

CONFIDENTIAL.

Vancouver's Island.

IN the year 1823, after the long-continued differences between the Hudson's Bay Company and the North-West Company had ended in an amalgamation, an Act passed (1 and 2 Geo. IV, c. 66) empowering the Crown to grant exclusive privileges of trade with the Indians in such parts of North America as were neither within the original Hudson's Bay Company's charter, nor part of any already established province.

Under this Act the Hudson's Bay Company received exclusive privileges of trade over what is termed the North-West Territory. Their present licence bears date May 13, 1838, and will last until May 13, 1859. It contains, however, a power of revocation as to any territories which may in the interval become comprised in any colony.

The so-called North-West Territory was bounded at this period, eastward by the Rocky Mountains ; north by the Russian territories and the Frozen Ocean ; south by the undetermined frontier of the United States.

The Puget's Sound Company, established about 1846, are a branch of the Hudson's Bay Company, constituted mainly for the purpose of conducting agricultural undertakings in these north-western regions, which had been found to contain districts far more suitable for this purpose than any in Rupert's Land, the territory comprised in the Hudson's Bay Company's original grant. The Puget's Sound Company possessed in 1846 considerable establishments of this kind on the banks of the Columbia ; and there was also one on

the southern point of Vancouver's Island, an island containing about 10,000 or 12,000 square miles (English) and adjoining the main land from west latitude 48° to 51°. On this latter about twenty-seven servants of the Company were established at the date of the last particular accounts (April 1848). In June 1846 the Treaty of Washington was made. By this Treaty the Puget's Sound Company's establishments on the Columbia were placed within the United States' territory, and the United States engaged to purchase this property, the negotiation for which purpose is still pending.

This circumstance induced the Company to turn their attention more than before to their establishment on Vancouver's Island. Accordingly, in September 1846 they commenced negotiations with the Secretary of State for the acquisition of land in addition to that which they already occupied. It was required that their legal right to hold grants of land in the North-West Territory should be ascertained, and this was done by an opinion of the Attorney and Solicitor-General. The Hudson's Bay Company then proposed that a grant should be made to them of all the Crown lands in the North-West Territory. This was not acceded to, but it was ultimately agreed that a grant of the land of Vancouver's Island should be made to them.

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The grant is embodied in a charter, which, after reciting the original charter of the Hudson's Bay Company, the Act of 1 and 2 Geo. IV, and the licence of May 13, 1838, and the provisions of the Treaty of Washington, grants the land of Vancouver's Island with all mines to the Company. The condition of the grant is declared to be the colonization of the island. With this object the Company are bound to dispose of the land in question at a reasonable price, and to expend all the sums they may receive for land or minerals (after the deduction of not more than 10 per cent, for profit) on the colonization of the island, reserving also to the Crown at a reasonable price such land as may be required for naval establishments.

The manner in which these provisions are intended to be enforced is this. The Company are to certify every two years the number of their colonists and

the amount of their land sold ; and after five years Her Majesty's Government has power to cause a farther inquiry to be made into the condition of the island. If the result of this inquiry be that Government is certified that the conditions of the grant are not fulfilled, the grant may be revoked.

When the Company's licence to trade terminates, *i.e.* in 1859, Government may repurchase the land on repayment of the sums expended by the Company on the island and the value of their establishments.

The grant contains no provisions respecting the government of the island. The power of the Crown in this respect, therefore, remains the same as in the case of any other settlement formed by British subjects. And it is proposed to issue a Commission and Instructions, under which the Legislature of the island will consist of a House of Assembly elected by freeholders owning land to the extent of acres, and a Council nominated in the usual manner by the Crown.

The whole of these necessary arrangements may be effected without the aid of Parliament, except as to one point. By the 1 & 2 Geo. IV, c. 66, already referred to, the cognizance of all causes amounting to 200*l.* in value, and of all criminal cases of a capital or transportable nature (within the Indian territories, except that portion comprised in the original charter of the Hudson's Bay Company), appears to be vested in the courts of Upper Canada. Consequently it should seem that jurisdiction over such cases cannot be conferred by Her Majesty without the aid of Parliament on any courts to be constituted in Vancouver's Island or elsewhere in the parts of North America to which the Act applies.

With regard to the Indians it has been thought on the whole the better course to make no stipulations respecting them in the grant. Little is in fact known of the natives of this island, by the Company or by any one else. Whether they are numerous or few, strong or weak; whether or not they use the land for such purposes as would render the reservation of a large portion of it for their use important or

not, are questions which we have not the full materials to answer. Under these circumstances, any provision! that could be made for a people so distant and so imperfectly known, might turn out impediments in the way of colonization, without any real advantage to themselves. And it is thought the more safe to leave this matter to the Company, inasmuch as its dealings with and knowledge of the North American Indians are of course very extensive ; and inasmuch as, notwithstanding the many accusations of which that Company has been the object, no distinct charges of cruelty or misconduct toward the Indian tribes under its control have been made out by reasonable evidence ; while every year brings painful accounts of mutual wrongs and mutual revenge between Indians and whites from the neighbouring regions not under their control. It must however be added that in parting with the land of the island Her Majesty parts only with her own right therein, and that whatever measures she was bound to take in order to extinguish the Indian title are equally obligatory on the Company.

The general effect of the grant therefore is that the Company hold the land, as any individual grantee might hold it, without any powers or authorities such as are contained in their old charter. These remain with the Crown. And as they are bound to part with the land by sale on reasonable terms, their vendees become wholly independent of the Company, except as regards the licence of the latter to take minerals.

The Company's licence for exclusive trade is not touched. By the terms of that licence, as has been said, the Crown may revoke it as to any colony which may be established within its limits. It is therefore revocable at any time, as to Vancouver's Island, should sufficient reason be shown for revoking it, notwithstanding the grant of the land.

That as far as regards their power, the Hudson's Bay Company are better fitted than any association of individuals can be to form a settlement in Vancouver's Island, cannot be doubted. They have already the exclusive Indian trade of the island and the adjoining continent; and although, if a settle-

ment had been formed by other adventurers on the island, the licence would have been revoked *quoad* the island, yet as it must have remained in force for eleven years, as regards the continent, the settlers would have found themselves hemmed in by the territories of a company which (if half that is alleged of its monopolising spirit be true) might have placed them effectually under its subjection. They have also already a flourishing and increasing establishment on the island itself. They have a still larger and indeed very extensive establishment on the Columbia, of which, if they can effect their negotiation with the United States, it would be their interest to transfer as much as was capable of transfer to this island. They have numerous servants, a most remarkable and effective system of discipline, great power over the Indian tribes. These qualities are fully conceded to them by their enemies, and especially by their rivals the Americans, and they are qualities which would be as serviceable for the purpose of colonization as for those of trade, if the Company was willing so to use them.

But it is said they are not willing ; that their only object is exclusive trade ; their only purpose in obtaining possession of Vancouver's Island, the exclusion of competition. How far this is true in fact of the present policy of the Directors, must be judged of as a matter of evidence, not of reasoning. But assuming this to be the traditionary policy of the Company, it is evident that its application must depend on the respective circumstances of the different portions of their immense territories. In by far the greater part of these the Fur trade is the only employment which affords a chance of profit ; and we may well suppose the main object of the Company to be to secure the monopoly of it, and that for this purpose they would discourage colonization in these regions by other parties, if any attempt was made at an undertaking against which nature has interposed such powerful obstacles. But the case is very different with the narrow maritime region of the north-west with its comparatively mild climate. There, the Fur trade must soon be, if it is not already, a very secondary matter. The very natives of that tract are not so much hunters as

fishermen and root-diggers. If that region is worth holding, it must be not as a game preserve, but for purposes of trade, to which its situation so well adapts it, with the neighbouring American country, with the numerous and very commercial population of the South Sea Islands, and eventually to more distant markets.

For these purposes, colonization would apparently be to the Hudson's Bay Company an advantage instead of a loss, in the strictest mercantile sense. And the evidence that they so feel it is to be found in the remarkable progress already made in agricultural undertakings so foreign to their ancient policy on the Columbia, and in this island itself.

The Company have now passed resolutions to the effect that land in Vancouver's Island is to be sold to emigrants in lots of not less than twenty acres, at the rate of 11. per acre, taking out with them five single men or three married couples for every hundred acres ; the Company reserving a right to dig for minerals, but leaving also the same right to the owner of the land, on payment of a royalty of 2s. 6d. per ton. The Company by their resolutions further agree to reserve one-eighth of the land or the proceeds for religious purposes.

(See the Resolutions annexed.)

Resolutions of the Hudson's Bay Company.

COLONIZATION OF VANCOUVER'S ISLAND.

WHEREAS, by a Royal Grant or Letters Patent under the Great Seal of the United Kingdom of Great Britain and Ireland, bearing date at Westminster, the thirteenth day of January, one thousand eight hundred and forty-nine, the conditions of which are hereunto appended. Her Gracious Majesty Queen Victoria did give, grant, and confirm to the Governor and Company of Adventurers of England, trading into Hudson's Bay, and their successors, that portion of North America called Vancouver's Island : and whereas the said Governor and Company are desirous of effecting the objects therein set forth, resolved, that the Committee are ready to make grants of land to any emigrants from Great Britain or Ireland, or from any other part of Her Majesty's dominions, who may be desirous of settling on the said island, on the following conditions:—

- 1st. That no grant of land shall contain less than twenty acres.
- 2nd. That the purchasers of land shall pay to the Hudson's Bay Company, at their House in London, the sum of one pound per acre for the land sold to them, to be held in free and common soccage.
- 3rd. That purchasers of land shall provide a passage to Vancouver's Island for themselves and their families, if they have any ; or be provided with a passage (if they prefer it) on paying for the same at a reasonable rate.
- 4th. That purchasers of larger quantities of land shall pay the same price per acre, namely, one pound, and shall take out with them five single men, or three married couples, for every hundred acres.
- 5th. That all minerals, wherever found, shall belong to the Company, who shall have the right of digging for the same, compensation being made to the owner of the soil for any injury done to the surface ; but that the said owner shall have the privilege of working for his own benefit any coal mine that may be on his land, or payment of a royalty of two shillings and sixpence per ton.
- 6th. That the right of fishing proposed to be given to the Hudson's Bay Company in the grant as pointed in the Parliamentary Papers, relative to Vancouver's Island, having been relinquished, every freeholder will enjoy the right of fishing all sorts of fish in the seas, bays, and inlets of, or surrounding, the said island ; and that all the ports and harbours shall be open and free to them, and to all nations, either trading or seeking shelter therein.

Resolved,—That as it is essential to the well-being of society that the means of religious instruction should be within the reach of every member of the community, provision be made for the establishment of places of public worship, and for the maintenance of ministers of religion.

Resolved,—That for these purposes a plan, of which the following is an outline, be adopted :—

- 1st. The island is to be divided into districts of from five to ten square miles where it is practicable.
- 2nd. A portion of land equal to one-eighth of the quantity sold to be set aside for the minister of religion. Thus, in a district of ten square miles, containing 6,400 acres, supposing 5,120 acres sold, the minister would be entitled to 640 acres. The remaining 640 acres would be available for

roads, site for church and churchyard, schools, or other public purposes ; the land so reserved, or its proceeds, to be appropriated for these purposes in such manner as may appear advisable.

- 3rd. With the view of enabling the ministers to bring their lands into cultivation a free passage to be granted to such a number of persons as a settler having an equal quantity of land would be required to take out, the cost to be paid out of the fund held in trust for the benefit of the colony.
- 4th. The several apportionments for purposes of religion to be conveyed to, and to be held by, the Governor and Council, in trust for the parties appointed to perform the clerical duties of the respective districts.