THE WEST AND CONFEDERATION

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THE WEST IN 1857

In 1857 the present Canadian West was not part of Canada. As territory of the British Crown it was a portion, by far the largest portion, of British North America. It was itself made up of three parts. On the Pacific coast was the Colony of Vancouver Island, created in 1849. The Pacific slope between the 49th parallel and Alaska eastward to the divide of the Rockies, and the Arctic watershed down to the northern coast, was "the Indian Territory". To the east lay the enormous tract known as Rupert's Land. At fullest extent, Rupert's Land extended from the divide of the Rockies across British North America to Hudson Bay and around to the coast of Labrador. The boundaries between Rupert's Land and the Province of Canada had never been authoritatively fixed. The limits of Rupert's Land, wherever they lay, were to be found in the broad terms of the Hudson's Bay Company's Charter of 1670, except as those might have been modified by international treaty or by British statute.

Over all this territory, from the Colony of Vancouver Island to the wastes of Ungava, the governing power was the Hudson's Bay Company. The Company, a relic of the colonial regime of the seventeenth century, was at once a commercial corporation and a colonial government, created by the Crown of England.

The Company traded and governed in Rupert's Land by virtue of the Charter of 1670. However, its authority had been strengthened there, and at the same time extended over the Indian Territory, by Licence granted in 1821 for a term of twenty-one years. The grant was made under the Act passed that year to regulate the fur trade after the union of the North West and Hudson's Bay Companies. In 1838 the Licence was renewed for a further period of twenty-one years, to run until 1859. In 1857, therefore, the question of its renewal was to the fore in the minds of the Company and of the Imperial Government.

NEW FORCES IN THE NORTH WEST

Had the circumstances of 1857 been those of 1838 or 1821, there can be little doubt that the Licence would have been renewed for a further term. Circumstances had altered greatly, however, and were in 1857 rapidly altering still more. The isolation of North West British America was ending; the very concept of that North West as a fur trader's preserve was being challenged and overthrown. And within the territories of the Company changes were proceeding which threatened both its commercial monopoly and its political authority.
The North West was in fact an area on which forces widely scattered in their origin were beginning to converge. A new view of the climate of much of its area had been advanced in 1856, and was being widely publicized. The view was that the summers of the North West were much warmer than was commonly thought. It was expounded in Lorin Blodget’s *Climatology of the United States*. Blodget had found much data for his thesis in the reports of the survey parties for a Pacific railway in the United States. Further data were provided by the discovery of the warm Japanese current of the North Pacific, made by the squadron of Commodore Matthew C. Perry returning early in 1854 from the famous “opening” of Japan. In two factors, the effect of the continental land mass on extremes of temperature and the influence of the warm current on the North West coast, Blodget found an explanation for the fact that in summer the North West was warmer than its latitude would suggest and moister than the character of the southern plains of the United States would imply. Information obtained from fur traders’ journals and narratives and reports from posts of the Hudson’s Bay Company from Red River to the Mackenzie were the basis for his finding, much celebrated in its day, of the northwestward swing in summer of the lines of equal temperature: “. . . the spring opens,” he asserted, “at nearly the same time along the immense line of plains from St. Paul’s to Mackenzie’s River.” Here then was a region which, contrary to accepted belief, was suitable for agricultural settlement and the building of a Pacific railway.

Political circumstances, as well as scientific, were working to bring the North West out of its long obscurity. The first of these was, odd though it may seem, the Crimean War. Alaska had been Russian since the seventeenth century as Rupert’s Land had been British. In 1825 the boundary between the Russian and the British claims in the far North West had been defined by treaty. The agreement ended Anglo-Russian difficulties in the Pacific North West, but during the Crimean War a British ship-of-war or two might well have garnered in the Russian empire in America had the effort seemed worth while. It did not, however, and by mutual and tacit agreement the region was in fact neutralized during the conflict.

The war, however, had two effects on Russian policy in the Pacific. One was to reveal the slender thread by which Russia’s American possessions hung and so prepare the way for the sale of Alaska to the United States in 1867. Another was to cause a lessening of Russia’s activity on its European borders and a forward movement on the Pacific. In 1857 Russia became active in the lower Amur Valley, occupied since 1689, and so began its approach to a warm water port on the Pacific. Thus the emergence of the United States as a Pacific power in 1848 was followed by this ominous stirring of Russia in 1857. As the North Pacific ceased to be a power vacuum, the continental North West must also cease to be a diplomatic void.
Far more pressing, however, than faint echoes of Russian movements on the Amur was the interest of two regions of the United States in the territory north of the international line. One was the territory of Minnesota and its ambitious capital, St. Paul; the other was the Pacific slope where the prospectors were working along the mountain streams eastward and northward. The interest of San Francisco and the American Pacific slope in the North West was entirely novel, and first aroused only with the Fraser gold rush of 1857. But the interest of St. Paul in Red River had been active for some years and was already fed with dreams of regional empire. It had begun with Norman W. Kittson’s visit to the Red River Settlement in 1843. An outburst of free trading followed, which grew steadily year by year. The interest of St Paul in the North West grew with any new prospect over the boundary, such as Blodget’s Climatology painted, with its argument that the northern route was the best for the Pacific railway and its conviction that the North West was suitable for settlement.

The sovereign power in the North West, the United Kingdom, had no such interest. The Hudson’s Bay Company had been the sole occasion for British interest in the possession of the North West. From Canada to the Gulf of Georgia the British Government maintained not a single commissioned officer, governmental, judicial, or military.

Yet there was at issue, with American interest in the North West growing, and with Russian power in the Pacific increasing, the balance of power in North America established by the diplomatic events of 1817-1825. The Rush-Bagot agreement of 1817, by neutralizing the Great Lakes, recognized the fact that American military power on the continent was offset by British naval supremacy on the Atlantic coast. The Monroe Doctrine had had the effect of checking Russian expansion on the continent, and the Anglo-Russian treaty of 1825 had in effect balanced the two imperial powers to the advantage of the United States. Now the new continental dimensions of the United States threatened the diplomatic fabric of 1817-1825, except as the potential power of the United States was checked by the internal balance of North and South, of free soil and slave soil. The Imperial Government was therefore bound, as during the Oregon crisis, to deal gently but firmly with the American pressure, in such a way as to maintain the equilibrium of 1817-1825 without provoking a collision with the United States. Britain was thus committed to playing some definite part in changes affecting the North West, at once as the sovereign of the Hudson’s Bay Company and also as trustee for the Canadian interest in the North West.
Canada and the North West

That interest was definite and of long standing, even if since 1821 it had been dormant. The French regime and the North West Company had left behind them a connection between Canada and the North West which the undefined boundaries of Rupert's Land might allow Canada to erect into a claim to the southern portion of the territory governed by the Hudson's Bay Company. Nor was Canada's lack of interest in the North West since 1821 as great as it seemed, or as it is customarily stated to have been. There were many bonds, none of them insignificant. The Southern Department of the Hudson's Bay Company included much Canadian territory; its posts looked out from the foot of the Laurentian escarpment over the Lakes, the Ottawa valley and the St. Lawrence. They were scattered through much of the territory of the present-day northern Ontario and Quebec. The Company still recruited some French Canadians as voyageurs. The headquarters of the Company in America, except for the early summer months, was from 1833 the residence of Governor George Simpson at Lachine. The French colony at Red River and the Roman Catholic missions in the North West furnished another vital connection. And a number of ex-officers and servants of the Company had retired, not to Red River, but to Canada. In them was the seed of a new North West Company.

Even more important than these connections with the North West were certain developments in Canada itself. Canada West, or Upper Canada as it was still called, was at the peak of the great boom of the 1850's. This had been stimulated by California gold, the Reciprocity Treaty, the Crimean War, and the building of the Grand Trunk and other railways. A great inflow of capital and immigrants, coupled with good crops and good markets, had resulted in a feverish exploitation of the forests and soil of western Canada. The Reciprocity Treaty stripped off the white pine stands for the building of American cities, the St. Lawrence canals and the railways pulled the grain and other farm produce to the British and American markets. As a result, there was capital and enterprise; as a result, there was a quest for new timber stands, farm lands, and richer mines. For new land there was not only a quest but a positive need, as the farm lands of Upper Canada had, practically speaking, been occupied. That there was trade to be won and land to be taken up in Red River, was news that would find hearers in Upper Canada.

The Select Committee of 1857

Such was the situation of the Canadian West at the beginning of 1857, when the British Colonial Secretary, Henry Labouchère, decided that a Select Committee of the House of Commons should be set up to enquire into the desirability of renewing the Company's jurisdiction.
The Committee began its sittings in February, 1857. Even if there was some disposition in the Government to pre-judge the issue, a very full hearing was held, and much testimony was heard and recorded. Canada, as an interested party and a potential heir of the Company’s regime, was invited to make its views known. A major result of the enquiry was an awakening of interest in Canada in the future of the North West.

The Canadian Government, the Taché-Macdonald administration formed in 1856, took up the matter promptly but with caution. The ministry was dependent on Lower Canadian members for its strength and was closely associated with the Grand Trunk Railway. The French of Lower Canada were not, as a group, interested in the North West. Montreal and the Grand Trunk had as their main enterprise the attraction of the trade of the American Middle West. They could not be interested in the remoter, less promising trade of a Canadian West. On the other hand, the government could not ignore the quickly vocal interest of Upper Canada in the Red River valley and the Saskatchewan.

The government also had in its own ranks an eloquent advocate of Canadian expansion. This was Joseph Cauchon, Commissioner of Crown Lands, a Quebec journalist and member of Parliament from Lower Canada, who was to prove himself an ardent protagonist of westward expansion and of the confederation of British North America. But in this particular work he was aided, it may be was inspired, by an official of the Provincial Secretary’s department, A. R. Roche, who had made a special study of the North West and of Canada’s claims to the region. It seems apparent that it was Roche’s ideas which informed a memorandum Cauchon prepared for the cabinet. That document asserted Canada’s right to the North West as far as the Pacific, and urged immediate annexation by Canada to give government to Red River, where discontent existed, and to forestall absorption by the United States. “It is of incalculable importance,” the memorandum concluded, “that these measures should be most forcibly pressed upon the Imperial Government at the present juncture, for on their solution depends the question whether this country shall ultimately become a Petty State, or one of the Great Powers of the earth; and not only that, but whether or not there shall be a counterpoise favourable to British interests and modelled upon British institutions to counteract the preponderating influence — if not the absolute dominion — to which our great neighbour, the United States, must otherwise attain upon this continent.”

The government, whatever its impression of the memorandum, could not let Canada’s claims go by default, and could do no less than lay the Canadian claims before the Select Committee, in however moderate and legalistic a manner. But events had already begun which
gave rise to a vigorous public demand in Upper Canada for the annexation of the North West.

In the summer of 1856, a troop of American cavalry appeared on the plains south of the border and warned the Red River métis to desist from running buffalo on American territory. It was feared by Governor Sir George Simpson that this heralded the establishment of a military post on the border, which would become a focus of métis settlement and of free trade activity below the border which the Hudson's Bay Company would be unable to control. He therefore obtained the despatch of a detachment of the Royal Canadian Rifles to Fort Garry, on the pretext of danger from the American military post, but really as a means of overawing the métis and the free traders whom the post would encourage.

He may well have known also that the danger to the Company's trade and government came not only from a free trade stimulated from St. Paul, but also from one begun from Canada. For in the winter of 1856-57, a group of Toronto businessmen, inspired by old Hudson's Bay men, formed the North West Trading and Colonization Company to open communications and trade with the North West. A principal agent in the affair was George Gladman, once a chief trader in the Company and now a hostile critic of it. Gladman was in contact on the one hand with A. R. Roche and on the other with George Brown, editor of The Globe and just about to become the mouth-piece of Canadian interests in the North West. These men in January, 1857, sent William Kennedy to Red River as their agent. Kennedy, a North West half-breed, had connections in Red River and was sent to make arrangements for trade and to inspire a demand for union with Canada. Simpson knew of his departure and it was no doubt to contain the trouble Kennedy might cause as much as that an American military post might inspire that he had sought the despatch of a detachment of troops to Fort Garry.

The Canadian government had no reason to be ignorant of the interest in the North West which the above events were arousing. In the session of the Canadian Legislature begun in the new year George Brown obtained the appointment of a committee to investigate the Canadian claims to the region and to report on the desirability of Canada seeking to obtain possession of the West.

**Canada before the Committee**

When therefore the government accepted the Colonial Secretary's invitation to be represented before the proposed Select Committee in London, it had cause to see that the opportunity was not missed and that a strong case was made. But it did not share the hostility to the Hudson's Bay Company and the strident enthusiasm for westward expansion which were being worked up in Upper Canada. Its attitude
was perhaps reflected in the balanced appointments of Chief Justice William Draper as Canadian representative, and of A. R. Roche as his assistant. Draper naturally took a cautious and lawyer-like approach to a problem which bristled with legal difficulties, while Roche held sweeping views on the resources of the North West and the nature of Canada’s claims.

Canada’s official claim, as stated by Draper, was in effect a request that the boundaries be determined. He had previously informed Labouchere privately that in his considered opinion this would result in all the southern territory being surrendered to Canada. As this was not clear from his testimony, he and the government were at once assailed by The Globe for failing to claim the whole territory on the ground that the Charter was invalid and for being indifferent, if not actually hostile, to westward expansion.

But Canada had made an indirect claim to the North West and much of the evidence given before the Committee was unfavourable to the continuation of the Company’s privileges and power. In consequence, the Committee could not simply recommend a renewal of the Licence and sought a compromise. One was found in recommending that Vancouver Island be no longer a colony of the Company, and that a colonial government be erected on the mainland west of the Rockies. East of the Rockies an arrangement should be sought with Canada for taking over the administration of the southern regions where settlement was possible. To the north of such districts the Licence should be renewed. If no arrangement could be made with Canada for the administration of the southern districts, then thought should be given to the establishment of some separate government.

The need for an enquiry had convinced the Colonial Secretary that there was also a need for more information on the North West. Labouchere, at the suggestion of the President of the Royal Geological Society, had already determined to despatch an exploring party under Captain John Palliser.

The Committee’s report, dated July 31, 1857, gave no satisfaction to the advocates of western expansion in Upper Canada, for it left the question of the validity of the Charter untouched. They had meanwhile been active themselves. The major result of Brown’s committee of enquiry was the despatch of an exploring expedition to Red River in July. It was under the command of George Gladman, though it is better remembered by the name of the scientist attached to it, Henry Youle Hind of the University of Toronto. This was the beginning of the Canadian exploration of the Red and Assiniboine valleys, and the lower Saskatchewan; but the expedition’s main task was to determine “the best route for opening a communication” between Lake Superior and Red River. Thus Red River, so long isolated, saw the arrival of two exploring expeditions, one British and one Canadian, in the fall of 1857.
It had not been a quiet summer in the settlement. William Kennedy on his arrival had begun an agitation for annexation to Canada. In a public meeting in March, a petition to the Legislature asking for incorporation into Canada had been drafted, and signed by 575 inhabitants of the colony. Further resolutions protesting against the evidence given by Simpson and John Rae before the Select Committee were approved at meetings in May and June, and these with the petition were carried east by Kennedy in June. The agitation in Canada was now matched by one in Red River.

It is improbable that the Red River agitation would have led to serious trouble, unless the métis had chosen, as they did not, to oppose it. The arrival of the Royal Canadian Rifles by way of York Factory in October removed any possibility of an outbreak, partly by their presence as a force in support of the civil power, partly by the market they, with the exploring parties, provided.

Problems in the West, 1858

At the beginning of 1858, it was plain, the Imperial Government was faced with three problems requiring solution in the North West. One was that of government of gold rush territory on the Pacific slope; a second was that of the renewal of the Licence over all or a portion of the territory of the Hudson’s Bay Company; the third was that of the disposition of any territory not brought under a renewed licence. As this territory would be the Red and Saskatchewan valleys, their future disposition raised the questions of the boundaries and the validity of the Charter. Of these three problems, the first two demanded immediate solution and the third was scarcely less urgent.

The first dealt with was the problem of maintaining order and British sovereignty, in a territory suddenly occupied by thousands of miners, most of them Americans, who might, for want of government, set up a provisional government, as in Oregon, and demand union with the United States. Governor James Douglas of Vancouver Island, made a Crown Colony in 1857, dealt firmly with the situation on the Fraser by arbitrarily extending his authority to the mainland. In this he was promptly supported by the new Colonial Secretary, Sir Edward Bulwer Lytton. Lytton then introduced a bill to create a Crown Colony of British Columbia in the territory west of the Rockies, which was enacted. Douglas was made Governor of British Columbia as well as Vancouver Island and proceeded to maintain British authority in the mining camps. The Pacific slope was thus made secure for the westward expansion of Canada.

The issues on the west coast were clear and imperative, and decision, though dealing with great issues, was easy. The solution of the second problem, that of the Licence, was not to be easy. There was a balance of conflicting considerations. On the one hand was the
fact that the Hudson’s Bay Company had undoubted rights, if only by
the prescription of long use, and that only the Company was interested
in the trade and government of most of the territories in question. On
the other hand were the Canadian agitation for the annexation of the
North West and the growing American interest centred in St. Paul.
Such a conflict suggested a need to make time for a solution, and
Lytton proposed a renewal of the Licence for one year. But the
Company, conscious of the disintegration of its authority in Red River
and on the Saskatchewan, declined to accept his proposal. With the
prospect of the Licence not being renewed, Lytton was left face to face
with the question of the validity of the Charter. He determined to
have it tested in the courts, as Labouchere had tried to have done.
Lytton accordingly proposed to the Canadian government, now that
of Cartier and Macdonald, that it bring an action by a writ of scire
facias. To his surprise and indignation the government declined, on
the ground that it was for the Imperial, not the Canadian government,
to test the Charter. Before Lytton could take further action, the
government of which he was a member fell in June, 1859. The
Company’s Licence had by then expired.

The reluctance of the Canadian government to test the Charter
arose from two causes. One was the political difficulty caused by the
Reform party’s contention that the Charter was invalid and Canada’s
title clear. For the government, in face of this contention of a strong
opposition, either to imply the validity of the Charter by testing it in
the courts, or to consider paying compensation for the surrender of
the Charter, would be to play into the hands of its opponents and suffer
a loss of support in Upper Canada. The other reason was more obscure,
but perhaps more important: it was assumed that if the West were
annexed it would be added to Upper Canada. Thus the preponderance
of Upper Canada in the United Province, already expressed in the
Reformers’ demand for representation by population, would be increased
manifold. It would have been a matter for wonder if the French of
Lower Canada had viewed the prospect without uneasiness.

It is clear in retrospect that the only true solution of the problems
posed by westward expansion was a federal one, the creation of new
provinces in the west. Yet this solution was not apparent at the time,
simply because the Red and Saskatchewan valleys lacked the popula-
tion to maintain a government or governments. The Imperial Govern-
ment was reluctant and the Canadian government unable to contemplate
assuming the cost of upkeep of governments in territories so empty.
As early as March, 1857, the Governor-General of Canada, Sir Edmund
Walker Head, had drafted for the Colonial office a bill for the creation
of a province of “Saskatchewan (or Manitoba)”. There was to be talk
from time to time of the creation of a Crown Colony like British
Columbia in the Red and Saskatchewan valleys. But there was no
gold rush on the Saskatchewan big enough to force the reluctant hand
of the Imperial Government, and Canada, despite proposals from 1856 on for a federal union of the Canadas or of British North America, failed to realize that only an application of the federal principle would reconcile Lower Canada and the Atlantic Provinces to the annexation of the North West.

COMMUNICATIONS BETWEEN CANADA AND THE WEST

While this deadlock was reached in the political aspects of westward expansion, efforts to initiate commerce between Canada and the North West were proceeding. The physical difficulties were formidable. Whereas on the cart tracks between St. Paul and Fort Garry there were no serious obstacles, no heights, no rocks, there were many obstacles between Canada and Red River. The Great Lakes were not navigable in winter, and there was no winter land route north of Lake Superior. And even in summer travel between Lake Superior and Fort Garry was hard, thanks to the granite ridges and impassable muskegs of the Canadian Shield. The old canoe route of the North West Company was seldom used now; the portage paths were grown up, the corduroy ways rotted.

None the less, the parties who had sent William Kennedy to Red River in 1857 had proceeded to organize the North West Transportation Navigation and Railway Company. It was incorporated in 1858, and the first meeting held in August of that year. Among the directors were George Gladman and William Kennedy; William McDonnell Dawson was elected president. In October it acquired the steamer Rescue and the government contract to carry mail to Fort William and Red River. The Company proposed to revive the old canoe route from Fort William to Red River across the stubborn barrier of the Canadian Shield. And beyond that they had in mind the old overland route to the Pacific.

Thus launched, the Company sought to raise capital in Great Britain. Viscount Bury, then in Toronto, was invited to be a director, in order that his London connections might help with this task. North West experience, Upper Canadian enterprise and British capital were, it was hoped, to be combined in a new North West Company which would restore the ties of commerce between Canada and the North West.

Similar projects were being pushed in St. Paul, and it was not impossible that the American and Canadian projects might fuse. In St. Paul the Minnesota and Pacific Railway had been chartered. Its projectors planned to build westward by either a southern route in the United States or by a northern route in British territory, or both. They were also looking for a connection eastward with a Canadian railway, either the Grand Trunk at Sarnia or another. The project was, in short, one for an international line. The St. Paul promoters
accordingly noted with interest the formation of the North West Transportation Company and Bury's visit, for they would have gladly joined with a Canadian line backed by British capital. And their welcome was inspired not only by need of capital, but also by complete confidence that the "natural" entrance to the North West and the "natural" northern route to the Pacific lay through St. Paul.

This confidence of the Minnesotans, a major factor in the story of Canada's westward expansion, was based not only on the steadily growing trade with Red River, but also on Blodget's theory of the fitness for settlement of the territory north of latitude 43°. A gifted publicist now made this his central theme. James Wickes Taylor had settled in Minnesota and made the opening of the North West to settlement his life's work, a work of devotion which was to win him the nickname of "Saskatchewan" Taylor. He was preaching a message of a North West awaiting the railway and the settler, of an international railway from Canada through Minnesota to the Fraser's mouth, of a British Central America opened to settlement and commerce by the extension of the Reciprocity Treaty to the North West, of a transcontinental flow of commerce from the North West through Minnesota to Canadian canals and railways.

Nothing came of this momentary mutual interest of the expansionist groups in Toronto and St. Paul, and each thereafter proceeded on its separate way to equally unimpressive ends. The truth was that the afflatus of the great enterprises of 1857 was ending, as the depression dragged on, and nothing in fact could be done for another decade to further the annexation of the North West. The North West Transportation Company carried mail to Red River for two years, and then had to give up even that limited undertaking in 1859. The old canoe route from Fort William could not compete even in the carriage of mail, much less in that of goods, with the flat plains route from St. Paul.

The St. Paul Chamber of Commerce had organized the building of the S. S. Anson Northup, the first steamboat on the waters of the North West and designed, not to ply Red River, but to ascend the Saskatchewan. It also despatched an expedition under Colonel Nobles in 1859 to explore an overland route, but most of the party, including the leader, turned back at Fort Ellice. The two more famous exploring expeditions completed their work and made their reports about the prospects of western development. The British one, Palliser's, was full of doubts, and dwelt in particular upon the manner in which nature had isolated the North West from Canada; Palliser wrote, "The egress and ingress to the settlement from the east is obviously by the Red River Valley and through the States." The Canadian report, Hind's, was enthusiastic, and the expedition's surveyor, S. J. Dawson, recommended the development of a route between Thunder Bay and Fort Garry similar to the old canoe route but using waggon roads at both
ends. One other outcome of the hopes of 1857 was the founding of the newspaper *The Nor'Wester* in Red River in 1859 by William Buckingham and William Coldwell. This was the beginning, with the coming of Henry McKinney in 1859 and his half-brother John Christian Schultz in 1860, of a small "Canadian party" in Red River.

**A Check to Progress**

The long pause in westward expansion which followed 1859 was caused by three factors. One was the failure to find a formula which would end a growing deadlock in Canadian politics, a deadlock of which westward expansion was a part. A second was failure to decide how the regime of the Hudson's Bay Company was to be ended. A third was the blocking of enterprise by the commercial depression which had begun in 1857.

To these was to be added in 1861 the outbreak of the Civil War in the United States. The first effect of the war was to end the pressure on the North West which had threatened to absorb that region into the United States. The next was to replace that pressure with the possibility of an Anglo-American war fought in Canada. The result was to turn attention from a merely regional settlement of the future of the North West to a continental one, to westward expansion as part of British North American federation.

The first problem, that of ending the Company's regime, turned in the first instance upon the readiness of the Imperial Government to take action in settling the government of the territory, and, failing that, upon the testing of the validity of the Charter. In 1860 the Colonial Secretary, the Duke of Newcastle, proposed that a Crown Colony be organized in Red River. The proposal was welcomed there, but not in Canada, where opinion tended to see it as a manoeuvre inspired by the Hudson's Bay Company. The Company was in fact only trying to escape from a position of increasing embarrassment. Simpson had died in 1860 and his successors were not as resolute as he in maintaining the Company in its traditional rights and ways. But a colonial government in the North West would have relieved it of some cost and much anxiety. The proposal of 1860 and a similar one in 1863 came to nothing, and the authority of the Company continued to weaken.

Practically nothing was done to check the drift towards anarchy. In 1860 the War Office refused to replace the detachment of Royal Canadian Rifles due for relief, and in 1861 they were withdrawn. No other military force existed, and the only police were local constables in the Red River parishes. In 1862 came the Minnesota massacre and the flight of refugee Sioux over the border in 1863. This brought with it the threat of American pursuit across the border, or an outbreak of fighting with the Ojibwas, the hereditary enemies of the Sioux. And
the massacre was only the first of the disturbances which in the next few years threatened to bring the Plains Creees or the Blackfoot raiding to Red River.

At the same time the commercial monopoly of the Company under its Charter was flouted by an ever-growing number of free traders. The Company had in fact become only the greatest and best organized of private traders. Its power and prestige were still overwhelming but it could not employ them to crush its rivals, and a larger and larger portion of the furs and robes of the North West was shipped out by the private traders.

The ending of the Company's commercial monopoly was followed by an attack on its political authority, made by the "Canadian party". This group's first mouthpiece was James Ross, half breed son of Alexander Ross, the historian of Red River. Ross had been educated in the University of Toronto and after his return to Red River was anxious to bring his native country into the stream of contemporary civilization. In this he was aided by John Schultz, who had become an ardent believer in the future of the North West and a promoter of its opening to settlement. Ross and Schultz came, as did Upper Canadians, to regard the Company as the chief barrier to the opening of the North West. The Nor'Wester, which Ross had taken over from Buckingham and Coldwell, became the vehicle of their attacks on the Company. The result was the dismissal of Ross from his office of Sheriff and Postmaster of Assiniboia. Schultz then took over The Nor'Wester and continued the controversy. The comment of The Nor'Wester was not confined to political polemics, but so inflamed public sentiment as to lead to the jail breakings during the Corbett case in 1864, when the authorities in Assiniboia were shown to be incapable of maintaining order.

**The Federal Idea**

While anarchy continued to grow in Red River, in Canada events were moving, if slowly, towards a situation in which westward expansion would become possible. In 1858 Alexander Galt had made acceptance of the principle of colonial federation the condition of his entrance into the Cartier-Macdonald government. The result was the despatch of a delegation to London later that year to press federation upon the Colonial Office. Little, if any, progress was made, because the Colonial Office, under Lytton, was opposed and, perhaps, because Cartier as Lower Canadian leader was still doubtful. The Liberal-Conservative party, however, had taken up the principle which would make the annexation of the North West possible. And in its platform of 1859 the Grit party added the federal principle, confined to the Canadas, to its former demand for the acquisition of the North West. Slowly the necessary elements — another, an inter-colonial railway to
bring in the Maritimes, appeared in 1862 — for the union of the North West with Canada and of all British North America in one comprehensive scheme were moving into place — but very slowly.

The delay made time for one more attempt at a piece-meal approach to the problem of westward expansion. It was inspired by the difficulties of the Grand Trunk Railway. That line had been built to draw traffic from the American Middle West to Montreal. The attempt, after much costly construction, had not proved successful. In 1861 the worried directors sent out Edward Watkin to report. His conclusion was that the salvation of the investment lay in westward extension through the Middle West by Minnesota and the Saskatchewan valley to the Pacific. Watkin like J. W. Taylor has seen the vision of the great international line by the northwestern route.

His recommendations aroused interest particularly in the banking houses of Baring Bros. and Glyn, Mills and Co., which had financed the Grand Trunk Railway. Thus when in 1862 the J. S. Macdonald-Sicotte government of Canada considered the subsidization of mail and telegraph communications with the Pacific, Watkin and his supporters seized the opportunity. The Atlantic and Pacific Transit and Telegraph Company was organized. Then, in 1863, the International Financial Society was formed and purchased the stock of the Hudson’s Bay Company. In this it received the support of the Colonial Secretary, the Duke of Newcastle. The plan was to build a telegraph line as a preliminary to a railway, and to establish a Crown Colony in the southern territories. Both projects, however, collapsed. The Imperial Government could not bring itself to assume direct responsibility for the government of the North West, and Watkin’s efforts to build the telegraph line ended with bundles of wire rusting at Fort Garry and a tramway idle at the Grand Rapids of the Saskatchewan.

At this point the long deadlock in Canadian politics was broken by the formation of the Macdonald-Brown coalition of 1864 which was pledged to carry confederation. At the Quebec Conference of 1864 the North West was unrepresented, but the Resolutions provided for admission of “The North-West Territory”. The federal solution had been adopted for the problems of uniting British North America, but only partially with respect to the North West. That region was to come into the new federation as a territory, not as a colony or province.

There still remained the problem of how Canada was to acquire the territory of the Hudson’s Bay Company. The various Canadian governments since 1857 had continued to maintain that the Charter was invalid, at least in the southern regions claimed by the Company, and that it was the responsibility of the Imperial Government to have it set aside. In 1865, however, Macdonald, Cartier, Galt and Brown, still the leading advocate of westward expansion but now in the coalition ministry which was preparing confederation, went to England.
They negotiated with the Colonial Office in order to arrive at terms for the transfer. While the task was not completed then, the delegates did accept the principle that Canada should pay the Company compensation for the extinction of its rights. A figure was even suggested, £300,000, an estimate of the cost of the litigation to test the Charter.

There the matter stood while the work of Confederation was carried forward by the drafting and passage of the British North America Act of 1867. Section 146 of the Act provided for admission of "Rupert's Land and the North-Western Territory" to the Union on terms to be arranged.

There was some need to end the dilatory movement of Canadian politics. In 1868 John Schultz once more successfully defied the authorities of Assiniboia in a jail breaking in which he was himself involved. In a trial for murder that same year the accused was defended in the Quarterly Court of Assiniboia by an American citizen and lawyer from Pembina, Enos Stutsman, and no one seemed to think it strange. There were, after all, no lawyers, as there was little law in Red River. In 1866 the Reciprocity Treaty came to an end and Anglo-American relations became strained by the Alabama claims. Anglophobe politicians and Minnesota expansionists, with J. W. Taylor their assiduous "ghost", combined to demand the annexation of Canada, as in the Banks Resolution in Congress, 1866. And in 1867 Russia sold Alaska to the United States, thus recognizing the continental supremacy of the new power created by the Civil War. The North West lay between the new American territory and the old, and only British power remained to offset that of the Republic. What wonder that in 1868 the Legislature of Minnesota demanded that the North West should be annexed to the United States.

**Canada Acquires the North West**

But the new Canadian Parliament was acting briskly. It passed Addresses of both Houses in December, 1867, praying that Rupert's Land and the North-West Territory be admitted to the Union. Then in the fall of 1868 George Cartier and William McDougall were sent to complete the negotiations for the transfer in London. It was a balanced representation of Lower and Upper Canadian interests, for McDougall was second only to Brown as an advocate of westward expansion and Cartier was the leader of French Canada. He was, however, no longer doubtful of the effects of the acquisition of the North West on French Canada. The federal union had set those doubts at rest and in fact Cartier, because of McDougall's illness and the loss of his wife, actually conducted the negotiations.

These were prolonged and difficult. Cartier did his utmost to minimize the compensation due the Company, and flatly refused to "buy it out". A land grant for compensation and a money payment for the waiving of litigation to settle the validity of the Charter were
the most he would accept. The Colonial Secretary, the Duke of Buckingham and Chandos, finally brought the parties to agreement on terms comprising the retention of one-twentieth of the land of "the fertile belt" (the southern territories) with designated blocks of land around its posts and a cash payment of £300,000. The Company was to surrender its government and territories to the Crown, which was to transfer them at once to Canada. The Imperial Government undertook to guarantee a Canadian loan for the amount of £300,000.

All now seemed to be arranged, and all three parties proceeded to carry out the terms agreed upon. The Imperial Parliament passed "The Canada (Rupert's Land) Loan Act, 1869." The Canadian Parliament passed a fresh Address of Both Houses in May, 1869, incorporating the terms of the transfer. It also passed "An Act for the Temporary Government of Rupert's Land and the North-Western Territory when united with Canada," which provided for the government of the North West by a lieutenant-governor and a council to be appointed. The Hudson's Bay Company then executed a Deed of Surrender, which was finally completed on November 19, 1869. It only remained to pay over the £300,000 and convey the government and territory of the North West to Canada. But on November 27 the Prime Minister, Sir John Macdonald, cabled that the money must not be paid. The reason was that in Red River armed insurgents had risen to resist the transfer to Canada until terms should be made with the people of the North West.

The story of this resistance and of its aftermath, the Saskatchewan Rebellion, has been told elsewhere in this series.1 Suffice it to say here that the Red River troubles sprang from the failure of the Imperial Government and Canada to consult the people of Red River about the change, or at the least to advise them of its terms and its date. But they also arose from the fact that the North West had not developed sufficiently to obtain the status of a Crown Colony before the transfer of the territory to Canada. Because of this failure, which is easily to be explained by the circumstances of the North West, annexation to Canada did not mean for Red River and the North West what it had to mean for British Columbia, the coming of full representative and responsible government. Because of this failure, the Canadian Government was not moved to apply the complete federal solution of incorporation of at least Red River as a province of the Dominion. Thus it seemed to the insurgents of Red River to be carrying out the old Upper Canadian policy of outright annexation, and not the new federal policy of union with local rights safeguarded. Canada, in establishing the North West Territories, had adopted an imperial policy, but it had neglected to proclaim that Canadian rule carried with it all the rights of British subjects and all the implications

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1Booklet No. 2, G. F. G. Stanley, *Louis Riel: Patriot or Rebel?*
of the federal union of 1867. This oversight it had, after many perils, to put right in the Manitoba Act of 1870 and through the development of self-government in the North West Territories from 1876 to 1905. Lieutenant-Colonel Wolseley's military expedition to Red River in 1870 served to ensure the peaceful inauguration of the new regime established by the Manitoba Act; but the chief importance of this enterprise, carried out in part over the half-constructed "Dawson Route", was that it demonstrated to hostile elements in the United States, and particularly in Minnesota, that the obstacles to communication between Ontario and Red River were not insuperable, and that British and Canadian authority could and would be maintained in the North West.

Even when the province of Manitoba was created, its size was constricted and it was denied control of its public lands. Neither of these things could have been done had Red River become a Crown Colony before 1869. But the federal government needed the land of the west to help subsidize the Pacific Railway which was to complete the work of Confederation, and Manitoba and the North West Territories had to submit to the use of their public lands "for the purposes of the Dominion".

After the Red River passage was secured, Canada could advance unchecked to the Rockies. Beyond lay the great colony of British Columbia. Island and mainland had been united in 1866. The political development of the colony was evident in the lively struggle for responsible government led by Canadian colonists, notably the flamboyant Nova Scotian, Amor de Cosmos. The same people were conducting an active agitation for union with Canada. They prevailed over the inertia of the old colony party and the opposition of the small group of American annexationists. In 1871 British Columbian delegates to Ottawa won most generous terms from the Dominion, including the pledge to begin the Pacific Railway within two years and to complete it within ten of the date of union, July 1, 1871. British Columbia became a full-fledged province on that date, with responsible government and control of its public lands. Union thus brought British Columbia full local self-government, and the generosity of the terms it had won served to underline the fact that the westward expansion of Canada to the North West could take place only on the federal principle.
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