CANADIAN INTEREST IN THE NORTHWEST, 1856-1860.

Gerald E. Boyce

ABSTRACT

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Canadian interest in the Northwest, that land reaching north and west of Lake Superior and extending to the Rocky Mountains, had its origin in the fur trade carried on by the French of New France. After the Seven Years' War, the British inherited this trade and the North-West Company competed with the Hudson's Bay Company until their union in 1821. Thereafter the old Nor'Wester route fell into disuse and the tie between Canada and the Northwest was seriously weakened.

By 1856, however, Canadians had again begun to take an active interest in the Northwest. Among the factors contributing to this revived interest were the belief that there was little unsettled arable land remaining in Canada; the desire to prevent the Northwest from falling into American hands; the vision of a railway to the Pacific through British territory; and the influence of humanitarians who argued that the inhabitants of the Northwest should be liberated from the alleged tyranny of the Hudson's Bay Company. Most

important was the desire of Toronto business interests to re-establish a North-West Company which would ensure the economic dominance of their city. Their influence in George Brown's ''Clear Grit'' political party resulted in that party's adoption of an annexation policy.

Interest in the Northwest reached a peak in 1858, after which date it began to subside. The moderates in Canada began to lose interest in the issue after the Select Committee of the British House of Commons set up to consider the position of the Hudson's Bay Company in North America recommended that the Northwest should definitely remain British, that Canada should be allowed to survey the area and annex such sections as Canadians might settle, and that the trade monopoly of the Company over a large part of the region should cease after 1859. The conservatives in French Canada regarded the Northwest issue with suspicion since it might tip the balance between the English and French in favour of the English. Even the reformers of Toronto and district became disheartened following the advent of a severe economic depression in 1857, the failure of a Canadian Red River Mail Service, the inability of a new North-West Company to commence operations, and the waning of enthusiasm in the Red River Settlement for annexation to Canada.

Nevertheless, the energy and time spent on the Northwest question from 1856 to 1860 had not been wasted. On the contrary several significant goals had been achieved: Canadians had been made more aware of that region than at any other time; a small group of Northwest experts had been created who could give leadership to any future attempt to link the two lands closer together; and a Canadian party had been created at Red River. Moreover, all parties in Canada had reached a common understanding that the Northwest should become a part of Canada eventually, and the British government had declared its intention of retaining the area until such time as Canada would be prepared to undertake its administration. Finally, impetus had been given to the movement for Canadian federation, since only with such a scheme as this would French Canada accept annexation and could the Northwest be governed satisfactorily.

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CHAPTER ONE

THE BACKGROUND

Canadian interest in the Northwest, that land reaching north and west of Lake Superior and extending to the Rocky Mountains, had its origin in the fur trade carried on by the French of New France. On his arrival in that colony in 1608, Samuel de Champlain found a flourishing trade being conducted from deep within the continent. The furs of the North and West were passing from tribe to tribe southward and eastward until they were brought to the French traders by middlemen, chiefly the Huron Indians.

Following the massacre of the Huron nation by the tribes of the Iroquois confederacy, who were middlemen for the Dutch on the Hudson River, Radisson and Groseilliers ushered in a new era in the fur trade of New France. They set out to bring back the middlemen, and themselves penetrated the forests in an attempt to tap the very sources of the furs.

Thwarted in their plans to organize a venture direct from France into Hudson Bay, Radisson and Groseilliers approached the English with the prospects of the vast fur empire to be acquired through

such a route. In 1668, the first of many English expeditions visited the Bay, and two years later Charles II granted incorporation to ''The Governor and Company of Adventurers of England Trading into Hudson's Bay''. This Charter gave the Company ''the sole trade and commerce'' of all waters reached through Hudson Strait and exclusive possession of any territory to be reached through the Strait which was not already held by the subjects of a Christian Prince.[1] This territory was to be known as Rupert's Land.

The entry of the English into Hudson Bay aroused the French on the St. Lawrence to take action to preserve their lucrative trade. Counter expeditions were soon launched by the French, and for nearly a century there was a struggle between traders, and indeed the governments, of England and France to capture the lion's share of the fur trade.

The Seven Years' War (1756-63), which brought an end to French rule in Canada, left the Hudson's Bay Company in command of the fur forests only temporarily.

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1. United Kingdom, Colonial Office, Copy of the Existing Charter or Grant by the Crown to the Hudson's Bay Company; and Correspondence on last Renewal of the Charter etc. (London, 1842), p.6.

Traders from the Thirteen Colonies who had long envied the French fur trade soon entered Canada, and the struggle between the Bay Company and Montreal fur traders was renewed. The Canadian traders maintained that the Hudson's Bay Company's charter was invalid, and proceeded to disregard its provisions. To reassert the charter's validity, as well as to provide its posts with provisions and a labour supply, the Bay Company established a colony on the Red River, as part of a general re-organization in the early nineteenth century.

The increased struggle between the rival factions soon proved financially unprofitable, particularly to the North West Company which was less able to support a lengthy contest than its rival. This culminated in the union of the two companies in 1821, whereupon all parties proclaimed the validity of the charter.

The union inaugurated a new era in the relationship between Canada and the Northwest. After 1821 the country was governed from England and in terms of the charter, its trade was carried on with London by way of Hudson Bay, and the old Nor'Wester route from Montreal to the fur forests fell into disuse.

A leading Nor'Wester, William McGillivray wrote:

> ''The Fur Trade is for ever lost to Canada. . . The Loss of this trade to Montreal and the immediate district in its vicinity will be severely felt among a certain class of the People - the yearly disbursements in Cash from the office in Montreal. . .[are] not less than £40,000 pr. annum - a large sum taken out of circulation, and combined with the present distressed state of the trade in the Province, is a matter of regret.''2

A further consequence of the merger was the return to Canada of a large number of former employees of the North West Company, many of whom settled along the Ottawa River.

For twenty years after the union, the old Nor'Wester route was little used, and the Hudson's Bay Company carried on an extraordinarily successful fur trade in its charter territory, Rupert's Land, as well as in the Indian Territory beyond, the latter enjoyed under a twenty-one year lease granted by the British Government in 1821. This lease was renewed in 1838 at the request of the Hudson's Bay Company. The decision to seek the renewal, four years before the lease expired, was apparently prompted by the distinct possibility that certain men in Canada who remembered the wealth brought to Montreal by the North West Company would try to have

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2. A. S. Morton, A History of the Canadian West to 1870-71, (London, [1939]), p. 623.

the trade of the Indian Territory opened to them. The Hon. George Moffatt, one of the intermediaries in the negotiations leading up to the merger of 1821 and a member of the Legislative Council in Lower Canada after 1831, had informed Sir George Simpson, Governor of Rupert's Land, that he intended to move a resolution in the Canadian Legislature ''calling for the abolition of the monopoly''.[3]

Although nothing came of Moffatt's threat, the Hudson's Bay Company's monopoly was threatened in the 1840's; this time the threat came from the United States. American settlers were pouring into the western plains, and an illicit fur trade with the half-breeds of the Northwest was developing. One of the American traders, Norman Wolfred Kittson, a native of Lower Canada, in 1844 had set up a post at Pembina, immediately south of the border. As a result of this intercourse between the Americans and the inhabitants of the Northwest, articles dealing with this vast land and its inhabitants began to appear in the American press. Subsequently some of these were reprinted by Canadian newspapers, thereby bringing the Northwest before the public.[4]

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3. Ibid., p. 806.

4. For example see the Globe, (Toronto), Aug. 25, 1847, which reprinted ''A Caravan from the Selkirk Settlement'' from the Wisconsin Herald.

In addition, the westward rush of American settlers into the Oregon Territory, resulting in the acquisition of much of that land by the United States (1846), aroused Canadian interest in the Northwest. The fear that this area might soon fall into American hands was of concern to some Canadians. In March, 1847, the Hon. Robert Baldwin Sullivan, a proponent of responsible government in Canada and a nephew of Robert Baldwin, touched upon the possibility when he delivered an address on ''Emigration and Colonization'' in the Mechanics Institute Hall at Toronto.[5] Sullivan extolled the great potential of the Northwest, stating that, contrary to popular belief, the climate improved as one went west from Lake Superior and that there was a ''real garden'' beyond the lakehead. He suggested that the soil and climate of this land were at least equal to any part of Canada and noted that it produced ''wheat, barley, oats. . . all the crops of temperate climate in abundance''. In addition he pictured the

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5. Sullivan's complete address, published in the Toronto Globe, March 24, 1847, has been misinterpreted by some historians. John Lewis, author of George Brown (Toronto, 1907), errs in stating on page 211 that the address was ''on the North-West Territories''. Actually the Northwest was only mentioned in Sullivan's concluding remarks.

Similarly in his History of the Canadian West to 1870-71, page 825, A. S. Morton tends to overemphasize the significance Sullivan attached to the threat of the Americans outflanking Canada.

vast prairies covered with buffalo, a substantial coal deposit, and good communications both by land and water.

Like the vast majority of Canadians, Sullivan had never visited the land he described in such glowing terms, and admitted that he relied for his knowledge on information supplied by two former fur traders, both resident in Upper Canada. They were Angus Bethune, a former fur trader with both the North West and Hudson's Bay companies; and Edward Ermatinger of St. Thomas, an employee of the English company for ten years.

That Sullivan's address was reprinted in full in the Toronto Globe, published by Reformer George Brown, is attributable more to the lecture's stress on the importance of settling Upper Canada than to its brief reference to the Northwest. Although certain sections of his address were singled out for editorial commendation in the Globe, no mention was made of Sullivan's reflections on the Northwest.

Nonetheless, Sullivan's speech may have had some influence on George Brown, who later admitted that his attention was first drawn to the Northwest in 1847, the year of Sullivan's lecture. More important in interesting Brown in the Northwest, however, was a petition drawn up in 1847 by certain residents of the

Red River Settlement.[6] This petition complaining of the administration of the Hudson's Bay Company had been signed by almost one thousand settlers, and had then been conveyed to London where it was forwarded to the Colonial Secretary accompanied by a supporting memorial signed by six natives of Rupert's Land then in England.[7] Chief among these was Alexander Kennedy Isbister, a half-breed son of a Company officer who had been educated in Scotland and in 1847 resided in London. The following year Isbister informed the Colonial Secretary that it was "the anxious desire of the inhabitants of Rupert's Land to have extended to them the protection of the British Government, either by the incorporation of the whole country with Canada, or by the establishment of a separate Government".[8]

The idea that Canada should step in and claim the right to the territory was conveyed to George Brown by Isbister through a "mutual friend", and

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6. Lewis, op. cit., p. 212.

7. United Kingdom, Colonial Office, Copy of Memorial and Petition from Inhabitants of the Red River Settlement, Complaining of the Government of the Hudson's Bay Company, and Reports and Correspondence on the subject of the Memorial, (London, 1849).

8. Ibid., A. K. Isbister to Earl Grey, March 22, 1848, p. 105.

Brown is reported to have agreed to have the question thoroughly agitated before the expiry of the company's charter in 1859.[9]

The subsequent agitation was keynoted in a Globe editorial on June 14, 1848. The Globe called on the Imperial Government to appoint a commission to investigate the alleged abuses outlined in the petition and memorial. Based on a claim advanced by Isbister that the original charter of Charles II had been superseded by an act of parliament in 1690 which was to lapse after seven years, the editorial dogmatically announced that the Northwest did not really belong to the Company at all.[10] While acknowledging that little was known about this land, the Globe pointed out that Canadians should be concerned with its administration for two reasons: first, because Canadian mining operations to the north of lakes Huron and Superior were fast approaching the region; and second, because a big field was being opened to the Christian missionary and philanthropist.

This humanitarian aspect was further stressed in a second Globe editorial which commented on a letter from a would-be missionary to the Northwest, Captain

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9. Lewis, op. cit., p. 213.

10. For Isbister's argument on the validity of the Hudson's Bay Company Charter of 1670, see United Kingdom, Colonial Office, Copy of Memorial and Petition from Inhabitants of the Red River Settlement, etc. pp. 95-6 (London, 1849).

William Kennedy, who was Alexander Isbister's uncle.[11] A native of Rupert's Land, an employee of the Hudson's Bay Company for almost fifteen years, and a devout Christian, Kennedy maintained his interest in the welfare of the natives of the Northwest after he left the Company's service and settled in Upper Canada. Accordingly in 1848 he wrote George Brown to complain that the Company was neglecting the Indians and that some had starved as a result of the Company's negligence. In a subsequent letter, which also drew forth editorial comment in the Globe, Kennedy noted that he had been shut out by the Company from going as a missionary to the Indians and that his letters had been intercepted.[12] Meanwhile the Globe called for an investigation into these charges which had come from a man ''of whose veracity and respectability there can be no doubt.''[13]

Kennedy's honour was further upheld by John McLean of Guelph, a disgruntled former employee of the Hudson's Bay Company, who declared that a ''more humane, upright, honourable man could not be found in the Company's Territories''.[14] At the same time,

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11. Globe, Sept. 16, 1848.
12. Ibid., Sept. 27, 1848.
13. Ibid., Sept. 16, 1848.
14. Globe Supplement, Oct. 7, 1848.

McLean gave advance notice of the publication the following summer of a book on his own quarter century of service with the Company.

When these reminiscences were published in 1849, they were found to be very critical of the Company's rule. ''Let the Company's charter be abolished'', McLean wrote, ''and the portals of the territory be thrown wide open to every individual of capital and enterprise, under certain restrictions; let the British Government take into its hands the executive power of the territory. . . let Missionaries be sent forth among the Indians''.[15] McLean argued that all this would be necessary to save the Indians from the oppressive rule of the Hudson's Bay Company.

Concurrently several English writers were also helping to create an interest in the Northwest by their contemplations on the possibilities of that region. The first of these was Lieutenant Millington Henry Synge who, as the result of a military tour of duty in Canada with the Royal Artillery, came to the conclusion that the United States was aggressive by nature. This aggressiveness, he believed, had only been whetted by the Oregon and Mexican territorial acquisitions, and he strongly urged the importance from a defence standpoint of a railway from the Atlantic to

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15. John McLean, Notes of a Twenty-five Year's Service in the Hudson's Bay Territory, W.S. Wallace, editor (Toronto, 1932), p. 358.

the Pacific. In his booklet, Canada in 1848, he pictured colonization as a practical remedy for the defence of Canada, and recommended the settlement of England's surplus population in the Northwest.[16]

A second English visitor to Canada, Major Robert Carmichael-Smyth, shared Synge's views, particularly with regard to the importance of a trans-continental railway for defence. However, Carmichael-Smyth laid more emphasis on the commercial possibilities of such a venture. Further he described the Pacific Railway as the ''great link required to unite in one powerful chain the whole English race'', and suggested that the combined efforts of the Imperial Government, the North American colonies, and the Hudson's Bay Company put through this railway, which could be built most economically by convict labour.[17]

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16. Lt. Millington Henry Synge, Canada in 1848, (London, 1848). These views were later repeated in The Country v. The Company or Why British North America may be peopled, and how it may be done, (London, 1861), and The Colony of Rupert's Land: Where is it, and by what title held ? (London, 1863). In this latter book, p.5, Synge noted that his interest in the Northwest had first been awakened in 1847 by the Irish famine.

17. Major Robert Carmichael-Smyth, A Letter from Major Robert Carmichael-Smyth to his friend the Author of ''The Clockmaker'' containing thoughts on the subject of a British Colonial Railway Communication between the Atlantic and the Pacific, (London, 1849), p.6.

The prospect of using convict labour in this fashion gained further publicity with the publication in 1850 of Britain Redeemed and Canada Preserved, which volume owed much to Carmichael-Smyth's work.[18]

A somewhat different use of convict labour was suggested in the same year by Alexander Isbister.[19] With former penal colonies, such as New South Wales, reluctant to receive more convicts, Isbister proposed that the Northwest be utilized. He suggested that this region would make as satisfactory a penal colony as Russia's Siberia because of its proximity to England, lack of population, difficulty of escape, healthy climate, and natural advantages. The better classes of transported criminals could profitably till the fertile soil, fish, work on the portages, or develop the mines north of Lake Superior. Unlike Synge and Carmichael-Smyth, Isbister made no mention of the possibility of convict labour constructing a Pacific Railway.

The following year the first attempt was made to obtain a charter from the Canadian government for a railway through the British territories to the Pacific.

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18. F. A. Wilson and A. B. Richards, Britain Redeemed and Canada Preserved, (London, 1850).

19. A. K. Isbister, A Proposal for a New Penal Settlement, in connexion with the colonization of the Uninhabited Districts of British North America, (London, 1850).

On June 2, 1851, a petition was read in the Legislative Assembly setting forth the "great advantages which would result from the opening of a Highway across the Continent, westward of Lake Superior, thereby establishing a short route to the possessions in India, as well as other Asiatic Marts," and praying for an act of incorporation.[20]

The principal petitioner was a Toronto lawyer and mining promotor, Allan Macdonell. His interest in the Northwest probably had first been aroused by his father, Alexander Macdonell (Collachie), who from 1805 to 1812 had been superintendent of Lord Selkirk's Baldoon Settlement in Kent County, Canada West, and whose correspondence with Lord Selkirk on the possibility of a Northwest settlement his son treasured.[21] After 1846 Allan Macdonell had pioneered the development of the mines north of Lake Superior, and had also acquired some knowledge of the country lying west of the lake. In 1851 he was the leading Canadian advocate of a Pacific Railway.

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20. Province of Canada, Journals of Legislative Assembly, June 2, 1851.

21. Public Archives of Manitoba, Ross Papers, Allan Macdonell to James Ross, Dec. 8, 1864.

Associated with Macdonell in the proposed Pacific Railway venture were several Toronto businessmen, among them his brother Angus, and Sheriff Charles P. Treadwell of L'Orignal on the Ottawa River, the latter an advocate of such a railway for several years.

A capable journalist as well as a lawyer and business promotor, Allan Macdonell drew up a pamphlet to direct the attention of the Canadian public to the scheme.[22] In this pamphlet he argued that the proposed Lake Superior and Pacific Railway would benefit Canada and Great Britain in many ways. For one thing, it would be the means of settling all the lands capable of sustaining population in the Northwest, thereby relieving Great Britain of her surplus population. Secondly, the railway would place England much closer to the treasures of the East, thereby making Canada the common carrier of the world, an important consideration to Macdonell and his commercially minded

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22. Macdonell's pamphlet, Observations Upon the Construction of a Railroad from Lake Superior to the Pacific, was reprinted in 1858 as part of his larger and more readily accessible work, The North-West Transportation, Navigation and Railway Company: Its Objects, (Toronto, 1858), pp. 31-54.

associates. He noted that ''The commerce of India in every age has been the source of the opulence and power of every nation that has possessed it. . . Destiny now offers it to us.''[23] If these great benefits were to be received, Macdonell advised that immediate action was necessary, since no less than seven transcontinental railway routes through the United States were being proposed.

Macdonell's plan was that the chartered company should be allowed to purchase, at a reduced rate, a sixty mile wide strip of land from Lake Superior to the Pacific. The sale and settlement of this strip, which he believed ''capable of sustaining a large population'', would be very closely connected with the building of the railway.[24] The settlers would find a market for their agricultural produce among those working on the railway, or could partially support themselves by employment in a construction gang. As to the cost of the Pacific Railway, Macdonell estimated it at less than £8,000,000, which sum he felt should be forthcoming from private investors. If not, then the Imperial government should undertake the construction.

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23. Ibid., p. 54.

24. Ibid., p. 38.

In spite of the efforts of Macdonell and the other petitioners, the bill to incorporate the Lake Superior and Pacific Railway Company came to grief. In August, 1851, the Standing Committee on Railways and Telegraph Lines recommended that the petition be denied, since the application appeared to be premature.[25] Not only had the petitioners not obtained the consent of the Imperial government for the project, but the claims of the Indian tribes and the Hudson's Bay Company to the land sought by the promotors had not been adjusted, and no capital stock had been subscribed. In short, the committee ruled that the petitioners had ''shown no capacity to undertake the job''.

Nevertheless, possibly at the instigation of the committee's chairman, Sir Allan MacNab, a close friend and former legal associate of Allan Macdonell, the committee softened the blow by commending Macdonell for the very able way in which he had urged the superior advantages of such a route on the public attention. Moreover, the committee noted that the ''scheme ought not to be regarded as visionary or impractical'', and expressed belief that the great work would be undertaken at some future

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25. Province of Canada, Journal of Legislative Assembly, Aug. 30, 1851, Appendix U.U.

time by Great Britain and the United States. Finally, it ordered Macdonell's pamphlet on the advantages of the Pacific Railway appended to the committee's report and subsequently printed in the Journals of the Legislative Assembly.

Although the 1851 attempt to charter the Lake Superior and Pacific Railway Company was a failure from one point of view, it was still an important milestone in the history of the relationship between Canada and the Northwest. It had brought together a group of men who were interested in the future of that land, and had resulted in the Northwest being brought before the people and government of Canada as a land of promise. Also it had given birth to Macdonell's pamphlet, which for the next ten years served as the text for promotors of the Pacific Railway and Northwest annexation. Finally, although the petitioners had been turned down, the committee's report gave promise of a charter at some future date, should the project be more thoroughly prepared.

During the next four years, several events helped to keep the Northwest before the public. The first of these was a paper on a Pacific Railway through British North America, read before the London Geographical Society on January 12, 1852, by

Lieutenant Synge, author of Canada in 1848. The Toronto Globe gave considerable space to this lecture, which purported to show that the best highway to the east was through British North America.[26] Prominence was also given to certain comments of Major Carmichael-Smyth who, having been present at the London meeting, joined with Synge in urging the necessity of such a railway and denouncing the monopoly of the Hudson's Bay Company as unfavourable to colonization.

Coincident with Synge's paper, Allan and Angus Macdonell were attempting to obtain an act of incorporation for a ship canal around the Sault Ste. Marie Falls, thereby linking lakes Huron and Superior. It was felt by some people that emigration from Great Britain would shortly flood the shores of Canada's great inland sea, Lake Superior, following the completion of the Northern Railway from Toronto to Collingwood on Lake Huron.[27] A Canadian canal at

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26. Globe, March 4, 1852. Further extracts were printed in the Globe on March 6, 1852, while the lecture was subsequently published under the title, Great Britain One Empire. On the Union of the Dominions of Great Britain by Inter-Communication with the Pacific and the East via British North America. With Suggestions for the profitable colonization of that Wealthy Territory (London, 1852).

27. Examiner, (Toronto), June 2, 1852.

the Sault would further aid in the settlement of this anticipated wave of settlers. Moreover, the canal would benefit Allan Macdonell's mining operations along the north shore of Lake Superior and would facilitate any future attempt to build a railway westward from the lakehead.

The Canadian Government's refusal either to charter the canal company or to undertake the project itself as a public work saddened the Toronto promotors, who regarded the canal both as ''good speculation and a national benefit''.[28] Much to their chagrin, the United States Senate almost simultaneously passed a bill authorizing the construction of such a canal on American territory.

In 1853, the Macdonell brothers and certain other Toronto businessmen again petitioned the Canadian government for incorporation of a company to build a railway to the Pacific. It was suggested that the eastern terminal be on Lake Huron, probably at Collingwood where it could tie in with the nearly completed Northern Railway. As in 1851, the petitioners asked that ''lands to the width of sixty miles along the line'' of the proposed railway be granted or sold to them.[29] Again the petitioners

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28. Globe, March 23, 1852.

29. Province of Canada, Journals of Legislative Assembly, March 14, 1853.

worked diligently to obtain the charter. Major A. W. Playfair of Lanark County, an advocate of the project since 1850, published a supporting pamphlet in 1852, and Sheriff Treadwell laid his views on the subject before the Colonial Secretary in 1853, but to no avail; the petition was not entertained.[30]

The following year, a rival group with a somewhat different plan for a railway to the Pacific, petitioned the Canadian government. This group included Sir Allan MacNab, A. T. Galt, and other influential Canadian and American citizens. They sought permission to build a line from Montreal to the Canadian Sault from where it would cross into the United States for the remainder of the distance to the coast. Like the earlier attempts to obtain a charter from the Canadian government, this one also fell by the wayside.

Then in 1855, Allan Macdonell and his Toronto associates made their third attempt to obtain a government charter, again in vain. Word of this attempt apparently created something of a sensation

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30. Playfair's pamphlet, no copy of which is known to the writer, is mentioned in Francis M. Staton and Marie Tremaine, A Bibliography of Canadiana (Toronto, 1935), p. 693. Sheriff Treadwell's activities are described in A. S. Morton's, History of the Canadian West to 1870-71, p. 826.

in the Red River Settlement. Informed by Captain William Kennedy, the missionary, that a company was being formed to build a railway, at least from Lake Superior to Red River, John Gunn of the Red River Settlement wrote that the price of cattle had "risen 50 PerCent and few will sell at that, and people are keeping their wheat. . ." presumably waiting for the higher prices that would be offered by the Canadian railway contractors.[31]

Word of an impending attempt to have the Red River Settlement annexed to Canada also reached the settlement at that time, sent along by James Ross, a half-breed native of Red River who was attending Knox College in Toronto, and while there was supplying George Brown and the Globe with data on the Northwest. Ross is said to have written to the settlement that Brown intended to introduce an annexation bill into the Canadian Legislature.[32] This rumoured bill failed to materialize at this time, although Brown's biographer notes that he gave notice of motion for a committee of inquiry into the Northwest in 1854, but was "interupted by other business."[33]

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31. P. A. M., Ross Papers, John Gunn to James Ross, Nov. 14, 1854.

32. Ibid.

33. Lewis, op. cit., p. 213

Nevertheless the Globe kept up an attack on the monopoly of the Hudson's Bay Company, and was joined in this by a section of the Canadian press. Letters to the editor began to appear condemning the Company's rule and demanding that Canada take the Northwest, which "geographically" belonged to her.[34]

The most prolific and well informed writers of such letters was Alfred Robert Roche, a clerk in the Provincial Secretary's Office. A native of England, resident in Canada since 1841, Roche wrote under the pen name "Assiniboia". His letters appeared in the Montreal Gazette in the fall of 1855 and later in the Montreal Herald. Roche's first concern had been Alaska which was still held by Russia, then involved in the Crimean War. The disposition of Russian America after the war and the value of the land were of considerable interest to him, and a study of the question resulted in his addressing the Literary and Historical Society of Quebec on March 7, 1855. In this address, he advocated that Canadian troops help to take Alaska from

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34. Typical of such letters is that by "Canada" appearing in the Toronto Weekly Leader, Feb. 23, 1853.

Russia so that Canada would have ''some pretensions for claiming a voice in any future negotiations, which may be opened by the great powers of Europe in regard to the present contest''.[35] Roche's original interest in Russian America was followed by an interest in the Hudson's Bay Company territories, perhaps as the result of Alexander Isbister's influence, since Roche acknowledged that Isbister had supplied much of the information for his address.

Whatever the cause of his interest, the fact is that the last quarter of his Quebec address dealt with the Northwest. Roche claimed that the Company's charter was ambiguous, that the monopoly was guilty of gross mismanagement, and that the region's natural outlet was through Canada. He confidently expected Canada to make every effort to prevent the renewal of the Company's licence when it came up for renewal in 1859, and to try to procure the removal of the Company's ''blighting influence'' over such a large area of the continent.[36] Like Allan Macdonell, Roche advocated a Pacific Railway on the grounds that it would permit the effective annexation by Canada of the ''fine

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35. A. R. Roche, A View of Russian America, in Connection with the Present War, (Montreal, 1855) p.60.

36. Ibid., p. 48.

agricultural settlement of Red River'', the Saskatchewan valley, and the British portion of the Oregon Territory, as well as acting as a ''powerful check upon the grasping propensities of the United States''.[37] In addition, such a railway would also permit the marketing of Red River produce in the mining belt along Lake Superior. These were the basic ideas that Roche would continue to advance in his letters to the editors of the Montreal Gazette and Herald.

With the enlistment of Roche to their cause, the elements advocating increased Canadian interest in the Northwest and the annexation of part, or all, of it by Canada counted among their numbers some of Canada's ablest writers, namely George Brown, Allan Macdonell, A. P. Playfair, and Alfred Roche, together with Alexander Isbister in Great Britain. William Kennedy, Angus Macdonell, James Ross, and Sheriff Treadwell were cast in supporting roles. Given a suitable occasion, a receptive audience, and financial backing, the Northwest issue might be made to hold the centre of the political stage when the question of the renewal of the Hudson's Bay Company's licence came up some time before 1859.

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37. Ibid., pp. 38, 53.

CHAPTER TWO

A FAVOURABLE SETTING

Although Canadian interest in the Northwest was certainly not a new development in 1856, nevertheless that year, particularly the last quarter, witnessed its decided upsurge. There were a number of factors at work accelerating and expanding this interest. Perhaps the most important was the recent rapid growth of Canada, especially Canada West, which was making Canadians look both to the north and west. Exploration work carried out along the shores of lakes Huron and Superior focused attention on the prospect of northern settlement. Moreover, the westward expansion of the United States emphasized the potential of the western lands.

"In many ways the pioneer era was rapidly passing away in Upper Canada."[1] Between 1845 and 1855 the population had more than doubled, rising from 600,000 to 1,235,000, and there were ten cities each with more than 10,000 inhabitants.[2]

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1. J. M. S. Careless, "The Toronto Globe and Agrarian Radicalism", Canadian Historial Review, XXIX (March, 1948), 15.

2. Province of Canada, Journals of the Legislative Assembly, 1857, Appendix 59.

The settlement of the country was proceeding rapidly. Surveyors were moving northward; the recently opened Hastings, Addington, and Ottawa and Opeongo colonization roads were spilling settlers out along the borders of the inhospitable Canadian Shield region of Southern Ontario; and the supply of fertile wild land was dwindling fast. The Globe noted that a few years would witness "the cultivation of every surveyed lot in Upper Canada" and accordingly called attention to the land north of Lake Superior, which it thought might be the answer to the land question.[3]

Also, the ambitious railway construction programme which was at a peak in 1856 helped to make Canada a unified entity and drastically changed the Canadian concept of distance. The completion of the Grand Trunk Railway between Montreal and the Michigan border in 1856 together with other railway development prompted this editorial:

> When we first knew Canada, Lake Simcoe was a far away sea, whose whereabouts was well known to but few . . .
> It stood related to the known world very much as do the Red River and Lake Winnipeg at the present hour. [4]

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3. Globe, Sept. 14, 1855.

4. Ibid., Aug. 11, 1855.

This railway expansion is credited with the development of an ''integrated commercial agricultural society in which the business class was steadily rising''.[5] It also helped to consolidate the important position in Canada West of Toronto, which, by 1856, had grown to become a city of 50,000. Toronto's trade prospered greatly as exports more than doubled between 1853 and 1856, largely as a result of the Elgin Reciprocity Treaty of 1854, the demand for Canadian wheat occasioned by the Crimean War, the growth of her manufacturing industries, and the increasing wealth of her ever growing hinterland. Riding on the crest of commercial expansion, Toronto business interests could be expected to show an interest in the Northwest.

Certain developments in the United States also focused Canadian attention on the northern and western lands. For example, the opening of the American built Sault Ste. Marie Canal in the summer of 1855 had brought the Lake Superior mining district closer to Canada, revived some interest in it, and made future communication with the Northwest easier.

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5. Careless, op. cit., p. 16.

The Globe pointed out that this canal could not fail "to help forward the growing prosperity of Canada."[6] In addition, the opening of the American west encouraged Canadian railways to build westward in an attempt to drain off the rich trade of this area. When this traffic failed to materialize, Canada's overexpanded railways would have to look elsewhere for business, perhaps to the Northwest as Allan Macdonell had repeatedly suggested. Already this idea had been adopted by one Reform candidate for the Legislative Assembly, who used as a platform plank the development of the Belleville-Georgian Bay line of the Grand Trunk Railway "to open the North-west".[7] This seemed more likely of success following the announcement in the American press that recent scientific advances were making possible the opening up of the dry and arid American western plain.[8] Finally, there was the threat of American annexation of the Northwest, which was an incentive for Canadians to seek to make this land their own.

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6. Globe, July 6, 1855.

7. Leader, Nov. 20, 1855. The candidate was W. S. Conger contesting a by-election at Peterborough.

8. Leader, Dec. 7, 1855.

During the first eight months of 1856, the elements advocating increased Canadian interest in the Northwest kept the issue before the country, but did not press an all out attack on the Hudson's Bay Company, prefering to wait until a more suitable occasion should present itself. In this interval, Alfred Roche and the Montreal Gazette maintained some interest in the issue.

Writing in the Gazette in the fall of 1855 and again in the early part of 1856, Roche succeeded in interesting that paper in the Northwest. The result was an outstanding lead editorial in the Gazette on January 8, 1856. While acknowledging the question of the occupation for agricultural purposes of the territory between Lake Superior and Russian America by Canadians to be ''a matter which must be left to another generation to solve'', the editorial pointed out that it was the duty of the present generation ''to see that the way is cleared for them''. It recommended a definite, sensible policy for Canada to follow: first, Canada and the Hudson's Bay Company should settle the boundary question north of Lake Superior; second, Canada should take steps to acquire political sovereignty over the Indian Territory when the Company's lease to exclusive Indian trade expired in 1859; and third,

with the possible exception of the Red River Settlement, there should be no great hurry about taking the remaining lands of the Company. Presumably most of Rupert's Land was to be left in the possession of the Company, although the Gazette admitted not knowing exactly where the boundaries of Canada, Rupert's Land, and the Indian Territory actually were. The editorial suggested that the Company might even continue to keep the fur trade in the Indian Territory, but hastened to add:

> If there be lands there where the agriculturist and the miner may reap rich rewards for their toil, by all means let them have a proper opportunity afforded them to do so, and let them have the blessings of a Government.

Roche had written that there were promising lands in the Northwest, and the Gazette accepted at face value his claim that the farther west you went from Lake Superior, the milder the climate and the richer the soil. Paintings of the Saskatchewan valley by Paul Kane, which were being exhibited in Canadian centres at the time, were evidence of this claim. Such rich lands should fall into no hands but Canada's, the Gazette proclaimed emphatically.

This policy put forward by Roche and subsequently enlarged upon by the Gazette may have found

favour with certain members of the MacNab-Morin Liberal-Conservative coalition government, particularly two young politicians who were soon to dominate Canadian politics - John A. Macdonald of Kingston and George Etienne Cartier of Montreal. Brown Chamberlin of the Gazette is known to have been one of the journalists Macdonald was ''beginning to cultivate'' in 1856.[9] Cartier is reported to have expressed his pleasure with Roche's ''Russian American'' and ''Assiniboia'' articles and to have been anxious to see carried out the views which they contained.[10]

This encouragement and the fact that his policies and motives had been attacked by a correspondent to the Gazette who signed himself ''British America'' led Roche to publish further ''Assiniboia'' articles. In these he again stressed the richness of the territory and the misrule and persecution of the natives by the Hudson's Bay Company.[11]

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9. Donald Creighton, John A. Macdonald. The Young Politician (Toronto, 1952), p. 226.

10. Public Archives of Canada, Brown Chamberlin Papers, A. R. Roche to John Lowe, January 11, 1856.

11. ''British America'' attacked Roche in the Gazette, Dec. 3, 1855. Roche's answering articles appeared on Feb. 21, March 12, and April 23, 1856.

About this same time, the future of the Northwest was brought up incidentally in the Canadian Legislative Assembly. In a debate on a motion calling for Representation by Population, the member for Argenteuil County on the north shore of the Ottawa River, Sidney R. Bellingham, proposed that the settlement of the question could wait until the ''Red River country, now the property of the Hudson's Bay Company, would be filled up - would contain a hundred thousand inhabitants.''[12] This, he suggested, would be accomplished within the next ten years, so great was the movement of population westward.

Rather surprisingly, Bellingham's claim occasioned no surprise or comment from his colleagues or the press. Possibly they took it for granted. Probably they were more concerned with things closer to hand.

Even the Globe failed to notice Bellingham's statement. Moreover, this paper seems to have neglected throughout the early months of 1856 its policy of openly advocating Canadian concern in the territories of the Hudson's Bay Company. Instead

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12. Public Archives of Manitoba, Scrapbook of Newspaper accounts of the debates in the Canadian Legislature, March 14, 1856.

it concentrated on the Canadian Northwest, by which was meant the lands north of lakes Huron and Superior, but south of the Company's lands. There was a close connection between these two Northwests, however, for increased interest in one would almost certainly create additional interest in the other.

The Globe was the leading, though not the only, paper concerned with the Canadian Northwest at this time. It noted that the natural resources of the land north of Lake Superior were "unbounded", and that the trade of this rich agricultural and mining area would benefit Toronto immensely, if only the Canadian government would have the lands surveyed and make known their vast resources.[13]

The Government responded to this suggestion by tabling the reports of two expeditions to the Canadian Northwest. The first, laid before the Legislative Assembly on April 4, was a report on the country bordering the north shore of Lake Huron by Albert P. Salter, a public land surveyor who had explored the region for the government in 1855.[14] Salter was quite enthusiastic about its possibilities. Inland from a generally inhospitable coast, he claimed

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13. Globe, March 28, 1856. See also Globe of May 23.

14. Province of Canada, Journals of the Legislative Assembly, 1856, Appendix 37.

to have located ''large and extensive fertile tracts. . . with a deep alluvial soil. . . capable of producing to perfection, rye, oats, barley, maize, grass and all kinds of root crops''. Extensive tracts of red and white pine were also valuable. Salter's principal criticism of the area, apart from the inhospitable coast, was that the long winter and depth of snow made the successful cultivation of wheat unlikely.

Two weeks later, on April 15, the second report on the resources of the Canadian Northwest was tabled. It was the work of Count E. S. de Rottermund, a French geologist who had explored lakes Superior and Huron the preceding fall.[15] His findings pointed to favourable prospects for copper mining in these areas, a legitimate conclusion in view of the existing copper mines in Upper Michigan and along the north shore of Lake Superior.

A final indication of the government's interest in the north was the report on survey work which had been going on in the territory lying north of Peterborough and Victoria counties since November 1854. No startling discoveries had been made by the

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15. Ibid., 1856, Appendix 37.

surveyors, however, the government was planning to open roads into this country.[16]

These promising reports, coupled with the completion of the Northern Railway from Toronto to Collingwood in 1856 and the profit motive, resulted in an attempt by a group of Toronto businessmen to establish a line of steamers between Collingwood and the Upper Lakes. On August 4, 1856, a preliminary meeting was held in the Toronto Exchange Building, and a week later plans were announced for the formation of the North Western Steamboat Communication Company.[17] The proposed steamship line was to derive its trade from the American West, the Lake Superior mines, and the prospective settlement of the north shores of lakes Huron and Superior. The Globe predicted that this proposed settlement would primarily benefit Toronto and ensure the trade necessary for her future growth.

Accordingly the venture was supported by many prominent Toronto merchants and civic officials. Other backers included the Hon. Philip M. Vankoughnet, a Toronto lawyer who recently had been named President of the Canadian Executive Council and

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16. Ibid., 1856, Appendix 57.

17. Globe, Aug. 4, 12, 1856.

Minister of Agriculture; John Gordon Brown, George Brown's brother and editor of the Globe since 1851; Captain Thomas Dick, a Great Lakes mariner who in 1845 had commanded the first steam merchant vessel on Georgian Bay and in 1856 was interested financially in the timber resources in the Canadian Northwest; and officials of the Northern Railway, which would benefit by carrying the goods from Collingwood to Toronto.

The prospect of a steamship line drawing in the trade of the North and West for Toronto caused consternation among the merchant class at Montreal. Should the scheme succeed, the traffic of Canada's northland and the American west might pass from Toronto to Oswego and from there to the Atlantic coast via American canals and railways, thereby by-passing the St. Lawrence and Montreal. Although the Montreal Gazette held little hope for the success of the Toronto enterprise, since Torontonians had ''hitherto subscribed next to nothing to such schemes'', Montreal merchants continued work on a plan that would ensure their mercantile supremacy.[18] This was the improvement of the Ottawa canal system and the

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18. Gazette, Aug. 19, 1856.

linking up of that system by canal with Georgian Bay. Such a network of canals would certainly aid in the settlement of the theretofore unsurveyed and unsettled territory between the Ottawa River and Georgian Bay, which project the Gazette refered to as ''the great work ''needed'' to make the country what it should be.''[19]

This increased interest in the lands bordering lakes Huron and Superior for their mineral, agricultural, and trade potential was characteristic of the first eight months of 1856. From there it would be a small step to a serious consideration of the lands of the Hudson's Bay Company.

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19. Gazette, Aug. 4, 1856.

CHAPTER THREE

THE GATHERING STORM

Towards the close of 1856, the holding action that had been carried on by the Canadian opponents of the Hudson's Bay Company's monopoly on the Northwest gave way to a more aggressive policy, based on certain economic, political, and social considerations. Ammunition for the anti-Company ranks came in September from four main sources - a leading government minister who declared that the Northwest belong to Canada; a civil servant who revived the question of a penal settlement in the Company's territory; a memorial from the British Aborigines Protection Society on the condition of the native Indians; and a Toronto Board of Trade meeting called to consider the opening of direct commercial intercourse with the Northwest.

The first Canadian government minister to openly advocate annexation of the Company's territory was the Honourable Philip M. Vankoughnet, newly appointed President of the Executive Council and Minister of Agriculture. Addressing an election rally at Ottawa in mid-September, Vankoughnet

declared that ''the vast extent of territory stretching from Lake Superior and the Hudson's Bay belonged to Canada - or must belong to it''.[1] He maintained that the Company's charter was invalid and said that Canada should seek her western boundary ''on the Pacific Ocean''. This was Canada's manifest destiny. Coupled with this appeal to the patriotic, nationalistic sentiments of his listeners, was an appeal to their business sense. Many of his constituents along the Ottawa River had been active in the North West Company, all had heard of the prosperous fur trade carried on in the years before 1821, and Vankoughnet now told them that, instead of canoes coming down the Ottawa, he could see ''great shiploads of agricultural products. . . the produce of the most distant West'', and the ''riches collected upon the Great Lakes'' passing down through the heart of Canada. With the building of a railway to the Pacific through British territory, he envisaged the products of Europe and Asia passing one another on the Ottawa.

That Vankoughnet should have been the first government minister to openly declare his interest in

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1. Leader, Sept. 16, 1856.

the Northwest before a political gathering was consistent both with his background and the current situation. While practising law in Toronto, he had become associated with the group of businessmen who were active in promoting the North Western Steamboat Communication Company, and had lent his support to the project. Then, following his government appointment in the early summer of 1856, he came in touch with Alfred Roche, who began to supply him with data on the Northwest.[2] Roche may have suggested that, in campaigning for election as Legislative Councillor for the Rideau District, Vankoughnet would do well to proclaim this interest, thereby capitalizing on local interest in developing the Ottawa Canal system and in obtaining trade from the American West and the Northwest. This Vankoughnet proceeded to do. Whether the ministry would follow his lead remained to be seen, but it was regarded as significant that Vankoughnet, who held two important posts and was a close friend of John A. Macdonald, should have made such a proclamation. Moreover, the ministerial

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2. United Kingdom, House of Commons, Report from the Select Committee on the Hudson's Bay Company; Together with the Proceedings of the Committee, Minutes of Evidence, Appendix and Index, (London, 1857), p. 249.

press, particularly the Toronto Leader, made much of his speech, while reform newspapers such as the Globe chose to ignore it.

About the same time as Vankoughnet's Ottawa speech, the question of shipping convicts to the Hudson's Bay Territory, as a sort of second Siberia, was being revived in the Canadian press. First advanced by Major Robert Carmichael-Smyth in 1849, and elaborated upon by Alexander Isbister in the following year, the topic had lain dormant for five years. However, on September 18, 1856, the Montreal Gazette focused attention on it once again by calling attention to a letter which had appeared in the London (England) Morning Post. This letter had been written from Toronto by the Canadian correspondent of the paper, now known to be the same Alfred Roche who wrote the "Assiniboia" articles and provided Vankoughnet with information on the Northwest.[3] In view of the authorship and since the letter originally appeared in the Morning Post on April 3, five months prior to its mention

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3. Staton and Tremaine, op. cit., p. 645. The letter was later reprinted together with press clippings under the title of New Disposal of Convicts, (Toronto, [1863]). The introduction to this 46 page pamphlet is signed "A-R-R-".

in the Gazette, it is possible that Roche arranged to have it brought before the Canadian public at the same time as Vankoughnet's speech, thereby mounting a co-ordinated two pronged attack upon the enemy, the Hudson's Bay Company.

Roche's letter owed much to Isbister's 1850 pamphlet. Like Isbister, Roche stressed the mineral and agricultural resources of the country, the possible construction of public works by convict labour, and the impossibility of escape. Roche's own contribution to the scheme was the definite proposal that the Hudson's Bay Company should be bought out by the British government and retire from the country, and that missionaries of the gospel and traders should then move into the Northwest together with between eight hundred and two thousand prisoners.

Preliminary notice of Roche's letter in the Gazette of September 18 was followed two weeks later by a lengthy article in which several extracts from the letter were printed.[4] Reaction to the proposition was mixed. The Quebec Gazette gave its full support, noting that ''A Siberia to the north

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4. Gazette, Sept. 30, 1856.

of Canada, would be of incalculable advantage to this province''.[5] On the other side, the Montreal Herald attacked the scheme as being impractical, and in turn was attacked by Gazette correspondents as being an organ of the Hudson's Bay Company.[6]

The Montreal Gazette, which in the first month of the controversy had restricted itself to publishing other papers' comments without passing judgement on Roche's scheme, soon felt obliged to take a definite stand. This it did on October 29, coming out in favour of the proposed convict settlement for two reasons, one humanitarian and the other economic. First, the Gazette argued that the proposed settlement would do away with the horrors of prison life. Indeed, some of Canada's prisoners might be sent to the Northwest. Second, an important trade would likely open up, breadstuffs being exported to the convicts in exchange for metals and furs. The paper promised its readers a letter from ''Assiniboia'' on the location of the metals: concerning the abundance of furs they already had knowledge.[7]

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5. Quoted Ibid., Nov. 1, 1856.

6. Ibid., Oct. 3, Nov. 1, 1856.

7. This letter appeared in the Gazette, Feb. 13, 1857.

Concurrently, the humanitarian issue also was being presented by the British Aborigines Protection Society. Towards the end of September, the Society approached Sir Allan MacNab, the late premier of Canada who was visiting England, to request that he introduce a petition into the Canadian Parliament. MacNab agreed, noting that ''It cannot do any harm'', and a month later a memorial was submitted to the Legislative Council.[8] The memorial sought Canadian action to ameliorate the lowly condition of the Indians on the grounds that the southern part of the Company's lands ''appertain both in Law and Equity to Canada''.[9] Canada, the memorial pointed out, had inherited claims to the land dating from the French period and formerly derived great wealth from this region.

The Society was not alone in condemning the way in which the natives of the territory were treated. Captain William Kennedy, Allan Macdonell and other voices were heard in Canada. The Toronto correspondent of the Montreal Witness referred

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8. Globe, Oct. 23, 1856.

9. Public Archives of Canada, C.O. 42, vol. 604, Nov. 25, 1856.

to restrictions put by the Company upon the trade and holding of land in the Red River Settlement as belonging to ''feudal times''.[10]

Yet, while these agents appealed to a man's conscience and Christian principles, they also invariably appealed to his economic interests, as witnessed by the memorial's reference to Canada as having formerly derived great wealth from the Northwest.

This close relationship between humanitarian and economic ideals was also apparent in a series of letters which appeared in the Globe from one who signed himself ''Huron''. The theme of the dozen ''Huron'' letters which appeared in the fall of 1856 was sounded in the first one, which called upon the Canadian mercantile element to ask itself by what authority the Bay Company should claim exclusive trading privileges over such a vast area.[11] ''Huron'' called for the formation of a new Canadian company to compete with the monopoly. To arouse public feeling against the monopoly, he described the ''degraded and slave-like state'' to which the Indian was reduced.[12] Although the identity of

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10. Quoted Gazette (Montreal), Oct. 30, 1856.

11. Globe, Aug. 19, 1856.

12. Ibid., Sept. 2, 1856. See also Aug. 27, 30; Sept. 15, 30; Oct. 31, 1856.

''Huron'' was never publicly revealed, the content and style of the letters indicate that the writer was none other than Allan Macdonell. If not Macdonell, it was certainly a person very closely associated with him.

Macdonell may well have been the author of the ''Huron'' articles, since he was actively engaged at this time in keeping the Northwest before the people of Canada. His activities ranged all the way from bringing before the Canadian Government the complaint of a man that he had been interfered with by Hudson's Bay Company authorities while gathering cranberries near Lake Nipissing, to addressing a meeting of the Toronto Board of Trade on the importance of obtaining the trade of both the American West and the Company's territories.[13] At this meeting on September 19, Macdonell spoke enthusiastically of the Red River Settlement as a wheat-growing country which would rival Canada.[14] But more important to the merchants who were present was his announcement that ''all the canals and railroads which can be constructed will scarce suffice to afford facilities of the products of the West''. This was good news to Board of Trade

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13. P.A.C., Records of the Provincial Secretary's Office, Canada West, Oct. 3, 1856.

14. Globe, Sept. 22, 1856.

members who were supporting the North Western Steamboat Communication Company, were advocating a Toronto to Georgian Bay ship canal, and had subscribed much of the capital to build the Northern Railway.

Encouraged by his reception at the hands of these merchants, Macdonell determined to prepare a prospectus for a new North West company. ''Huron'' too was jubilant, and announced that this company would be most welcome since it combined the profit motive with the ''object of restoring to Canada that trade which in earlier years she possessed, and which is emphatically her own''.[15] ''Huron'' called upon every man in Canada to take an interest in this ''undertaking which arrays Canada against the monopoly''. Canada should go forth like St. George and slay the dragon ''Monopoly''. Her own interests, and incidentally the interests of humanity, demanded it.[16]

So successful were Macdonell and ''Huron'' in arousing the interest of the Toronto mercantile class in the Northwest, that the Board of Trade called a meeting for the evening of December 3

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15. Ibid., Oct. 31, 1856.

16. Ibid., Oct. 10, 1856.

''with the view of affording an opportunity to certain gentlemen, long residents of the Hudson's Bay Territory, to call attention to the advantages of opening a direct commercial intercourse with that extensive field of enterprise''.[17] Accordingly at the appointed hour, many of the leading citizens of Toronto, among them George Brown, assembled at the Board Room.

The meeting was opened by Allan Macdonell, who spoke on behalf of the formation of another North West Company. He said that this should be done at once if Canada were to regain her old trade: otherwise, the trade that ought to belong to her would be carried on by the Americans. Macdonell then introduced the principal speaker of the evening, Captain Kennedy, who was hailed as an expert on the Northwest because of his many years' service there.

Captain Kennedy concentrated on the resources of the Hudson's Bay Company's chartered territory, which he did not think could be equalled in Canada. Whales could be caught by the thousands in the coastal waters, he stated, and he had once seen ten thousand reindeer.[18] Canadians might dream

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17. Ibid., Dec. 4, 1856.

18. Leader, Dec. 9, 1856.

of the fur trade, but this was only a secondary asset of the land, which he believed to possess untold minerals and fuels. A four hundred mile wide belt along the American border was perfectly capable of cultivation, the climate being comparable to that of Toronto. If Canada really wanted these great riches for her own, she should prepare to act at once before American influence in the territory became too strong. Kennedy stated that the Red River settlers, who had been under the oppression of the Company, were desirous of a change and would proclaim their independence if necessary.

At the conclusion of Kennedy's impassioned address, the Toronto Board of Trade adopted a resolution:

> That the claim of the Hudson's Bay Company to exclusive right of trade over a large portion of British North America, is injurious to the interests of the country so monopolized, and in contravention of the rights of the people of British North America. 19

It was also decided that the three branches of the Canadian Legislature should be petitioned regarding the matter.

The enthusiasm that had been generated by this meeting spilled over into the editorial page

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19. Globe, Dec. 4, 1856.

of the Toronto Globe. On December 10, the Globe noted that the legality of the Company's charter would be dealt with by crown lawyers, but that the question which Canadians must face was ''the best method of taking possession of the vast and fertile territory which is our birthright, and which no power on earth can prevent us occupying''. It firmly announced that every part of the Company's territory would be ''productive of good to Canada, outweighing a hundred times all considerations of the expense of managing its affairs''.

Three days later, a second editorial expanded on this point of view.[20] The suggestion that Canada should commence settlement on her own boundary and gradually work westward was ruled out on the grounds that ten thousand English speaking people at Red River eagerly desired union with Canada. Moreover, the Globe claimed that there were ''hundreds of young men who would shoulder their axes at once'' if two hundred acres awaited them ''with a prospect of their new home becoming a great and wealthy country''. The Red River country was needed for these young men, since the land north of Lake Superior, rich in mineral wealth though it was, was not as good

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20. Ibid., Dec. 13, 1856.

agriculturally. Communication with the settlement could be effected by opening a route from Fort William, by water in summer, by land in winter. In conclusion, the Globe made crystal clear its primary reason for wanting the Northwest opened up:

> Let the merchants of Toronto consider that if their city is ever to be made really great - if it is ever to rise above the rank of a fifth-rate American town - it must be by the development of the great British territory lying to the north and west, and that Toronto is better fitted by situation than any other place to be the depot of the business of that country. Why should not the Toronto Fur Trading Company be formed immediately ?

Within a fortnight, notice was given by Allan Macdonell and other Toronto businessmen that a company would be formed to tap the resources of the Northwest.[21] However, there was no indication that the forthcoming venture would bear the name suggested by the Globe, since its scope was to be wider than that of a mere fur trading company. Macdonell announced that a charter would be sought authorising construction of a railroad from Lake Superior to the Assiniboine valley, with an ultimate goal of the Pacific. Certainly the proposed

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21. Ibid., Dec. 26, 1856.

company would be extremely interested in the fur trade, but to call it the Toronto Fur Trading Company would be a misnomer. Moreover, it might cause dissension within the organization since, following the Globe's suggestion, Captain Kennedy had criticized the Canadians for attaching more importance to the fur trade than to the other resources of the Hudson's Bay Territory. Kennedy warned that the ''fur trade should be followed by the farmer, the mechanic, and the press - each to act as a wholesome check on the other''.[22] Macdonell could ill afford to lose the services of Captain Kennedy, one of the most important and respected agents of the Northwest cause.

Whereas the Globe's emphasis on the fur trade evoked a mild reproach from Kennedy, certain other newspapers were still less hospitable to its Northwest policy. Sharp criticism came from three papers in particular, the Toronto Leader, a ministerial paper strongly opposed to the Grit Globe; the Montreal Transcript, which represented Montreal business interests; and the Montreal Herald, which was regarded as the Canadian mouthpiece for Sir George Simpson and the Hudson's

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22. Gazette, Dec. 19, 1856.

Bay Company. These newspapers challenged the Globe and the Toronto business interests on a number of points. Their principal contention was that Canada already had more land than she could turn to profitable account and that there were millions of acres within Canada to be surveyed and explored.[23] To take on more territory, the Transcript warned, would be like the mariner in Coleridge's Ancient Mariner, to encumber the country with a weight she could never shake off. Moreover, while there were a ''few fertile spots'' in the Northwest, the paper suggested that they were very few and far between. Red River was pictured as an isolated settlement surrounded by treeless prairies upon which scarcely a shrub could be seen. Distance and the difficulty of communication between Canada and the fertile area were regarded as other decided drawbacks. The Transcript noted that:

> None but the most ignorant and frantic mind could imagine the present formation of a continuous line of Railroad, Canals and Steamers over the mountainous and rocky tract of country lying between Lakes Superior and Winnipeg...He who would embark in such a scheme might as well sink his thousands in the sea, for all the benefit he will reap. The natural channel for reaching the Interior is the Minnesota Territory.

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23. See the Leader, Dec. 9, 1856 and the Transcript Dec. 27, 1856.

Charges made against the Company by such men as Captain Kennedy regarding the oppression of the inhabitants were said to be completely unfounded. Far from being harmful to Canada's interests, the Transcript pointed out, the Company's rule was preparing the way for the day when Canada was prepared to expand. The Toronto Leader favoured a policy of gradual westward expansion from the borders of Canada, which policy the Globe shunned.[24]

As for the men who were seeking to charter this new company to replace the Hudson's Bay Company monopoly with a monopoly of their own, the Leader, Transcript, and Herald had nothing but contempt. Macdonell was pictured as a ''monomaniac'' with an ''unconquerable penchant for magnificent schemes'',[25] while Kennedy was ''choleric, pugnacious and irascible.''[26]

Both the Globe and the Montreal Gazette opened their columns for a reply by Macdonell to these charges.[27] In addition, the Gazette continued

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24. Globe, Dec. 13, 1856.
25. Leader, Dec. 9, 1856.
26. Transcript, Dec. 27, 1856.
27. Gazette, Dec. 29, 1856.

to print correspondence from Captain Kennedy and ''Assiniboia'',[28] while the Globe delivered a blast against those newspapers opposed to ''the popular desire for annexation''.[29] In answer to the Transcript's references to ''a few fertile spots'' and ''vast treeless prairies'', the Globe said that ''everyone who knows anything about the prairies'' of the west will smile, ''since these prairies are all fertile''. Indeed, the prairies beyond Red River were better than at Red River, there being no flooding and a more favourable climate.

At the same time, the Globe suggested that the newspapers opposing the annexation of the North-west were of two types - first, such papers as the Herald which were influenced by the English Company; and second, government journals, influenced by the ''unwillingness of the all-powerful eastern ministers to entertain any project which will strengthen western power''.

For several years, the theme of the Reformers of Western Canada, George Brown, and the Globe had been the neglect of that region by a ministry apparently dominated by the French of Lower Canada.

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28. Ibid., Dec. 19, 30, 1856.

29. Globe, Jan. 6, 1857.

To lessen the influence of the ''all-powerful eastern ministers'', they sought Representation by Population to replace the existing system of equal representation. Towards the end of 1856, the Reformers were preparing to draw up a set of principles which would surely include ''Rep. by Pop.''. There was a distinct possibility that they might associate with it the annexation of the Northwest, particularly since the Toronto business-men who were so active in advocating this cause were counted among the leading Reformers of the province. Given formal backing by the Reform Party, Northwest annexation would become an important political issue.

CHAPTER FOUR

A POLITICAL ISSUE

Northwest annexation first became a major political issue in the early months of 1857 when the Liberals officially took up the cause. Immediately prior to this, it had some political significance, being advocated as an immediate neccessity by the Globe, the mouthpiece of the Grits of Upper Canada, and as a gradual development by the Leader and other government influenced journals, but the matter had not entered parliamentary debate and the line between the two factions was by no means clear. To what extent Vankoughnet's views on the Northwest represented the opinion of the majority of the ministers was not known at this time.

The Liberal position was clarified at two Toronto meetings. On December 15, 1856, eighteen M.P.'s and thirty-two newspaper editors from Upper Canada drew up a declaration calling for the organization of an association to carry out certain ends, among them "Representation by Population" and the "Incorporation of the Hudson's Bay Territory as Canadian Soil".[1]

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1. Leader, Jan. 6, 1857.

Then on January 8, 1857, several hundred leading Upper Canadian Grits gathered at the Temperance Hall to debate the Liberal Declaration of December 15. The ''Temperance Street Conspiracy'', as the gathering was called in the ministerial press, approved as its eighth resolution the annexation of the Hudson's Bay Territory. This resolution, passed without debate, declared it to be the duty of the Legislature and Executive of Canada ''to open negotiations with the Imperial Government for the Incorporation of the said Territory as Canadian soil''.[2]

This resolution was certainly not regarded as one of the most important ones by the majority of Liberals. Not only did it fail to arouse any discussion when introduced by Billa Flint, a wealthy Belleville lumberman and general merchant, but of the dozens of extracts published in the Globe from Liberal papers commenting on the platform, only three mentioned the Northwest. The Elora Backwoodsman frankly admitted that the eighth plank ''will be new to many of our readers'', but

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2. Globe, Jan. 9, 1857.

hastily added:

> A glance at the map - a peep into the future - a patriotic desire for the spread of freedom, true and unsullied by the foul blot of American slavery, will supply the arguments in support of this proposal.

A central Ontario paper, the Cobourg Sun, was inspired to remark that when this plank was realized, Canada would have ''a soaring ambition greater than 'all creation' ''.[3] The Galt Reformer could not match these poetic outbursts from its two contemporaries and rather mundanely pointed out that annexation would ''add much to the importance and greatness of Canada''.[4] Contrary to the Globe's concept of ''the popular desire for annexation'', it seemed that such a desire existed only in the minds of a few journalists and businessmen, many of them Grits.

The eighth plank created far more excitement among opposing journals. Both the Toronto Times and the Leader objected strenuously to the Grits trying to take over a plank in the government's platform. The Leader claimed that it was Philip Vankoughnet who ''first aroused public attention here to the practicability of getting possession of the property'', and not merely to benefit a

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3. Ibid., Jan. 17, 1857.

4. Ibid., Jan. 19, 1857.

''company of Canadian speculators - but for the people''.[5] The Globe was accused of ''blowing off steam'' after Brown ''found out what the Minister of Agriculture was after''.[6] An earlier claim by the Gazette that ''Assiniboia'' had been responsible for the agitation further complicated the picture.[7]

A week after the Temperance Hall meeting at which the Grits determined their annexation policy, the Canadian Executive Council was obliged to consider its policy. Before it for consideration was a despatch from Colonial Secretary Henry Labouchere announcing that a committee of the British House of Commons would be set up to conduct an inquiry into the renewal of the Hudson's Bay Company's licence to exclusive Indian trade, due to expire in two years time, and incidentally to ''embrace the general position and prospect of the Hudson's Bay Company''.[8] Since matters might arise that would affect Canadian interests, Labouchere asked if Canada would care to be represented.

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5. Jan. 13, 1857.

6. Times, (Toronto) quoted in Gazette, Jan. 13, 1857.

7. Gazette, Dec. 30, 1856.

8. Public Archives of Canada, G 1., vol. 140, Labouchere to Head, Dec. 4, 1856.

The Executive Council's recommendation to Governor General Edmund Head was in the affirmative. It urged the appointment of a special agent to represent Canada's interests at the inquiry and ''to ascertain the rights of the Hudson's Bay Company in North America''.[9] The Council also urged that the boundary between Canadian and Company territory be ascertained, and noted that ''The general feeling here is strongly that the Western Boundary of Canada extends to the Pacific Ocean'', sentiment reminiscent of Council President Vankoughnet's Ottawa address.[10]

The decision to send a Canadian representative to the inquiry was at once acclaimed by both government and opposition journals as a victory for their respective sides. To the former, it was clear evidence of the government's realistic concern with the future of the country, while to the latter it represented a concession by the ministry to the Reform Alliance.[11]

While both factions applauded the decision, the opposition press went on to attack the government's choice of a representative, William Henry Draper, Chief Justice of Canada West. Draper's appointment was attacked by the Globe on the grounds

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9. P.A.C., State Book R, Jan. 27, 1857, p.142.

10. Ibid., Jan. 17, 1857, p. 113.

11. See Gazette, Feb. 7, and Globe, Feb. 9, 1857.

that as a justice he was not responsible to the people and that it was ''a gross political job'' quite possibly brought about by Hudson's Bay Company money.[12] This theory was openly contradicted by the Company-influenced Montreal Herald which likened Draper's mission to a ''pleasure cruise''.[13] Regarding the man himself the Globe could find no virtue: ''This judge has always been the enemy of Reformers, the foe of popular rights, the friend of Family Compact and Colonial Office tyranny''.[14] As the first architect of the Liberal-Conservative party, Draper was disliked by the Globe and the Grits.

These charges led to a rebuttal on the part of the ministry's organs. The Globe's claim that the opposition had forced the government to act was described as ''silly'' and ''utterly ludicrous'',[15] and Draper was defended as the best possible choice in view of the legal nature of the inquiry.[16]

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12. Globe, Feb. 13, 1857.

13. See Montreal Gazette, Feb. 10, 1857, for Herald's attack on the mission, and Gazette's defence of Draper.

14. Globe, Feb. 28, 1857.

15. Gazette, Feb. 13, 1857.

16. Leader, Feb. 10, 1857; Gazette, Feb. 7, 1857.

In the midst of this controversy, the Executive Council drew up Draper's preliminary instructions.[17] As the government's special agent, his primary function was to watch over Canadian interests "by correcting any erroneous impressions, and by bringing forward any claims of a legal or equitable kind which this province may profess on account of its territorial position or its past history."[18] Draper was particularly to press "the importance of securing the North West Territory against the sudden and unauthorized influx of immigration from the United States". The frontier to the Pacific was to be protected until the advancing tide of emigration from Canada could fill up the lands.

To assist Draper in determining just what these "legal and equitable" claims were that he was expected to bring forward, the Commissioner of Crown Lands, Joseph Cauchon, submitted a report on the Northwest.[19] At first the Executive Council

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17. P.A.C., State Book R, Feb. 18, 1857, pp. 223-26.

18. Ibid., p. 224.

19. P.A.C., R.G.1, L6 E, vol. 3, Report on the North-West Territories of Canada, the Hudson's Bay and the Indian Territories; with the Questions of Boundary and Jurisdiction connected therewith. The actual author of the report was William MacD. Dawson of the Crown Lands Department, who later became a member of parliament and a leader in the movement for Northwest annexation. See Canada, Report of the Select Committee on the Boundaries between the Province of Ontario and the Unorganized Territories of the Dominion with Appendix (Ottawa, 1880), pp. 165-83.

ordered that Draper should have twenty-five copies of this report to distribute among the members of the Select Committee. Later it reversed this decision, and said that the report was not to be used publicly, but ''only one or two copies are to be placed at Draper's disposal for his own use''.[20] A closer examination had apparently shown the report to be controversial. For one thing, Cauchon's submission had dismissed the Company's claims by stating that it had really no territorial rights at all and that the time had come ''when Canada must assert her rights''.[21] Moreover, not only did it suggest that the Indian Territory should be annexed, but it also suggested that Draper should sound out the British government on the possibility of Canada's annexing Vancouver Island. The Executive Council was not prepared to press these issues at the moment, and regarded Draper's mission to the Select Committee as being in an advisory role.[22]

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20. P.A.C., State Book R, March 11, 1857, p. 283.

21. Op. Cit., p. 73.

22. The report was a step in Cauchon's fall from ministerial grace. His forced resignation followed shortly thereafter, when he refused to support the ministry's Grand Trunk Railway policy unless a ''distinct promise'' was given him regarding government aid to his pet project, the North Shore Railway. P.A.C., C.O. 42, vol. 610, Head to Labouchere, May 2, 1857. The North Shore Railway, of which Cauchon was president, planned at linking Lake Huron with the Ottawa River and Quebec City.

The week after the drafting of Draper's instructions by the Executive Council, Parliament convened. This was its first meeting since July, 1856, at which time the Northwest had not been a political issue. Therefore, the new session was the first chance the Legislative Assembly and Council had to debate the ministry's policy.

In the Assembly, the recent appointment was considered of such importance that it was the first matter debated following the speech from the throne. A ministry supporter, newspaper editor George Benjamin of Belleville, moved a vote of thanks to the Executive for its action in appointing so able and suitable a delegate as the Chief Justice.[23] However, Benjamin's motion did not silence the opposition composed of Clear Grits from Upper Canada and Rouges from Lower Canada. Although the Grits agreed that representation at the inquiry was vital, they maintained the government deserved no credit, since it had neither originated the question nor set about its solution properly. Moreover, the Grits asked, why was it that a matter "so largely affecting the interests of the people of Canada was not submitted to the House ?"

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23. P.A.M., Scrapbook of Newspaper accounts of the debates in the Canadian Legislature, Feb. 27, 1857.

A leader of the ''Parti Rouge'', Antoine Dorion, attacked the ministry on similar grounds, expressing surprise that the government should, on the very eve of the meeting of Parliament, have taken upon itself the appointment of an agent to look into this ''country beyond the scope of their control''. But Dorion's chief concern was what would happen to the Northwest if Canada did obtain it. Would it be divided between the two sections of Canada, ''or would it form an integral part of Canada as a whole ?'' Neither the Grits nor the ministry had made known their policy on this point.

This was not the only area in which the ministry's policy was not known. Questioned as to what course the Liberal-Conservatives would take with regard to the territory, John A. Macdonald, Attorney General for Canada West, replied that no action would be taken until the results of the Imperial government's inquiry became known.[24] Since Draper's instructions were regarded as preliminary and had not been made public, the opposition was left in doubt as to what the ministry's policy was. Indeed, pending the gathering of additional information and the clarification of Cauchon's report,

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24. Ibid., March 4, 1857.

the ministry was not at all sure what its final instructions to Draper would be.

This wait-and-see attitude which characterized government thinking was maintained in the face of several petitions which were brought before the Assembly in March and April asking that the ministry urge on the Imperial Government the expediency of incorporating all or part of the Hudson's Bay Company's lands within Canada. The first petition was from the Municipal Council of the United Counties of Lanark and Renfrew, situated on the Ottawa River, and grew out of a public meeting masterminded by Colonel A. W. Playfair, who had been associated with Allan Macdonell in the Pacific Railway promotion of 1851. Playfair not only circulated the petition requesting that a meeting be held to consider the possible ''annexation of the southern and agricultural part of the Hudson's Bay Territory'', but he was also the principal speaker at the January 6 meeting and personally introduced the motion condemning the exclusive claims of the Hudson's Bay Company as ''detrimental to Great Britain and the British American Provinces in general, in a Political, Commercial, and Physical point of view''.[25] A similar petition

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25. Gazette, Jan. 19, 1857.

was later submitted to the Legislative Assembly by certain merchants residing in the United County.

Other petitions came from the Municipal Council of Argenteuil County on the north shore of the Ottawa River, where Sherrif C. P. Treadwell was a power, and from the Toronto Board of Trade. The former sought the annexation of the Red River Settlement alone, while the latter prayed that the company's licence for exclusive Indian trade not be renewed, that the westward and northward boundaries of Canada be determined, and that the protecting arm of Canadian Law and the benefit of Canadian institutions be extended throughout the Northwest.[26]

The importance with which the question of the Hudson's Bay Territory was regarded in parliamentary circles can also be seen in the debate on the address from the throne speech which took place in the Legislative Council. The separate paragraphs of the address were put and carried unanimously until it came to that one dealing with Draper's appointment. Then, the Honourable Mr. G. S. Boulton moved that the appointment should not be used as a precedent for any further occasion since it was highly injurious to the legal system. Although

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26. Canada, Journals of the Legislative Assembly. The Argenteuil County petition was tabled on April 15, and the Toronto Board of Trade petition on March 18, 1857.

defeated, this motion paved the way for a lengthy debate on the North West, which shed more light on the formation of the government's Northwest policy than had the earlier debate in the Assembly.[27] Spokesman for the ministry at this time was Philip Vankoughnet. His revelation that, during the recent parliamentary recess, information had been gathered from individuals who had resided for years under the Hudson's Bay Company was welcome news to the councillors, many of whom apparently were largely ignorant of the territory. Indeed, one member announced that all he knew about it ''was that there was capital Grouse shooting in the territory, and he only wished he had money and time enough to enjoy it''.

Vankoughnet further boasted that he had personally brought the question prominently before the Canadian people in his Ottawa address, and intimated that the Canadian government had been responsible for the Imperial authorities having taken up the whole matter. This unfounded intimation did not go unchallenged. A fellow councillor, the Hon. Mr. De Blaquiere replied that the ''question had engaged the attention of the British Government long, long before it had been agitated here''.[28]

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27. P.A.M., Scrapbook of Newspaper accounts of debates in the Canadian Legislature, March 2, 1857.

28. Ibid., March 4, 1857.

Since Vankoughnet produced no evidence to support his position, the day went to De Blaquiere.

Beyond this point, however, the two councillors saw eye-to-eye. De Blaquiere expressed his belief that he "would yet see Canada extending from the borders of the Atlantic to the Pacific Ocean" - a Manifest Destiny view shared by Vankoughnet and other councillors - and proposed the division of the new territory into two provinces to be named after the ruling sovereigns, Victoria and Albert. In addition, he suggested that a second commissioner be sent to aid Draper, which suggestion was acted upon the following day with the Executive Council's appointment of Alfred Roche as Draper's assistant.[29]

Unlike the debates which flourished in the Canadian press, the debates in both the Legislative Council and Assembly were almost completely devoid of claims and counterclaims regarding the resources of the Northwest and the possibility of a profitable trade being established. The parliamentary debaters, in utterance at least, stood above the economic considerations and emphasized the patriotic and humanitarian motives. The sentiments of two councillors can be regarded as typical of

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29. P.A.C., State Book R, March 5, 1857, pp. 270-71.

these higher motives. First, in rising to move the adoption of the throne speech in the Council, the Hon. Mr. Moore noted that with the Northwest annexed, Canadians might cease their talk of annexation to the United States, and instead, ''erect Canada into an independent empire, and take our place among the nations of the earth.'' And Dr. Laterriere refered to the aborigines in the Northwest as being ''treated as slaves by the Company''.[30]

Concurrently, humanitarian interest in the Northwest was being stirred up outside the Canadian Parliament by Alexander Isbister and his uncle , Captain William Kennedy. In a letter to the editor of the Globe, Isbister warned Canadians that it was their humanitarian duty to annex the territory. He wrote:

> ''The unanimous desire of the inhabitants of the Hudson's Bay Territories, is to have the entire region annexed to Canada, and failing this, rather than fall into the hands of the Hudson's Bay Company, it is our intention to petition for the establishment of a Penal Settlement, which will. . .bring us into closer and more intimate relation with the British Government.'' [31]

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30. Op. Cit., March 2, 1857.

31. Globe, March 5, 1857.

Isbister's letter was followed by another petition to the Canadian Government from the British Aborigines Society, of which Isbister was a leading member, praying that the Territory Indians might be placed ''under the protection of the Government of Canada''.[32] At the same time, Isbister's uncle was active at the Red River Settlement circulating a petition similar to that of the British Aborigines Protection Society. Captain Kennedy had arrived in the settlement on February 14, 1857, having been sent out by a group of Toronto businessmen to investigate the possibilities of trade with that region. This petition was forwarded to Canada where it was introduced into the Legislative Assembly by George Macbeth, himself a native of the Red River Settlement, and into the Legislative Council by Philip Vankoughnet.[33]

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32. Canada, Journals of the Legislative Assembly, Mar. 26, 1857.

33. This petition was later printed in United Kingdom, House of Commons, Report From the Select Committee on the Hudson's Bay Company; Together with the Proceedings of the Committee, Minutes of Evidence, Appendix and Index (London, 1857) pp. 437-39.
For reports on Captain Kennedy's activities at Red River, see P.A.M., Ross Papers, Roderick Ross to James Ross, March 9, 1857, and John Gunn to James Ross, March 7, 1857.

Kennedy's mission to the Red River Settlement under the sponsorship of certain merchants was indicative of the interest with which many Toronto businessmen were coming to regard the Northwest. At that time, a bill to incorporate the North Western Steam Navigation Company, which would operate steamers on the Upper Lakes in connection with the Northern Railway, was before Parliament, and two trading expeditions were reported to be preparing to invade the Northwest. One of these was under Mr. James Richardson, the son of the Toronto harbour-master, while the second was said to be an undertaking by 30 men from Norwich township near London. This latter expedition was rumoured to be setting forth with merchandise valued at $20,000 as well as equipment for hunting and trapping; however, it failed to materialize.[34]

The supposed impending departure of these two trading expeditions called attention to the question of communication routes between Canada and the territory, as did a development in the military sphere. In November, 1856, as the result of the establishment of an American military garrison at Pembina, the Hudson's Bay Company had requested that a British military force be stationed at Red River, ostensibly "as a counterpoise to the

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34. Globe, April 14, 1857.

growing influence of the United States in the North West Territory''.[35] The British Government had agreed to the request, and in May, 1857, it was learned by the Globe and other journals that 120 men of the Royal Canadian Rifles had been ordered to the settlement.[36] Although not acquainted with the exact purpose of the troop movement, the Globe nevertheless welcomed the expedition as ''likely to be of benefit in improving our acquaintance with the North West territory''. However, it strongly objected to the proposed route, via ship to Hudson's Bay and then overland. This, the Globe professed, was ''the very madness of monopoly'' when the troops could ''be transported with the utmost ease'' by the Lake Superior Route.[37]

The question of route was also taken up in the Assembly on May 6, when Mr. Sidney Bellingham, the member for Argenteuil County who had earlier shown interest in the Northwest, inquired if it was the government's intention to make efforts to have

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35. P.A.C., C.O. 42, vol. 606, Sir George Simpson to the Secretary of the Hudson's Bay Company, Oct. 20, 1856.

36. This decision was based on the advice of Colonial Secretary Labouchere, who believed that sooner or later the Bay Company must give way to ''the enterprise and growing population of Canada'', and that ''Hereafter a detachment of the Canadian Rifle Reg. will be the proper garrison for Fort Garry''. P.A.C., C.O. 42, vol. 606, memorandum by Labouchere attached to letter from Foreign Office to Colonial Office, Nov. 11, 1856.

37. Globe, May 6, 1857.

the troops forwarded via the Great Lakes "as one means of opening a route of communication for intending settlers in the Red River country ?"[38] John A. Macdonald replied that the ministry knew nothing about the matter and that it could not usurp the power of the British War Office. George Brown then joined in the attack on the proposed route claiming that the two companies of troops would be sent first to England and then to Hudson's Bay.[39] This charge was immediately denied by Company Governor Sir George Simpson. In a letter tabled in the Assembly on May 18, Simpson replied that the troops would not have to go by way of England since the Company would provide transportation direct from the St. Lawrence River to Hudson's Bay.[40] He ruled out the route from Lake Superior as being exceedingly dangerous and the greater part practicable only for canoes. Moreover, thirty-six portages were required, and Simpson noted that there was a shortage of skilled canoe voyageurs.

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38. P.A.M., Scrapbook of Newspaper accounts of the Debates in the Canadian Legislature, May 6, 1857.

39. Ibid., May 11, 1857.

40. Sir George Simpson to Lt. General Sir William Eyre, May 12, 1857, quoted in Journals of the Legislative Assembly, May 18, 1857, pp. 446-7.

At the same time as Simpson's reply was presented to the Assembly, a second communication also dealing with the Northwest and also arising out of a question by George Brown was tabled. In attacking the proposed route for the troop movement, Brown had called attention to an exploration party which he believed was being fitted out by the Imperial government to explore the Northwest. In reply to his expressed hope that Canada might be represented on this party, John A. Macdonald had noted that the ministry had no official correspondence on the matter yet, however, a letter from the Colonial Secretary was subsequently presented to the Legislature by Governor General Head.[41] It revealed that an expedition under John Palliser was to leave England in mid-May to explore the area ''between the northern branch of the Saskatchewan River and the frontier of the United States, and between the Red River and the Rocky Mountains''. Labouchere pointed out that the expedition under the auspices of the Royal Geographical Society would not ''bear a political or commercial character, but be mainly directed to scientific objects'', although it was to be given a grant of public money. The Colonial Secretary neglected to add that the information

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41. H. Labouchere to E. Head, April 30, 1857, quoted in Journals of the Legislative Assembly, May 18, 1857, p. 445.

garnered by this expedition would be of value when Her Majesty's Government had to decide what to do with the territories of the Hudson's Bay Company.

Despite George Brown's expressed hope that Canada might be represented in this expedition, such was not to be the case. Chief Justic Draper, who had recently arrived in England, was politely informed by Imperial authorities that Canada would not be represented since Palliser's mission was purely scientific ''without any reference to pending questions of a political or commercial character'', and that the expedition would travel to the Northwest by way of the United States.[42] This information vexed Draper, as he noted that ''no party sent out by Canada alone would be so favourably received, or its objects facilitated by the Hudson's Bay Company''.[43]

As Brown continued his efforts to publicize the Northwest in the Legislature, so did his paper, the Globe, work to the same end outside. The Globe's campaign reached a peak on May 18, with the publication of a five column article on the history, geology, climate, and natural resources of the Northwest, an accompanying map, and two lengthy letters.

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42. Herman Merivale to W. H. Draper, May 25, 1857, quoted in Records of the Provincial Secretary's Office, Canada West, no. 224, 1857.

43. W. H. Draper to H. Labouchere, May 16, 1857, quoted Ibid., no. 224, 1857.

Much of the information for this special issue came from Alexander Isbister and Captain William Kennedy, Isbister having prepared a map which was the basis for the sections on geology and mineral wealth, and Kennedy having contributed two letters from Red River. In these letters, Kennedy outlined the great opportunities existing in the proposed annexation of the Northwest and relayed the appeal of the Red River settlers for such a move.

The Globe articles also made use of research carried out by Lorin Blodget, lately Professor of the Smithsonian Institute at Washington and an expert on climate. Blodget's theory that the climate improved the farther west you went from the Great Lakes was embodied in the Globe's article and map, which showed the climate at Red River to be comparable to that of Quebec or Montreal. This theory may have been the genius for similar claims made earlier in Canada by Alfred Roche and others; certainly it substantiated them.

With more attention focused on the Hudson's Bay Territory than at any other time since the North West Company had flourished, the Canadian government proceeded to make two significant decisions.

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44. See Lorin Blodget, "Letter to editor of North American", Feb. 26, 1857, reprinted in Littell's Living Age, vol. 53 (April-June, 1857) pp. 159-60.

On May 11, partially as the result of Liberal criticism of the ministry's Northwest policy, a Canadian Select Committee was appointed to look into the Company's rights and privileges, ''the character of the soil and climate of the territory, and its fitness for settlement''.[45] Then three weeks later, even before this committee had met, a resolution was introduced calling for a public grant of £5,000 ''towards opening a communication with Red River''.[46] This allocation was approved after a motion that nothing be done until the British and Canadian select committees should have made their reports was defeated by a vote of sixty-nine to three, the only negative votes being cast by members of the ''Parti Rouge''. Also approved was a grant of £10,000 for the completion of a survey of the Ottawa River, which work would assist in opening the Northwest to the traders of Ottawa and Montreal.

By June, 1857, therefore, the Canadian ministry had formulated a sane and sensible, though not a sensational, policy with regard to the Northwest. It had sent Draper and Roche to England to

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45. Province of Canada, Journals of the Legislative Assembly, 1857, p. 382.

46. Ibid., June 6, 1857.

protect Canada's interests before the Select Committee of the British House of Commons and had decided to hold a smaller preliminary hearing in Canada. A moderate sum had been set aside to aid in the opening of "a communication" with Red River, although how that money was to be spent had not been revealed. The outcome of these ventures, particularly the Imperial Select Committee, would largely determine the course of any future government action.

CHAPTER FIVE

THE SELECT COMMITTEES

The parliamentary select committees in Great Britain and Canada were decided contrasts. The Select Committee of the British House of Commons continued over a period of several months, heard a wide range of views from twenty-four witnesses, and drew up a report which greatly affected the future of British North America. The Canadian Select Committee was over in a single day, heard from only three witnesses, all of them violently opposed to the Hudson's Bay Company, and drew up no report.

The Canadian Select Committee met on June 8, 1857, its expressed purpose being to collect evidence and information:

> as to the rights of the Hudson's Bay Company under their Charter,- the renewal of their license of occupation,- the character of the soil and climate of the territory, and its fitness for settlement. [1]

The chairman was Provincial Secretary Timothy Lee Terrill, who had originally moved the appointment of such a committee, while other members present at the hearing included Grit leader George Brown, and Joseph Cauchon, the Lower Canadian newspaper editor who had

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1. Ibid., May 11, 1857, p. 382.

held the post of Minister of Crown Lands from 1855 until his forced resignation in May, 1857.

The first of three witnesses to testify on June 8 was Toronto lawyer, businessman, and publicist, Allan Macdonell.[2] Macdonell first attacked the Company's charter, arguing that "no Sovereign could grant to any of its subjects exclusive rights and privileges without the consent of Parliament". When Parliament had given its consent in 1690, this latter charter was of seven years' duration and had never been renewed. Moreover, since the territories under discussion "were actually in possession of the Crown of France" in 1670, he held the original charter to be doubly invalid.[3] Having disposed of the charter to his own satisfaction, Macdonell then turned to the question of reopening a profitable trade with the Northwest via the Great Lakes' route. This route, he stated, had been abandoned by the Company after 1821, not because it was more objectionable than the Hudson Bay route, but because its continued use would in all probability lead to renewed competition from Canadian

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2. The testimony of all three witnesses was later printed as Appendix 8 of the Report from the Select Committee on the Hudson's Bay Company; Together with the Proceedings of the Committee, Minutes of Evidence, Appendix and Index (London, 1857), pp. 385-402.

3. Ibid., p. 386.

traders. Macdonell also expressed a belief that the Indians would benefit immensely from a renewed trade competition and from being brought closer to civilization. Definitive plans on the part of those interested in the Northwest, however, awaited Captain Kennedy's return from Red River.

Although Macdonell believed the territory to be "a very fine country" from the agricultural standpoint, and "not at all inferior to the most favoured places of Canada West", he did not think that the fact of its being so was material to the question of the day, which was "whether or not the Hudson's Bay Company shall continue in the enjoyment of an exclusive monopoly in trade".[4] Macdonell warned that:

> Even Great Britain. . . has not the right to forbid the Canadian people trading there, merely to protect some few traders in London in the enjoyment of a monopoly.[5]

Certainly the prospective trade of the Northwest was the principal motive for Macdonell's interest.

The Canadian Select Committee next heard George Gladman of Port Hope. A native of the Hudson's Bay Territory, Gladman had served for thirty-four years in the Company's service and had risen to the position of chief trader before his retirement in 1853. Unlike Macdonell, he stressed the agricultural possibilities

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4. Ibid., p. 389.

5. Ibid., p. 390.

of the Northwest as well as the trade. However, his greatest concern was for the opening up of a communication route with Red River. This he regarded as particularly important in view of the stationing of Canadian troops at Red River. Should reinforcements have to be sent in at a later period of the year, he warned that the Hudson Bay route would be useless. Accordingly he suggested that a route between Lake Superior and Red River could be made passable in a month or two by the building of portages and a road.

The third and final witness to be heard was William MacDonell Dawson of Toronto, Timber Superintendent of the Woods and Forests Branch of the Crown Lands Department. His testimony was concerned almost exclusively with the titles under which the Hudson's Bay Company claimed its rights of soil, jurisdiction, and trade on this continent. Dawson had made a study of these rights, the results of which had been embodied in the controversial report that appeared over Crown Lands Minister Cauchon's signature in February. Before the Select Committee, Dawson stated that in the Red River and Saskatchewan countries the English Company had ''no right or title whatever, except what they have in common with other British subjects''. Where the Company had ''possessions or occupancy'', Dawson maintained they were only squatters.[6] With this testimony

6. Ibid., p. 394.

the first - and only - session of the Canadian Select Committee was at an end.

None of the committee's three witnesses could be called disinterested, since all apparently sought the largess of the government. The decision to make £5,000 available for the opening of "a communication with Red River" must have seemed a Godsend to them, since, as authorities on the Northwest, they might hope to share in it. Indeed, within a week of the hearing, both Macdonell and Gladman had offered their services to the government for a fee. The day following his testimony, George Gladman offered to conduct a surveying party between Lake Superior and Rainy Lake, suggesting that the findings of this party would be valuable in spite of the pending inquiry in England.[7] At the same time, Allan Macdonell approached the government offering to open a route between Lake Superior and Red River by the middle of October for the sum of £5,000.[8] William MacD. Dawson, already a government employee, was pursuing a slightly different course; he was trying to ingratiate himself with the government, thereby winning

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7. P.A.C., Records of the Provincial Secretary's Office, Canada West, no. 1140, 1857, George Gladman to John A. Macdonald, June 11, 1857.

8. Ibid., no. 1101, 1857, Allan Macdonell to the Provincial Secretary, June 15, 1857.

advancement for himself and a brother, Simon James Dawson. When the decision was made in July to send out an exploration party, Simon Dawson, whose term of employment as Superintendent of Public Works on the St. Maurice River was nearing an end, was invited to serve as surveyor. William may have had a hand in the appointment of his brother since, on a later occasion he was instrumental in having Simon's survey party continued when the government had decided to end it.[9]

The Select Committee of the British House of Commons was a more impressive undertaking than its Canadian counterpart. It consisted of nineteen parliamentarians, including such men as Colonial Secretary Henry Labouchere, Lord John Russell, and William Ewart Gladstone, and met intermittently from the middle of February to the end of July. The purpose of the committee was ''to consider the State of those British Possessions in North America which are under the Administration of the Hudson's Bay Company, or over which they possess a License to Trade''.[10] This investigation had been made necessary by the approaching expiration of the Company's licence to exclusive trade in the Indian Territory, the

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9. Ibid., 1858, Memorandum of William MacD. Dawson, Mar. 29, 1858.

10. United Kingdom, House of Commons, Report from the Select Committee on the Hudson's Bay Company etc. (1857), p. ii.

condition of the Red River Settlement, the necessity of providing for the administration of Vancouver Island, and the ''growing desire'' of Canadians ''that the means of extension and regular settlement should be afforded to them over a portion of this territory''.[11]

Like the members, the witnesses appearing before the Select Committee were often very distinguished men. Sir George Simpson and Right Reverend David Anderson, Bishop of Rupert's Land, were in attendance from the Northwest; Alexander Isbister and Rear Admiral Sir George Back were among the noted witnesses from the British Isles; while Canada was officially represented by Chief Justice William H. Draper and Alfred Roche. A third Canadian to testify was John Ross, a government minister throughout most of the 1850's and president of the Grand Trunk Railway. These three Canadians had several things in common: all were, or had been, closely connected with the government; not one of them had ever been west of Lake Superior; yet all made a positive contribution at the hearing.

Chief Justice Draper's principal function was to present the views of the Tache-MacNab ministry. This he proceeded to do in competent fashion on May 28-29, as the thirteenth witness. Draper first informed the Select Committee that the inquiry was of interest to

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11. Ibid., p. iii.

Canadians for three reasons: first, becuase it affected Canada's northern and western boundary; second, because they wished that the territory should be maintained as a British possession; and third, since Canadians regarded the Northwest as a country into which they ought to be permitted to extend their settlements.[12]

The Canadian government's policy as outlined by Draper contained few surprises. What the Executive Council had done since its preliminary instructions to him in February was to clarify its position. Accordingly the final instructions drawn up in April directed him to press ''three great principles'' before the Select Committee.[13] The first of these was the right of Canada to take territory in the Northwest for settlement, ''contingent on the opening of such Communications from Canada as may prove sufficient to allow of their future union with Canada''.[14] The second ''great principle'', repeated from the preliminary instructions, was that the Imperial government should take immediate steps to keep out American emigration. Lastly, the Canadian ministry asked that Canada should have the right

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12. Ibid., p. 211.

13. P.A.C., State Book R, April 27, 1857, pp. 354-56.

14. Ibid., p. 355.

to explore and survey the territory between Lake Superior and the Rocky Mountains, to open communications by land and water in this region, and to promote settlement "beyond the line now supposed to separate the territory of the Hudson's Bay Company from that of Canada".[15] Such survey and exploration work, Draper told the Select Committee, the government would be ready to undertake without any hesitation. With the land beyond the Rockies, the Canadian government was not concerned. Draper had heard that Britain was preparing a crown colony for that region, and he did not feel that he could reasonably demand that the settlement there be deferred until Canada could undertake it. A railway that would reach beyond the Rockies was a different matter, however, and Draper expressed the hope that either he or his children might see the completion of a Pacific railway.

This policy, as drawn up by the Canadian ministry and placed before the Select Committee by Draper, was realistic, if not spectacular. It meant that Canada could have what land she could effectively settle when she needed it, without throwing on her resources "the cost of administering and defending such territory in an unsettled state".[16] Until Canada

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15. Ibid., p. 355-56.

16. Ibid., p. 355.

required the land, either the British government or the Hudson's Bay Company could bear these costs. Whereas the Clear Grits advocated the immediate annexation of as much of the Northwest as the British government would turn over to Canada, the ministry was wary of the financial burden, and Draper voiced the opinion that the government would not undertake the administration of the Red River Settlement immediately, but only when there was a continuous range of settlements connecting it with Canada. In the meantime, an interim government for the settlement would have to be established by the British authorities.

In addition to an interim form of government for the Red River Settlement, Draper recommended a similar arrangement for a four hundred mile wide strip of land between the northwest boundary of Canada and the Rocky Mountains. In a private letter to Labouchere, subsequent to his testimony before the Select Committee, Draper suggested that the authority of the Company should cease at once in all the Northwest territory south of the 55 degree line.[17] This decision was based on the belief that this strip was the ''most valuable part of the territory for agricultural purposes'' and contained

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17. P.A.C., Records of the Provincial Secretary's Office, Canada West, 1857, no. 1297, Draper to Provincial Secretary, July 10, 1857.

a substantial coal formation along the base of the Rocky Mountains.[18] North of this zone, the privileges of the Company might be renewed for ten years.

The delineation of the boundary between Canada and the Northwest and the marking of the boundary between the British possessions and the United States as far west as the Pacific were also urged upon the Select Committee by Draper. He argued that the northern boundary of Canada should be determined since the amount of compensation to be given the Company for any land taken from it would depend on that boundary. The marking of the boundary between the British possessions and the United States, Draper believed, might help to keep the possessions British. However, this boundary marking would not be enough, since, as he noted in a letter to Labouchere:[19]

> [The] doctrine of ''America for the Americans'' seems to be adopted by American statesmen in its largest signification and to be acted upon whenever a favourable occasion presents itself by American citizens- even without the sanction and sometimes against the declared views of their Government.

Draper suggested that the most effective method would be to facilitate and foster the settlement of the British frontier by British subjects, since the inter-

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18. Ibid., 1857, no. 1162, Draper to Provincial Secretary, June 12, 1857.

19. Ibid., 1857, no. 1139, copy of letter from Draper to Labouchere, June 5, 1857.

position of American territory between Canada and the Pacific could only exercise ''a most disastrous influence upon British authority in North America''.

According to Draper, this fear that the territory would cease to be British motivated one group of people advocating the Northwest issue in Canada. He acknowledged that many were also interested from a desire to share in the profits of the fur trade.

Evidence for this latter view was subsequently provided in the testimony of Alfred Roche when he urged that the fur trade of the Northwest be opened to anyone. Since Draper had presented Canada's case before the Select Committee, Roche occupied himself almost exclusively with the mineral wealth of the area, claiming that valuable copper and malachite deposits were to be found on the Coppermine River.[20] He also presented the petition of the Red River settlers which had been presented to the Canadian government.[21]

The third Canadian to testify before the Imperial Select Committee was John Ross, M.P., head of Grand Trunk Railway. The first witness to be heard, his testimony was similar to Draper's. Like the Chief Justice, Ross favoured a process of gradual assimilation

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20. Roche's evidence on mineral wealth closely followed his ''Assiniboia'' article on that topic in the Gazette, Feb. 13, 1857.

21. This petition was printed in the Select Committee's final report, together with the Toronto Board of Trade petition presented to the Canadian Assembly on April 20, and the minutes of the Canadian Select Committee.

and did not desire Company occupation to cease entirely in North America, since it had given the Northwest peace, in contrast to the Indian wars in the United States. He discredited the view that all the land between Lake Superior and Red River was good, pointing out that ''the greater part of the country. . . is broken and intersected by swamps''.[22] His chief value as a witness, however, lay in his knowledge of Canadian transportation problems and facilities. In view of the Canadian government's policy that annexation would follow, not precede, the development of communications and settlement, his testimony was vital. Ross agreed that the Red River Settlement could not be ''conventiently governed or administered by the Canadian Government'' without improved communications, and he suggested that there should be either a railway built from the west end of Lake Superior to the settlement, or a good broad road laid out to connect the settlement with the present lines of communication.[23] Until one of these plans was carried out, he believed the easiest way of access to the area to be by the United States.

The railway that Ross personally wished to see built was one that would connect with the existing

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22. United Kingdom, House of Commons, Report from the Select Committee, 1857, p. 2.

23. Ibid., p. 3.

Canadian system. Already a branch of the Grand Trunk Railway was being constructed from Belleville on the Bay of Quinte to Lake Huron, and he suggested that this line might be extended north of Lake Huron and possibly to Red River, a distance of twelve hundred miles. In answer to a question regarding the proposed extent of the Grand Trunk Railway, Ross revealed that the ultimate goal was to span the continent, which feat might possibly attract the trade of China and India. Such an undertaking would require the development of settlement all along the line and, since he did not believe that hunting and settlement could coexist, the Hudson's Bay Company would have to retreat.

As president of a company whose Canadian stock was largely held by Montreal business interests, Ross showed himself to be opposed to the Toronto businessmen who were trying to charter a company to trade into the Northwest. This company, he feared, would result in something like the same difficulties which the last North West Company had created. Ross acknowledged knowing several of the leaders in the Toronto movement, one of whom, Allan Macdonell, he believed responsible for Indian troubles on Michipicoton Island in Lake Superior in 1849.

A similar fear was voiced by Sir George Simpson, who maintained that monopoly was essential to the conduct of the fur trade: otherwise the evils of the rivalry with the North West Company might recur. However, provided the incoming population ''were restricted from interfering with the fur trade'', Simpson could see no reason why suitable territory might not be taken from the Company's administration for settlement.[24]

Simpson had blamed agitators who had their eyes upon the trade for the existing unrest at the Red River Settlement, and one of these agitators later testified before the Select Committee. He was John McLaughlin, a confessed free trader in furs, who represented the opposition in the settlement to the Company. Also present was William Kernaghan, a general merchant from Chicago who wanted a free trade policy in the Northwest. Were it not for the Company's monopoly, Kernaghan believed that a city of ten thousand would have arisen at the head of Lake Superior on British territory. He purported to know ''a great many people in Chicago who talk of settling at the Red River, providing it was under Canadian rule''.[25]

Alexander Isbister, who represented opposition in England to the Company's monopoly, also testified that

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24. Ibid., p. 86.

25. Ibid., p. 113.

Company rule was unfavourable to the development of the Northwest. He looked for the union with Canada of the territory on both sides of the Rocky Mountains as the only way of settling the Northwest question. Canadians, he reasoned, would soon move in if they were to be allowed to enter the fur trade. Like Draper and Ross, Isbister believed that ''the great desideratum'' for the Northwest was to obtain a convenient line of communication from the Red River to Canada.[26] Since the Red River Settlers were unable to carry out this project, it must be done either with the assistance of the Imperial government or by Canada alone. With Isbister's testimony, the hearings of the Select Committee came to an end and the nineteen members met to draw up their final recommendations.

Unlike its Canadian counterpart, the Imperial Select Committee had been widely discussed in the Canadian press. The Toronto Leader noted that the hearings were ''exciting a growing attention in this province'' and called upon the British government to choose between the Company's "pretensions and our rational claims''.[27] Unfortunately, owing to the lack of reliable reports on the hearings and the biased nature of most of the press, the

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26. Ibid., p. 131.

27. Leader, June 19, 1857.

journalistic debate was characterized by discord and mis-statement. Perhaps the most unbiased accounts of the testimony were to be found in the Montreal Gazette. The most biased were those which appeared in the Globe, written by "F.W.C.", who was as anti-Company as the paper he represented.[28]

At the same time as the Globe's correspondent was providing ammunition to fight the Company, the paper was doing its part. The Hudson's Bay Company was attacked as the "great foe of Canada" whose aims were to curtail Canada's boundary and depreciate her resources.[29] The Liberal-Conservative ministry was condemned as an accomplice since, as recently as December, 1856, it had leased certain Canadian trading concessions to the Company. The Globe charged that fifty thousand acres had been turned over to the Company for an insignificant £50 payment.

This relentless attack upon the Company, particularly in the Globe, did not go unanswered. In June and July, a correspondent who signed himself "Sachem" defended the Company in a series of letters printed in

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28. "F.W.C. is believed to have been Frederick William Chesson, Secretary of the British Aborigines Protection Society and an associate of Alexander Isbister. Chesson later wrote a pamphlet on the Red River insurrection. See Bruce Baden Peel, A Bibliography of the Prairie Provinces to 1953, (Toronto, 1956), pp. 53-54, 569.

29. Globe, June 27, 1857.

the Leader. His correspondence ceased to appear, however, after the Leader commented editorially that it was only printing his letters ''to show what nonsence a man can write in favour of a gigantic monopoly, when he has a fee of a thousand pounds in his pocket''.[30]

A second correspondent proved more durable. In July, Edward Ermatinger, a Hudson's Bay Company employee for ten years prior to his retirement to St. Thomas in 1838, took up his pen on behalf of the Company. For ten months his letters appeared in the Hamilton Spectator and the Toronto Colonist.[31] The theme of his correspondence was that the opponents of the Company ''had greatly exaggerated the benefits to be derived to Canada from the settlement and trade of the Hudson's Bay Territory'', and had ''to as great an extent underrated the difficulties first to be surmounted''.[32] Ermatinger maintained that for many years to come the trade of Red River would be a mere bagatelle, such as could be carried on most profitably in carts from St. Paul's until the Americans constructed a railroad. Beyond the limits of the valleys

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30. Leader, July 28, 1857.

31. These letters were later printed as a pamphlet, The Hudson's Bay Territories; a series of Letters on this Important Question, (Toronto, 1858).

32. Ibid., p. 8.

of the Red and Saskatchewan rivers, he noted that the climate was excessively severe and questioned what strength or wealth could be added to Canada ''by the possession of such profitless wastes''. Although he believed the country ''capable of being rendered the happy homes of millions of inhabitants'', it could only be so when communications were vastly improved.[33] As for approaching Lake Winnipeg by land from Canada, or by building railroads or canals in the same direction it was out of the question, a vision which none but unemployed engineers and visionaries could ever dream of seeing. The great interest which had been manifested by certain persons in Toronto with regard to the Northwest, Ermatinger noted, must have had its origin ''in disappointment with the Hudson's Bay Company, or in a desire to gain government employment''.[34] While these malcontents, stimulated by Captain Kennedy and others, would attribute all the evils in the settlement to the fur monopoly, Ermatinger argued that, if it were not for the Company and the fur trade, the colony of Red River would not exist.

It is difficult to say to what extent the Hudson's Bay Company was directly responsible for the letters of ''Sachem'' and Ermatinger. Since ''Sachem'' remains unidentified, his exact motives are unknown.

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33. Ibid., p. 5.

34. Ibid., p. 6.

More is known of Ermatinger, however. Although in the introduction to his collected letters, he confessed to have no motives for entering on this discussion ''but the welfare of Canada and a sincere regard for truth'',[35] nevertheless, it is known that Sir George Simpson had supplied information for the later ones at least, with instructions that he not be named as the authority since ''it would throw suspicion on your disinterestedness''.[36] Moreover, Simpson arranged to have all the letters reprinted in the Montreal Herald ''so as to secure them a more extensive circulation''. And when the time came to have these letters published in pamphlet form, Simpson wrote asking that Ermatinger let him know the cost of printing, surely a suggestion that it was to be subsidized.[37]

Company apologists such as Ermatinger and ''Sachem'' were scarce, however, and the anti-Company elements generally carried the Canadian press with them. The next few months would see to what extent the agitators could arouse the people to accept their policies and force the government to demand the immediate cessation of Company rule and the annexation of the Northwest by Canada.

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35. Ibid., p. 3.

36. P.A.C., Ermatinger Papers, vol. 1, George Simpson to Edward Ermatinger, Sept. 18, 1857.

37. Ibid., vol. 1, George Simpson to Edward Ermatinger, July 29, 1858.

CHAPTER SIX

THE RED RIVER EXPEDITION AND THE HUDSON'S BAY COMPANY MEETINGS

The hearings of the Imperial Select Committee had occupied the spring of 1857: the next twelve months witnessed the continuation of interest in the Northwest and the culmination of a number of undertakings begun previously. The Canadian government's decision to open a communication with Red River was to give rise to the Red River Expedition whose reports would arouse further interest in the Northwest. The return of Captain Kennedy from his mission to the settlement and the report of the Imperial Select Committee were to be the signals for a series of ''Hudson's Bay Company meetings'' throughout Canada West. Through it all, the Globe was to continue as the strongest advocate of the Northwest cause.

The despatch of a Canadian exploration party to the Northwest was a major undertaking on the part of the government. Its decision on June 6 that £5,000 should be allocated towards opening a communication with Red River had been made necessary by the ministry's avowed policy of investigation before annexation, the unwillingness of Great Britain to allow Canadian participation in Palliser's exploration party, and the incessant demands of the Liberals of Canada West. The decision had been followed

by a month's deliberations by the ministry as to how this money might best be spent. Both George Gladman and Allan Macdonell had sought the leadership of the proposed undertaking, Gladman offering to conduct a surveying party while Macdonell promised to actually open communications between Lake Superior and Red River by the middle of October. On the basis of his ''character, experience and knowledge of the country'', Gladman was appointed director of the exploration party: his son Henry was named as his assistant.[1] A professor of chemistry and geology at Toronto's Trinity College, Henry Youle Hind, was appointed as geologist and naturalist, probably because of his study of climate's influence upon agriculture which had resulted in a pamphlet describing the agricultural opportunities of Canada West.[2] Simon Dawson was appointed surveyor to take charge of one of the parties under Gladman, while W. H. Napier of the Public Works Department was appointed engineer. Also included in the party were nine paid assistants, one voluntary assistant, and fourteen canoe men. So that expedition might not arouse the feelings of the Hudson's Bay Company, the Company was to be notified of its plans and the Company's officers were to be

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1. P.A.C. State Book R, July 18, 1857, p. 522.

2. A Comparative View of the Climate of Western Canada considered in relation to Its Influence upon Agriculture (Toronto, 1851).

requested to furnish ''all reasonable aid''.[3]

The main body of the expedition left Toronto on July 23 by train for Collingwood, where the paddle-wheel steamer ''Collingwood'' was waiting to take the party with its canoes and other equipment to Fort William. While the exploration party proceeded inland, Robert Wigmore was to remain at Point de Meuron on the Fort William River and superintend the construction of a road, a temporary store, and dwellings, this work to be completed in four months.

No sooner had the Red River Expedition left Toronto than both it and the government came under attack in the ''Letters to the Editor'' column of the Globe. Criticism was levied on three counts. The first of these was that several close relatives and friends of government ministers had been included, thereby perverting the expedition into ''a pleasure excursion, at the public expense''.[4] That three sons of government ministers were members could not be denied: that the expedition had thereby been transformed into ''a pleasure excursion'' was debatable in view of the difficulty of the canoe trip westward from Lake Superior. The second criticism to be levied against the government expedition was that it was

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3. P.A.C., State Book R, July 18, 1857, p. 524.

4. Globe, July 27. See also July 28.

a waste of money, since it was to survey and not to open the route to Red River. Allan Macdonell charged that ''The real object of the Government is to prevent the route being re-opened this summer''.[5] An impetuous, headstrong man, Macdonell could not see the government's logic in surveying before constructing. Finally, the appointment of Gladman and not himself to lead the party, and the forty day delay between that appointment and notification that his services were not required, led Macdonell to vehemently attack the ministry and its North-west policy.[6]

At the same time as these broadsides were being fired against the government, Captain Kennedy arrived back in Toronto from his mission to the Red River Settlement. Despatched following the December Toronto Board of Trade meeting by a group of Toronto businessmen to explore the possibility of opening trade with the North-west, Kennedy had stayed at the settlement until the spring, investigating the possibilities, circulating petitions calling for the annexation of the territory to Canada, and sending numerous letters back to Toronto where they were published. This correspondence contained little that was

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5. Ibid., Aug. 12, 1857.

6. See also the Records of the Provincial Secretary's Office, Canada West, no. 1101, 1857, for a savage attack by Macdonell on the government's slowness. This letter bears the following notation by a government official: ''The insolence of Mr. McDonald's [SIC] communication disentitles him to any reply''.

new: it repeated his ideas on the richness of the territory, the threat of approaching American civilization, and the desire of the people to be annexed to Canada. Emphasis was placed on the advantages of the ''natural route'', meaning the old North West Company route, as compared to that through the United States.[7]

Kennedy's return to Toronto was the signal for renewed agitation on the part of the Toronto business interests. On July 30, he addressed a meeting of the prominent merchants and citizens who had subscribed the necessary funds to defray his expenses. These backers included Gordon Brown of the Globe, George Brown's brother; John McMurrich, a prominent merchant and president of two insurance and investment companies; William Howland; and William McMaster, ''whose extensive financial and mercantile interests made him the dean of Toronto business''.[8] All four were leading Grits.

Kennedy's backers next held a public meeting in St. Lawrence Hall ''to express the feelings of the citizens in relation to the Hudson's Bay monopoly''.[9] This

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7. Leader, July 7, 1857. Other letters appeared in the Leader on July 17, 21; and in the Globe on May 18, July 18, 1857.

8. J. M. S. Careless, ''The Toronto Globe and Agrarian Radicalism, 1850-67'', Canadian Historical Review, XXIX, (March, 1948), 17.

9. Leader, Aug. 28, 1857.

meeting, subsequently described as "a most triumphant demonstration", was largely attended by Toronto businessmen and Grit politicians, among them Allan Macdonell, the backers of Kennedy's mission, and George Brown.[10] As the principal speaker, Captain Kennedy again emphasized that there was more to the Northwest than the fur trade. He called attention to the agricultural potential of the land, claiming that six square miles of Red River soil thoroughly cultivated would yield more revenue than the whole trade of the Hudson's Bay Company.[11] At the end of Kennedy's talk, a resolution was approved censuring the government for lack of a definite policy and requesting that Canada take over the Northwest.

This public meeting at Toronto coincided with the publication in the Canadian press of the report of the Imperial Select Committee.[12] Its recommendations, which gave to the Canadian government all that it had sought, failed to satisfy the Toronto business interests and their allies, the Clear Grits. Where the report suggested that Canada should be allowed to annex adjacent land in the Northwest for settlement when she was prepared

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10. Globe, Aug. 26, 1857.

11. Two months previous, on June 8, 1857, Kennedy had written that twelve square miles of Red River soil would yield a larger product than the fur trade. The Red River soil apparently was becoming more fertile every day, according to these two statements of Kennedy. Leader, July 21, 1857.

12. See the Montreal Transcript, Aug. 17, 1857.

to open, maintain communications with, and govern this land, the Clear Grits called for the immediate annexation of the entire Northwest. Where the report suggested that the Red River and Saskatchewan country would likely be ceded to Canada in the near future, the Toronto businessmen interested in the territory felt Canada had an inherent right to it, if indeed she was not ''of right. . . the owner of the whole country westward to the Pacific Ocean''.[13] The Select Committee's recommendation that the Hudson's Bay Company should ''continue to enjoy its privilege of exclusive trade'' in areas where there was no prospect of permanent white settlement clearly threatened the prospect of a new Canadian North West company.[14] The report was further condemned because it did not deal with the validity of the rights claimed by the Hudson's Bay Company.

In the wake of this report and the Toronto meeting, a series of ''Hudson's Bay Company meetings'' were held throughout Canada West. The first of these was held at London on September 9. There, a resolution was passed condemning the Company's trade monopoly as contrary to Britain's policy of Free Trade, fatal to individual rights, oppressive to the Indians, and detrimental to the

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13. Leader, Sept. 8, 1857.

14. Report of the Select Committee, 1857, p. iv.

progress of both Canada and the Northwest. A second resolution called for the end of the Company's 1838 licence to exclusive trade in the Indian Territory, the annexation of the territories by Canada, and the immediate testing of the charter's validity. An attempt by William Barker, a former mayor of London, to gain support for a resolution that it was ''not now expedient to annex to Canada the whole of the Hudson's Bay North West Territory'' was defeated, and Barker was branded as an ''anti-progressive''.[15]

A week later, as the result of a petition signed by upwards of forty of the town's inhabitants, a ''Hudson's Bay Company meeting'' was held at Windsor. Attendance was good, most of the town's businessmen being present. The principal speakers were Colonel John Prince, the district Legislative Councillor and a man interested in steamship operations on the Upper Lakes, and Allan Macdonell. Once again the Company's monopoly was condemned, this time apparently without dissenting voice. It was decided to call a similar meeting for the whole of Essex County, however this meeting does not seem to have taken place.[16]

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15. Sarnia Observer, Sept. 17, 1857.

16. Ibid., Sept. 17, 24; and Leader, Sept. 22, 1857.

The last in the series of meetings was held in Hamilton on September 24, in compliance with a petition signed by leading merchants. As at the London meeting, an attempt was made to uphold the Company. However, when one speaker said that he would not join in any petition for the abolition of the monopoly unless indemnification for the stockholders was stipulated, he was greeted by loud hisses and jeers. Finding himself unable to continue, the speaker announced that he had not thought "there were so many dishonest people in Hamilton".[17] This voice having been effectively silenced, the anti-Company merchants proceeded to pass a resolution that:

> The cause of humanity, civilization, religion and constitutional liberty, would be vastly promoted by the immediate annihilation of the monopoly of the Hudson's Bay Company in every portion of America subject to their tyrannical sway.
>
> [18]

The meeting called on the government to annex all the Northwest.

This Hamilton meeting and its predecessors had several things in common: all were held in leading western Canadian cities; all were promoted and attended by local business interests; and all were given

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17. Globe, Sept. 25, 1857.

18. Leader, Sept. 29, 1857.

enthusiastic mention in the Clear Grit press. As a result of these meetings, the Globe professed to be greatly encouraged in its attack on the government's Northwest policy.[19] That three of the four largest cities in the province had responded, Conservative Kingston excluded, was regarded as significant. The Globe conveniently overlooked the failure of the proposed Essex County meeting to materialize, the apparent apathy on the part of rural Canada West, and the complete lack of response in Canada East.

Throughout this period, the Globe was receiving continuing encouragement from a group at the Red River Settlement. John Gunn, an ardent opponent of the Company, described for the Globe's readers the "Trammels of Monopoly".[20] Annexation petitions were again being circulated and were meeting with increased approval, as even the Presbyterian minister, John Black, wrote: "My fingers itch to sign it: perhaps I shall do so - I think the time is come".[21]

Before these petitions reached the Canadian government, however, an election in Canada revealed that the Northwest was only a minor issue to the majority of Reformers. George Brown did include annexation of the

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19. Globe, Sept. 26, 1857.

20. Ibid., Nov. 6, 1857.

21. P.A.M., Ross Papers, Rev. John Black to James Ross, Dec. 7, 1857.

Northwest as one of the planks in his platform when accepting the Reform nomination in North Oxford, but it was the eighth and final plank. A second Reformer described the territory as the ''rightful inheritance of the children of this country'' and looked forward to the day when those ''Hunting Grounds'' would be opened up ''to the Bible and the wonders of British Civilization'', however, few other candidates apparently made reference to the Northwest.[22] ''Representation by Population'' and other issues largely concerned with the alleged mistreatment of Canada West by the Liberal-Conservative administration were the important issues of the December election.

Similarly, other events besides the election pushed the Hudson's Bay question off the news and editorial pages at the close of 1857. Much newspaper space was taken up by the depression in Europe and the United States which appeared as a definite threat to Canadian prosperity, the Indian Mutiny, and the choice of a Canadian capital. Indeed, a speech on Canada and the Hudson's Bay Territory given in January at Toronto by Viscount Bury, a British M.P. and former superintendent of Indian Affairs in Canada from 1854 to 1856, went unnoticed by the Toronto press for a whole month. Even then its reception was only lukewarm.[23]

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22. Leader, Dec. 25, 1857.

23. See the Leader, Feb. 16, 1858.

More lukewarm support for the Northwest question during the winter came at the Annual Meeting of the Toronto Board of Trade in February. It re-affirmed its belief that the Red River settlers would soon have "the right to trade with whom they choose - a freedom which every British subject claims the privilege of enjoying", but took no steps towards the realization of this goal.[24]

Finally in March, 1858, interest in the Northwest was somewhat revived by the new session of parliament. Discussion of the Hudson's Bay Territories was to be expected, because this was the first meeting of parliament since the Imperial Select Committee had brought in its report. Similarly, it was expected the Canadian Red River Expedition of the preceding year would likely come up for discussion. However, in the debate on the address from the throne, there was less mention of the Northwest than might have been expected, and what debate there was was generally uninspired. The most interesting, and incidentally the longest, speech was delivered by Col. A. W. Playfair. He again emphasized the importance of that territory to Canada and raised "the flag of total abolition" in

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24. Globe, Feb. 2, 1858.

respect to any claims the Hudson's Bay Company had on the Northwest.[25] An interesting observation was made by Sidney R. Bellingham who pointed out that the determination of the question of annexing the Red River Settlement ''must most materially affect the settlement of representation by population''.

The presentation later in March of Professor Henry Hind's preliminary report on the Red River country created far more enthusiasm. Hind's findings offered encouragement to the Annexationists, for he had found this to be ''a magnificent country'', indeed, a ''paradise of fertility''.[26] He further noted that all kinds of farm produce common in Canada were thriving at Red River, whose summer temperature was nearly four degrees warmer than Toronto's. Hind estimated the amount of first rate cultivable land in the valley of the Red and Assiniboine rivers at more than 1,200,000 acres, with an additional 3,000,000 acres suitable for grazing purposes.[27] These findings were given considerable publicity in the Canadian press.[28]

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25. P.A.M. Scrapbook of Newspaper Accounts of Debates in the Canadian Legislature, March 10, 1858.

26. Henry Youle Hind, Report on a Topographical and Geographical Exploration of the Canoe Route between Fort William, Lake Superior, and Fort Garry, Red River; and also of the Valley of the Red River, North of the 49th Parallel, during the summer of 1857, (Toronto, 1858), p.7.

27. Ibid., p. 14.

28. See Globe, March 25; Transcript, March 25; and Sarnia Observer, April 8, 1858.

Also publicized in March were two speeches on the Hudson's Bay Territory, one by Professor Hind, the other by a young Canadian lawyer, Alexander Morris. Professor Hind's talk, delivered in Toronto at the end of February, dealt with his experiences in the Northwest and the life and customs of the Indians.[29] The second lecture was delivered on March 18 before the Mercantile Library Association of Montreal by Alexander Morris, whom Sir John A. Macdonald was to describe as "a decent fellow - but ambitious and selfish".[30] The son of a former Legislative Councillor, the Hon. William Morris, Alexander Morris was related by marriage to the Hon. Philip Vankoughnet, from whom he may have derived some of his interest in, and ideas about, the Northwest. These ideas, which were delivered as part of his lengthy oration on the future of British North America, were similar to those of Vankoughnet and other leading advocates of the Northwest question. Morris saw the chief advantages of annexation to be the prevention of American encroachment, the emancipation of the natives, and the availability of agricultural land for Canadians. His description of the land and its resources was based on the reports of others, chiefly Professor Hind's recent report. Nevertheless,

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29. Leader, March 2, 1858.

30. P.A.C. Brown Chamberlin Papers, John A. Macdonald to Brown Chamberlin, Oct. 13, 1860.

Morris performed a distinct service in putting before the people of Canada a logical outline of the possible role of the Northwest in a future union of the British North American colonies.[31]

Professor Hind's contribution to Canada's knowledge of the Northwest was not yet at an end. The Canadian Red River Expedition had been able to examine only a small part of the country in 1857 and it was to return to Red River in the spring of 1858. But certain changes would first have to be made in the expedition's personnel, since dissension and inefficiency had hindered progress in 1857. For one thing, W. H. Napier, the land surveyor who had headed one of the three parties, was called down by George Gladman because of his apparent laxity in submitting a report. This, coupled with William MacD. Dawson's charge that Napier was "unfit to take a leading part where emergencies might arise in which he would be thrown upon his own resources" meant his removal from the expedition.[32] Then Gladman himself was informed by the Provincial Secretary that his services were no longer required. This was ostensibly a matter of economy, however there were more important underlying factors.

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31. Alexander Morris, Nova Britannia; or British North America, its Extent and Future, (Montreal, 1858). Morris later became the first Chief Justice of the Province of Manitoba, and Lieutenant Governor of Manitoba and the Northwest Territories, 1872.

32. P.A.C. Records of the Provincial Secretary's Office, Canada West, 1858, Memorandum of William MacD. Dawson, March 29, 1858.

Following the 1857 expedition, Professor Hind had preferred a series of seventeen charges against Gladman's management of the expedition.[33] Among other things, Hind accused Gladman of ''proceeding in comfort and ease in a comparatively light canoe with the best crew'' while the rest of the expedition, heavily burdened, was left to find its own way; of leaving the main body, contrary to his directions; of treating his associates in a most uncourteous manner; of being the cause of expensive equipment being damaged; and of favouritism towards his son, Henry. Hind said that Henry Gladman had taken with him to Red River, ''for the purpose of trade, watches, and trinkets and 'bogus' jewelry''. When the governor of the settlement spoke in strong terms of this indiscretion, George Gladman commended his son. On account of these charges which were substantiated by two other members of the expedition, the unsatisfactory state of the expedition's accounts, the exceeding of its budget, and the complaint of William MacD. Dawson that Gladman was unsuited for leadership but that his brother Simon Dawson and Henry Hind were, both George and Henry Gladman were removed from the 1858 expedition.[34]

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33. Ibid., no. 633, 1858.

34. Ibid., 1858. Correspondence on the reasons for Gladman's dismissal is to be found throughout the records from January to April.

At the same time, the expedition for 1858 was placed under the charge of Dawson and Hind, and instructions were issued for their guidance. Hind was to be in charge of the topographical and geological section of the expedition and examine the land between the Saskatchewan and Assiniboine rivers, paying particular attention to mineral deposits, facilities for water navigation, timber resources, and fitness for agriculture.[35] He was also to take men and supplies to Dawson, who had remained in the Northwest to carry on his surveying and was now to complete his work between Lake Superior and the Red River Settlement with a view to determining what the best route was.[36]

Gladman's dismissal did not go unnoticed. The Toronto Globe took up his case and condemned the ministry for launching a second exploring party, when Gladman had offered to make "a practicable route" from Fort William to Fort Garry for £ 6,000.[37] The Globe's plea went for nought, however, and the second Canadian Red River Expedition set off for the Northwest.

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35. For Hind's instructions see: Henry Youle Hind, North-West Territory. Reports of Progress; together with a Preliminary and General Report on the Assiniboine and Saskatchewan Exploring Expedition, made under instructions from the Provincial Secretary, Canada, (Toronto, 1859), pp. 1-2.

36. P.A.C., State Book S, January 30, 1858, pp. 292-4.

37. Globe, April 20, 1858.

CHAPTER SEVEN

THE RISE OF THE NORTH-WEST TRANSPORTATION, NAVIGATION AND RAILWAY COMPANY

The summer of 1858 saw the partial realization of Allan Macdonell's dream of a railway from Canada to the Pacific Ocean. On August 16, final approval was given to a bill chartering the North-West Transportation, Navigation and Railway Company, which company was empowered to open communications by land or water with the westernmost part of Canada, beyond Lake Superior.[1] In spite of the increasing economic depression in Canada, Allan Macdonell, Captain Kennedy, and Professor Hind's report had convinced a number of consequential Toronto businessmen that such a scheme might be very profitable. The support of the Toronto Board of Trade had been obtained, and a petition seeking incorporation had been drawn up and subsequently approved.[2]

Among the signers of this petition were the leading Toronto merchants who had provided the funds for Captain Kennedy's mission to the Northwest, namely John McMurrich, William McMaster, William Howland, and John Gordon Brown, all of them important Grits. Toronto

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1. Statutes of the Province of Canada, 22 Victoria, c. 122 (1858).

2. P.A.C., Records of the Provincial Secretary's Office, Canada West, 1858, Allan Macdonell to Provincial Secretary, May 13, 1858, enclosing copy of petition.

merchant Lewis Moffatt, the son of Nor'Wester George Moffatt and himself a native of the Northwest, was a petitioner, as were former Toronto mayor and merchant W. H. Boulton; the Hon. Philip Vankoughnet, now Commissioner of Crown Lands; and Sandford Fleming. The chief engineer of the Northern Railway, which connected Toronto with Georgian Bay, Fleming was interested in a Pacific Railway, had published a pamphlet on that topic,[3] and supported as a "preliminary measure the provision of a road from Lake Superior to the Red River Colony and the mountains".[4] Together, these men could command considerable respect.

Their petition was first introduced into the Legislative Assembly on May 12, 1858, and William MacD. Dawson, M.L.A., was given permission to bring in a bill to incorporate the proposed company. Given two readings, this bill was then referred to the Standing Committee on Railways, Canals, and Telegraph Lines for further study.

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3. This pamphlet, A Railway to the Pacific through British Territory (Port Hope, 1858) is noted in W. Stewart Wallace, editor, The Encyclopedia of Canada (Toronto, 1935), II 352. B. R. Peel, A Bibliography of the Prairie Provinces to 1953 (Toronto, 1956) Makes no mention of this pamphlet, but does note similar books published in 1862 and 1863. See items 188 and 192 in Peel.

4. Lawrence J. Burpee, Sandford Fleming (London, 1915), p. 61.

When that committee under the chairmanship of Georges-Etinenne Cartier reported back to the Assembly on July 14 recommending certain amendments to the original bill, a full-scale debate was touched off. William MacD. Dawson began by outlining more fully the object of the bill, noting that it was designed ''to open up the old route of the North West Company'' by placing steamers on the route as early as the summer of 1859.[5] He envisaged a series of five steamers between the Saskatchewan River and Lake Superior increasing Canadian trade and custom's duties. This aspect of the plan evoked severe criticism from John Sandfield Macdonald, a Catholic Liberal from Cornwall who was to become Ontario's first premier after Confederation. Macdonald's ''Scottish'' caution led him to question the propriety of a bill giving the company the right to navigate the Saskatchewan River, which had yet to be decided as belonging to Canada. This and the construction of the proposed railroad, he feared, would embroil Canada with the Hudson's Bay Company, the Indians, and the United States.

These fears were answered by Attorney-General John A. Macdonald, who noted that, since the powers of the company were expressly limited to Canada, there was no

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5. P.A.M., Scrapbook of Newspaper Accounts of the Debates in the Canadian Legislature, July 19, 1858.

danger of a collision with the Hudson's Bay Company. Macdonald professed the opening of the North West Company route as ''undoubtedly a good object'', however, he agreed with J. S. Macdonald that the company had been given too much power in the original bill. Accordingly, on August 9, 1858, the Attorney-General seconded a series of amendments to the proposed statute, limiting the company's powers.[6] These amendments provided that the ministry was to have more control over the tolls and charges levied by the company; that it could limit the amount of wood, stone, and fuel the company could obtain from unsold Crown lands lying beyond the company's lands; and that the line of communication should be completed within eight years, whereas no time limit had been specified originally. In its amended state, the bill was approved by the Legislative Assembly on August 9 and later by the Legislative Council and Governor General Head.[7]

This act gave Macdonell and his associates power to improve water communications and build roads, tramways, railroads, or canals in a ''single continuous line of communication extending westward from Lake Superior'', to operate steam vessels within Canada to the head of that

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6. Canada, Journals of the Leg. Assembly, August 9, 1858.

7. Statutes of the Province of Canada, 22 Victoria, c. 122 (1858).

lake, and to engage in trade. In addition, the Governor in Council, upon the recommendation of the Commissioner of Crown Lands, could turn over to the company any ungranted Crown Lands for the purposes of facilitating ''transportation, traffic and trade''.[8] Capital stock in the company was set at £ 100,000 with provision for additional stock to be issued for every mile of railroad construction undertaken.

The act imposed a number of restrictions on the company, some of which have been noted as arising out of amendments brought in during the parliamentary debate. In addition, it was stipulated that operations must commence within two years, but that these operations could begin only after £ 50,000 of capital stock had been subscribed and ten percent paid thereon. Unless substantial financing could be arranged before August, 1860, the company would cease to exist. The Montreal Gazette's claim that Torontonians had ''hitherto subscribed next to nothing to such schemes'' and the deepening depression in Canada were ominous signs.[9]

None the less, in the early months of its existence the new company showed some signs of strength. The temporary directorate, appointed by the Act of Incorporation until such time as a regular election of

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8. Ibid., P. 636.

9. Gazette, Aug. 19, 1856.

officers could be held, included several capable men, among them Allan Macdonell, John McMurrich, William McMaster, Angus Macdonell, William MacD. Dawson, John Gordon Brown, and Captain Thomas Dick. Moreover, even before the company had been officially chartered, certain of the petitioners had taken action to carry out its aims. In June, McMaster, McMurrich, Howland, Moffatt, William Dawson, and Captain Dick had purchased the steamer ''Rescue'', which was registered in Captain Dick's name until the company had the legal authority to operate it.[10] Captain Dick had then succeeded in securing a contract from the Canadian government for a fortnightly mail service between Collingwood and the Red River Settlement for the summer season, at the rate of £ 250 per month. Although the Postmaster General had pointed out that such a service would not be financially profitable, the ministry felt that it was warranted on an experimental basis.[11] Accordingly, on July 12, Captain Dick left Collingwood on the first trip, carrying the mail to Fort William where Captain Kennedy took over, carrying it by canoe to Red River, a journey described as an ''arduous and difficult task''.[12] Perhaps it was too arduous for

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10. Leader, July 22, 1859.

11. P.A.C., State Book S, June 14, 1858, pp. 644-6. The presence of two companies of the Royal Canadian Rifles at Red River encouraged this decision.

12. Globe, July 21, 1858.

Captain Kennedy, who confessed that his Arctic hardships had brought on a severe attack of rheumatism from which he never really recovered, since William Gibbard of Collingwood was soon alternating with Kennedy.[13]

Difficult at any season, the route from Collingwood to Red River was particularly so in the winter months. Therefore, at the end of his summer contract, when Captain Dick petitioned the Canadian government for the continuation of the Red River Mail Service on a monthly basis during the winter months, he requested a larger payment. When the ministry considered Captain Dick's request in October, Postmaster General Sidney Smith advised that the question must "be judged and decided upon grounds entirely irrespective of any claim it may have to usefulness in connection with Post Office interests".[14] Bearing in mind general Canadian interest in keeping the Northwest from falling into American hands and the presence of 120 members of the Royal Canadian Rifles at Red River, the Executive Council decided upon the continuation of this unprofitable mail route, but refused to raise the £250 monthly stipend.[15] The winter

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13. P.A.M., Kennedy Papers, William Kennedy to Lord Palmerston, May 6, 1863.

14. P.A.C., State Book T, Oct. 23, 1858, quoting letter from Postmaster General Smith to Executive Council, Oct. 18.

15. In his report for the Post Office Department for 1858, printed in the Leader, Feb. 22, 1859, the Postmaster General noted that the mail route had been instigated because of the "growing interests of Canada in connexion with the Red River settlements, and the regions of the North West".

service was to be by snow-shoes and dog trains.

Government approval of the postal extension to Lake Superior and the Red River and the passage of the bill to incorporate the North-West Transportation, Navigation and Railway Company were indicative of the Legislature's growing concern over the Northwest. Also significant was a full-scale debate on Rupert's Land, the Indian Territory, and the affairs of the Hudson's Bay Company, which debate was necessitated by the approaching termination of the Company's exclusive licence to trade in the Indian Territory and the view of most members of the legislature that at least a part of this territory legitimately belonged, or should belong, to Canada. This debate took place in the Legislative Assembly during the morning and afternoon of August 13, a scant week after the short-lived Brown-Dorion ministry had given rise to the famous ''double shuffle''.

The position of the Liberal-Conservative majority was creditably outlined in a series of resolutions introduced by Thomas J. Loranger, Provincial Secretary. These resolutions called upon the Imperial government to take steps to decide the validity of the Company's charter, determine the northern and western boundaries of Canada, open the trade of the Northwest on certain conditions, and remove from the Company's control such land as Canada might desire. The onus of dealing with the Hudson's Bay

Company was thus to be left entirely in the hands of the British government. According to Loranger's resolutions, the Canadian ministry would take no action along these lines, nor was it prepared to compensate the Company for any land turned over to Canada, beyond letting it retain improved land and buildings.

To oppose these resolutions, the opposition found its champion in William MacD. Dawson. Being familiar with the Company's land titles as the result of earlier studies for the Crown Lands Department, Dawson moved an amendment to Loranger's resolutions which in effect would replace them with eighteen of his own. Dawson's resolutions purported to show that the Hudson's Bay Company had a legal right only to the shores of Hudson's Bay and that Canada had inherited from New France "the interior countries to the South and West, including the Red River, Lake Winnipeg, the Saskatchewan etc". Dawson's amendment was supported by former Crown Lands minister Cauchon, who later became Lieutenant-Governor of Manitoba (1877-1882); and William McDougall, the Clear Grit leader who was appointed Lieutenant-Governor of Rupert's Land in 1869. But in spite of this support from the Clear Grits and a few Rouges from Canada East, Dawson's amendment was defeated 42 to 23.

Subsequently a committee headed by Thomas Loranger was appointed to draw up an address to Her Majesty, founded upon the approved resolutions. Having received the approval of the Legislative Council, this address was presented to Governor General Head to be relayed to the Colonial Secretary and the British government.[16]

The following month, Head relayed a second document, a minute of the Executive Council giving its full support to the joint address of both branches of the Legislature.[17] The Executive Council also stressed the importance of urging upon the Imperial government the opening of a direct line of communication from Canada to the Pacific Ocean, and instructed its members who were to visit England in the fall to urge the same on Imperial authorities. In a confidential letter that accompanied this minute, Head made known his own views on the Northwest and the proposed railway.[18] Although he regarded a line of railways and canals across this vast continent as "impracticable" at that time, he believed it might be advantageous to construct a telegraph line from ocean to ocean and erect protecting posts at intervals thereon.

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16. C.O. 42, vol. 614, Head to Lytton, Aug. 16, 1858.

17. Ibid., vol. 615, Head to Lytton, Sept. 9, 1858.

18. Ibid., vol. 615, Head to Lytton, Sept. 8, 1858 (Confidential).

As to Canada undertaking the administration of the Red River Settlement, he feared that she would not readily undertake it ''as a charge on her own revenues'', a view taken earlier by the Executive Council in its instructions to Chief Justice Draper at the Imperial Select Committee. Moreover, he pointed out that Canada would object to compensating the Company as well as paying for military protection, yet settlement of the Saskatchewan country was impossible without military protection on account of Indian unrest. Nevertheless, he felt that Canadian interest in the Northwest should be kept up, and suggested that this might be aided by the appointment of two or three Canadians to the council at Red River. In this way he felt that Canadians could come to know the wants and character of the settlement. Should a union of the British North American provinces take place, the Northwest might then easily be added.

Meanwhile, the newly-organized North-West Transportation, Navigation and Railway Company was doing just what Head had suggested: it was trying to maintain and build up Canada's interest in the Northwest. Following the introduction of the mail service and the company's incorporation, Allan Macdonell had undertaken to draw up a prospectus that would both publicize the company and attract investors. This prospectus, which was published first as a fifty-five page pamphlet in October, and then

in a shortened edition in the following month, painted a glowing picture of the company's prospects and of the money to be made by the investors.[19] Both pamphlets were based on an earlier twelve page one published sometime in the first half of 1858, which was in turn largely based on Macdonell's 1851 circular publicizing a Pacific railway.[20] For the modest sum of £75,000, Macdonell envisaged a line of steamers and roads reaching from Collingwood to the Pacific Ocean. Once completed, he believed that this line would be kept busy importing and exporting freight, transporting the mails, and accommodating travellers and settlers, of whom a great number were expected. Moreover, the recent gold discoveries on the Fraser River could be expected to give rise to a thriving through traffic.[21] Finally, Macdonell claimed that the completion of this line of steamers and roads

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19. The longer pamphlet was entitled The North-West Transportation, Navigation, and Railway Company: Its Objects (Toronto, 1858). The subsequent shorter edition was known as the Prospectus of the North-West Transportation, Navigation and Railway Company (Toronto, 1858). This prospectus also appeared in the Toronto press as an advertisement. See the Leader, Nov. 9, and the Globe, Nov. 17.

20. The earlier 1858 pamphlet was entitled Memoranda and Prospectus of the North-West Transportation and Land Company (Toronto, 1858). It was circulated prior to the incorporation of the Company in August.

21. These gold discoveries created considerable interest in the Pacific Coast region in Canada in the summer of 1858. For accounts of the British Columbia Gold Rush see Leader, July 6; Globe, July 26; Intelligencer (Belleville), July 16, 23, Sept. 10, 17, 1858.

would make it easy to bring in materials for the railroad to the Pacific Ocean.[22]

It is interesting to note that some of the sources of revenue mentioned in Macdonell's earlier pamphlets were not repeated in the official company prospectus. Missing were the references to the vast wealth to be had from the Lake Superior fisheries, the western salt mines, the deposits of mineral pitch, the trade in cranberries and sasparilla, and such products of the buffalo hunt as hides, tallow, and meat.[23]

Despite Macdonell's efforts, financial support for the company was slow in coming. Toronto business interests, which were expected to finance the scheme, were hard hit by the depression which had begun in the fall of 1857. The Northern Railway had fallen into bankruptcy when the anticipated through traffic from the American West "proved a will-o'-the-wisp".[24] Even the Toronto Board of Trade found itself unable to pay the remaining $2,000 on survey work for a Toronto-Georgian Bay ship canal and

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22. Allan Macdonell, Prospectus of the North-West Transportation, Navigation and Railway Company (Toronto: Globe Office, 1858).

23. These sources of revenue were listed in [Allan Macdonell], Memorandum and Prospectus of the North-West Transportation and Land Company (Toronto, 1858).

24. O. D. Skelton, The Railway Builders. A Chronicle of Highways Overland (Toronto, 1916), p. 88.

petitioned the government for assistance. At the neighbouring city of Hamilton, the Board of Trade viewed with alarm "The almost complete paralysis of local trade and commerce, the general withdrawal of all labour, skilled or otherwise, from remunerative employment, and the unexampled contraction of our circulating medium." [25] The mines in the Canadian Northwest, which had prospered since 1847, fell into disuse.

The resulting lack of investment capital in Canada seriously affected the prospects of the newly-organized company and it appeared that financial assistance would have to be enlisted elsewhere, and quickly too if the company was to comply with the terms of its charter. There was little hope of American investment, since the Americans were already involved in a railway race to the Pacific. Accordingly, the company turned to Great Britain, and William MacD. Dawson set off to raise funds there. The results of this mission would probably spell success or failure for the North-West Transportation, Navigation and Railway Company.

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25. Leader, March 5, 1859.

CHAPTER EIGHT

THE BRINK OF DISASTER

Although the success or failure of William MacD. Dawson's financial mission to England would largely determine the future of the North-West Transportation, Navigation and Railway Company, its future was also to be greatly influenced by events in Canada in the first half of 1859. The year began encouragingly with renewed interest in the Northwest: however, by July the company was tottering on the brink of disaster, its ranks torn by dissension, its financial outlook discouraging, and its time running out.

The first shot in the 1859 attack on the Hudson's Bay Company's monopoly was fired on February 1. Alexander Morris, who the previous March had emphasized the role of the Northwest in a future union of the British North American colonies, delivered a second address at Montreal on "The Hudson's Bay and Pacific Territories", in which he considered the extent, resources, government, and future of this vast region.[1] Morris rejoiced that the obscurity which had enveloped Rupert's Land was passing away and noted that no feature of Canadian development in the past ten years was "more indicative of our real and

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1. This address was apparently printed in 1859, but is more commonly found as part of a collection of Morris's speeches, Nova Britannia; or, Our New Canadian Dominion Foreshadowed (Toronto, 1884), pp. 52-90.

substantial progress than the intelligent development of the national sentiment'', which had helped create an interest in the Northwest.[2] Moreover, Morris looked for the early settlement of the Red River country and the completion of a transcontinental railway, sentiments shared by Allan Macdonell, William MacD. Dawson, and their associates.

Morris's dream of a transcontinental railroad through British territory was brought one step nearer reality with the subsequent announcement in the Canadian press that Captain Palliser had discovered a pass through the Rocky Mountains that might be suitable for a railroad.[3] This pass, one of four Palliser's expedition had examined the preceding fall, might serve this purpose, since Palliser had described it as being not only practicable for horses, but ''with but little expense. . . for carts also''.[4]

The possibility of a first-class route through the mountains, together with the recent gold rush on the Pacific coast and the resulting creation of the colony of

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2. Ibid., p. 52.

3. Leader, Feb. 11, 1859.

4. United Kingdom, Papers relative to the Exploration by Captain Palliser of that portion of British North America which lies between the Northern Branch of the River Saskatchewan and the Frontier of the United States; and between the Red River and Rocky Mountains (London, 1859), p. 29.

British Columbia, shifted the attention of the Canadian press westward from the Red River Settlement in February, 1859. However, attention partially reverted to the Northwest with William MacD. Dawson's return from England. On February 28, Dawson arrived at Toronto and held a small press conference at which he told reporters that his mission to England had been ''productive of results which are more or less valuable''.[5] He claimed to have found the Imperial authorities ''very sympathetic'' to a trans-continental communications line to the Fraser River. Although he had not succeeded in raising money for the North-West Transportation, Navigation and Railway Company, he brought assurances that the funds would be forthcoming as soon as a London Board of Directors could be formed. The creation of such a board would necessitate changes in the Canadian company's charter, and accordingly Dawson petitioned the Legislative Assembly on March 7 to amend it.

Concurrently, Dawson was endeavouring to keep the whole Northwest question before the government and people of Canada. When Professor Hind's preliminary report on the Canadian Red River Expedition's work in 1858 was brought before the Parliament on March 16, Dawson moved

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5. Transcript, Mar. 7, 1859.

that it be printed, since he had found much valuable information in it.[6] For one thing, Hind had discovered an additional ten million acres of fine arable land in the valleys of the Red, Assiniboine, and Saskatchewan rivers since the previous year's expedition. Moreover, Dawson had derived encouragement from Hind's statement:

> There can be no doubt that, if the annual fires which devastate these prairies were to cease, trees would rapidly cover them in most places. . . A few years of repose would convert vast wastes, now treeles and barren, into beautiful and fertile areas. [7]

Similarly the report submitted by Simon Dawson offered encouragement to his brother William. As the result of exploration and surveying carried out in 1857-58, Simon Dawson had found large stands of marketable timber, particularly east of Red River; had determined that the climate at the Red River Settlement was comparable to that of Kingston in Canada West; and had discovered vast areas of fertile, easily-worked land. He described this land as the most important reason for the opening of a route from Lake Superior to Red River, although it would also obtain for Canada the trade of the settlement, the trade of the

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6. Henry Youle Hind, North-West Territory. Reports of Progress; together with a Preliminary and General Report on the Assiniboine and Saskatchewan Exploring Expedition, made under instructions from the Provincial Secretary, Canada (Toronto, 1859). The preliminary report is given on pp. 27-35.

7. Ibid., p. 31.

Hudson's Bay Company, and be the first step in a trans-continental highway that would carry emigrants to the Fraser River gold fields. Simon Dawson said that all that was needed to open this route was to ''place steamers or rowboars on the navigable reaches and make good roads where the navigation is impracticable''.[8] He believed that £ 50,000 would finance this work, and later, when circumstances would admit the outlay, about three hundred miles of railroads could be constructed to facilitate transportation between Lake Superior and Red River. This was much the same programme that William MacD. Dawson and the North-West Transportation, Navigation and Railway Company were advocating.

These two reports, together with Dawson's petition to amend the company's charter and the impending expiration of the Hudson's Bay Company's licence to exclusive trade in the Indian Territory, led to a parliamentary debate on the Canadian government's Northwest policy. This debate was touched off on April 1 by Alexander T. Galt, the Minister of Finance in the Cartier-Macdonald ministry who was later to

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8. Simon James Dawson, Report on the Exploration of the Country between Lake Superior and the Red River Settlement and between the Latter Place and the Assiniboine and Saskatchewan (Toronto, 1859), p. 28. This report attracted notice in the Globe throughout April.

link ''the federation scheme with the growing demand for incorporating the vast west in Canadian Territory''.[9] Galt spoke on the Canadian Red River Expedition, whose results he described as ''exceedingly valuable'' because they had shown that the ''difficulty of communication with the Red River had been very much over-rated''.[10] He said that a second encouraging result of the expedition was the formation of the North-West Transportation, Navigation and Railway Company, whose president, William MacD. Dawson, Galt asked to give the House some details of its progress. Before Dawson could speak, however, George Brown rose to question the usefulness of the survey; Georges-Etienne Cartier answered that the surveys had supplied information necessary to enable the country to discuss intelligently the question of the Hudson's Bay Company; and John S. Macdonald announced that the people of Canada knew nothing more of Red River than before, except that almost $50,000 had been spent.

At that point, William MacD. Dawson took the floor. The essence of his address was that the Saskatchewan and Red River country was ''as much a part of Canada as the streets of Toronto'', that its climate was ''far superior to any part of the peninsula of Canada West'', and that the

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9. O.D Skelton, The Life and Times of Sir Alexander Tilloch Galt (Toronto, 1920), p. 219.

10. P.A.M., Scrapbook of Newspaper Accounts of the Debates in the Canadian Legislature, April 1, 1859.

new company would enable travellers to cross from Lake Superior to the Pacific Ocean in less than nine days. This quick trip was to be accomplished by means of 511 miles of roads and railways and 1,468 miles of navigable waters. But first the company's charter had to be amended. On April 13, Dawson's bill to amend it was given third and final reading by the Legislative Assembly, and on May 4, 1859, the North-West Transportation, Navigation and Railway Company became the North-West Transit Company, with power to amalgamate with a company that had been formed in England with similar aims.

Presumably this second company had resulted from William Dawson's mission to England. Little is known about its origin or operations, however, it was set up for the purpose of including in itself the Canadian Company, of providing through transportation between Canada and British Columbia, and of seeking trading privileges in British Columbia from the British Government.[11]

Unfortunately, the hopes of the reorganized Canadian company were to be dashed to the ground even before final approval had been given the bill. The British government, which had been approached by William MacD. Dawson in February with a view to contracting for a mail

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11. The North-West Transit Company Limited, Memorandum of Association and Articles of Association [London, 1859].

service through Canada and the Northwest to the Pacific coast, decided against this project. In view of the £40- 50 thousand yearly subsidy requested by the company, the Postmaster General declared that "he could not, under any circumstances recommend that the offer be accepted".[12] Nor did the British Ministry feel that the expenditure could be justified on any other grounds. Dawson's claim as to the ease with which a transcontinental telegraph line could subsequently be undertaken and his emphasis on "the influence the possession of the quickest transit route across the Continent will exercise upon the future" paled before the prospect of a £ 50,000 annual expenditure. In the wake of this refusal, hope of successfully launching the North-West Transit Company on the Sea of Prosperity ebbed.

The Northwest agitators were dealt a second blow in the Canadian parliament. The government's request the previous August that the Imperial authorities determine the validity of the Hudson's Bay Company's charter had not been received favourably by the British government. In December, 1858, Colonial Secretary Lytton notified the

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12. G 1., vol. 147, Lord Colchester to Lords Commissioners of the Treasury, Mar. 8, 1859, quoted in "Correspondence Between British Treasury and Colonial Office Relative to a proposal by the North Western Navigation and Railway Company of Canada to undertake on certain conditions the conveyance of Mails - through Canada and British Columbia to the Pacific" mailed to Governor General Head by Colonial Secretary Lytton, April 13, 1859. Also included is a copy of the company's memorial to the Imperial government, dated Feb. 2, 1859.

Canadian ministry that the Hudson's Bay Company would not be a voluntary party to any such proceedings, that the Imperial government would not submit the charter to the courts, and that any such action would have to be brought by the Canadian government.[13] This the Canadian government was not willing to do, since it had learned that an English court would almost certainly declare the charter to be valid. In that case, as John A. Macdonald explained in the Assembly: "It would be very difficult on any ground of expediency, to set aside the decision", and Canada would have to compensate the Company for any land transferred.[14]

When the opposition somewhat reluctantly agreed that Macdonald was right and that Canada should not be expected to test the charter's validity, an address embodying these ideas was drawn up, approved by both houses, and forwarded to the Imperial Government.[15] Not only did this address protest against Canada's testing the charter and again place the onus on the British government, but it went on to point out that "the question of the future of

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13. Ibid., vol. 146, Lytton to Head, Dec. 22, 1858.

14. P.A.M., Scrapbook of Newspaper Accounts of Debates in the Canadian Legislature, April 29, 1859.

15. Canada, Journals of Legislative Assembly, April 20, 1859.

that Territory should not be made to depend on the mere legal view which may be taken by a Court of Law'' - almost an acknowledgment by the Canadian Parliament of the charter's validity.[16] Higher considerations than those of strict legal rights were said to be involved, and it was up to the Imperial government alone to deal with them. None the less, the Canadian government felt justified in urging Britain to act and suggested that the first step should be the organization of the land between Canada and British Columbia with a view to colonization. Further, the address called on the British government to determine the boundaries of Canada on the North and West: no suggested boundaries were outlined in the address, so that it might be as nearly unanimous as possible.

Still the opposition did find fault with certain aspects of the ministry's policy. The delay in bringing the Colonial Secretary's correspondence before Parliament was criticized, as was the Hon. Philip Vankoughnet's remark that perhaps Canada should not take over any additional land at that time, because of the cost of administration and law enforcement.[17] Whereupon the Globe accused Vankoughnet of taking the Hudson's Bay Company's part.[18]

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16. Ibid., p. 455.

17. P.A.M., Scrapbook of Newspaper Accounts of Debates in the Canadian Legislature April 18, 1859.

18. Globe, April 22, 1859.

Despite Dawson's failures to convince the Canadian government to take more positive action regarding the Hudson's Bay Company's titles and to win a mail contract from the British government, the Northwest agitators did have some small successes in April and May, thanks largely to Dawson's perseverance. Foremost of these successes was his persuading the ministry to continue the Red River Expedition through the summer of 1859, after the ministry had decided on March 10 that all proceedings were ''to be discontinued as speedily as possible''.[19] Dawson argued that the withdrawal of the government party before the North-West Transit Company was prepared to go ahead with its operations would have a ''most disastrous'' effect, since it would ''destroy confidence by inducing the belief that this Province cared nothing about the matter and had abandoned the route''.[20] Unless the Canadian government carried on this work, the people of Minnesota were pictured as almost immediately taking over the Northwest and cutting off Canada's route to the Pacific. Assured by Dawson that the North-West Transit Company would undertake ''all future expenses of exploration and surveys'' once the amalgamation with the English company

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19. P.A.C., State Book T, Mar. 10, 1859, p. 581.

20. P.A.C., Records of the Provincial Secretary's Office, Canada West, no. 784, 1859, William MacD. Dawson to Hon. A. T. Galt, April 28, 1859.

had been effected and operations begun, the Executive Council agreed to continue the Red River Expedition for a period not to exceed three months.[21]

At the same time, the ministry decided that the Red River Mail Service should be continued for another year.[22] The Postmaster General had recommended its continuation despite the fact "that the results so far as affording postal accommodation, have, as anticipated, not proved satisfactory". The next day, the Legislative Assembly concurred with this decision and voted £ 20,000 for the mail service extensions to Red River and Nova Scotia.

Furthermore, the Assembly voted $2,000 for a survey for a Georgian Bay Canal, good news for Dawson and Macdonell since such a canal would facilitate water communication between Toronto and the Northwest. This grant would assist Toronto merchants to obtain the trade of the American West, via Chicago. Towards the end of May, the first sod turning ceremony for this projected canal took place, Allan Macdonell, Thomas Clarkson, and other Toronto merchants being present. This ceremony was marked by a certain air of disaster, however, since it did not mark the actual beginning of construction, but had been performed to

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21. P.A.C., State Book T, April 28, 1859, p. 690.

22. Ibid., April 28, 1859, p. 689.

keep the company's charter from expiring. This token of construction completed, the company would then have fifteen years to complete the canal.[23] Unfortunately, little was to come of this project.

Only slightly more encouraging was a meeting held in the Toronto Board of Trade Building on May 21 to discuss the Northwest. Allan Macdonell was in the chair, while the meeting was addressed by several speakers, including Simon Dawson and James W. Taylor. A Minnesota publicist, Taylor was Secretary of the Minnesota and Pacific Railway Company and was vitally interested in the Northwest, which he described as a ''garden of the world''.[24] He explained the need for two routes to the Northwest, one of them Canadian, and hoped that the Canadian and Minnesota governments could work together. Unfortunately, the meeting was ''very slightly attended'' and received little attention in the press.

Meanwhile, William MacD. Dawson had determined to seek financial support for his North-West Transit Company from the Canadian government. No doubt encouraged by his success in having the Red River Expedition extended for three months and the government's continuation of the Red River Mail Service, Dawson approached the ministry with his

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23. Globe, May 25, 1859.

24. Leader, May 27, 1859.

transcontinental postal scheme. Associated with him was Hugh Allan, who was acting on behalf of the Montreal and Liverpool Steam Ship Company, which held a contract from the Canadian government for transatlantic mail service. After due consideration, the Executive Council decided that it was not possible for Canada to do anything on her own regarding mail delivery to the Pacific and that the initiative must remain with the British government. However, the ministry also declared its willingness to place at the disposal of the British government or of the contractors the existing mail service from Liverpool to Red River, provided that the Imperial government pay an annual subsidy of £30,000.[25] Governor General Head gave his blessing to this decision, but it was of little value to Dawson and the North-West Transit Company.[26] What they needed were large government contracts to enable them to find financial backing for their project. Without this backing, the company would lose its charter in August, 1860.

At this point, the company suffered a setback that partially removed its main source of revenue, the Red River Mail Service contract, and led the somewhat hostile Toronto Leader to question whether the company had any existence.[27]

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25. P.A.C., State Book U, June 13, 1859, pp. 150-52.

26. C.O. 42, vol. 618, Head to Lytton, June 13, 1859.

27. Leader, July 19, 1859.

In April, when the ministry had decided to renew the Red River Mail Service for the 1859 navigation season, it had also decided to call for tenders for this service. Captain Dick had not been alone in submitting a tender, and a lower one from a Mr. Carruthers of Toronto had been accepted. The immediate result was that the ''Rescue'' was replaced by the ''Ploughboy'', however, a working partnership was soon evolved between the two interests. Nevertheless, the North-West Transit Company was hard hit by the reduction in revenue. To make up this loss, Captain Dick advertised for ''parties of pleasure'' who would be interested in a few days hunting and fishing at Fort William, but there is no evidence that this appeal was very successful in spite of articles in the Toronto press describing the agreeable steam junket to Fort William.[28]

A far greater catastrophe shook the North-West Transit Company in July and threatened to tumble it into oblivion. On July 22, the Toronto Leader broke the story of grave dissensions in the company's ranks which had led one group of shareholders to take the majority of the directors into court. The cause of this action, according to the Leader was the ''gross misconduct of a few persons who contrived a novel and extraordinary scheme for getting the control of the enterprise''. The ''few persons'' so

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28. Globe, July 2, 1859.

charged included directors William MacD. Dawson, Allan Macdonell, William McMaster, John McMurrich, William Howland, Lewis Moffatt, Captain Thomas Dick, and his brother James Dick. The plaintiffs in the chancery case were Kivas Tully, a Toronto architect who was interested in the Georgian Bay ship canal project, and Clarke Ross, a director of the North-West Transit Company and an employee of the old North West Company and the coalition from 1818 to 1823.

The plaintiffs charged that the defendants had purchased the "Rescue" through Captain Dick for $13,000 and had later asked a profit of $11,000 when they turned the steamer over to the company. Having previously packed the board of directors by adding Moffatt and Howland, both of whom owned a share in the "Rescue", this transfer was quickly approved by the board, and the ten former owners then credited themselves with payment on stock in the company to the amount of £6,000. This move meant that the company could legally commence operations since the required £5,000 had been raised. However, certain other investors in the company objected strenuously to this method of financing the company's operations. Acting on behalf of these investors, Tully and Ross took the defendants to court and sought to have the attempted sale of the "Rescue" declared null and void and certain defendants restrained from acting on the board of directors.

This court case had a marked effect on the company's prospects. Although five months were to elapse before the Chancery Court handed down its decision, the very suggestion of the scandal shook the public's faith in the company. Even its good friend, the Globe, could find nothing to explain away the alleged scandal. As a result, little or no financial backing was forthcoming in Canada, and the plan to amalgamate with the British company fell by the wayside. Instead of directing their attention to the opening of a Northwest communication route, the company's directors and shareholders were caught up in a legal turmoil which threatened to end the company's existence. Regardless of the court's decision, the North-West Transit Company had been dealt a severe, if not a fatal, blow.

CHAPTER NINE

THE DECLINE AND FALL OF THE NORTH-WEST TRANSIT COMPANY

The revelation of the court case involving the North-West Transit Company had been a severe blow to that company's fortunes. None the less, Canadian interest in the Northwest survived the disclosure and even seemed to increase in the latter half of 1859.

This interest was keynoted in a letter to the Globe written by James Ross, the young native of Red River who, having completed his education at Knox College in Toronto, was preparing to return to the Northwest.[1] Ross appealed for Canadian assistance in developing the Red River Settlement and particularly noted that a newspaper publisher, a hotel keeper, and one or two doctors were needed. An educated man who realized the importance of the printed word, Ross placed the need for a newspaper at the head of his list. He revealed that a Mr. Lawrie of the Owen Sound Times had started out to establish a paper at the settlement, but, having thought better of it, had stopped in Sault Ste. Marie instead. Who would accept the challenge ?

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1. July 18, 1859. This letter was one of a series appearing in the Globe after July 12. His connection with the Globe can be noted in his Diary, March 1858 to June 4, 1858, P.A.M., Alexander Ross Family Papers. See also the Leader, July 25, 1859.

The answer came in the Globe on August 26, 1859, when two members of the Toronto press, William Buckingham and William Coldwell, announced that they would shortly commence the publication of a newspaper at the Red River Settlement. Both natives of England and in their mid twenties, Buckingham had migrated to Canada in 1857 and had served on the parliamentary staff of the Globe, while Coldwell had served in a similar capacity with the Leader since his arrival in 1854. Their avowed purposes in establishing the paper, which was to be known as the Nor'Wester, were to stimulate industrial life at Red River, cultivate a healthy public sentiment, and convey to more distant observers "an accurate knowledge of the position, progress, and prospectus of affairs" at the Red River. It was intended that publication should begin that winter on a fortnightly basis, to meet the mail arrangements with Canada.

Here was something that would strengthen the link between Canada and the Northwest, and accordingly the Globe voiced strong approval of the venture, calling upon the merchants of Toronto to provide "liberal support" both as subscribers and advertisers. This was the chance for Toronto trading interests to "secure the full benefit of the Red River trade".[2] Similar blessings and encouragements

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2. Globe, Aug. 26, 1859.

to Buckingham and Coldwell were voiced by the Leader, which also stressed the hope that Toronto merchants would soon benefit from Red River trade.[3]

Even as the founders of the Nor'Wester were proclaiming their decision to take the printing press and its accompanying benefits to the settlement, James Ross's appeal for other Canadians to help develop the Northwest was also being answered. Among those responding were John Christian Schultz, a youthful doctor of fine physique, and his half-brother Henry McKinney, both of Amherstburg, a small trading centre near Windsor. McKinney migrated to the Red River Settlement in the early fall of 1859 and Dr. Schultz the following summer. Even before their arrival at Red River to follow the pursuits of doctor and hotel keeper respectively, Shultz and McKinney are said to have engaged in trade with that area.[4] This contact with the Northwest, coupled with McKinney's recent business failure at Amherstburg and possibly the influence of James Ross, led to their decisions to emigrate to the Red River Settlement. Schultz may also have been motivated to seek a home in the Northwest as the result of a one year's residence with his mother's sister, Mrs. James Hackett of Amherstburg, whose husband delighted in telling young Schultz tales of his years as a navigator trading into the Upper Great Lakes

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3. Leader, Aug. 27, 1859.

4. Fort Malden Museum, Schultz Papers, David Kemp Goodfellow to David P. Botsford, May 30, 1938.

with Amherstburg as his home port. Whatever the exact motives, both Schultz and McKinney migrated to the Red River Settlement where, in addition to serving the needs of the populace as doctor and hotel keeper, they also entered into trade.

They were not the only Canadians to enter the Northwest and engage in active trade at that time. On July 26, 1859, the Globe noted the recent departure of James Ellis, ''a young gentlement of enterprise and talent'', sent by his father, Toronto jeweller J. E. Ellis, to trade at Red River.[5] The Globe pointed out that others would follow, carrying more bulky if less valuable goods, if a navigation route could be opened.

The possibility of such a route being opened in the immediate future was not bright. A decision by the Canadian Executive Council that granted the Postmaster General the authority to use the balance of the Northwest mail grant to construct roads for the transportation of mail between Fort William and Red River was apparently ignored by the postal authorities, probably because they felt the money might be spent elsewhere to better advantage.[6]

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5. Most Canadians who went to the Northwest at this time appear to have engaged in trade. The March 14, 1860 issue of the Nor'Wester announced that James Ross, William Buckingham, and William Coldwell had entered into a partnership as general dry goods, groceries, and hardware merchants, both wholesale and retail.

6. P.A.C., State Book U, Aug. 23, 1859, pp. 285-88.

Moreover, because of very limited financial resources, the North-West Transit Company was not yet in a position to commence operations legally, although some of its supporters, acting on their own, had cut a few miles of road in the Thunder Bay region.[7]

Throughout this period the Toronto Globe continued to support the Northwest question. The commercial possibilities of that area were repeatedly stressed, and correspondence was published from William Buckingham and James Ross to support the view that the government should do something positive about opening a route to Red River. From St. Paul, Minnesota, Buckingham wrote that James W. Taylor, a leading American advocate of interest in the Northwest, had told him frankly that the Red River settlers were "in need of everything but money" which they possessed in abundance.[8] Buckingham conveyed the impression that he was approaching a veritable gold mine, and the Globe was quick to adopt the idea.

But to North-West Transit Company president William MacD. Dawson, the Canadian government represented a closer and more accessible gold mine. Accordingly, acting

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7. Globe, Sept. 14, 1859. News of the commencement of the road construction was brought to Toronto by Mr. Armstrong, an artist who had spent some time sketching at Fort William. For a subsequent report see the Globe, Nov. 15, 1859.

8. Ibid., Oct. 7, 1859. For Taylor's views see Minnesota Legislature, Northwest British America and its relations to the State of Minnesota (St. Paul, 1860).

on behalf "of parties organizing a company for the opening of a mail and Passenger Route", Dawson submitted a memorandum to the Executive Council suggesting that the Canadian legislature should grant a subsidy of £ 5,000 per annum, on condition that the company carry the mails from Collingwood to Red River fortnightly in 1860 and weekly in 1861.[9] With this annual grant guaranteed, Dawson intimated that "substantial aid" could be obtained from the Imperial government for the development of a North-west transportation route. As evidence that the company could and would be successful, he reported the presence of a steamer, "The Rescue" on the route already, the completion of a study of the route from the head of Lake Superior, and the expenditure of "large sums" in opening roads and erecting stations.

Dawson's proposal drew support in the Executive Council, particularly from Crown Lands Commissioner Philip Vankoughnet and Public Works Commissioner John Rose. The plan was agreed to on four conditions: that the company should first obtain a bona fide subscription list of £50,000; that £20,000 of that should be deposited in a chartered bank to be expended on the proposed work of opening a satisfactory route; that the company provide a fortnightly mail service in 1860 with weekly service the following year; and that the mail delivery and works pro-

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9. P.A.C., State Book U, Dec. 7, 1859, p. 504.

gramme be carried out to the satisfaction of the Postmaster General and the Public Works Commissioner respectively. In view of the North-West Transit Company's failure to raise sufficient funds even before the court case weakened its position, these terms made the obtaining of government support almost impossible.

Nor did the final decision in the Chancery court case aid the company in any way. The court's judgement, handed down on December 20, 1859, declared the agreement for the sale of the steamer "Rescue" to the company by Captain Dick and his associates to be null and void; stated that stock in the company subscribed by the owners of the steamer was not to be regarded as capital stock; and ordered a new election of officers.[10]

This new election of officers on January 12, 1860, resulted in somewhat of a stalemate between the two groups which had contested the recent court case. Of the "Rescue" owners who had contrived to win control of the company by illegal methods, William McMaster and Captain Dick were removed from the directorate, while William MacD. Dawson, John McMurrich, and Allan Macdonell were re-elected. The plaintiffs in the court case were represented on the new directorate by Kivas Tully, while the balance of power was held by a group led by Toronto merchant Lewis Moffatt,

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10. The court's judgement became common knowledge after its publication in the Leader, Jan. 10, 1860. The Globe ignored the matter.

writer and government clerk Alfred Roche, and Sir Allan MacNab, the former Canadian Prime Minister who had recently returned to Canada after two years' residence in England. The old directors wanted the re-election of Dawson as president, while several of the new directors favoured Sir Allan MacNab. A compromise saw Lewis Moffatt chosen as president and John Beverley Robinson, the second son of the chief-justice of Upper Canada and a member of parliament, as vice-president.

Dawson's services to the company were not yet ended, however, and he was despatched to England "entrusted with full power to make arrangements for securing subscriptions to the stock, and commencing operations".[11] The new directors professed a "belief in the willingness and ability of Mr. Glyn, [SIC] a London banker, to raise money".[12]

At this point, considerable editorial attention was focused on the Northwest as the result of a letter that appeared in the first issue of the Nor'Wester, December 28, 1859. Written by Alexander Isbister in London to Donald Gunn at the Red River Settlement, the letter dealt with the recent visit to England of a Canadian government deputation headed by George Cartier, ministry leader from Canada East. According to Isbister, Cartier had been "pressed" by

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11. Globe, Jan. 16, 1860.

12. Nor'Wester, Feb. 28, 1860.

Colonial Secretary Lytton to accept the entire Northwest as a part of Canada, but had told Lytton "very frankly that, as head of the Lower Canadian party, any proposal of the kind would meet with his determined opposition". Cartier is said to have "admitted the desirability of throwing open the trade of the Hudson Bay Territory to Canadian capital and enterprise", and to be willing to agree to Canada's contesting the validity of the Company's charter before a court of law provided that the territory taken from the Company should not be annexed to Upper Canada, but "should be erected into a separate colony, to form part of a general federation of the British Provinces". Until such a new union could be arranged, however, Cartier was reported to be opposed to the annexation of the area, since it would weaken the position of the French Canadians and might lead to a dissolution of the union between Upper and Lower Canada.

Reaction to Isbister's account of the alleged conversation between Cartier and Colonial Secretary Lytton followed political lines in the Canadian press. To the Globe it was more evidence that Cartier "feared the enlargement of the area of Anglo-Saxonism" but dared not oppose it openly.[13] The government influenced Leader noted that it was dishonest to attribute to Lower Canadian influence the

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13. Globe, Jan. 16, 1860.

refusal of the alleged offer, since the French were in a minority in the cabinet.[14] Moreover, the immediate annexation of the Northwest was described as an idea at conflict with any scheme of federation such as was then being investigated. Isbister's statement might be true, but it would need corroboration before the Leader would accept it. Approval of the alleged conversation was given by a third Canadian newspaper, the Ottawa Citizen.[15] It opposed annexation on the grounds that French Canada would be swamped; that Canada West was not competent to manage the Northwest, since she was unable to bear her ''present load of debt and difficulty''; and that annexation would be injurious to the Red River country.

Support for this last thesis came from the Red River Settlement itself. The Toronto Leader's special correspondent at the settlement, no doubt William Coldwell, wrote that a large number of settlers had turned against annexation to Canada.[16] Fear of Canadian taxation and the wish to run the settlement themselves were said to be the causes of this development. The correspondent noted that the more the settlers considered annexation, ''the less favourable becomes its aspects''. Moreover, the difficulties which the North-West Transit Company had encountered were said to have practically destroyed all the settlers'''fond expectations of anything like a speedy opening of that

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14. Leader, Jan. 27, 1860.

15. Quoted, Nor'Wester, March 28, 1860. For further editorial comment see Transcript, Jan. 28, and the Sarnia Observer, Feb. 3, 1860.

16. Leader, April 25, 1860.

most desirable route''.[17] It would take more than the Globe's promise that the route would definitely be opened next season to convince the settlers that such would indeed be the case.[18]

Two alternatives to Canadian annexation were being mooted at this time in the Red River Settlement. One was the possibility of American annexation and the other was the desirability of Crown colony government. The second alternative was the more acceptable, and a rumour that the British government was considering such a move received commendation in both the Canadian and Red River press. The Nor'Wester advocated the Crown colony status rather than being treated as an outlying portion of Canada.[19] Among the Canadian press, the Leader gave most hearty support to the rumoured move. Its position was that Canada was already ''sufficiently large'' for a separate colony, and that, in the event of a federal union of British North America, the Red River Settlement could then be brought in easily, ''out of the isolation to which at present, nature and circumstances consign it''.[20] Only if this isolation could be broken, would a closer political tie with Canada be feasible.

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17. Donald Gunn to John J. Vickers, Red River, Dec. 19, 1859, quoted Nor'Wester, March 28, 1860.

18. Globe, April 25, 1860.

19. Nor'Wester, July 14, 1860.

20. Leader, April 28, 1860.

One attempt to bring the two areas closer together that attracted attention in the first part of 1860 was the North-West Transit Company: a second and perhaps closely related attempt was Captain William Kennedy's mission to Lake of the Woods. Although in the early stages of the North-West Transit Company Captain Kennedy had been employed to carry the mails from the head of Lake Superior to the Red River Settlement, his connection with the company had gradually lessened, possibly because of his emphasis on the importance of other things than the trade of the Northwest and the fact that rheumatism made his task an extremely arduous and painful one. Captain Kennedy's interest in his native country continued, however, and in January, 1860, he resolved to undertake a religious mission to Lake of the Woods. An Indian chief in that area had invited him to come as a missionary and teacher to his tribe. "Feeling for their critical position - on the eve of being invaded by civilization and its destructive influence", Kennedy resolved to go.[21] During the fall and winter of 1859 he travelled throughout England and Canada enlisting the sympathetic support of Christians on behalf of the Indians. In England he addressed the Aborigines Protection Society and raised £130

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21. Globe, Aug. 4, 1860.

from those present at the meeting, among them his nephew and a leader in the society, Alexander Isbister.[22] A promise of future support was also received. Back in North America, Kennedy enlisted support at public meetings in Quebec, Toronto, Portland, Maine, and other centres. The aid of the recently organized Canadian Foreign Missionary Society was obtained and, sponsored by this society and the British Aborigines Protection Society, Captain Kennedy journeyed to the Northwest.

His mission was any thing but a success. First, his Indian guides deserted him and he had to proceed alone. Then he found the Indians had been given liquor by a white trader and were "decidedly opposed" to his project.[23] Moreover, the Indians accused Captain Kennedy of deceiving them as he had promised the previous year that a North-West Transit Company depot would be established at Lake of the Woods. In vain he explained that the Canadian government, not the company, had let them down. Apparently the Indians had hoped for a missionary who would carry on trade, and Kennedy "had come with nothing but the Bible".[24] Accordingly, Captain Kennedy returned to Canada early in June, 1860, his mission a failure.

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22. Gazette, Jan. 13, 1860.

23. Globe, May 29, 1860.

24. Ibid., Aug. 4, 1860.

Nor was there much likelihood that the Indians at Lake of the Woods or any other location in the North-west would shortly receive a North-West Transit Company depot. That company, which had barely managed to survive one grave internal crisis, suffered two more serious divisions in 1860. The first happened at the annual shareholders meeting on May 7, 1860, when William MacD. Dawson, John McMurrich, and Lewis Moffatt were voted out of office and a group apparently headed by Viscount Bury and his father-in-law, Sir Allan MacNab, won control of the directorate. Following this election, only four of the original twenty-two directors remained - Sir Allan MacNab; Allan Macdonell, the Toronto lawyer, publicist, and friend of Sir Allan MacNab; Clarke Ross, who had been a plaintiff in the earlier court case involving the company; and John McLeod, M.P.P., a general merchant and trader from Amherst-burg.

Removed from office in the North-West Transit Company, William MacD. Dawson and his Toronto associates then set out to establish a rival company. Dawson approached the Canadian Executive Council to request that the promise made on December 7, 1859 of financial assistance to a company that could raise a £50,000 subscription and guarantee regular mail delivery between Collingwood and Red River be applicable only to his company. The government replied that although the Order in Council said only "a company" in

offering the financial assistance for the opening of communications with Red River, it meant the North-West Transit Company, not the rival organization that Dawson seemed to be bringing into existence.[25]

No sooner had Dawson's hopes for a new company based on government financial support been crushed, than disaster again struck the North-West Transit Company. In July it was revealed that the company was again in Chancery court.[26] This time, eight plaintiffs acting on behalf of certain of the shareholders were seeking an injunction to restrain the company from proceeding with its operations until £50,000 of stock had been subscribed and ten per cent thereon paid in cash. The plaintiffs alleged that in June, when less than £5,000 of capital stock had been subscribed, a Mr. Carruthers of Toronto, who had assisted in the conveying of the mails to Red River, proposed a scheme that would enable the company to commence operations: since it would also enable him to win control of the company the court case followed. Carruthers had proposed to turn over to the company the steamer "Mohawk" at a price of £5,000. He would then agree to take £50,000 of stock in the company, and the £5,000 would be his down payment on this stock.

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25. P.A.C., State Book V, May 30, 1860, pp. 203-7.

26. Toronto Colonist, July 14, 1860.

The directors agreed to the proposal, since it would mean the company could begin to operate legally before its charter expired. However, certain shareholders opposed the plan on the grounds that the "Mohawk" was not worth £5,000; that the procedure was illegal; and that it would mean one-sided control of the company. The Chancery court was largely in agreement with these arguments advanced by the plaintiffs and ruled that £50,000 stock should have been subscribed before the company was legally entitled to purchase the steamer. Therefore, the purchase was declared to be illegal.

This was the death blow to the North-West Transit Company's hopes, since under the terms of its charter operations must commence by August 16, 1860; and it was already the middle of July. When the company later sought an amendment to its charter that would allow more time, the shareholders were informed that "the said Act of incorporation has become void in consequence of the failure of the Company to commence their works within two years".[27] Accordingly the petition was not entertained, and the North-West Transit Company was at an end.

The company's failure to raise sufficient funds to commence operations was indicative of the decline of interest in the Northwest in the latter part of 1860. Another indication was the absence of a popular outcry when it was

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27. Province of Canada, Journal of Legislative Assembly, April 9, 1861.

revealed that the Royal Canadian Rifles were to be withdrawn from the Red River Settlement by way of Hudson Bay, rather than by way of the old Nor'Wester route. Moreover, the troops were not to be replaced, largely because of ''the extreme difficulty of access''.[28] Only Allan Macdonell and George Gladman seem to have protested the method of removal and these protestations were ignored. Moreover, the removal of the Royal Canadian Rifles in the spring of 1861 would mean the further weakening of the tie between Canada and the Northwest.

This tie was also weakened by the winding up of the Canadian Northwest survey in the fall of 1860, the services of Simon Dawson and his last assistant being terminated as of September 30.[29] Moreover, the Reformers seemed to have dropped to a considerable extent their demand for immediate annexation of the Northwest. In an important address on matters of state delivered before an estimated twenty-five hundred persons at London, George Brown spoke for five hours and only in conclusion touched briefly upon the Northwest.[30]

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28. P.A.C., G 1, vol. 152, T. F. Elliot to Undersecretary of State, War Office, Sept. 20, 1860.

29. P.A.C., State Book V, Dec. 18, 1860, pp. 495-96.

30. Sarnia Observer, Dec. 7, 1860.

CHAPTER TEN

CONCLUSION

Many factors account for this decline of interest in the Northwest, especially toward the end of 1860. Of considerable importance was the economic depression which made private investment in the opening of a Canadian transportation route to Red River extremely difficult. Without this route, a close relationship between Canada and the Northwest was impossible. The failure of the Canadian Red River Mail Service had pointed up this problem. The trip from Red River to Lake Superior, which at times took as long as three weeks, could not compete with the American route. Accordingly, the Nor'Wester reported on June 14, 1860, that the outgoing Canadian mail consisted of only six letters, while the outgoing mail via the United States' route contained almost eight hundred letters and newspapers. Simon Dawson's work had shown that the development of a satisfactory Canadian route to the Red River Settlement would be costly, and neither private enterprise nor the Canadian government were yet prepared to underwrite the venture.

The Canadian government was concerned with more important matters than the still remote Northwest. The depression and the lack of immigration were pressing matters at hand. So also was the possibility of an Intercolonial

Railway that would link the Maritimes to Canada, a project with far reaching implications. It might lead to a federation of British North American colonies, which would then make practical a closer tie with the Northwest. Such a tie was generally regarded as being impractical in 1860 since many people contended that Canada could not govern herself adequately, let alone the Northwest. Moreover, Cartier and the French Canadians were apparently opposed to any move that would strengthen the Anglo-Saxon position and lessen the privileged position of the French. Immediate annexation of the Northwest was out of the question in 1860: it would have to await the completion of a new union of British North American colonies.

In addition, the immediate need for consideration of the Northwest had been met already and the question could be allowed to lapse for a time. The British government had been made aware of Canada's concept of eventual Manifest Destiny, of the concept of a greater Canada reaching from Ocean to Ocean, and had agreed to look after the Northwest until such time as Canadians wished to settle and annex sections of it. The removal of British Columbia from the control of the Hudson's Bay Company, the possible establishment of the Red River Settlement as a Crown colony, and the government's refusal to renew the Company's licence to exclusive Indian trade for a period of more than two years showed Britain was taking an interest in the

Northwest and that this land would remain British. Furthermore, the attention of the Americans, who had been threatening to wrest the Northwest from British control, was diverted from that region, at least for a time, by the struggle between North and South. Thus the Northwest did not seem to be the pressing issue it had been from 1856 through 1859. Its British character had been preserved until such time as the majority of Canadians felt it was time to make it Canadian.

This is not to suggest that the energy and time spent on the Northwest question had been wasted. On the contrary, several significant goals had been achieved. First, Canadians had been made more aware of the Northwest than at any other time. The exploration and survey work by Henry Hind, Simon Dawson, and John Palliser had contributed greatly to this knowledge, as had the publicity given to it by Alfred Roche, Captain William Kennedy, Allan Macdonell, William MacD. Dawson, and the Canadian press, expecially the Toronto Globe and Leader. This great knowledge of the Northwest could only benefit any future attempt to link the two lands closer together.

Second, a small group of Northwest experts had been created who could give leadership and guidance in such a future movement. Among these were Simon Dawson, who in 1868 was employed to open communications with Red River;

William McDougall, whose interest in the Northwest as a Globe writer was to lead to his appointment as first Lieutenant-Governor of the North-West Territory; Alexander Morris, who was appointed Chief Justice of Manitoba in 1872; and Joseph Cauchon, who served as Lieutenant-Governor of that province after 1877. All of these men were to play significant roles in the subsequent development of the Northwest.

Also, at Red River itself, the late 1850's had witnessed the creation of a Canadian party. Men such as Dr. John Christian Schultz, James Ross, William Buckingham, and William Coldwell were all to play a role in the molding of opinion at Red River and in the bringing of the settlement into closer contact with Canada.

Another result of this agitation in the late 1850's was that all parties in Canada reached a common understanding that the Northwest should become part of Canada eventually. The Reformers in Canada West demanded it; the English-Canadian ministers in the government desired it; and the French-Canadian ministers were prepared to accede to it, provided that their privileges would be protected. Moreover, the British government clearly expected it. Accordingly the Northwest was set aside for Canada's future use.

Finally, the desire for Northwest annexation gave impetus to the movement for Canadian federation. Only with

such a scheme would French Canada accept annexation and could the Northwest be governed satisfactorily. "By linking the federation scheme with the growing demand for incorporating the vast west in Canadian territory", Alexander Tilloch Galt was to perform a great service to Canada.[1]

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1. O.D. Skelton, The Life and Times of Sir Alexander Tilloch Galt (Toronto, 1920), p. 219.

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