sugar brokerage trade from the West Indies. His first contribution to Simpson’s future was purely a financial one—he helped to sponsor Simpson and his siblings’ schooling. Later, when Simpson was a teenager and had left school, Geddes made another notable contribution to his future. Mary prevailed upon him to obtain a job for their nephew in his London firm. Having decided upon the opportunity, this arrangement proved advantageous to Simpson for a number of reasons. First, and most obviously, Simpson gained employment in a lucrative financial firm, a window into the mercantile world. Secondly, he was embarking on an extended period of residence in the world’s largest and most affluent city, a completely different world from Lochbroom. In London he was exposed to urban society and had access to a wide range of commercial contacts. In particular, his employment in Graham and Simpson precipitated his entry into the fur trade and his emigration to Canada.

A significant turning point in Simpson’s life occurred when Andrew Wedderburn became a partner in his uncle’s firm, and the company was renamed Graham, Simpson and Wedderburn. Wedderburn, who later changed his surname to Colville (used henceforth), was a Highlander himself—his family had been Jacobite supporters during the Rebellion of 1745. Colville perceived Simpson to be a man of ambition and ability, and the two quickly struck up a friendship, with the older man becoming something of a mentor and patron to Simpson. It was Colville who facilitated Simpson’s entry into Canada and employment with the HBC through his influence with the Board of Directors, as a major shareholder and through his brother-

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123 Ibid. p. 12.
124 Ibid. pp. 16-17.
125 Ibid. p. 17.
In Canada, Simpson maintained a regular correspondence with Colville, and often reported issues directly to him and through him – he proved a useful contact, and later an ally, in the upper echelons of the Company.

In contrast with Simpson and the other entrepreneurs researched, both Alexander Mackenzie and George Stephen were fortunate in that their close families also emigrated to the colonies around the same time as themselves. Mackenzie’s family was encouraged and aided in their emigration to New York, in 1774, by John Mackenzie, an uncle on his father’s side. However, economic considerations undoubtedly played a role in their emigration, as there had been a depression gripping Lewis around the time of their departure and rents in the region were rising steeply. Mackenzie’s residence in New York was brief. His father enlisted with the Loyalist forces during the American Revolution, and Mackenzie was taken care of by two of his aunts. When he reached the age of 14, his aunts sent him to Montreal to complete his education. Clearly Mackenzie’s uncle played a role in the emigration of his family to New York, while his family’s allegiance to the Loyalists caused their emigration to Canada.

While Mackenzie emigrated with his family, George Stephen’s family preceded him to the colonies. Prior to all this, an uncle of Stephen’s had emigrated to Lower Canada, and his son, William Stephen, had set up a successful dry goods

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business there. Subsequently, Stephen’s father, also named William Stephen, and
Stephen’s eldest sister emigrated to Canada in 1847, where his father found
employment in his nephew’s business. The following year the rest of Stephen’s
family emigrated to Montreal, leaving Stephen, the eldest son, as the only member yet
to emigrate. With his family already established in Canada, and the promise of a
position in his cousin’s textile business, Stephen finally emigrated in 1850 with good
prospects ahead of him.\textsuperscript{130} Again, it seems that a family contact in the colonies
instigated the process which led to emigration, and provided the young man with an
entry into the Canadian business world, in which he would later play a leading role.

John Stuart, the famed HBC explorer and uncle of Donald Smith, was the
most influential figure in precipitating Smith’s emigration to Canada and employment
in the fur trade. The tales Stuart recounted concerning his exploits in the service of the
NWC in western Canada filled young Smith’s mind with an interest in the Canadian
colonies and the fur trade.\textsuperscript{131} Smith had expressed a desire to follow in his illustrious
uncle’s footsteps from an early age, although his uncle attempted to discourage the
idea. Stuart asserted that if he had the chance to relive his life, he would not have
entered the fur trade a second time. He claimed it was a hard, harsh life with few
lastling rewards.\textsuperscript{132} Despite this warning, Smith decided to emigrate to the Canadian
colonies when he reached his eighteenth year, with the prospect of either joining the
HBC or settling on a farm in Upper Canada. Perceiving his nephew’s resolve, Stuart
supplied Smith with a letter of introduction to Governor George Simpson, with whom
he was intimately acquainted, and two additional letters to other contacts in Montreal
– Edward Ellice and Alexander Stewart. Ellice, who owned land in the Highlands and
helped a number of Highlanders to enter the fur trade, was one of the most influential

\textsuperscript{130} McDonald. \textit{Lord Strathcona}. p. 118.
\textsuperscript{131} Wilson. \textit{The Life of Lord Strathcona and Mount Royal}, pp. 10-12.
\textsuperscript{132} Ibid. p. 24.
businessmen in Canada during the early nineteenth century. He had operated in partnership with the NWC, supplying it with goods and acting as a point of contact for trading in London. Alexander Stewart was a former NWC partner. Smith eventually decided to join the HBC and sought an interview with Simpson. The Governor, having heard that he was a capable young man, perused the letter of introduction supplied by John Stuart, and immediately offered the position of apprentice clerk to Smith, and on the spot gave him his first task: skinning rats.

Robert Campbell also emigrated and found employment in the Canadian colonies with the aid of a close relative. This contact was John Macmillan, an uncle of Campbell’s, who had emigrated to the colonies and found employment with the HBC. By the time Campbell was in his late teens, his uncle had attained the rank of chief factor and therefore wielded some influence and authority within the Company. When, in 1830, he was placed in charge of an HBC project to establish an experimental sheep farm in Red River, he offered Campbell a position on the project, which his nephew promptly accepted. In addition to being a close relative to Macmillan, Campbell was the son of a ‘considerable’ sheep farmer and would have possessed some of the necessary agricultural skills to be an asset to the project. But after being party to a failed attempt to import sheep from Kentucky in 1833, he became disillusioned with farm life and requested a position in the fur trade. He was appointed as a clerk and assigned to the Mackenzie River district.

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133 Ibid. p. 39.
134 Ibid. pp. 39-47.
The individual who exerted the greatest influence on Archibald McDonald’s emigration to and employment in Canada was not a family member. When McDonald was in his early twenties, Thomas Douglas, the Earl of Selkirk, was casting his eye across the Highlands in order to enlist a young Highlander, familiar with the Gaelic language, to lead a group of Highlanders to the colony he was establishing in Red River, in the region which later became Manitoba. To this end, Selkirk requested his friend, Alexander McDonald of Dalilea, to find him ‘a gentleman of respectable character, and at the same time of talent, activity and established popularity’\(^{137}\) Dalilea, conveniently, was a long-standing friend of McDonald’s family and very likely a distant kinsman. McDonald was recommended to Selkirk, as a young man who possessed the necessary qualities to fulfil the role.\(^{138}\) Hence, McDonald was appointed to the task of organising and leading the settlers to Red River, deep into the HBC’s territory, under the patronage of the powerful earl. Selkirk was a major shareholder in the HBC and McDonald therefore came into regular contact and collaborated on occasion with the employees of the company. When Selkirk’s role in the settlement ended, McDonald entered into HBC employment.

Information regarding the circumstances of James Ross’s emigration to North America is almost non-existent, though it is likely that social networking, perhaps among kin, also played a role in his own voyage. No definitive patron or family member has been identified who significantly aided his passage to Canada. What is known, however, is that Ross emigrated to the United States in 1868 at the age of twenty. He was already qualified as an engineer, a definite skill which he could exploit on arrival. He resided in the US for four years, where he became involved in

\(^{138}\) Ibid. pp. 5-9.
the construction of various railways before he emigrated to Canada in 1872. There, he
initially settled in Ontario (Upper Canada), where he continued his involvement with
the railway industry, and married Anne Kerr, a local girl. Considering her surname,
she probably had some Scottish ancestry.¹³⁹

In summary, the experiences of the entrepreneurs show that social networking,
particularly through kin, but also from outside the extended family network, played a
key role in providing information about the colonies and a source of potential
employment or recommendation. Apart from James Ross, who left little information
concerning the circumstances of his emigration, all six entrepreneurs in this study
clearly possessed an influential relative, or at least close contact, who played a major
role in setting the future paths of the entrepreneurs towards the colonies and helped
them to gain employment when they arrived there. Utilisation of social contacts
tended to be at least as important, and commonly more so, in gaining access to an
occupation in the colonies as formal education. This was especially the case in the fur
trade, where employees commonly introduced their kin into the trade and many of the
skills required would have been learned on the job.

¹³⁹ Eric H. Malcolm, 2003. Heroes…and Others who left Cromarty for even wider skies. Inverness:
Cromarty Courthouse Publications. p. 27.
Chapter IV
Highland entrepreneurs in the fur trade

Introduction

The purpose of this chapter is to examine the influence, patterns of interaction and manifestations of identity among fur traders with Highland origins. The chapter follows a chronological structure in relation to the widespread penetration of Highlanders into the industry. The Highland ethos of the North West Company (NWC) is first dealt with, and the role of Highlanders in shaping the Company’s structure is considered. The second half of the chapter looks at the extent of Highland networking and their importance within the Hudson’s Bay Company (HBC).

As we have seen, social networking, particularly through kin, played a significant role in precipitating the emigration of the entrepreneurs to the Canadian colonies and their entry into employment there. While Highlanders emigrated, as settlers, in large numbers to the Atlantic Provinces, they were also active further west as pioneers in the fur trade. Networking among Highlanders proved remarkably common in the industry, especially in the NWC and in the HBC’s subsequent to its 1821 merger with the NWC. Five of the seven entrepreneurs examined in this thesis were active in the fur trade. Alexander Mackenzie was a partner in the NWC; Archibald McDonald and Robert Campbell both rose to the position of chief factor in the HBC; George Simpson became the Canadian Governor of the HBC, the most influential man in the industry; and Donald Smith rose through the ranks to become Governor and a major shareholder in the same company.
Interestingly, all five of these entrepreneurs were mutually acquainted. McDonald, Campbell and Smith all operated under Simpson during his tenure as Governor, and maintained official and sometimes private correspondence with him. Smith had dealings with Campbell, as both became involved in the western region, and they met in London during the negotiations over the new Deed Poll in 1871.\textsuperscript{140} Smith and McDonald were also acquainted through fur trading activities, and McDonald had been a friend of Smith’s uncle, William Smith, a NWC trader who had drowned in Athabasca country.\textsuperscript{141} Mackenzie, though perhaps not known personally by any of the entrepreneurs, nevertheless would have been acquainted with another uncle of Smith’s, John Stuart, who had been a partner in the NWC and participated in that Company’s second transcontinental expedition along with Simon Fraser, a fellow explorer of Highland descent.

In the fur trade, a rugged constitution and an ability to navigate the Canadian hinterland were essential and men of Highland descent, who featured prominently amongst the factors, traders and wintering partners of the NWC and the HBC, often had these qualities in abundance. Although the French were the first Europeans to dominate the fur trade and negotiate with the aboriginal Indians for furs, Highlanders became both numerous and influential in the industry during the eighteenth and nineteenth centuries. The Montreal-based NWC, the most significant challenger to the HBC’s dominance, was operated as a series of partnerships and was founded and dominated by Scottish Highlanders. The HBC, while preceding the NWC by two centuries, only began to employ a notable number of Highland traders in the 1810s.

when Thomas Douglas, the fifth Earl of Selkirk, was in the process of founding the Red River Colony and colonising it with Highlanders. The Highland element became increasingly common in the HBC after the Company’s merger with the NWC, when George Simpson rose to prominence at the head of the fur trade.

Highland influence over the structure, hierarchy and *modus operandi* of the NWC

If fur traders are recognised as being the first Europeans to explore and exploit the resources of the Canadian north and west, then the NWC was the most aggressive and ambitious advocate of expansion. NWC traders were the first Europeans to explore, map and exploit much of the vast interior area of the Canadian West. Most notable were: Alexander Mackenzie, who was the first European to cross the continent to the Pacific; Simon Fraser, who followed after Mackenzie and reached the Pacific through the Fraser River, an even tougher route; and David Thomson, the Welsh-born surveyor who mapped much of the hinterland and was described by Elliot Coues as ‘the greatest geographer of his day in British America.’ As the frontiers of the trade were expanded, mapped and named by the organisation’s adventurers, trading posts were established in their wake. Given the breadth of their operations, popular historian Paul Newman’s characterisation of the Company as the ‘first North American business to operate on a continental scale’ appears quite correct. The NWC exploited the lucrative Athabasca region, a region initially beyond the grasp of the HBC’s main trading operations, in order to expand rapidly and procure great


 riches for its controlling partners. Appropriately enough, the Company’s motto was ‘Perseverance.’

The North West Company accumulated vast wealth and a formidable reputation and during its most productive era, in the late eighteenth and early nineteenth centuries, it outpaced the HBC in terms of profits and the number of operatives it possessed in the field.\textsuperscript{144} Harold Innis, a Canadian economic historian, estimated that, by 1795, the NWC controlled eleven-fourteenths of the fur trade in Canada, with independent traders controlling another one-fourteenth, and the Hudson's Bay Company reduced to a modest two-fourteenths of fur yields.\textsuperscript{145} Apart from the Company’s ambitious and aggressive outlook, there were three other significant features which distinguished it from the HBC: firstly, the organisation was controlled from Canada; secondly, there was close co-operation and liaison between the aboriginal Indian population and the NWC officials, who even took aboriginal Indian partners, or ‘country wives’ as they were called in the fur trade; and,thirdly, the Company was dominated, from the top down, by Highlanders.

In order to form an impression of the Highland dominance and influence within the North West Company, it is necessary to give a description of the Company’s structure and hierarchy. The NWC was not as ‘minutely structured’ as the HBC. The organisation was formed as a co-operative, a series of partnerships, and its shares were distributed between these partnerships and to a number of individuals. Young Highlanders generally entered the NWC as clerks, and from there might


progress to become the masters of minor trading posts. If one of these small scale traders demonstrated enough business acumen, and produced a steady profit in his activities, he might eventually become one of the Company’s influential wintering partners. Wintering partners had no direct equivalent among the ranks of the HBC – they possessed both a share in the Company and a say in its business operation. The Montreal partners exercised a controlling interest on the Company’s shares and were responsible for directing the trade in the hinterland, as well as establishing and maintaining the NWC’s international trading connections.

At the base of the Company’s hierarchy were the voyageurs, the labour force which powered the NWC’s transport system. These hardy individuals were responsible for propelling and navigating the canoes that transferred the furs and traders back and forth from the hinterland, and they made up the bulk of the Company’s employees. They were largely drawn from among the French-speaking population of Lower Canada (Quebec), often from the younger sons of farming families. Aboriginal Indians and Métis (people of mixed European and aboriginal background) were employed by the Company as guides and interpreters. Respect was given to them in accordance with their rank and influence in their communities.

Considering the NWC’s willingness to extend the boundaries of the fur trade, its employment of a large labour force of Quebecois and its readiness to interact with the native peoples, the Company assumed, in many ways, the mantle of ‘pioneers of the fur trade’ that the French explorers and traders had vacated when the British took over New France.

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Map of Mackenzie's Transcontinental Expedition to the Pacific, 1793

[Map of Mackenzie's Transcontinental Expedition to the Pacific, 1793]

The NWC dated its first meeting to 1779, although it was officially founded by the English-born Frobisher brothers, Benjamin and Joseph, four years later, in 1783. The Company was established with 16 shares, two of which were distributed to each of the following: Todd and McGill; Benjamin and Joseph Frobisher; McGill and Paterson; McTavish & Co.; Holmes and Grant; Wadden & Co. and McBeath & Co. The remaining two shares were split between Ross & Co. and Oakes & Co. Highlanders were dominant among the original founders of the NWC and this was to remain the case throughout the Company’s existence. The NWC established its headquarters on Vaudreuil Street, Montreal, and, in contrast to the HBC, which was run from London, most of its partners were to settle permanently in Canada. When Benjamin Frobisher, the NWC’s dominant partner, died on 14 April, 1787, Simon McTavish, a Highlander from Stratherrick, formed a partnership with Joseph Frobisher, and became the leading force. During his tenure as the controlling partner, Highland partners and their kin became even more prevalent within the organisation. This trend continued after McTavish’s death on 6 July, 1804, when his nephew, William McGillivray, succeeded him as the dominant partner.

Alexander Mackenzie did not begin his fur trading experience with the NWC. After completing his education in Montreal, he obtained a position as a clerk in the counting house of the fur trading partnership of Gregory, Macleod and Company. There he remained for five years, by which time he had been made a partner within

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147 Ibid. p. 3.
the organisation. During this period, Gregory, Macleod and Company adopted similar methods to those used by the NWC and began to impinge on the latter’s interests. The larger company bullied and chivvied Gregory, Macleod and Company until a merger was agreed upon in July 1787. Mackenzie joined the NWC with the rest of the firm, and, by 1788, the NWC had expanded to include 46 shares – increasing to 92 shares by 1802.

Two years after he joined the NWC, Mackenzie departed on the first of his two famous expeditions. As well as aiming to be the first man to lead an expedition across the North American continent to the Pacific, Mackenzie wanted to establish a trading route across Canada to create a link to the lucrative Chinese markets for furs. Setting off for the Pacific via the great river which now bears his name Mackenzie River, he instead reached the Arctic Ocean. In 1793, Mackenzie finally achieved his transcontinental crossing to the Pacific, by which time he was a full partner in the NWC. Due to the difficulty of the route Mackenzie followed, and the frequent need to portage, his explorations did not initially have a large impact on the fur trade. However, his achievement, and the publication of his journals documenting his exploration, gained him fame and recognition in Britain, and he was knighted in 1802.

Mackenzie was keen to encourage a merger between the NWC and the HBC and unite the fur trade under one Company’s control, and he even embraced the idea of creating a global network, through a merger with the East India Company.

153 Ibid.
However, this belief, along with his growing influence within the NWC, led him to fall out with McTavish. In 1801, he left the NWC to head an upstart rival called the XY Company, or New North West Company. This organisation initially posed a serious threat to the NWC’s operations, but was eventually amalgamated back into the fold in November 1804. Mackenzie, however, was excluded from the merger. Free from the fur trade, he entered the Canadian legislature in 1804, as a representative for Huntington County. But he quickly became bored with politics, and quit the legislature in 1808. At that point, he was spending more time in London than in Canada and he made his final journey to Canada in 1810.

The NWC Clan

Highlanders dominated the upper echelons of the NWC to the extent where it has been observed, by both contemporaries and modern historians, that the organisation assumed the likeness of a ‘transcontinental clan.’ Clan-like tendencies were evident throughout the management sector of the NWC. The Company was famed for the number of kin the partners employed. Paul Newman comments that:

The visible, tightly knit command structure helped ignite the NWC’s vibrant esprit de corps, but what made most of the senior partners so devoted to the common cause was that they belonged not just to the same company or even to the same clan, but often to the same family. At one time or another, there were on the NWC rolls seven Simon Frasers, four Finlays, five Camerons, Six McTavishes, seven McLeods, eight McGillivrays, fourteen each of Grants and

Mackenzies and so many McDonalds that they had to differentiate themselves by including home towns in their surnames.\textsuperscript{157}

That last point, incidentally, demonstrates why it is important to have some grasp of the NWC men’s Highland background in order to understand their North American operations. The NWC’s McDonalds, such as John McDonald of Garth were not ‘including home towns in their surnames,’ as Newman asserts. Rather, they were demonstrating their tacksman background and thus laying claim to a degree of social standing that would immediately have been apparent to other Highlanders.\textsuperscript{158}

Considering this however, Newman’s overall conclusion is still valid. Simon McTavish alone had 13 members of his own kin employed in the North West Company at one point.\textsuperscript{159} Alexander Mackenzie’s cousin, Roderick Mackenzie, was also a member of the NWC and acted as Mackenzie’s assistant when he was wintering at Fort Chipewyan in 1789, before his first expedition.\textsuperscript{160} After Mackenzie departed, Roderick took over the operation of the fort. He continued to progress up the ranks of the NWC, becoming a Wintering Partner with two shares, and then, by 1802, was admitted into the ranks of the House of McTavish, Frobisher and Company as a full partner, with an eleventh share. Almost all the partners in the NWC had kin employed in the Company.

The partners in the NWC moulded their personal images to resemble those of Highland chieftains. Their readiness to portray themselves as the nobility of the fur

\textsuperscript{157} Ibid. pp. 8-9.
\textsuperscript{159} Ibid. p. 9.
trade, rather than merely company managers and financers, distinguished them from their counterparts within the pre-merger HBC. Men such as Simon McTavish and Alexander Mackenzie harnessed their Highland identity to complement their material success, in order to cement their position as the elite of the fur trade, and Montreal society. This fits in with the assertion of P. J. Cain and A. G. Hopkins that ‘British representatives abroad…took to paternalism as squires to the manner born, and they tried to recreate abroad the hierarchy they were familiar with at home.’ More than just being a display of egotism, the NWC’s partners’ and traders’ imitation of nobility would have proved advantageous to them in their business and social spheres of influence. With an adoption of the ceremony, the airs, and the dress of the Highland nobility, the senior management appeared to stand apart from their subordinates not just in their superior position in the organisation and their greater wealth, but also in their social standing – they assumed the mantle of the nobility of the fur trade. Appropriately the controlling partnership of McTavish, Frobisher and Co, which dominated the decision making of the NWC, possessing 30 of the Company’s 92 shares by 1802, renamed itself House of McTavish, Frobisher and Co. This new title makes the partnership sound more like a House of the nobility, an imitation of the House of Stuart or the House of Argyll, back in Scotland – just as the North West Company’s coat of arms, with its Hebridean galley, was an attempt to invoke a heritage of clanship stretching back to the Lordship of the Isles.

Washington Irving, the prolific American travel writer and historian, observed the pomp and ceremony with which the NWC partners arrived for their annual

meeting at Fort William, the base of their field operations, at Lake Michigan. He described the NWC partners as being ‘rather like Highland chieftains navigating their subject lakes.’ A fuller account of their extravagant appearance is given in G. M. Adam’s *The North West Company: Its History and its Troubles*:

Now the aristocratic character of the Briton, or rather the feudal spirit of the Highlander shone magnificently; every partner who had charge of an interior post, and had a score of his retainers to his command, felt like a chieftain of a Highland Clan, and was almost as important in the eyes of his dependants as of himself.

The Company elite’s utilisation of their Highland heritage would have been advantageous when dealing with the native peoples. Rather than simply appearing as powerful fur traders to the various tribes, they presented themselves as chieftains and leaders of men, with command of their own ‘tribe’ of employees. The aboriginal Indians often had a certain fondness for ceremony, which the NWC traders were quick to exploit. With the fanfare of bagpipes and the Highland ‘ceremonial’ dress of full plaid, the natives would often have been convinced that they were conducting their business with men of powerful social standing and traditions. One account records the explorer Simon Fraser being carried on shore upon the shoulders of two voyageurs on arrival at an aboriginal Indian settlement, between Fort William and

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Soda Creek. Such a display was no doubt to persuade the native tribe of his importance.

It might also be argued that by emphasizing their Highland identity, the elite of the NWC provided themselves with ‘social capital’ to legitimize their position in Montreal’s business community. Quite a few of the NWC partners emerged from the sub-nobility of the clan system, and as such would have been raised with a certain pride in their ancestry and a sense of their own superior social standing in comparison with many other Highland emigrants. They would have had an awareness of some of the etiquette needed to conduct themselves in ‘high society,’ and they readily mingled with the British colonial and French-Canadian elite in Montreal. As nouveau-riche, they were in a position to establish their own dynasties, and their Highland identities provided a social legitimacy beyond what their capital could give them. Simon McTavish was especially renowned in the fur trade and in Montreal for his refined manners and ambition, earning him the aristocratic sobriquet ‘Le Marquis.’

McTavish’s title of ‘Le Marquis’ did not relate solely to his refined mannerisms, however, but also referred to his luxurious lifestyle. Washington Irving gives a description of the wealth and splendour the NWC partners often exhibited:

Sometimes one or two partners, recently from the interior posts, would make their appearance in New York…there was a degree of the magnificence of the purse about them, and a peculiar propensity to expenditure at the goldsmith’s and jeweller’s for rings, chains, broaches, necklaces, jewelled watches, and

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166 Newman. Cesars of the Wilderness. p. 82.
167 Ibid. p. 10.
other trinkets…such was often to be noticed in former times in Southern planters and West India creoles, when flush with the profits of their plantations.\textsuperscript{168}

Flaunting wealth was exactly what the Highland landed class was doing in the late eighteenth and nineteenth centuries – extracting maximum rent from their clansmen or tenants to finance extravagant lifestyles in London or Edinburgh. John MacDonald of Garth, who claimed to have been a descendant of the Lord of the Isles, was one of those NWC partners who used the wealth he gained as a partner in the NWC to model his lifestyle on that of a Highland laird. When he retired, after 23 years in the fur trade, he built himself a laird’s home in Upper Canada’s (Ontario) Stormont County, and had 60 tenants cultivating his land.\textsuperscript{169}

The Highland dominance and clan-like structure of the NWC gave the organisation both strengths and weakness. Considering the commonality in the background of many of its members – from the Highlands, from the same clan, from the same family unit – the NWC operated as a far more tightly knit organisation than the HBC, with many of its members having common cause on a range of issues. The fact that the wintering partners had a share in the Company, and family and kinsmen of the Montreal partners were prevalent throughout its ranks, meant that the administrative and field executives had both a personal and familial interest in the continued profitability of the enterprise. The Highland character and traditions of the


NWC also provided the Company with a background that was distinct from the HBC’s powerful imperial origin.

This background was clearly evident in the Beaver Club, Montreal’s most exclusive social club, which was established by the NWC, in 1785, to provide a meeting and socialising space for the wintering partners and trading veterans when they returned to the east. Its rules of entry were strict: members were required to be veteran fur traders who had spent at least a winter in ‘Indian Country,’ the Athabasca district. The club’s objective was:

- to bring together at stated periods during the Winter Season, a set of men highly respectable in society, who had passed their best days in a Savage Country, and had encountered the difficulties and dangers incident to a pursuit peculiar to the Fur Trade of Canada.  


Its original members were composed, in the majority, by those of Highland and French origin. Simon McTavish was not able to join the

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club initially because he had never wintered in ‘Indian country,’ although he was able to attend as a guest. His full membership was only granted eight years after the club’s inception. The membership tally was eventually expanded to a maximum of 55, with specially invited guests able to attend, amongst whom Lord Selkirk was once numbered.

The club was famed for its rowdy and ebullient atmosphere, with vast quantities of alcohol consumed by all who attended. George Landmann, a visiting British Army officer, who was a guest at the club, witnessed a typical meeting where all the members had drunk themselves into a stupor, excepting William McGillivray and Alexander Mackenzie, who were the last to collapse out of their chairs. Landmann comments on the Highland character that many of the club’s activities assumed: ‘the old Highland drinking propensity,…Highland speeches and sayings, Highland reminiscences, and Highland farewells, with the dioch and dorich, over and over again.’ The club enabled the fur traders of the NWC, of whom Highlanders were a dominant element, to bond over their experiences and their Highland heritages. It also encouraged them to network amongst themselves and with other influential figures in Montreal.

A veteran fur trader required powerful reserves of mental and physical resilience, business acumen, an ability to adapt to the methods employed by the aboriginal tribes, the capacity to negotiate with these tribes, and sometimes a capacity to act with a certain lack of scruples and moral gravity. In view of the toughness of

the trade, it was unlikely that the NWC partners would have often intentionally sacrificed ability in favour of kin employment. However, considering the Company’s eventual capitulation in the face of competition from the HBC, it is arguable that preferential treatment granted to kin, and a ‘clannish’ structure, may have caused some difficulties to arise in the long run, with kin being chosen over more able candidates. This was especially dangerous when the HBC was learning, through the 1810s and 1820s, how to compete with the NWC on its own aggressive, expansionist terms – also inducting Highlanders into its ranks.

Return migration and purchase of property among the NWC’s Highland elite

While the partners and traders of the NWC strove to establish themselves in colonial society, many still maintained significant ties with Scotland. Some even resettled there after retiring from the fur trade, or bought estates in their home country and became absentee landlords. Alexander Mackenzie, having left Scotland in his childhood during a period of financial constraint, eventually retired to Scotland in 1812 with the wealth he had accumulated. Back in the Highlands, he married Geddes Mackenzie, one of the twin daughters of George Mackenzie, a Scot who had prospered as a merchant in London.\(^{174}\) The age difference between the couple was vast – Geddes was only fourteen years old at the time of her marriage, while Mackenzie was 48 – but this was not an unusual situation among fur traders, who often returned to Britain to marry a white woman. Around the time of his marriage, Mackenzie purchased his father-in-law’s estate at Avoch, in the Black Isle, for £20,000. Mackenzie and Geddes divided their time between London and their home

in Avoch, and Mackenzie took an active interest in the local community. The influential explorer finally died in 1820 of Bright’s disease, on a return journey from Edinburgh.\textsuperscript{175} Despite his successful years in Canada as an explorer and adventurer, it is clear that Mackenzie perceived himself primarily as a Highlander and a Briton.

Among the many Highland-born NWC members who did not resettle in Scotland, many still used their accumulated wealth to purchase manors and estates back in their homeland. Simon McTavish purchased Dunardry castle and estate, Argyll, in 1800. The estate, bought from the widow of Lachlan McTavish, a chief of the McTavish clan,\textsuperscript{176} would have been a culturally and socially important transaction for McTavish. On the one hand he had purchased a property in his homeland, a McTavish estate no less, demonstrating that he was a successful returning son of the clan McTavish. On the other hand, the purchase also gave further credence to the image he fostered in the colonies of his belonging to Highland nobility, especially since he bought an estate from a chieftain of his own clan. McTavish had intended to retire from the fur trade to London, to enjoy the fruits of his success, and alternate between the city and his castle in Dunardry. However, he died suddenly in 1804, aged only 54. Despite never having resided in the castle for an extended period of time, its importance to him, at least symbolically, is clearly demonstrated in his will. It states that, upon his death, the estate would be inherited only through the male side of the family and his son, William, was the first in line to inherit. In the event that William died without issue, then his brother Simon was next in line, followed by McTavish’s eldest nephew. Even William and Simon McGillivray, his nephews and fellow partners in the NWC, were listed as distant inheritors. In fact, the section of

\begin{footnotesize}
\begin{enumerate}
\item[Ibid.\textsuperscript{175}]
\item[Ibid.\textsuperscript{176}]
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McTavish’s will relating to the inheritance of Dunardry castle is easily the most extensive, and asserts that the castle and estate should be passed through the male line of his family ‘forever.’ In addition, any claimant of the estate would have to adopt the surname McTavish. Clearly, maintaining ties with his Highland origin, and high status there, was of great importance to McTavish, as such issues were to many of the Highland members of the NWC.

The Honourable Company of Adventurers: Origins and increasing Highland penetration

The attitudes, autonomy and lifestyles of the NWC partners were markedly different from many of the Canadian-based operatives of the HBC. The NWC partners were answerable to no one but their own collective opinion. They directed their approach to the fur trade and benefited significantly in financial terms from the expansion of the Company’s dealings. In contrast, the HBC traders were employees of the imperial venture of the Hudson’s Bay Company. Policy was directed from the London offices by the Company’s directors and governor, and filtered down to the traders. Even the HBC’s highest field rank, the Chief Factor, was on a fixed salary, before the merger, and most of these men were not able to accumulate anything close to the wealth of the NWC’s Montreal partners. Nor did the HBC operatives enjoy the elite social status of their NWC contemporaries.

While Highlanders dominated the NWC and were at the forefront of explorations in the West, men of Highland descent in the employ of the HBC also had

a significant impact on the region. The Honourable Company, as it was also called, had been granted a royal charter in 1670 to gather and trade furs in the area of land which possessed waters flowing into the Hudson’s Bay. The HBC was initially contrasted with the NWC as a result of its more passive, ponderous and entrenched nature. During the 1790s and early 1800s when the NWC was straddling the continent all the way to the Pacific, HBC traders were largely confined to trading from their forts, east of the Rocky Mountains. The Company did, however, hold a key advantage over its rival in that it was able to ship its furs out of the Hudson’s Bay en route to Britain, while the NWC had to transport its merchandise overland to the St Lawrence.

The HBC’s outlook began to change around the time that two prominent Scotsmen became involved with the Company. These men were Thomas Douglas, the Earl of Selkirk and a major shareholder in the HBC, and Andrew Colvile, an influential member of the HBC Board of Directors. Selkirk’s plan to settle the Red River, which was far beyond the settled frontier of the Canadian colonies, and cut across NWC trade routes, led to increasing conflict between the two companies and their employees. Colvile, whose sister was married to Selkirk, encouraged the Company to take a more aggressively competitive stance towards the NWC. They aimed to penetrate and contest the NWC’s furthest trading regions. During this period more Highlanders were recruited into the HBC, including the fiery Colin Robertson who, with Colvile’s backing, pursued an aggressive fur trading policy, willing to match any action taken by the NWC. The competition between the two organisations culminated in the Seven Oaks Massacre in 1816, which saw a NWC-backed Métis group led by Cuthbert Grant, himself the mixed-blood son of an NWC partner, ambush a Red River vigilante force, leaving twenty of the settlers dead. The aftermath
of this incident caused Selkirk to leave British North America and relinquish his interest in the fur trade, but it was the NWC that receded over the intervening years. The merger of 1821 was effectively a takeover of the Montreal-based Company by the HBC. While some of the main NWC partners, such as William McGillivray, retired from the fur trade that year, other partners and traders were incorporated into the fold of the reorganised HBC. John George McTavish, a relative of Simon McTavish, was one such and he became a chief factor and a very close friend to George Simpson.

The HBC also adopted many of the NWC’s policies and strategies. George Simpson entered HBC employ around the time of the merger and he continued the tradition begun by the NWC partners of positioning himself as the chief noble of the fur trade. He drew extensively on his own Highland origins in cultivating this image, in the fur trade and in colonial society – although he also introduced his own innovations, rather than simply mimicking the attitudes and strategies of the NWC and his predecessors in the HBC. During Simpson’s ‘era’ there were numerous examples of pioneering and entrepreneurial men of Highland descent involved in the fur trade. One such man was Archibald McDonald, who entered the HBC as a fur trader around the same time as Simpson and traded for long years on the frontier region of British Columbia. Another was Robert Campbell, who conducted lonely and exhausting explorations in the Yukon. Most significantly, perhaps, there was Donald Smith, who had a major impact on the fur trade and the Canadian West, and rose to the position of overall Governor of the HBC.
The structure and hierarchy of the HBC

The highly structured nature of the HBC differed quite considerably from the hierarchy employed by the NWC. In the HBC, it was an exceedingly long climb from the position of clerk at a frontier outpost to become a member of the Board of Directors in London. At the head the HBC, the Governor administered the Company’s business in accordance with the Board of Directors, of which he was the pre-eminent member, being elected to his position by their vote. The Board of Directors, who were each elected to their position by their own number, were major shareholders in the Company and decided its overall policy and strategy. The shareholders, who possessed the rest of the Company’s stock, could also influence the Company’s decisions, given enough leverage. In Canada, prior to the arrival of George Simpson, the fur trading districts were split into the Southern and Northern Departments, with a commissioner controlling each. Simpson was eventually appointed to oversee both departments, and became the Canadian Governor of the HBC, a link between the Board of Directors in London and the operators in Canada. Below him, a council of the Northern Department was formed which brought together the most influential chief factors in the north and west of Canada, to decide some of the policy and strategy for that region. Eventually each district, such as Montreal and British Columbia, had its own commissioner, responsible for administrating those districts. Donald Smith and Robert Campbell both, at one stage or another, were employed in this capacity. Below these influential individuals were the rest of the chief factors, who administered the important outposts and trading forts. During Simpson’s tenure, the HBC adopted the NWC policy of granting its field operatives, in this case the chief factors, a share in the Company’s profits. With this new policy, the chief factors
effectively became the equivalent of the NWC’s wintering partners. Lower in the chain of command came the chief traders, who were generally in charge of the smaller outposts, and at the base of the administrative ladder were the traders, clerks and apprentice clerks.  

Like the NWC, few Highlanders were numbered among the HBC’s labourers, interpreters and guides, upon whom the Company’s operation rested. The interpreters and guides were provided from the native tribes and Métis, and the Company’s labourers were predominantly Orkney men. In the HBC there was ‘a large gap, effectively a class divide, between the ordinary workers, many of them Orkney men, and the leading Scots in the organisation.’ The Orkney men shared more in common, in terms of the value of their social capital, with the voyageurs of the NWC, than with their fellow Scots. They were employed in a similar capacity to the French-Canadians, and did not feature prominently among the officers, despite their large number. One exception was John Rae, the famous Arctic explorer who discovered the tragic fate of Sir Franklin’s expedition. Orkney men were often considered hardy and competent workers, as well as obedient and unambitious. For these qualities, they were actively recruited by the HBC for five year terms. Despite the probable frequent appearance of kin amongst their ranks, it is unlikely that networking amongst Orkney men within the HBC offered the opportunities which were commonly available to men of Highland descent.

While the Canadian section of the Company was reshaped subsequent to the merger, the HBC did not assume a strongly Highland aspect, as the NWC had. The period which coincided with George Simpson’s tenure saw wide-scale incorporation of many of the strategies and characteristics which had made the NWC so successful and distinct. However, the balance of power still remained with the directors in London. Only George Simpson – between 1822 and the 1850s the most powerful man in the Canadian fur industry – was able to manipulate those directors to a degree.  

The ‘Little Napoleon’ of the fur trade

Any analysis of Highlanders within the fur trade during this period, then, must begin with the ‘Little Napoleon of the Plains,’ as George Simpson was nicknamed.  

Shortly after his arrival in Canada in 1820, he was promoted to the position of head of the profitable Northern Department, responsible for administering the Athabasca district. By 1826, Simpson was also in charge of the Southern Department, uniting both departments only six years after his entry into the fur trade. In this capacity, he was quite unlike any Canadian HBC commissioner who preceded or came after him. The HBC enjoyed some of its most prosperous years during his tenure, and rather than just being a subordinate to the Board of Directors, he often acted more in the capacity of an unofficial board member, dictating much of the policy himself. He corresponded directly with the HBC governor, Sir George Pelly, and accompanied him to Russia to negotiate fur trading rights with the Russian American Company (RAC).

182 Napoleon was, apparently, one of Simpson’s heroes.
Simpson was a ruthless administrator, whose strengths lay in his aggressive business sense and his desire to streamline the industry in order to achieve maximum profits and efficiency. In order to facilitate these aims he cut back on the number and expenditure of the Company’s employees. Simpson could be ruthless in his treatment of his workforce. Within four years of the merger, the Company’s workforce was reduced from 1983 to 827 employees, and the wages of field operatives had been cut by 50 percent.\textsuperscript{183} The Governor could also be personable and charming when the situation demanded, but he had a calculating mind, and was deft at manipulating those around him. Although a charismatic and respected leader, Simpson was not uniformly popular in the fur trade, and his ruthless business practices and frequently insensitive behaviour earned him many critics. Most significant among these was the chief factor of the Columbia District, Dr John McLoughlin.

Simpson’s leadership style, the policies he employed and the lifestyle he assumed had more in common with the NWC Montreal partners, than with previous HBC administrators. Simpson desired to ensure that the HBC dominated the fur trade across the whole Canadian landmass to the Pacific, including the disputed Columbia territory, and this led him to transform the Company into a more aggressive and dynamic organisation. While it gained some of the Highland character of the NWC, the Company also became more efficient and business-like under Simpson. Although born into rather humble circumstances, he readily assumed a position in the Montreal elite and ran his household in the style of a member of the gentry. On one occasion, Donald Smith was chastised by Simpson for taking tea with Simpson’s young wife,

Frances, in his absence. He lambasted Smith as an ‘upstart, quill driving apprentice dangling about a parlour reserved to the nobility and gentry.’ This is a somewhat ironic statement, considering Simpson’s humble origins and Smith’s future achievements – he would reach even greater heights in the Company than Simpson. An example of the respect and admiration Simpson held for the NWC traders can be seen in his purchase of the Montreal estates of Alexander Mackenzie. In addition, he also attempted to revive the Beaver Club. However, he was unsuccessful in this project, and the social club met for the final time in 1827. The HBC did not possess an equivalent of the Beaver Club.

George Simpson’s love of ceremony was well known amongst his contemporaries. He often made a point of making grand entrances to each fur trading outpost he visited on his frequent tours of the western hinterland. During his inspections, he brought with him his personal piper to serenade his arrivals and impress the aboriginal tribes. An account is given of his arrival in Fort James by canoe, where he directed his HBC subordinates to stage an impressive ceremony. A bugle was sounded to announce his arrival, tartan dress was donned by the entire party and his ever-present piper was instructed to accompany their arrival with a march on the bag pipes. Simpson’s penchant for ceremony was also noted in his dealings with the native peoples. One HBC trader observed that Simpson was able to deal with tribes so effectively in person because of a shared love of ceremony.

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188 Cole. Exile in the Wilderness. pp. 131-133.
habit was very much in accordance with how many of the prominent NWC partners had conducted themselves.

With the influx of Highlanders into the HBC, it might be reasonable to assume that some favour was being given to them on the basis of kinship, as had been the case with the NWC. It is true that the Company often recruited the sons of its employees. Given the success of men of Highland origin in the NWC, it is not surprising that the HBC began recruiting in that region, as well as taking on former NWC traders who entered the new Company after the merger. Simpson himself had relatives in the fur trade, including his cousin, the Arctic explorer Thomas Simpson, although their relationship was not a close one. Thomas – who died in ambiguous circumstances in Dakota in 1840 – felt he was not accorded the position and responsibility that were his due, considering his ability and his superior education to his cousin. However, the number of kin within the Company never reached the levels present in the NWC.

Through his long years in the service of the Company and his success in furthering its ends, it is clear that Simpson was an HBC man first and foremost. He was a tough and critical judge of character, as is demonstrated in his Character Book of 1832, and he generally placed a strong emphasis on skill and ability. The fur trade expanded during his years at its head and profits also increased, but by the end of his tenure, with signs of decreasing fur yields becoming apparent, it was clear that the industry could not continue on the same scale indefinitely.

Highland fur traders during the era of George Simpson

As we have seen, Highlanders remained a prominent part of the HBC’s workforce throughout George Simpson’s governorship. Archibald McDonald entered the fur trade in spring 1820, just prior to the HBC’s merger with the NWC. Having entered the trade at the same time as George Simpson, the two enjoyed a close acquaintance. For McDonald, it was a useful link to the most influential man in the Canadian fur trade and he later accompanied the Governor on several expeditions and tours of the hinterland, including Simpson’s retracing of Simon Fraser’s expedition to the Pacific. McDonald did not make his mark on the fur trade and the West as an explorer, like Mackenzie or Campbell, or as a high-level entrepreneur and administrator like Simpson. However, he was one of the HBC’s pioneering fur traders, operating on the frontier of the trade west of the Rocky Mountains, in what was to become British Columbia. McDonald’s initial posting was as an assistant to the former NWC trader, chief factor John Clarke. However, his first appointment in the West was as an accountant at Fort George, Columbia District. The fort was formerly known as Astoria and was a famously disputed trading post which had been run by John Jacob Astor’s American Fur Company. In 1828 McDonald was promoted to the position of chief trader and appointed to the post at Kamloops, then to Fort Langley. Finally, he achieved the rank of chief factor and was placed in charge of Fort Colvile on the Columbia River in what’s now Washington State.

Operating on the frontier of the fur trade, McDonald interacted primarily with other fur traders, many of whom would have had some Highland heritage, but also with American missionaries and the aboriginal Indians. One of his closest friends was James Douglas, later knighted, who was born to a Scottish father and Creole mother
in the West Indies, and educated in Lanark. This influential friend succeeded Dr. John McLoughlin as the administrator of the Columbia Fur District and became the province of British Columbia’s first Governor. Duncan Finlayson, born in Dingwall, Ross and Cromarty, was another close friend of McDonald’s. He also achieved the rank of chief factor and, at different periods, was in charge of the Columbia District and the Red River district.\textsuperscript{190}

While contact with other traders was the primary avenue of interaction with those of European origin, fur traders were often adaptable in being able to liaise with the different groups in frontier lands, and McDonald proved no exception. He made friends among the aboriginal tribes, and even married an aboriginal Indian girl of high standing, whose name translated as Raven. Although she died during childbirth a year after their marriage, she left him a son, whom McDonald named Ranald. The boy led a colourful life, and famously became one of the first English teachers in Japan. McDonald also made close friends among the American missionaries who were penetrating into the Columbia region and, at one stage, a missionary couple even lodged with the McDonald family. The missionaries were one of the few other non-aboriginal groups to penetrate into the North American West in advance of its widespread settlement. There was a certain commonality in the situation in which McDonald and his missionary friends found themselves, and this may have bound them together. McDonald was a religious man, and although his adherence to Episcopalianism would have differed from the missionaries’ evangelical religious

\textsuperscript{190} Cole. \textit{Exile in the Wilderness}. pp. 163-164.
preference, their shared Christianity in a largely non-Christian environment would have bound them together on the western frontier land.\textsuperscript{191}

Despite the West’s deficiencies in community and society, it offered McDonald the chance to indulge his passion for botany. Through his employment with the HBC, and his own interest in the field, he was able to meet, form friendships with and assist a number of prominent botanists. One of these was Sir William Jackson Hooker, an important member of the Royal Horticultural Society and professor at the University of Glasgow. He was also a close acquaintance of David Douglas, a Perth and Kinross-born botanist, who catalogued thousands of species in the Canadian West and whose name is commemorated in the naming of the Douglas Fir. Douglas stated that McDonald was ‘a great friend to all travelling botanists…he is one of my best friends.’\textsuperscript{192} On Douglas’s first visit to the Canadian West he accompanied McDonald on a journey up the Snake River, and, en route, McDonald aided him in identifying and cataloguing new species of flora and fauna. McDonald also formed a close relationship with Dr William Fraser Tolmie, a young doctor who was born in Inverness, graduated in medicine from Glasgow University and joined the HBC as a surgeon. Tolmie was a keen amateur botanist, and he and McDonald often discussed botanical issues, as well as other topics, such as the state of their homeland and its politics, literature and even John McPherson’s \textit{Ossian}, which had ushered in a wave of enthusiasm across Britain for an idealised Highland past.\textsuperscript{193}

Aside from botany, McDonald also dabbled in entrepreneurial projects away from the fur trade, proving himself quite resourceful despite the isolation of his life on

\textsuperscript{191} Ibid. pp. 188-191. \\
\textsuperscript{192} Ibid. p. 174-175. \\
\textsuperscript{193} Ibid. pp. 127-129, 171-171.
the frontier. While posted at Fort Langley he recognised the possibility for the
development of a salmon industry and a lumber trade in the region. Working with the
local aboriginal tribes he increased the amount of salmon harvested and, between
August and September, 15,000 salmon were shipped out of the district. He believed
that the Sandwich Islands (Hawaii) would be a good market for the salmon. While his
scheme had Dr McLoughlin’s endorsement, the sinking of the brig *Isabella*, as well as
a viral outbreak at Fort Vancouver, set back his enterprising projects indefinitely.
When McDonald was subsequently redeployed by McLoughlin to Fort Vancouver,
his involvement in these schemes ended.\(^{194}\)

Even in his prolonged period of ‘exile’ in the Canadian West, McDonald
never forget his Highland roots nor his lineage, as is exhibited by the recording of his
*slionneadh* at Fort Langley. McDonald retired from the West in 1844 and made
reference to his place of birth by choosing the name of ‘Glencoe Cottage’ for the large
farm he bought in Carillon Bay, in Glengarry County, which was a centre of Highland
settlement just west of Montreal.\(^{195}\) Predictably, some of McDonald’s male offspring
followed in his footsteps and entered the fur trade. This included Ranald, who joined
the HBC and was posted to British Columbia after returning from Japan. It was a
typical occurrence during the nineteenth century for the sons of fur traders to follow
in their fathers’ footsteps and enter the industry.

Robert Campbell spent his most significant fur trading years in the Yukon, an
environment even more isolated than the location where McDonald was trading in the
Columbia District. The Yukon was an unmapped region of extreme weather

\(^{194}\) Ibid. p. 157-158.

\(^{195}\) Ibid. pp. 131, 224-225.
conditions and spectacular mountain ranges, containing a few, scattered groups of native inhabitants. Campbell explored the Pelly-Yukon River to its source, and he set up the first trading post in the region. The Yukon afforded Campbell and his fellow traders few opportunities for much social interaction aside from meetings with the occasional fur trader and the aboriginal Indian tribes. Despite the fact that Campbell did not pass all of his fur trading years in the Yukon, his entire adult life was spent trading in the West, and he reached his highest station as chief factor of the Athabasca District.

In the spring of 1840 Campbell was appointed by Governor Simpson to follow the Liard River to its source, which passes through Yukon and northern BC. On this journey he remarked in his journal on some of the commonalities between the topography and flora of British Columbia (BC) and areas in the Highlands.

Ranges of mountains flanked us on both sides; on the right the mountains were generally covered with wood; the left range was more open, with patches of green poplar running up its valley and burnside, reminding one of the green brae-face of the Highland Glens.\textsuperscript{196}

The resemblance of areas in the Canadian north and west to parts of the Scottish Highlands was often remarked upon by Highland fur traders. While the Canadian West was certainly on a much grander scale, its mountainous nature and the flora and fauna prevalent in the region reminded many Highlanders of their homelands.

\textsuperscript{196} George Bryce, 1898. \textit{Sketch of the Life and Discoveries of Robert Campbell}. Winnipeg: Manitoba Free Press. p. 10.
Campbell was born and brought up in the rugged environment of Glenlyon, and thus would have had some experience of such a landscape.

Accompanied by a team of ten HBC employees and four aboriginal hunters, Campbell established Fort Selkirk at Lake Francis, Yukon, in 1841. He named the lake after Governor Simpson’s young wife and constructed a house nearby which he entitled ‘Glen Lyon House.’\(^{197}\) The following summer he descended the Pelly River to its confluence with the Pacific Ocean, through another substantial river, which was subsequently named the Yukon River. Campbell made the last of his Yukon explorations in 1851, when he explored the route between Fort Selkirk and Fort Yukon in Alaska. His situation was similar to that of McDonald, except that there were even fewer people of European origin in the region and the HBC presence was far more tenuous. Thus, he was not negotiating with the aboriginal tribes from a position of strength, and considering his isolation, this often made circumstances difficult. Campbell, like Archibald McDonald, showed an interest in botany and catalogued some of the flora and fauna in the region. He also communicated with Sir William Hooker of the Royal Horticultural Society and sent him some plant samples.\(^{198}\)

In desolate Yukon, a region with seemingly few resources to offer men who brought little with them, Campbell had to struggle to establish any foothold for trading, and attempted few projects outside his official duties. Certainly he was not able to exhibit the same resourcefulness as Donald Smith had done when he was posted to Labrador. While he gained recognition for his explorations in the Yukon, his


\(^{198}\) Ibid. p.18.
activities as a fur trader were altogether less successful. The position of Fort Selkirk
conspired against his efforts since the weather was unpredictable and often harsh, and
the natives often proved unfriendly and even hostile in their dealings, going as far as
burning Campbell’s trading post in one attack.199

Due to the lack of profit emerging from the district, Simpson began to lose
confidence in Campbell’s abilities. His continued optimism concerning the possibility
of establishing a successful trade in the Yukon, was offset by the reality of low fur
yields and no profits. James Anderson, in charge of the Yukon district in 1852,
commented that Campbell was a ‘zealous, enterprising man’ with ‘a really estimable
character… but he is mad when he touches on the prospects of [Fort] Selkirk. He has
no idea of economy, method or arrangement and is of course perpetually in
difficulties.’200 Campbell’s involvement with the HBC and the fur trade was finally
ended in 1872 when his contract was discontinued while on furlough in Perthshire. He
spent the following years alternating between Scotland and Manitoba, until he settled
in Canada during the 1880s, living out his final years at Merchiston Ranch, Manitoba.
In 1889, the historian Alexander Begg commented that:

Mr Campbell is still living and enjoys excellent health on his ranch in
Manitoba. His name comes close to the end, in a long list of active and
undaunted men, who from the days of Alexander Mackenzie traversed the
mountains and unknown wilds. It would be difficult to find their peers in
courage and endurance in any service.201

200 Dictionary of Canadian Biography Online. ‘Robert Campbell.’ Available from:
201 Begg. History of British Columbia. p. 133.
When Campbell died five years later he was clearly one of the last pioneering Highland fur traders in the Canadian West, one of the last in a line of the HBC’s great explorers.

The Donald Smith era

While Donald Smith only entered HBC employment some eight years after Campbell, and spent many years in the peripheral region of Labrador, his fur trading career was altogether more successful: It encompassed the transition into a new era in the Canadian West. Following the industry’s ‘golden era’ under George Simpson, Smith emerged as the most significant man of Highland descent within the fur trade in the latter half of the nineteenth century. Although he did not share Simpson’s charisma or his flair for micro-management, he did possess great patience, vision and impressive resourcefulness. His progress up the Company hierarchy was gradual, and it took Smith 26 years in the trade, nineteen of these years in Labrador, to attain the position of chief factor, and a further 22 years before he became the Governor of the Company. In common with Simpson, he showed great respect for the NWC. This respect arose, largely, from the influence of his uncle, John Stuart, who had played a role in the development of the western fur trade. When Smith was later raised to the peerage for his involvement in the construction of the CPR, he took the NWC insignia and its motto, ‘Perseverance’ as his own.

In 1848, after several years of operating as a clerk and trader around the St Lawrence River region, Smith was sent by Simpson, in the capacity of an assistant
trader, to a trading post at Esquimaux Bay, Labrador. Beckles Wilson comments that
‘the self-discipline through which he passed these solitary winters in Labrador made
him the strong man, independent alike in his thinking and acting, that he afterwards
showed himself.’ 202 This statement suggests that Smith developed a great deal of his
resourcefulness and self-reliance when he was out in Labrador, rather than in his early
life in Scotland. While the long years he spent in Labrador proved productive and his
outpost yielded a steady profit, he remained in relative obscurity during this time.

Smith gained the confidence of many of the employees throughout the HBC’s
ranks as a result of his long tenure with the Company and his employment at almost
all levels of operation. Considering that many of the chief factors and traders shared
his Highland background, Smith was considered by many of the field agents to be
‘one of them,’ even when he reached the position of Governor. He was elected to
represent the issues of the winter agents to the Board of Directors in the dispute which
erupted between the chief factors and the London executive over the Deed Poll, which
was negotiated in 1871 following the sale of Rupert’s Land. The new Deed Poll still
allocated 40 percent of the fur trade profits to the managers in the field, but this was
now spread between 100 shares, rather than the previous 85 shares. The chief factors
and traders wanted to ensure they received a share in the £300,000 that the Company
had received for the sale of Rupert’s Land. Robert Campbell attended the negotiations
in London and met Smith there to discuss the issue. 203 Smith helped negotiate the new
Deed Poll which gave the chief factors a share in the profits of all the Company’s
operations except, significantly, land sales. The sum they eventually received for the

203 Ibid. p. 281.
abrogation of the Deed Pole was £75,255 and £31,800 from the Oregon money.204 Many of the factors and traders seemed content with the deal they had received. Chief factor Robert Hamilton commented that ‘Mr Smith fought a hard battle for us, and I do not believe there is a man in or out of the country who would have secured us such terms.’205 But others, such as Roderick McFarlane, felt betrayed by the agreement, believing that they had been duped out of receiving profits from the land sales. They felt that Smith had not put enough pressure on the Board to secure the field operatives the best deal possible. Smith himself later admitted to chief factor James Anderson that he should have pressed the London executive to grant the chief factors a share in the profit of the land sales as well.206

In December 1883, Smith was inducted as a member of the Board of Directors, but he still continued to maintain regular correspondence with many of his colleagues in the field, on both professional and personal terms. He was relied upon for advice and was often willing to provide financial assistance to his friends and colleagues. There were times when the Board was not forthcoming with reparations or the pensions of its officers, and Smith often stepped in to cover the costs himself. On one such occasion he bequeathed £100 to the widow of a clerk who had died after only being employed in the Company for five years. When Smith divided his vast wealth in his will, he included provisions for his fur trading colleagues. In one stipulation he granted certain fur traders a £50 addition to their yearly pensions.207

205 Ibid. p. 194.  
Although Smith was far removed in Canada from his homeland, he maintained connections and provided patronage to his family members back in Scotland and even undertook philanthropic interests there, once he had established his fortune. Smith’s behaviour shows similarity with the actions of Highland NWC traders such as Alexander Mackenzie, Simon McTavish and John Stuart, who preceded him in the fur trade. Like Smith, these men maintained a long standing relationship with their homeland and, in further similitude, purchased property there in later life. Smith provided financial support to his sister and her family back in Scotland and, in addition, also supported his wife’s family in Canada. He bequeathed money to Isabella’s siblings and nephews, and invested their earnings in some of his own ventures. Mary Hardistry, Isabella’s sister, benefited considerably from Smith’s financial support, although Smith became frustrated by her extravagant spending of the allowance he gave her, despite her personal lack of finances. While these actions were aimed towards family, fur traders, friends and associates rather than just Highlanders, the strong Highland element among the officers of the HBC ensured that many of those who benefited from Smith’s financial generosity were Highlanders and Scots.

While the Company had acquired many of the characteristics of the NWC under Simpson, from the 1860s onwards, the fur trade was gradually diminishing and the HBC was losing some of its unique characteristics. In 1869, when Rupert’s Land was sold to the Canadian government, the Company began making an increasing amount of profit from its land sales in the West, rather than from the fur trade. Its role in administering the people within the Canadian West effectively ended with its sale.

of the land. Smith’s impact on the fur trade was not as dramatic as Simpson’s had been. His superiors were often frustrated with his ‘slovenly’ book-keeping, and Simpson repeatedly advised Smith to improve this aspect of his operation.\textsuperscript{209} However, the trading posts of which he had charge yielded steady profits, and his conviction that the HBC would need to diversify its activities in order to survive the changing nature of the West, coupled with his own personal adaptability and resourcefulness, made his experience in the Company an interesting embodiment of the changing nature of the trade during the course of the nineteenth century. His ascent to its zenith was not merely due to his achievements and influence within the HBC, but was also affected by his success in building the CPR and accumulating vast wealth through his other ventures.

\textbf{The extent of Highland networking and influence within the fur trade}

Men of Highland origin wielded significant influence in the fur trade from the late 1700s and throughout the nineteenth century. A Highland element dominated the NWC from its inception and, through the Company, played a leading role in extending the fur trade and the known West all the way to the Pacific coast. Many of the prominent traders of the Company emerged from the tacksman class in the Highlands. These men were ambitious and, combined with their superior levels of education and social capital, were well equipped to assume a leading role amongst the emigrants and fur trading entrepreneurs. Distinct Highland characteristics and traditions were evident throughout the NWC, and its Highland partners and traders often flaunted their cultural heritage. This was evident through the image they

\textsuperscript{209} Ibid. p. 49.
presented to the aboriginal Indians, the relationship they cultivated with their subordinates in the fur trade, and through the activities of the Beaver Club. There was often a preference amongst the Company’s partners to offer employment to their own kin, and this, along with the other elements, gave the NWC a clan-like structure. However, this may have led, on occasion, to those with superior ability being subordinated in favour of employing those possessing familial connections.

The Highlanders within the NWC often held strongly to their homeland identity. This is clear from a study of Alexander Mackenzie who, despite achieving wealth and renown from his activities in the fur trade, maintained his Highland identity, and resettled there after retiring. The strong maintenance of his Highland identity, which was also true among many of his partner NWC traders, may be explained by the strong Highland tradition from which they were emerging, the Highland character of the NWC, which encouraged the maintenance of a Highland identity, and also the lack of a strong Canadian identity at the time to displace or contest their homeland identity.

Highlanders were also prominent in the HBC, although they never dominated the Company in the way they had in the NWC. The success of Highlanders within the NWC influenced their recruitment into HBC ranks, and, in addition, the older Company incorporated quite a number of the policies and traders of the NWC, particularly through the efforts of George Simpson. During the early nineteenth century, young men of tacksman families were still entering the fur trade and HBC employment and, as in the case of Archibald McDonald and Robert Campbell, they continued to have a significant impact on the administration and expansion of the fur
trade and the development of the Canadian West. Both men exhibited an awareness of their Highland heritage and had extensive contact with other Highlanders through the fur trade and also through their interests outwith the industry. However, in contrast to Alexander Mackenzie and Simon McTavish of the NWC, who purchased property in Scotland, both McDonald and Campbell purchased land, and lived their final years, exclusively in Canada.

Donald Smith helped to guide the HBC into a new era, which saw the Company both maintain a significant Highland element and lose its unique status as the overseer of the Canadian West. The experiences of Donald Smith contrast with all the other fur traders previously discussed in that his greatest achievements occurred outside the fur trade. By the time Smith had reached the zenith of the Company as governor, the HBC had lost most of its former prestige and the administrative role it once assumed, and it was no longer the dominant corporation in the West. It was still symbolically important, but the CPR, which Smith helped found and finance, usurped its role as the most powerful Company in Canada. Smith was operating during the transition between two stages in the history of the West and ultimately his business interests, as the following chapter demonstrates, expanded beyond his involvement with the HBC. His social-networking patterns also expanded to include many individuals outside the Highland and Scottish community.
Chapter V
Highland Entrepreneurs in the Canadian Pacific Railway

Introduction

The completion of the Canadian Pacific Railway (CPR)\textsuperscript{210} in 1885, along with the confederation of the Canadian colonies in 1867 and the incorporation of Rupert’s Land in 1869, was one of the three great events which heralded the unequivocal beginning of a new era in the Canadian West. The railway was an impressive feat of engineering and construction: the line stretched 2906 miles from Montreal to its terminus in Vancouver, and the extension to Halifax, Nova Scotia, added another 756 miles of track.\textsuperscript{211} As well as covering a vast distance, the CPR had to navigate some challenging and treacherous terrain. The engineers overseeing the railway’s construction had to oversee the line’s negotiation through the barren, rocky landscape of northern Ontario (Upper Canada) and the vast Rocky and Selkirk mountain ranges. The challenges presented by construction were paralleled by the equally challenging feat of financing the massive project.

At its formation in 1881, the CPR became not only the largest company in Canada, but one of the biggest companies in the world. Its creation enabled the convenient crossing of Canada overland and facilitated the rapid settlement of the West. The Company usurped the position of the HBC as the primary corporation in the Canadian West and played a dominant role in Canadian politics during the latter

\textsuperscript{210} During this chapter, the Canadian Pacific Railway will be referred to as the Canadian Pacific, the CPR, the transcontinental line and the transcontinental railway.

The Canadian Pacific Railway in 1885

years of the nineteenth century. The CPR traversed territories which had been opened up by the fur traders, and some of the key figures involved with the railway were former employees of the HBC, many of whom possessed some Highland, or at least Scottish, heritage. Donald Smith, a member of the original CPR syndicate, serves as a striking example of a man who wielded great influence in both the HBC and the CPR. He played a significant part in the transformation of western Canada from a frontier land to a new clutch of provinces, and many of the significant events which occurred in nineteenth century Canada bear the stamp of his involvement.

Despite the links between the two businesses, the CPR proved to be quite a different organisation from the fur trading companies. In this new era, with new trading priorities, Highlanders were certainly not as numerous as they had been, proportionally, in the fur trade. The CPR was a gigantic venture, which required a workforce far larger than had been employed by either the NWC or the HBC. The Company’s employees emerged from very diverse backgrounds, including inhabitants of eastern and western Canada, Scots, aboriginal Indians, Americans from the United States and a huge group of Chinese immigrant workers.

This chapter analyses the extent of Highland influence and penetration within the CPR, as well as the correspondence and networking which took place among these Highlanders. In the first section a context is established for the CPR. A description is given of the state of the Canadian West at the advent of the CPR. Further context for the actions of the entrepreneurs is then provided by means of an account of the history of the CPR from conception to completion. With the background of the entrepreneurs’

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involvement with the CPR established, the next section considers the key relationship between Smith, Stephen and Sir John MacDonald, the first Prime Minister of the Dominion of Canada. The three men played a fundamental role in the completion of the CPR and the impact of their Highland origins on their successful collaboration is examined. The focus is then shifted to the Highland elements within the CPR’s ranks. An analysis is undertaken of the extent to which these elements were still associating with other Highlanders and, also, harnessing their Highland heritage to benefit their economic interests. Comparison is made between the penetration and networking of Highlanders in the CPR and in the fur trading companies, and consideration is given to whether Highlanders were more significant among the upper or lower echelons of the company – or not at any particular level at all.

A ‘new era’ in the Canadian West

The construction of a transcontinental railway was one of the primary demands made by the province of British Columbia (BC) when it agreed, on 20th July, 1871, to join the Canadian Confederation. Prior to the CPR, the huge distance across Canada had to be navigated overland on foot, by horse and canoe. Traversing the landmass to the Pacific Coast took months of exhausting travel through harsh conditions and difficult terrain. Even for a seasoned fur trader the journey could be an exceedingly taxing one. The difficulty of travelling in the West, coupled with its low state of development and the vast distances, were discouragements to settlement and the establishment of most trades. A transcontinental railway was a necessity in order to bring about the true incorporation of the West into Canada, and to make the vast area more accessible for development. The Canadian government, following BC’s
entry into Confederation, theoretically held sway over the new nation from the Atlantic to the Pacific Coast, but the infrastructure was not yet in place to fully control the western and northern regions. It was in the fledgling nation’s express interest to settle and develop the West, particularly in light of the economic and territorial expansion which was taking place south of the border in the US. Fear had been building throughout the course of the nineteenth century that Canada’s southern neighbour would attempt to annex the North-West, and this threat became more pertinent as the development of new strains of wheat made it an increasingly attractive export commodity in the late nineteenth century.\textsuperscript{213} Regions of the West could support vast cultivation of the crop.

The fur trade’s domination of the Canadian West had severely diminished by the time the CPR was constructed in the 1880s. Fur yields had been declining since the mid-nineteenth century and the trade lacked the strong leadership which George Simpson had provided.\textsuperscript{214} The HBC was no longer the great imperial venture it had been in the past. Despite having sold Rupert’s Land to the Canadian government, the Company still owned significant territories in the Canadian West: 50,000 acres surrounding its trading posts, and a twentieth of the land in western Canada’s ‘Fertile Belt’ of the North Saskatchewan River Valley.\textsuperscript{215} It became increasingly obvious to some of the more perceptive elements in the HBC that the Company could make more capital if it began selling its western lands to speculators and settlers. Donald Smith was one of those who had foreseen the inevitable decline of the fur trade and the

equally inevitable settlement of the Canadian West. Tucked away in the north-eastern
territory of Labrador, he was not as hostile to settlement as some of his western
contemporaries. In 1874, having performed rather indifferently as the Canadian Fur
Commissioner, he was appointed to the newly created position of Land
Commissioner. In this capacity he was given responsibility for the promotion and
management of the HBC’s land, particularly with relation to the western provinces.
His occupancy of this position may have led to his enthusiasm for emigration, which
later became very evident during his tenure as the Canadian High Commissioner in
London. Utilising his inside knowledge of the fur trade and the West, there can be
little doubt that Smith and some of his contemporary HBC officers carried out ‘inside
trading,’ buying up and selling HBC land to make a tidy profit. Smith cunningly
invested his fellow employees’ money, and used some of the surplus to buy shares in
the Company, slowly increasing his influence.

The announcement in 1881 that construction would commence on the
transcontinental railway sparked real estate fever throughout the West, and nowhere
did it ignite more firmly than in Winnipeg, Manitoba. The West’s most significant
frontier town experienced a real-estate boom of unprecedented proportions between
1881 and mid-April, 1882. The town had developed from the Red River Settlement,
which had been a fur trading gateway to the West, and, with the construction of the
CPR, Winnipeg assumed a similar role in the ‘new era.’ Highlanders such as
Archibald MacDonald, and the group of Sutherlanders he led, had helped establish the
original settlement, and Smith had extensive contact with the settlement and city: he

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Brydges 1879-1882, Hudson's Bay Company Land Commissioner*. Winnipeg: Hudson's Bay Record
Society. p. xlin.
represented the province of Manitoba in the Canadian Legislature and even owned a
house, Silver Heights, in the vicinity of the developing city. During the real-estate
boom, land prices tripled or more, and fortunes were made and lost in a matter of
months. On the town’s main street the price of lots rose as high as $2,000 for a street
front foot in choice locations, a price that was not to be reached again until the late
twentieth century.218 Some speculators, such as Arthur Wellington Ross, a former
school teacher and inspector, and Irishman Jim Cooligan, accumulated vast wealth in
a short space of time. Others, however, ended up almost destitute when the boom
collapsed in mid-1882.219 The boom and bust of early land speculation was not,
however, completely symptomatic of the general trend of western development during
the latter years of the nineteenth century. The onward march of settlement and
development was occurring all over the West.

The CPR played a leading role in the encouragement and realisation of this
process. The syndicate which constructed the railway was granted 25 million acres of
land by the Canadian government to sell off as it saw fit in order to raise capital.220
The land was located in the province of Manitoba and further west, in the vicinity of
the CPR line as it traversed the continent. The Company partnered with the Canada
North-West Land Company in order to encourage settlement and sell this land.221
Through the location of stations, the CPR exercised a significant influence over which

p. 66.
219 Ibid. 76-78.
220 Dictionary of Canadian Biography Online. ‘George Stephen.’ Available from:
[accessed on 10 May 2006].
The CPR West: The Iron Road and the Making of a Nation. Vancouver: Glenbow-Alberta
Institute. p. 91.
towns and communities prospered during this period and which areas became attractive for settlement, providing the land was also fertile to encourage settlers.222

Cities such as Vancouver and Calgary only really expanded beyond frontier township status after they received a CPR connection. Max Foran, in his essay on the effect the CPR had on the development of western settlements, states that ‘Vancouver’s rapid development after 1887 was almost entirely due to the CPR and its plan to make the city a major gateway for international development.’223 In 1885, Vancouver was known as Granville and contained fewer than 300 inhabitants. The town’s prospects improved considerably when the CPR decided to establish its western terminus, and its connection to the eastern trade, at the town. The settlement was renamed after George Vancouver, a British Royal Navy officer who had explored and mapped the Pacific Coast a century before, and, by 1887, its population had burgeoned to 5000 inhabitants.224 Between 1881 and 1891 the town’s population increased by 100 percent,225 and by 1915 it was a fully fledged city, containing 100,000 residents.226 As well as an increasing population, greater infrastructure and trade arrived with the CPR. The mineral and lumber resources in the western provinces became more accessible for exploitation, and these industries grew rapidly. Considering that a greater population in the West would result in greater usage of the line, and being well aware of the fact that they were raising a huge amount of capital from land sales, the CPR’s management embraced and encouraged the rapid settlement of the West.

222 Ibid. p. 96.
223 Ibid. p. 98.
224 Ibid. pp. 93-94.
The settlers who flocked to the West during the latter years of the nineteenth century came from a variety of backgrounds. Some emigrated from eastern Canada, others from the US, Great Britain, Germany, and even Eastern Europe. While Highlanders and other Scots were a relatively small minority in the total number of settlers entering the West, they continued to play a significant role in many facets of development and administration. Their involvement in the western provinces was not solely restricted to their affiliation with the CPR or the HBC, for they were also active in the lumber, coal, iron and wholesale industries, as well as being conspicuous among the politicians of the region.227

The CPR from conception to completion

D’Alton C. Coleman, President of the CPR between 1942 and 1947, asserted:

History records only one instance of a great nation springing almost overnight from struggling childhood to full manhood through the construction of a railway line. That nation was Canada, and the railway was the Canadian Pacific.228

On its completion in 1886, the CPR provided an enduring and binding link from the colonised and industrialising East, all the way across the Prairies, the future “bread basket” of Canada, through the Rocky Mountains, with their wealth of natural resources and recreational possibilities, and finally to the Pacific Coast, an area with

the potential to develop into a Canadian entrepot for trade with Asia. The construction of the railway was championed by the Canadian Dominion’s first Prime Minister, Sir John MacDonald, who was born in Scotland of Highland parentage, and it was overseen by a Montreal-based syndicate which included two prominent businessmen and cousins, who like MacDonald, were of Scottish birth and Highland background: George Stephen and Donald Alexander Smith.

Prior to examining the significant role these men played in creating the transcontinental line, it is necessary to provide a brief overview of the CPR’s planning and construction. The idea of a transcontinental railway was publicly predicted in 1858 by Alexander Morris, later Lieutenant Governor of Manitoba. He asserted: ‘I…believe that a line of railway will yet pass up the Ottawa Valley, and present, through British territory, a highway to the Pacific.\(^{229}\)’ Construction of such a line, however, did not emerge as a serious consideration until British Columbia joined the Confederation in 1871. MacDonald agreed to the necessity of a transcontinental line and, henceforth, devoted a great deal of his effort and policy to making the connection a reality. His enthusiasm for the idea stemmed from a desire to see a rapid and enduring transport link across Canada, and to increase the accessibility and population of the West, in order to prevent American influence, or even annexation.

MacDonald’s enthusiasm and commitment initially led him to encourage an offer backed by the Scottish-born shipping tycoon Sir Hugh Allan. Disastrously for MacDonald, however, this bid not only proved to be backed in the main by American interests, but also resulted in scandal when the press uncovered that MacDonald had

promised Allan the presidency in exchange for party donations.\textsuperscript{230} The result was the infamous Canadian Pacific Railway Scandal, which led to MacDonald’s resignation and the collapse of his Conservative government. Another result was a bitter rift between himself and Smith, who, as the elected Conservative representative of Manitoba, had refused to back MacDonald over the scandal.\textsuperscript{231} Despite these setbacks and the wary approach to the project adopted by the succeeding Liberal administration,\textsuperscript{232} headed by Alexander Mackenzie from Perthshire, the vision of a transcontinental railway finally became a reality when MacDonald began his second term as Prime Minister in 1878.

The CPR Syndicate, led by George Stephen, was finally given the contract to construct the transcontinental line in 1881.\textsuperscript{233} Its completion, a mere five years later, brought a successful conclusion to the project which had provided MacDonald with his greatest humiliation and triumph. Stephen, by this time, had established himself as a leading financier in Canada, and from his humble roots in Croftglass, Banffshire, had risen to become President of the Bank of Montreal. He headed the syndicate of seven members, which also included: James Jerome Hill; Richard B. Angus; Duncan McIntyre; John S. Kennedy and his New York investment firm, John S. Kennedy and Company;\textsuperscript{234} the financial firm of Morton, Rose and Company; and the German firm of Kohn, Reinach and Company. Smith was, of course, heavily involved from the outset, his early interest being influenced by the railway’s possible emergence as an

\begin{thebibliography}{99}
\bibitem{232} Lamb. \textit{History of the Canadian Pacific Railway}. p. 52.
\bibitem{233} Stephen’s proposal was seen as favourable largely because it was a Canadian based offer and Stephen offered to pay the money borrowed in profits after the CPR was constructed. The consortium would not receive its profits would until after the railway was completed.
\end{thebibliography}
alternative to the HBC’s shipping line. However, his name was initially omitted from
the official membership, due to MacDonald’s hostility towards his involvement.

The CPR Bill was pushed through parliament by MacDonald and his
Conservative administration on 15 February, 1881, and it granted Stephen’s syndicate
a capital sum of $25 million and a land grant of 25 million acres. The capital sum
was substantial but proved insufficient to cover the huge costs incurred, and financial
troubles plagued the railway until its completion. The terrain also presented
significant obstacles to be overcome. The search for a navigable route north of Lake
Superior, and its subsequent construction, constituted an extremely impressive and
taxing feat of railway building. Engineers and navvies of Highland descent were
heavily involved in this stage. The sections of the CPR which traversed the Rocky and
Selkirk mountains also presented a serious challenge. James Ross was in charge of
construction through these sections and was taxed mentally and physically almost to
the point of resigning before completing his section. Mere months before the
completion of the railway, there had still been uncertainty surrounding its future.
Surety of completion was finally achieved through a combination of factors: brief
financial respite offered by the government; the quelling of the North-West Rebellion,
which demonstrated the efficiency and usefulness of the railway to the government
and populace of eastern Canada; and long-awaited British interest, spearheaded by the
purchase of CPR shares by Barings Bank. The achievement of support from within
the City, and its importance to the CPR’s survival, reinforces Cain and Hopkins’s

236 Eric H. Malcolm, 2003. Heroes…And others who left Cromarty for even Wider Skies. Inverness:
Cromarty Courthouse Publications. p. 41.
The settlement of the CPR’s financial worries prompted Stephen to telegraph Smith the famous phrase ‘Stand Fast, Craigellachie!’ This was the rallying call of Clan Grant, the clan which had dominated Strathspey, the part of the Highlands from where Stephen and Smith’s families originated. The telegram would have passed through the hands of numerous clerks before reaching Smith, but the meaning of the message would have been indecipherable to anyone but Smith. With financial matters in order, the CPR rushed towards completion, under the watchful eye of General Manager of Construction, Cornelius Van Horne. Van Horne chose the name Craigellachie for the point at which the lines met from the east and west, obviously as a homage to both Stephen and Smith’s origins. A ceremony was held on 7th November, 1885, to celebrate the CPR’s completion, at which Smith famously nailed in the last spike. Stephen, still occupied by business interests, was not able to attend.

**Smith, Stephen and MacDonald: A Highland Triumvirate?**

The successful completion of the railway was due in no small part to the cooperation and commitment of three notable men of Highland descent: Donald Smith, George Stephen and the Prime Minister, Sir John MacDonald. While Smith and Stephen committed their personal fortunes to the railway’s success, MacDonald staked his substantial political career. Stephen acted as the primary financier and the leader of the syndicate. Smith was a powerful and reliable partner to Stephen, who, as

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well as playing a significant role in financing and promoting the CPR, could also
draw on his knowledge and influence in the HBC. MacDonald, as the Prime Minister
of Canada, obviously possessed substantial political authority and his support for the
CPR syndicate was unwavering. When the transcontinental line got into financial
difficulties he was centrally important in pushing bills through parliament which
ensured some respite. In the context of this section, the question to be answered is
whether the three men’s shared Highland ancestry was an important aspect of their
cooperation on the CPR.

Firstly, these were not simply three men of Highland origin who banded
together solely as a result of their shared heritage. By the time they cooperated on the
CPR, each man had achieved considerable standing, in political or business spheres,
or both, in the case of Smith. One point of differentiation among the three was that,
while Smith and Stephen became very wealthy men, MacDonald, despite his
prominent position, or perhaps as a result of it, never accumulated a great deal of
wealth. Upon his death, he left very little capital to his wife and other relatives, and
indeed Smith contributed substantially to their upkeep.239 In terms of personality, the
three were quite different: Stephen was intense and often volatile; Smith was calm
and resourceful; and MacDonald was calculating, passionate and sociable.240
Certainly none of them flaunted their Highland origins in quite the manner the NWC
partners had. They lived in a different era, with different interpretations of their
Highland background and different ways of establishing their social legitimacy.
However, their shared heritage may have appealed on a personal level and engendered
a certain understanding during the most trying periods of the project. The relationship

Dundurn Press. p. 211.
between the three was not always stable or even cordial, but it did yield results important to both the West and Canada as a whole.

Prior to analysing the interaction between the three men, it is necessary to give some account of MacDonald’s life and influences. Like Smith and Stephen, he was not educated in the Highlands and, in fact, his childhood was spent much further removed from the region than the cousins. He was born in Glasgow to Hugh Macdonald and Helen Shaw, on either the 10th or 11th of January 1815, although both of his parents were of Highland extraction. His father was born in Dornoch, Sutherland, to a family of small farmers and traders from Rogart. He relocated to Glasgow to pursue his fortune in the mercantile trade. Helen, who came from a family of soldiers, originated in Inverness-shire and was brought up in Dalnavert, Strathspey. In common with Smith and Stephen, MacDonald had connections to Clan Grant, on his mother’s side. When MacDonald reached the age of five, his father relocated the family to Kingston, a town of reasonable size and the capital of Upper Canada. At the time of their arrival, Kingston possessed an influential Scottish Presbyterian community, which utilised St Andrew’s Presbyterian Church as its primary place of meeting. From his arrival, MacDonald was immersed in this community. Donald Creighton, a biographer of MacDonald, commented that if ‘family was the first important association in MacDonald’s life; the second was the

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241 The date of his birth is subject to some contention, it could either have occurred on the registered date of the 10th of January 1815, or on the 11th January, the date MacDonald and his family celebrated.
242 Rogart, a small community in Sutherland, has a plaque to commemorate MacDonald’s ancestry in the area.
245 Ibid. p. 398.
Scottish community in Kingston.\textsuperscript{247} Between 1827 and 1828, he attended the Midland District Grammar School, and also a private co-educational school in Kingston, where he studied Latin, Greek, arithmetic, geography, English reading and grammar, and rhetoric. Both these schools were run by members of the Scottish community.\textsuperscript{248} Thus, although MacDonald’s formative educational years were not spent in the Highlands, his education still took place among fellow Scots, and probably followed a Scottish curriculum. Indeed, his education seems to have been similar to that of Smith, who was also educated in similar subjects, and initially studied law before emigrating.

MacDonald’s legal career began in 1830, when, at the age of 15, he became a clerk in the law office of George Mackenzie, a prominent Kingston lawyer and a leading member of the town’s Scottish community.\textsuperscript{249} The future Prime Minister quickly proved himself to be a valuable asset to Mackenzie’s office, and in 1833, at the age of 21, he was sent to manage a branch office in Napanee, Ontario.\textsuperscript{250} The following year was an important one in MacDonald’s life. Tragedy struck when Mackenzie died during a cholera epidemic, but MacDonald’s legal career flourished and he was admitted to the bar that year, setting up his own office in Kingston. An enthusiastic worker and voracious reader, MacDonald was also a keen social networker, and during this period he was a member of the St Andrew’s Presbyterian Church, the St Andrew’s Society and the Orange Order, amongst other societies.\textsuperscript{251}

\textsuperscript{247} Creighton, \textit{The Young Politician}. p. 27.
\textsuperscript{248} Ibid. p. 17-18.
\textsuperscript{249} Swainson, \textit{Sir John Alexander MacDonald}. pp. 21-23.
\textsuperscript{250} Ibid. p. 23.
\textsuperscript{251} Ibid. p. 25.
In 1844, MacDonald’s political career began in earnest. That year, he was elected as the Conservative representative for Kingston in the Legislative Assembly of the Province of Upper Canada. His political affiliation was unsurprising, considering that his friends, business associates, relatives and the Kingston Scottish community\textsuperscript{252} were, almost without exception, Conservative supporters.\textsuperscript{253} His skill as a shrewd politician was evident through his steady rise in the ranks of the Conservative Party. In 1847, he was appointed the Receiver General of Upper Canada, and in 1854 he was elevated to the position of Attorney General.\textsuperscript{254} During the 1860s, MacDonald emerged as a firm supporter of Confederation. His commitment to the idea, coupled with his practical approach to politics, led him to ally with George Brown, his staunch Liberal rival, to make the confederation of the Canadian colonies a reality.\textsuperscript{255} When Confederation was achieved in 1867, MacDonald emerged as the Dominion of Canada’s first Prime Minister, in partnership with George Etienne Cartier, who represented the French-Canadians of Lower Canada. However, it was not until four years later, when British Columbia (BC) joined the Confederation, that his involvement with the CPR began. MacDonald’s dedication to the construction of the line was a very trying policy for both himself and his party. However, in the long run, his support for the project proved to be beneficial to his own reputation and critical to the Dominion’s growth.

The first contact between MacDonald and George Stephen occurred through their mutual friend John Rose, who was a native of Aberdeenshire, a partner in

\textsuperscript{252} Creighton. \textit{The Young Politician}. p. 38.
\textsuperscript{253} Ibid. p. 25.
\textsuperscript{254} Collections Canada. ‘The Right Honourable Sir John Alexander MacDonald.’ Available from: http://www.collectionscanada.ca/2/4/h4-3025-e.html [accessed on 15 April 2007].
\textsuperscript{255} Swainson. \textit{Sir John Alexander MacDonald}. p. 64-66.
Morton, Rose and Company and another future collaborator on the CPR. The pair quickly developed a mutual respect and a keen awareness of each other’s potential usefulness. Both men were established in their respective spheres by this stage and there remains little doubt that they must have perceived the benefits of their affiliation. Creighton comments as follows on their initial relationship, ‘MacDonald got to know him well, though not with any affectionate intimacy; and their acquaintanceship… continued uneventfully until it began to be affected… by… a close family relation of Stephen’s… Donald A. Smith.’ Smith first met MacDonald on 29 August, 1869, and their meeting was facilitated by Stephen. During the Red River Rebellion of 1869, Stephen recommended Smith to Macdonald as a knowledgeable fur trader, ‘well acquainted’ with the fur trade in the West, who could act as a negotiator on behalf of the Canadian government in its dealings with the embattled settlement. Stephen was, of course, stretching the truth: Smith had spent decades out in Labrador, but had very little contact with the western trade and had never previously visited Red River. MacDonald, however, was suitably impressed by Smith and quickly appointed him to the position of Canadian Commissioner to Red River.

Stephen, affectionately termed ‘Boss’ by some of his inner circle of friends, maintained regular correspondence with MacDonald, both in private and through official channels. It certainly proved useful for the President of the CPR to have such direct access to the Prime Minister, and there can be little doubt that their close acquaintance, coupled with Stephen’s impeccable financial reputation, was one of the

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259 McDonald. *Lord Strathcona*. pp. 147-149.
reasons MacDonald maintained high confidence in the CPR syndicate. As Donald Creighton expressed it, ‘He counted upon Stephen, and Stephen did not fail him.’

Unsurprisingly, the majority of Stephen’s letters to MacDonald turned to a discussion of the financial state of the CPR and the necessity of obtaining increased governmental aid. Both men were under immense pressure to deliver on the promise of a transcontinental railway: Stephen spent a great deal of his time contending with investor apathy and spiralling construction costs; and MacDonald had to balance the needs and demands of the CPR with the political climate of the time. The costs of the transcontinental railway were under close scrutiny by William Blake and the Liberal opposition, and many of the newspapers were ready to pounce on any seeming uncertainty concerning the line. The bills MacDonald pushed through parliament procuring financial aid to the CPR, such as the 1884 CPR Loan Bill, were heavily contested, but proved vital to the railway’s survival.

Smith, Stephen and MacDonald were all significantly involved with the railway from its outset. However, during the first two years of the project MacDonald’s correspondence was exclusively with Stephen. MacDonald and Smith were still on bitter terms following their dispute over the Canadian Pacific Scandal, which had led to the collapse of MacDonald’s administration and Smith’s resignation from the Conservative Party. After this event, the two men clashed repeatedly throughout the 1870s, MacDonald contesting any proposal Smith brought before Parliament. MacDonald asserted that ‘he deplored this disposition to cherish a grudge, humorously attributing it to a Highland strain in his blood.’ Perceiving their

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262 Ibid. p. 374.
mutual hostility to be a setback for the CPR and a needless irritant to both men, Stephen mediated a reconciliation between them in February, 1884. Although, Smith had been named an official member of the syndicate since 1883, perhaps signalling some of the ill feeling had dissipated before then. The reconciliation, back to amiability, can be seen in the letter of recommendation that MacDonald wrote to the Governor-General, the Marquis of Lansdowne, concerning the granting of a knighthood to Smith for his role in the CPR:

> Mr Smith has never ceased to interest himself, by personal exertion and pecuniary expenditure, in the development of the great north-west, and there and elsewhere in Canada, has been a benefactor to various useful and benevolent institutions.

All three men maintained an active interest in their homeland, especially the cousins. Smith and Stephen regularly visited Scotland in their latter years. Both were also considerable philanthropists and, as well as making substantial contributions to Canadian causes, they also invested money in their home towns. Like the Highland fur traders who had preceded him, Smith purchased lands back in the Highlands: an estate in Glencoe and the islands of Colonsay and Oronsay. The house in Glencoe was bought to ‘commemorate Donald’s marriage to Bella and to provide a Scottish base to future generations.’ In keeping with Smith’s combination of national

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268 Ibid. p. 459.
269 Ibid. p. 220.
influences, and his wife’s Canadian origin, however, his Glencoe estate was landscaped to resemble Lake Moraine in the Canadian Rockies. Reference can also be found to Smith’s dual Highland and Canadian identities in the title he chose for his peerage: Lord Strathcona and Mount Royal, of Glencoe in the County of Argyll and of Mount Royal in the Province of Quebec and Dominion of Canada.

A note of qualification might be made, however, on these seeming expressions of Smith’s Highland affiliation. The possession of a Highland estate, for deer stalking and fishing, was in vogue among the English and Lowland gentry during the latter years of the nineteenth century. Smith’s purchase of an estate in the Highlands was not out of the ordinary for those of the class to which he now belonged. His choice of ‘Strathcona’ as his title and the inclusion of Glencoe can also be questioned. Strathcona was the term James MacPherson gave to Glencoe is his fictional work, Ossian, and whilst Smith owned an estate in Glencoe and included the region in his title, he had no ancestral affiliation with the area. However, despite these qualifications, Smith did have Highland ancestry. He had a long history of involvement with the fur trade and having witnessed his uncle, John Stuart, leave the trade and resettle back in Scotland, his purchase of a property in the Highlands and the representation of a Highland locality, even an invented locality, in his title, may be seen as an extension of the actions of men such as John Stuart, Alexander Mackenzie and Simon McTavish. Stephen, in contrast to Smith, included Dufftown, the location of his upbringing, and Mount Stephen in British Columbia, as the places named in his peerage: Lord Mount Stephen of Mount Stephen, British Columbia, and Dufftown,

270 While the Glencoe estate has passed out of Smith’s descendants’ hands, the island of Colonsay still remains in their possession.

Banffshire. Ultimately, both men spent their final years in Britain, with Stephen purchasing Brocket Hall and Smith leasing Knebworth, both in Hertfordshire, and spending their summer months in Scotland. Their residence in England during the latter part of their lives, the manner in which they conducted themselves there and the circles in which they socialised, conforms quite closely to Cain and Hopkins’ view that:

‘the minority who amassed fortunes on a par with those made from land or in the City often adopted gentlemanly life-styles and attitudes, becoming incorporated into a system created by others rather than devising a distinctive and prestigious social presence of their own.’

As a founding father of the Dominion of Canada and having been brought up among the Scottish community in Canada, MacDonald’s first affiliation was with the fledgling nation. Over and above this he was committed to keeping Canada as an active member of the British Empire, and was keenly aware of his Highland and Scottish heritage. When he died in 1891, he was buried in Kingston, the town of his upbringing among Scots and Canadians.

Considering the period in which Smith, Stephen and MacDonald cooperated, and MacDonald’s birth and upbringing among ‘Scotsmen’ rather than ‘Highlanders,’ it could be asserted that their shared ‘Scottish’ ethnicity, and their Highland ancestry

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over and above that, acted as a social glue between them.\footnote{Creighton. \textit{John A. MacDonald}, p. 398.} They also shared a similar educational experience and political views, coupled with their powerful social standing, which made their association a partnership of equals. While their heritage may have influenced their initial meeting and may have surfaced in their subsequent dealings, their individual competence and their shared desire to see the construction of a transcontinental railway, were perhaps the most instrumental aspects of their successful relationship.

\textbf{The CPR Syndicate: A Scottish concern?}

Robert Ritchie, who served as the CPR’s President and CEO between 2001 and 2006, claims that the Company has a ‘Scottish Heritage.’\footnote{Greg McDonnell, 2003. \textit{Canadian Pacific: Stand Fast, Craigellachie!}. Toronto: A Boston Mills Press Book. p. 7.} This is a heritage, Ritchie adds, that he ‘proudly shares with the CPR’s founding fathers.’\footnote{Bryce. \textit{The Scotsman in Canada}, Vol. 2. p. 347.} Having discussed the interaction between Smith, Stephen and MacDonald, and the significance of their shared Highland ancestry to the relationship, this section considers some of the other members of the original CPR syndicate, particularly those who had Scottish heritage and were regular business partners to Smith and Stephen. Though Smith and Stephen were the only two members of the original syndicate who had Highland parentage, if the category is broadened to admit those of Scottish origin in general, a dominant element emerges. Despite being a determinedly Canadian venture, James Jerome Hill, of Scottish-Irish ancestry,\footnote{Bryce. \textit{The Scotsman in Canada}, Vol. 2. p. 347.} was the only Canadian-born member of the original seven, and he was based in St Paul, Minnesota. Three of the other members, Richard B. Angus, Duncan McIntyre and John Kennedy, a
Lanarkshire-born New York-based financier, were born in the Scottish Lowlands.\textsuperscript{278} In the railroading industry it was often necessary to look beyond ‘local’ networks to establish business partnerships and attract investors. However, the fact remains that the early CPR contained five Scottish-born members. While the Company clearly was not as dominated by Highlanders as the fur trade had been, if the Scottish identity is factored, then Scots and their descendants were evidently playing a significant role in the Dominion of Canada, even in this ‘new era.’

James J. Hill and Richard B. Angus were the two CPR members closest in business interests and friendship to Stephen and Smith. The four men corresponded regularly in private and had undertaken successful business collaborations prior to the CPR. Smith first encountered Hill in 1870, before he set out for the Red River Settlement to negotiate with Louis Riel. On his return journey he again met Hill, this time while both were travelling by dogsled during a harsh blizzard, and the two men agreed to remain in contact. Hill was based in St Paul, Minnesota, and had been travelling to the Red River region to explore trading possibilities between the settlement and St Paul.\textsuperscript{279} He already possessed profitable interests in the steamship business along the Red River and his chief rival in the region was the Quebec-born, former fur trader, Norman Kittson. The two eventually reconciled their differences and partnered to form the Red River Transportation Company.\textsuperscript{280} This company signed a transportation agreement with the HBC through Smith, and this constituted the first business transaction between Smith, Hill and Kittson.

\textsuperscript{278} Gilbert. \textit{The End of the Road}. p. 47.
\textsuperscript{280} McDonald. \textit{Lord Strathcona}. p. 204.
The possibility of the extension and development of the St Paul and Minneapolis Line to Manitoba was perceived by both Smith and Hill. The line may have been poorly run and debt ridden, but it had massive potential for improvement and profit. Smith secured Stephen’s involvement and he, in turn, brought Robert Bladsworth Angus, a colleague and friend from the Bank of Montreal, into the syndicate. Stephen’s initial scepticism over the venture gave way to enthusiasm when he actually visited the region with Smith and Hill. Thenceforth, Hill also became a close friend and business associate of Stephen’s and the cooperation among the three, along with Angus and Kittson, on the St Paul, Minneapolis and Manitoba Line eventually made all five men millionaires. These men, excluding Kittson, but including Duncan McIntyre and John S. Kennedy, were to form the backbone of the original CPR syndicate – six men of Scottish ancestry. However, with the financial difficulties the CPR experienced and his commitment to the St Paul Line, Hill became stretched. In addition to this, conflict also arose between himself and Van Horne over the running of the line. In 1883 Hill resigned his position in the CPR and began to transfer his interests to the creation of the Great Northern (GN) Line, a transcontinental line extending from the St Paul Line. Upon leaving the syndicate he sold his CPR shares, and in a reciprocal gesture, Smith and Stephen sold their own shares in the St Paul Line. The three maintained their friendship, however, and Smith and Stephen took an active interest in Hill’s GN Line, each subsequently purchasing a substantial number of shares in it.\textsuperscript{281}

Richard B. Angus, the other member of the CPR whose business interests were very closely aligned with the cousins, was born in Bathgate, West Lothian in

\textsuperscript{281} Ibid. p. 376.
1831. Angus’s background was in banking and his association with the Bank of Montreal began in 1857, continuing until his death in 1922. Though no specific information has been retrieved regarding the exact nature of the first meeting between Angus and Stephen, it probably occurred through their joint involvement with the Bank of Montreal. Thenceforth, Angus collaborated with Stephen and Smith on numerous business ventures. Their first major collaboration occurred in 1861, when they played a role in establishing the Paton Manufacturing Company, a textile firm in Sherbrooke, Quebec. Smith and Angus were appointed board members at the first board meeting on 18 July, 1868, while Stephen was voted to the position of Vice-President. The three again banded together and, along with Hugh Allan, took over the Montreal Rolling Mill Company and established the Canadian Rolling Stock Company in 1870.

Angus was also active in the Scottish community in Canada, and was a member of the St Andrew’s Society of Montreal, which aided the Scottish expatriate community and assisted Scots settlers, not least those who were newly arrived in the colonies. Like Smith and McIntyre, he served – between 1886 and 1888 – as the society’s President. Angus’s major involvement with railways began when Stephen asked him to resign temporarily from the Bank of Montreal and relocate to St Paul to manage the St Paul Line, representing the controlling syndicate. Having profited from involvement in this scheme, he again joined with Smith and Stephen as a

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284 Ibid. Press. p. 16.
member of the CPR syndicate. During this period he was employed as the General Manager of the Bank of Montreal, while Stephen had resigned his position as President of the bank to concentrate fully on the CPR. Considering the affiliation that Smith, Stephen and Angus had with the bank, it proved a vital ally to the CPR, giving the Company advantageous lending rates. Despite the financial turbulence the CPR suffered during its construction, Angus’s support did not waver, and in the end, just like Smith and Stephen, he profited handsomely from his involvement.

While Smith and Stephen formed enduring business partnerships with Angus and Hill, the same could not be said to be the case with Duncan McIntyre, another of the Scottish members of the syndicate. A native of Callander, McIntyre and his family moved to Upper Canada when he was 15. His career path exhibited some similarities to Stephen’s, and he initially made his fortune as a dry goods and wholesale importer. His involvement with the St Andrew’s Society and other social clubs suggests that he too was an active member of the Scottish community.\(^{287}\) He began to invest in railways in the 1860s, specifically the Brockville and Ottawa Railway and the Canada Central Railway.\(^{288}\) McIntyre became a close friend of Alexander Mackenzie, the Liberal Prime Minister, and when Mackenzie’s administration announced its intention to construct the transcontinental line in stages, McIntyre and his Vermont-based associate, Asa Belknap Foster, were given the contract to extend the Canada Central from the town of Douglas to the terminus of the railway’s Georgian Bay branch.\(^{289}\) In 1877 he gained full control over the Canada Central line for the bargain price of $1

\(^{287}\) St Andrew’s Society of Montreal. ‘List of Past Presidents.’


\(^{289}\) Ibid.
million. The line was a key link to the West and when MacDonald was returned to office, McIntyre joined with Smith and Stephen and, on the syndicate’s successful bid, he was voted to the position of Vice-President. In 1881 the CPR bought out his Canada Central, extending the CPR to Ottawa.

McIntyre, however, proved inconsistent in his support for the Company as it stumbled through numerous financial setbacks. More precisely, he wearied of continually pledging his time and resources to a venture which appeared increasingly likely to veer towards bankruptcy. In 1884 he resigned his position in the syndicate and sold his 20,000 shares. His exit, however, occurred on less than amicable terms, and Stephen appears to have been both angry and relieved over his departure. In a letter to Macdonald he lashed out at McIntyre, claiming that he had been ‘coarsely selfish and cowardly all through these five years, [and] ruthless in regarding the interests of others whenever he could advance his own.’ Their mutual dislike was compounded when, a few months after his exit, McIntyre demanded the payment of debt that the CPR owed to his company, McIntyre, Son and Company. Stephen promptly paid off the debt and later claimed that he would never again be seen in the same room as McIntyre. McIntyre’s position was subsequently filled by Cornelius Van Horne. As this episode demonstrates, a shared Scottish origin was not a substantial enough basis for a business association to form without a corresponding harmony in personalities and interests.

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290 Ibid.
291 Ibid.
292 Ibid.
Highlanders in the CPR management

While Scots formed a significant element in the upper echelons of the Canadian Pacific Railway, the ethnic make-up of those employed beneath these founding members was, from the outset, very diverse. Prior to the construction of the CPR a reasonable amount of rail track had been laid in eastern Canada. Canada’s first railway boom occurred between the 1850s and the early 1860s, and during that period 2000 miles of track was laid. The largest and most significant line constructed then was the Grand Trunk, which linked Montreal to Toronto in 1856. The line was to become a bitter rival and propagandist against the CPR, during the latter’s construction. Even from this early period of activity, the railway industry diverged in many key ways from the fur trade in its organisation and the background of its employees. The industry required educated engineers to design and carry out skilled, technical work and hardy labourers to work long hours of monotonous and often poorly paid general construction. Conversely, the skills required in the fur trade, such as the ability to negotiate in the Canadian wilderness and to operate in isolation were not so widely required, except among the pathfinders and surveying crews. The CPR sought labour which was efficient and cheap. The Company was a business venture in the strictest sense, and had few of the administrative responsibilities that the HBC took upon itself.

The engineers, foremen, and surveyors in the Canadian Pacific occupied the equivalent positions in the Company hierarchy to the chief factors, chief traders and traders of the HBC. This management group included an impressive list of railroading

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personalities from a variety of origins, including the Highlands. First and foremost among the managers was Cornelius Van Horne, the fearsome American-born General Manager of the CPR, a man of Dutch and English origin, who was the ‘powerhouse’ behind the line’s construction, and eventually became its second President. Another was Sir Sandford Fleming, the Scottish-born chief engineer and surveyor, who mapped out the greater extent of the CPR route, and later introduced the concept of universal standard time to the world. Then there was Major Albert Bowman (A.B.) Rogers, an eccentric American surveyor who discovered the pass which enabled the CPR to construct a route through the Rocky Mountains, a pass which bears his name.

James Ross, an engineer and, as previously mentioned, a native of Cromarty, was an influential figure in the upper management of the CPR. His name and achievements are worthy of note because of the importance of the task he undertook for the CPR and the wealth he later accumulated. Yet, despite these facts, relatively little information survives about him. Ross was already an experienced engineer and railroad contractor by the time he began work on the transcontinental line. Previously, he had worked on the Victoria Line between Toronto and Nipissing, among others. In 1882, he was contracted by the CPR to fill the position of Manager of Construction in the West, giving him the unenviable task of overseeing the construction of the railway through the Rocky and Selkirk mountain ranges. In 1883, Ross and his workforce extended the railway from a position east of Medicine Hat, Manitoba, to the highest point of its passage through the Rocky Mountains. The following year the track was extended to its last great ascent in the Selkirk Mountain range. Finally, in 1885, Ross and his team worked frenziedly to rush the line forward to meet the track

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294 Malcolm. Heroes…. And others who left Cromarty for even Wider Skies. p. 27.
being laid from the west, to join at Craigellachie.\textsuperscript{295} Interestingly, despite the importance of his role, his name most commonly appears in connection with the infamous CPR strike of 1885, in which the labourers went on strike in BC because their pay had not been forthcoming. Ross employed a desperate combination of threats and implacable resolve to chivvy the strikers back to work.\textsuperscript{296}

Ross brought his own group of engineers and associates to work on the CPR, men with whom he had previously collaborated with on other railroads. This group contained some of Canada’s most influential railroaders, quite a number of whom had Highland and Scottish ancestry. Amongst these were William Mackenzie and Donald Mann, both Canadians of Scottish and Highland descent.\textsuperscript{297} Ross partnered with these men, along with Herbert S. Holt, his assistant superintendent on the mountain section, to construct a number of railways, including the Calgary and Edmonton Railway. Mackenzie and Mann were also key founding members of the Canadian Northern Railway (CNoR) and these two men, along with Holt, were later knighted for their contribution to railway construction.\textsuperscript{298} James Hogg, a cousin of Ross’s and a fellow native of Cromarty, was another key member of Ross’s team on the CPR. Hogg was appointed Chief Locating Engineer, and Ross considered his role in locating an alternative route at Tunnel Mountain ‘unequalled by any other engineer’ in the CPR syndicate.\textsuperscript{299}

\textsuperscript{296} Ibid. pp. 48-51.
\textsuperscript{297} Bryce. \textit{The Scotsman in Canada, Vol. 2}. p. 347.
\textsuperscript{299} Regehr. ‘Letters from the End of Track.’ p. 41.
Although there are vastly fewer sources of information concerning Ross than Stephen and Smith, he was a significant figure in Canada before, during and after his employment with the Canadian Pacific. An obituary notice in the *Montreal Gazette* stated on 22 September, 1913, that ‘in any list of citizens whose financial power must be reckoned with in predicting the course of supreme events in this country, the name of James Ross would have stood near the top.’

After completing his work on the transcontinental line, Ross constructed and managed numerous railways and tram lines around the world, including the street railways of Winnipeg and St John, the tramways in Birmingham, England and, in 1889, the Calgary and Edmonton Railway.

While continuing his railway interests, Ross also became involved in, and made a great deal of wealth from, the exploitation of Canada’s natural resources. He bought interests in the coal, iron and steel industries, which were closely associated with railroading. His influence grew in these industries and, at one stage, he was Vice-President of the Dominion Iron and Steel Company and President of the Dominion Coal Company – corporations which had key roles in one of Canada’s principal areas of Highland settlement, Cape Breton Island. The coal company became one of James Ross’s primary interests and he eventually sold his shares in the concern in 1909 for $4,750,000.

Like Smith, Stephen, MacDonald and other influential Canadians of Highland origin, Ross was a member of a large number of social clubs. However, he appears to have been less active among the Scottish societies, and more involved with those of a sporting nature. At one point or another, he was associated with: the Mount Royal

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301 Ibid.

302 Ibid.
Club; St. James Club; Forest and Stream Club; Canada Club; the Montreal Hunt Club; the Montreal Jockey Club; the Montreal Racquet Club and Montreal Curling Club; the Rideau Club of Ottawa; the Manitoba Club of Winnipeg; and the Toronto Royal Canadian Yacht and York Clubs of Toronto. Aside from business, Ross’s greatest passion was sailing. He participated in a number of competitions against American sailing clubs, and named his own yacht *Glencairn*. This, as noted earlier, was the name of his father’s vessel, which had operated out of Cromarty.

Ultimately, Ross was a successful railroader and businessman of Highland origin whose greatest experiences, business interests, family and properties lay in Canada. His Highland origins may have aided him in forming advantageous contacts and networks, considering he was operating during a period when Highlanders and Scotsmen were still very influential in the Canadian business and political spheres. He clearly associated with other Highlanders, Scots and Scottish-Canadians in his railway and other business activities as is evident in his long term connection with Hogg, Mann and Mackenzie. Ross was a man of both ambition and ability, and does not seem to have taken an especially keen interest in either the Scottish community in Canada, or in buying property or investing back in Scotland. In common with Smith and Stephen, he was a substantial philanthropist in Canada, but, unlike the cousins, he does not appear to have extended much of his philanthropic activity to Scotland. The Canada in which Ross lived was very different from that which Smith had found when he arrived in the 1840s. By the late nineteenth century, the Dominion extended from the Atlantic to the Pacific coast, and the political and business elite were more diverse in origin than in previous generations. Infrastructure and society were far

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303 Ibid.
304 Malcolm, *Heroes... And others who left Cromarty for even Wider Skies*, p. 49.
305 Rootsweb, *Montreal, Pictorial and Biographical*. 
more developed than they had been in the mid-nineteenth century, and a stronger Canadian identity was emerging. Ross, who lived, found success and died in Canada, was far removed from both the clan system that had existed in the Highlands, and the powerful clan-like tendencies evident in the fur trade. Like Stephen, he was a businessman first and foremost, and while he did associate with other Highlanders and Scots, the emphasis he placed on his Highland origins was less conspicuous than that cultivated by some of his countrymen.

An international workforce

The construction workers in the CPR also came from a wide variety of backgrounds and nationalities, and while Highlanders were amongst their number, they were not especially numerous. This, at least, was in accordance with the situation which had existed in the fur trade, where the aboriginal Indians and the French-Canadian voyageurs had been the fur trading corporations’ most numerous employees. Andrew Onderdonck, the CPR’s chief labour contractor, first attempted to raise the necessary workforce from amongst the white population of the western provinces. However, this proved impractical as the population was too low and there was a lack of willing labour. When Onderdonck first arrived in BC, the province contained around 35,000 whites, insufficient to supply the workforce of around 10,000 or more that the CPR required. Labourers in the Canadian Pacific had to endure back-breaking toil. Rock slides, explosives and harsh weather conditions were among the ever-present dangers, and pay was barely adequate. Such work would have been unattractive to most of the population.

The most visible Highland presence among the CPR labourers came from a contingent of Glengarry Highlanders. Glengarry County is located just inside Ontario (Upper Canada), bordering on Quebec (Lower Canada), and was originally settled by immigrants from Glengarry in the Scottish Highlands, many of whom made their way to the region from the US, following the American Revolution.\textsuperscript{307} Despite often being generations removed from their Highland origin, the Glengarry Highlanders were remarkably successful in maintaining their cultural heritage and many still spoke Gaelic at the time the CPR was constructed. Roderick MacLennan, a railway engineer and Glengarry Highlander, led a group of navvies from the county to work on the tough Lake Superior section of the CPR. He claimed that there was ‘no county in Canada that has turned out so many successful railway men.’\textsuperscript{308}

The labour requirements of the CPR, however, were not solved by Highlanders, Scotsmen, or even Canadians: it was the Chinese who filled the gap. Their association with the Company was almost equivalent to that of the aboriginal tribes and the French-Canadians in the fur trade, though less romantically portrayed. While there was certainly resistance in BC towards the prospect of an influx of Chinese workers, workers from China had been involved in the construction of the Northern Pacific Railroad in Oregon and the Southern Pacific in California, where they had proved to be both hard-working and cheap to employ. There were already as many as 3000 Chinese in BC prior to the construction of the CPR, and their distinctive language and traditions, coupled with a penchant to form their own tightly-

knit communities, engendered hostility from the white population.\textsuperscript{309} This hostility was mainly based on a xenophobic and racist fear that the Chinese might settle, and eventually swamp the white population. Chinese labourers employed by the CPR worked for a lower wage than their Canadian and American counterparts, as little as a dollar a day, from which they were expected to take care of their own food and board. Patricia E. Roy comments that 'by accepting the “evil” of Chinese railway workers, the province avoided the other “evil” of no railway.'\textsuperscript{310}

Aboriginal tribes were also present in the CPR’s workforce and they proved to be especially useful in the setting of explosives, where they tended to exhibit less fear and caution than most. It must have been a bitter experience for some of them, however, being employed in the project which was effectively hastening the white man’s grip over the West, and the eclipse of their own culture.\textsuperscript{311}

In summary, then, the labour requirements of the CPR were met by employing the most cost-effective labour that was available. Onderdonck and his CPR backers had to be pragmatic about their choice of labour. The CPR required a massive workforce and yet had a tight budget to meet this end and the Chinese turned out to be a convenient source of cheap labour. Men of Highland and Scottish descent were present among the workforce, as shown by the presence of the Glengarry navvies, and navvies were also attracted from Scotland through advertisements in the Scottish press. However, as in the fur trade, their numbers were not very significant at this


\textsuperscript{310} Ibid. p. 34.

level, and they were more prominent among the managers and directors of the company.

**Highlanders entering the CPR and the West in the late nineteenth century**

Highlanders entering Canada after Confederation were leaving a very different Scotland from that of their forebears, and they arrived in a country embarking on nationhood. They emerged from the Highlands when the region was casting off the last vestiges of its traditional or clan-based society. The Clearances had caused the displacement of many of the sub-tenant *baile* communities of earlier times, and, as was shortly to happen in the Canadian West, the isolation of the Highlands was beginning to be eroded with the construction of railway lines.  

A more coherent Scottish national identity began to emerge during the course of the nineteenth century. When the clan system still held sway there was a very clear distinction, including a linguistic distinction, between Highlanders and people who lived in the Lowlands. With the disappearance of the clan system, identification of Highlanders with the clan from which they were descended began to diminish – and Gaelic began to lose its previously dominant position. While a strong affiliation among Highlanders still continued to exist, this was a regional phenomenon within the context of a wider Scottish nationality. At one level, Highlanders were viewed by many Lowlanders and English people as possessing a heroic ancestry, famously mythologized in the works of Sir Walter Scott. However, this was offset by a widespread conviction that Highlanders, partly because of what was seen as their own

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cultural backwardness, were inferior to their southern neighbours. In Canada, in contrast, men of Highland origin had been influential in many aspects of the colony’s growth to nationhood. While some of the Highland settlements in eastern Canada were considered insular and isolated, men of Highland origins had excelled in business and political spheres in the eighteenth and nineteenth centuries. During the time of the NWC, Highlanders had been very prominent among the elite of the Montreal and paraded their Highland heritage. In the late eighteenth and early nineteenth century, Highland emigrants to Canada were still strongly influenced by their clan identity, associated primarily with others of Highland origins and established prominent Highland social clubs. However, by the late nineteenth century, though entrepreneurs of Highland origin were still partnering with other Highlanders, they were also increasingly associating with other Scots and Canadians. The most visible Scottish social clubs in Montreal, such as the St Andrew’s Society and the Caledonian Society were of an all-Scotland nature, rather than conforming with the resolutely Highland Beaver Club. The emphasis, for Canadians of Highland origins, in this ‘new era,’ then, may have been more strongly on their ‘Scottishness’ rather than on their specifically Highland background.

While the population of the West increased dramatically in the wake of the CPR, and those of Highland background were becoming a smaller percentage of an increasingly diverse immigrant population, the example of the railway shows that they still wielded significant influence. Men such as Donald Smith, George Stephen, James Ross and Sir John MacDonald were highly influential in the CPR’s planning, financing, and construction. The key relationship between Smith, Stephen and MacDonald was important in establishing a good line of dialogue between the CPR
and the government and aided the initial success of the CPR. The three men shared a
sense of kinship because of their ancestry and, when coupled with the similarity in
their upbringings and their political views, this may have influenced the closeness of
their dealings (a closeness evident in their correspondence) and a certain convergence
of their viewpoints. However, each of the three was a very influential individual and
their most binding connection for their collaboration on the CPR, was their shared
commitment to the project.

There were some other notable partnerships in the CPR between men of
Highland origins, such as the cooperation between James Ross, William Mackenzie
and Donald Mann. However, it seems to be the case that, on the whole, entrepreneurs
of Highland descent were broadening their business networking patterns in
comparison with their forebears. If a consideration is given to men of Scottish
ancestry, rather than just of Highland extraction, then this group emerges as a
dominant element among the upper echelons of the original CPR. Six men in the
original CPR syndicate had Scottish ancestry and there were other influential Scots,
such as Sandford Fleming and MacDonald, associated with the project. Highlanders
were becoming more integrated into the Scottish community in Canada, rather than
having their own powerful and distinct community. While the overall impact of
Highlanders and Scotsmen on the early CPR was significant, and while they still
networked extensively amongst those of similar background, their networking
patterns broadened, and the CPR was not ostentatiously ‘Highland’ in the way that the
NWC had been.
Chapter VI
Conclusion

This thesis has demonstrated that an understanding of the Highland entrepreneurs’ origins is important in order to form a better idea of the factors that influenced their achievements. A knowledge of the socio-economic backgrounds from which the entrepreneurs emerged, the range and type of contacts from which they were able to draw to emigrate and gain employment, and also their networking patterns in Canada, are all essential in accounting for the success which they found in the Canadian West, at various times during the nineteenth century. Their individual experiences and abilities obviously played a very important role in their success: identical opportunities did not guarantee that all would succeed. Nineteenth-century Canada was clearly a place of opportunity for young Highlanders of some potential.

When the upbringing and education of the seven entrepreneurs are analysed, a certain commonality in their early backgrounds is identifiable. The infrastructure and society of the Scottish Highlands and the Canadian West underwent some major changes over the course of the nineteenth century. The entrepreneurs – from Alexander Mackenzie, raised in Lewis in the 1760s and 1770s, to James Ross, who was born 84 years later in Cromarty – all received, at a minimum, instruction in the ‘three Rs.’ In fact, given the knowledge available, it appears that most, if not all, of the entrepreneurs continued in education until their early teens. Yet, while the basics of education were important, a high level of formal schooling does not appear to have been critical in determining the success that the entrepreneurs achieved in the mercantile industries. It is noteworthy, however, that none of the seven entrepreneurs was from the lowest social strata.
Establishing and drawing upon close contacts, and capitalising on the value of one’s Highland identity as a form of social capital, were of considerable significance to young Highland men emigrating to the colonies, especially during the late eighteenth and early nineteenth centuries. Initial contacts were often made through military recruitment, and traditionally, Highlanders’ involved with the Empire were most visible through their service in the armed forces in a wide range of locations. Some ex-officers subsequently took up colonial land grants, and this occurred in Canada after the Seven Years War between France and Britain, which ended in 1763. Other Highlanders, and a larger number of Lowlanders, were recruited by tobacco and sugar firms as factors to serve on plantations in the mainland colonies and the West Indies.

In general, however, close contacts, particularly kin, were the primary source of information, advice and assistance to would-be emigrants. The future paths of Donald Smith and his brother, John, demonstrate the propensity of some young Highland men to seek their fortune across the British Empire. John trained as a doctor and travelled eastward, to enter the service of the East India Company. Donald Smith commented that before deciding to emigrate to Canada, he had the option of entering the East India Company, presumably through the influence of his brother. In the end, he chose to emigrate to Canada, a decision which was made through the influence of another relative – his famous uncle, John Stuart.

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This study demonstrates that at least six of the seven featured entrepreneurs possessed advantageous contacts, which facilitated their emigration and employment in the Canadian colonies. James Ross was the exception, since no information was retrieved regarding the circumstances of his emigration. In each case that contact had occupied a position of importance within his respective trade and had been able to pull strings for the benefit of each of the entrepreneurs. After a Highlander established himself in a key position in the fur trade, it was common practice to introduce some of his own kin into the business. This practice was especially frequent in the North West Company (NWC) and also visibly present in the Hudson’s Bay Company (HBC). The Canadian Pacific Railway (CPR), however, was a more modern corporate entity than either of the fur trading companies and there would have been far fewer cases of kin being inducted into railway company ranks. Considering the tight budget on which the CPR syndicate operated, cost effective labour was most desirable, and the management demanded business and railroading abilities. Background was not as important.

Out of the three companies studied, the NWC was most active in recruiting Highlanders and providing an environment most conducive to the perpetuation of their identity. Taking a cue from the Highland clans from which many of its partners and traders emerged, the NWC had a tightly knit structure, where the senior traders ‘ruled’ as fur barons, and often treated those below them as their dependants. Highlanders dominated the NWC from the top down, and men such as Alexander Mackenzie and Simon McTavish, who reached the upper echelons of the Company, often emerged from the tacksman class, a social position superior to that of many of their contemporary emigrants. These men often emigrated with social and economic
ambitions, which they were better equipped than many others to realise. In contrast, L. Colley states that talented and educated Englishmen were more likely to pursue their ambitions at home, where there were opportunities for economic and social advancement.¹³¹⁴ Tacksmen were brought up in a class used to interacting with those from higher and lower social strata, and were often as comfortable roughing it amongst the veteran fur traders as they were dining with the Montreal elite. The NWC traders were renowned for their toughness, and many were brought up in the Highland countryside, where life could at times be isolated and harsh. Men from these regions would have developed some familiarity with wilderness environments.

Alexander Mackenzie and other NWC partners helped to inaugurate the period of powerful Highland influence in the fur trade which made Highlanders more conspicuous amongst the elite of Canadian colonial society. Mackenzie exhibited the ambitious outlook which was common to many of the NWC’s ruling group. His background was in the tacksman class and he was well educated before finding employment in the fur trade. His entry into that business was probably gained through the Scottish community, and the NWC did much to make this community, particularly Highlanders, more visible in Montreal. The Company’s activities through the Beaver Club provide one example of this. Although the club was ostensibly a meeting place for fur trading veterans, and included many French-Canadian members, its activities generally had a Highland slant. As is commented upon by Cain and Hopkins, societies such as the Beaver Club provided an environment which facilitated and encouraged the development of tight bonds between capitalistic and non-capitalistic activities.¹³¹⁵

At the turn of the nineteenth century men such as Mackenzie, the sons of
tacksmen, were the right people, at the right time, in the right place. In the long run,
however, the employment of large numbers of kin in the NWC had negative as well as
positive effects on the Company’s operation. Kin-based networking played a part in
cementing the NWC’s Highland identity. While this meant that the Company’s
directors and field operators were often bound by bonds and interests more powerful
than simply shared employment, it might also have led to complacency within the
organisation, with family members sometimes being given preference regardless of
their ability. This could have been a contributing factor to its eventual weakness in the
face of the HBC increased competitiveness.

In the nineteenth century, following its 1821 merger with the NWC, the HBC
also demonstrated a preference for recruiting Highlanders. They were in demand in
the fur trade and, thus, Highlanders wishing to enter the HBC often possessed
superior social capital. The decision to employ Highlanders came about in part from
their prevalence and success in the NWC. George Simpson, as the Highland-born
Governor of the HBC’s field operations, served as one of the primary catalysts for the
incorporation of many of the practices and strategies that had been employed by the
NWC and its traders. During his tenure, NWC partners and traders joined the
revamped HBC and an increasing number of men of Highland origin were employed.

Robert Campbell and Archibald McDonald of the HBC were descended from
tacksmen, but by the 1820s and 1830s members of that class were not so numerous
among those entering the fur trade, and were effectively non-existent by time the CPR
was constructed. Highlanders in the HBC certainly became more numerous after the
merger of 1821, but excepting men such as Andrew Colvile, George Simpson and Donald Smith, few men of Highland descent were present in the upper echelons of the Company above the level of chief factor. Therefore, there were fewer Highlanders influencing the Company’s policy. By the latter years of the nineteenth century, the HBC did not occupy such an important position in the West. Although it remained iconic, in fact the Company was making more profit from its land sales than in the fur trade and although Highlanders were still entering its ranks, the HBC’s factors and traders no longer possessed the same prestige as they had in past years.

Following the penetration of the fur trade across the Canadian West, the Canadian Pacific Railway ushered in a new phase in the West’s history. The CPR became the primary employer in the region and attracted quite a number of fur traders to join its ranks. As in the fur trade, men of Highland descent were most visible in the upper echelons of the Company. In terms of structure and operation, the railway company was a more modern corporate organisation than either the NWC or the HBC. Highlanders were not particularly favoured over other nationalities as potential employees, and even the Company’s upper ranks were not as suffused with Highlanders to the extent that had been case in the fur trade. Recruitment was organised according to purely economic principles, and the vast majority of the workforce came from a diverse range of countries, with Chinese migrant workers being particularly numerous. Men of Highland descent such as Smith, Stephen and Ross, who occupied senior positions in the Company, all had previous railroading experience before becoming involved with the CPR. To achieve a position of influence at this early stage would require that the individual already possessed past experience in railroading, or another relevant field, and an impressive CV.
The examination carried out on the key relationship between Donald Smith, George Stephen and John MacDonald suggests that, while their shared commitment to the construction of the CPR was the most binding connection between them, their common Highland identity, and membership of the Canadian Scottish community, may have initiated their original contact and acted as social glue. When MacDonald and Smith fell out over the Pacific Scandal, MacDonald’s fury at Smith would have been affected, to a large extent, by the fact that he believed he could have counted on Smith’s support. They were both of Highland descent, shared political convictions and had cooperated on business and political activities, so the defection was seen as a personal betrayal by MacDonald. Of the three men, MacDonald was furthest removed from his Highland origins, and had only spent his first five years in Scotland. Growing up in the Scottish community in Canada, it is likely that it would have been his Scottish background, rather than specifically his Highland parentage, which would have been the passport which facilitated his integration into the community.

Although both Smith and Stephen maintained contact with the Highlands, they had achieved success beyond even the attainments of their predecessors in the NWC, and the two men spent most of their final years in residences in southern England. Their proximity to Scotland meant they both visited their homeland more regularly than when they had lived in Canada. This was the case for Smith in particular, since he owned an estate in Glencoe. His purchase of that estate, however, was not quite in accordance with the actions of the Highland NWC partners. Simon McTavish had purchased an estate from a chief of his own clan, while Smith had little connection to Glencoe. Furthermore, he purchased his estate late in life, during a period when it was
fashionable for the British nobility and aristocracy to buy country estates in the Highlands, and use these estates as bases for stalking and fishing. Despite these issues, Smith’s awareness of his Highland ancestry and childhood in proximity to the Highlands, suggests that it is likely the purchase had some personal significance in relation to his origins and was not simply a cosmetic gesture.

Donald Smith and George Stephen’s residence in the south of England conformed with Cain and Hopkins’s perception that those colonials who achieved wealth and status on a par with the bankers and service sector elite in London were often inducted into the ranks of the upper echelons, rather than establishing their own ‘distinctive social presence.’ They were members of the imperial elite, a position reinforced by the noble titles they received, and they rubbed shoulders with members of the aristocracy, the service sector elite and politicians. However, post-Confederation, business and political elites in Canada were beginning to make their presence felt on a more international scale. James Ross, in contrast, spent his latter years in Canada. Ross emigrated to the new Dominion after Confederation, and thus only experienced the young nation, rather than the colonies from which it had emerged. His example highlights the fact that many of those Highlanders who were achieving success in Canada during the later years of the nineteenth century were quite likely to spend their final years there.

By the time of the CPR’s construction, Highlanders had not been the most numerous emigrants to Canada for several decades, and they would have had few, or no advantages over their southern counterparts when entering the railroading industry. While two of the original members of the CPR syndicate – Donald Smith and George
Stephen – were of Highland descent, five of the seven members were born in Scotland. Below the directors, there were found to be some significant Highland and, more broadly, Scottish groups, at almost every level of operation: James Ross, manager of the mountain sections in the West; Sandford Fleming, chief engineer and surveyor; William Mackenzie and Donald Mann, railway contractors; and even Glengarry Highlanders amongst the navvies. The primary societies for Canadian residents of Scottish background, such as the St Andrews Society and the Caledonian Society, were of an all-Scottish rather than specifically Highland nature, in contrast to the earlier ethos of the Beaver Club.

Over the course of the nineteenth century, Highlanders active in western Canada continued to play an important role in the region’s development and administration, despite the development and changes which occurred in the region. In the early years of the century, Highlanders were emigrating from areas where elements of clanship still endured. When many of the young men of this period emigrated to Canada, they had a tendency to network almost exclusively with other Highlanders and maintain strong cultural traditions, as was reflected by the way the NWC’s traders conducted their business and socialising. For those entering the fur trade, domestic contacts were extremely important in order to establish themselves in Canada, and this proved to be the case in the HBC almost as much as with the NWC. In the latter years of the nineteenth century, however, when the Canadian West had developed from a sparsely-populated territory, administered by the HBC, into a series of provinces under the blanket of the Canadian government, the value of young Highland emigrants’ social capital was not necessarily as high as it had been earlier in British North America. The fur trade had diminished in importance by the 1880s, and
Highlanders were not as favoured in organisations such as the CPR to the extent that they had been with the NWC and HBC. However, the two eras, although distinct, still demonstrated important continuities, which were evident between the fur industry and the CPR, which succeeded its dominance in the region. The late nineteenth century was a transitional phase between the two eras and fur traders and former fur traders still constituted a fair proportion of the powerful men in the new provinces. Men of Highland descent were prominent in the railroading industry and many of the other emerging industries in the Canadian West, and the primary contacts upon which they drew and with which they formed partnerships were still most commonly people of Highland, and more broadly Scottish, descent. In general, however, the tendency among entrepreneurs of Highland origin was to move away from forming business networks exclusively with other Highlanders. Those entrepreneurs who did succeed in the latter years of the nineteenth century had often expanded their networking patterns compared to their forebears, and, like many of their Highland contemporaries in Canada, were conducting business and socialising more and more within the wider Scottish community, and with other Canadians.
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