

1604. Was not he a long time in that country?—No; when I say not a long time, I speak comparatively. I think he may have been six or seven years in the country altogether, or seven or eight years with me.

1605. You say that that statement made by him (because you say the life is written by himself), is an exaggeration?—Yes; between Red River and Lake Superior, which I believe is the tract of country he speaks of, the population is exceedingly thin, and never was numerous.

1606. Do you know a book called "Ballantyne's Hudson's Bay"?—Yes, I have read it.

1607. In that book there is this statement: "At these posts the Indians are frequently reduced to cannibalism, and the Company's people have on more than one occasion been obliged to eat their beaver skins; this was the case one winter in Peel's River, a post within the Arctic circle in charge of Mr. Bell, a chief trader in the service; and I remember well reading in one of his letters, that all the fresh provision they had been able to procure during the winter was two squirrels and one crow; during this time they had existed on a quantity of dried meat which they fortunately had in store, and they were obliged to lock the gates of the fort to preserve the remainder from the wretched Indians, who were eating each other outside the walls; the cause of all this misery was the entire failure of the fisheries, together with great scarcity of wild animals. Starvation is quite common among the Indians of those distant regions; and the scraped rocks, divested of their covering of *tripe de roche*, which resembles dried seaweed, have a sad meaning and melancholy appearance to the travellers who journey through the wilds and solitudes of Rupert's Land"?—Yes; Mr. Ballantyne never was in that country; he does not know the country. The cases of cannibalism are very rare indeed.

1608. I will read to you a very short passage, and ask you whether it is a true description of Mr. Thomas Simpson: "No man in the Company's service had such opportunities as he enjoyed of becoming acquainted with their management, and none was better able to appreciate its effects;" is that an accurate description of Mr. Thomas Simpson?—No, I think not; he acted as my secretary for a short time, but I do not think his judgment was very sound upon many points.

1609. If those words come from a report on the part of the Hudson's Bay Company, then they are incorrect?—Yes; I do not conceive that his judgment was sound upon many points.

1610. I ask you, if those words come from a report made by the Hudson's Bay Company, still, notwithstanding that, they are incorrect?—Yes; his judgment is biased a little higher than I think it should be.

1611. Who made that report, do you know?—I really do not recollect.

1612. There was a letter written by Sir J. H. Pelly, Bart., to Earl Grey, dated "Hudson's Bay House, 24th April 1847." There is, as an enclosure in Sir John Pelly's letter to Lord Grey, a report on the memorial of Mr. A. K. Isbester and others, to the Secretary of State for the Colonies; that report, I suppose, was a report of the Hudson's Bay Company. In that report is the description which I read to you of Mr. Thomas Simpson; in spite of this coming from the Hudson's Bay Company, you say that it is an incorrect description of Mr. Thomas Simpson?—Mr. Thomas Simpson was a very active, energetic man, but not a man of sound judgment upon many points.

1613. Are you aware of a complaint made by the American Government about the sale of spirits by the Hudson's Bay Company?—No, I am not.

1614. You are not aware that the American Government applied to the English Government in consequence of certain complaints made to them, the American Government, of the sale of spirits by the Hudson's Bay Company?—No, I do not recollect any such complaint; there may have been one.

1615. Are you at all aware whether the numbers of the Indians are diminishing now?—No; I think the Indians of the thickwood country are increasing in numbers; the population there, I think, is increasing.

1616. You say that in different parts of the territory different prices are charged by the Company for the goods they sell to the Indians?—Yes.

1617. At the mouth of the Red River what is the per-centage of the tariff added to the cost price of goods?—I cannot say at the Red River, because it

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depends entirely upon the price given by the Americans and others upon the frontier.

1618. Is the mouth of the Red River near the frontier?—The mouth of the Red River is close to the frontier.

1619. I would say the mouth of Mackenzie's River?—I cannot tell the precise tariff; I have no copy of the precise tariff; they pay a higher price for their goods than those nearer the coast; the returns do not come to market until about from six to seven years after outfits are issued.

1620. Mr. *Edward Ellice*.] That is to say, that you give less for the furs?—We give less for the furs.

1621. You take more furs, in fact, for an article?—Yes; our system of dealing is this: Indians require certain necessary supplies to enable them to hunt, and these we provide them with.

1622. Mr. *Rochuck*.] Do you know the quantity of beads which you have imported per annum?—I do not; they are not an article of trade; they are given as presents.

1623. You never give so many beads for so many skins?—Never; they are entirely gratuities; beads are never traded, to my knowledge; if they are, it is quite contrary to instructions.

1624. Do you know the amount of marten skins imported last year?—I do not; I cannot tell from recollection. Awls, gun flints, gun worms, hooks, needles, thread, beads, knives, gartering ribbons, &c., are given as gratuities; about 20 per cent. of the outfit in those articles are given as gratuities.

1625. So that a good knife is not considered an article of commerce at all?—No; it is given as a gratuity.

1626. And that is the statement which you make of the way in which you deal with the Indians with knives?—That is the usual practice.

1627. So that if a knife were to cost 10s., you would make a present of it?—We never give 10-shilling knives; they are too expensive an article; we cannot afford to pay such prices.

1628. Do you ever give 5s. for a knife?—No never.

1629. Half-a-crown?—I cannot tell precisely what the cost price of a knife may be, but I should think the cost price of a knife is high at half-a-crown for the Indian trade.

1630. Was not there some agreement or some bond entered into by the Hudson's Bay Company, that they would send the criminals to be tried in Canada?—There is a concurrent jurisdiction in Canada.

1631. Will you answer my question?—I am not aware of any bond, but very likely there may have been; I do not recollect.

1632. So that though you have been Governor for 37 years of that territory, if such a thing has occurred, it does not now occur to your memory?—I do not recollect; the cases are so very few.

1633. In your long experience of that country are you aware of any criminals ever having been sent to be tried in Canada?—Yes.

1634. How many times?—On one occasion; there were three men sent for trial for murder; and I think that case was noticed in the former investigation of the Committee.

1635. *Chairman*.] Supposing an arrangement was made by which any portion of the territory now administered by the Hudson's Bay Company, which might be supposed to be fit for the purposes of colonisation, was separated from that administration, such a district of country, for instance, as the Red River, and any land in the neighbourhood of the Red River, or of the frontier of Canada, or land on the extreme west coast in the neighbourhood of Vancouver's Island, would there be any difficulty in the Hudson's Bay Company continuing to conduct their affairs after that separation had taken place?—I think not, because I do not believe there would be any settlement for a great length of time; I do not believe there would be any migration into the country for ages to come.

1636. Suppose that was left to be tested by experience; suppose any country, such as it could be thought would be available for the purposes of colonisation, was taken from the administration of the Hudson's Bay Company under a suitable arrangement, would it interfere in any way with the management of the affairs of the Hudson's Bay Company, or of such territory as was left?—I

think

think not, provided the incoming population were restricted from interfering with the fur trade.

1637. Do you mean in the same manner in which the inhabitants of Canada are now restricted from interfering?—No; they are not restricted from interfering with the fur trade of Canada.

1638. But with your fur trade?—Yes; provided they were so, I think there would be no decided objection.

1639. Is the constitution of your Company, in your opinion, particularly favourable to the management of colonists, or of any thickly settled districts?—I think the territory held by the Company is not favourable for settlement.

1640. I do not mean the physical nature of the territory; but do you think it advisable, for your own objects, that you should have the administration or management of anything which could be called a thickly peopled settlement?—No, I do not think it is important that we should.

1641. It is rather different from your usual course, is it not?—Yes, I think so.

1642. For instance, do you think it would do you any harm if Vancouver's Island was taken from you and made a British colony?—I think not.

1643. Do you think that if there was any country on the mainland in that corner in the vicinity of Vancouver's Island to which it was thought likely that settlers would be attracted, it would interfere with your affairs as a trading Company if an establishment of that kind was formed there and separated from you?—I think it would not do any harm if they were restrained from interference with the fur trade.

1644. In the same manner if the settlers from Canada were allowed to occupy any country in their neighbourhood, or in the neighbourhood of the Red River, which they were disposed to go to, provided, as you say, your own monopoly as traders was reserved in the fur-trading districts, it would be far from interfering with you, as I understand?—I think so. I think there would be no objection to it, provided the Company were satisfied; they consider themselves lords of the soil, proprietors of the country, in their own special territory.

1645. As fur traders, do you consider monopoly as essential to the conduct of a trade of that description?—Decidedly.

1646. What do you believe would be the consequence, supposing the trade was thrown open indiscriminately to anybody who chose to pursue it?—I think the fur-bearing race would be in very short time destroyed, and the Indians left to poverty and wretchedness.

1647. Would there be anybody then who would have any interest in preserving the fur-bearing animals, and who would not, on the contrary, have an interest in destroying them as fast as possible with a view to immediate returns?—Decidedly not.

1648. Were you acquainted with that country when there was a contest in trade, and I am afraid a contest awful in violence and acts of outrage, carried on between the North-Western Company and the Hudson's Bay Company in that country?—Yes, I was there the last year of the contest.

1649. What were the effects of that contest?—The demoralization of the Indians; liquor was introduced as a medium of trade throughout; the peace of the country was disturbed; there were riots and breaches of the peace continually taking place, and the country was in a state of great disorganization.

1650. Mr. Roebuck. Did that take place because the Hudson's Bay Company went to war with Lord Selkirk?—The Hudson's Bay Company did not go to war with Lord Selkirk.

1651. Then did Lord Selkirk go to war with the Hudson's Bay Company?—No; they were on the best possible terms.

1652. They fought, did they not?—No, I believe not.

1653. I am making a mistake; the Hudson's Bay Company and Lord Selkirk fought with the North-West Company?—There were breaches of the peace very frequently, from day to day and year to year, and it will be so wherever there is competition in the fur trade, whoever the parties may be.

1654. It is to those circumstances that you refer, is it not?—Yes.

1655. I think the Right Honourable Chairman put a question to you as to whether you were in the country when certain transactions occurred?—I was.

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1656. The transactions to which you referred were those which took place between the Hudson's Bay Company and the North-West Company?—Yes, the traders of Canada and the Hudson's Bay Company.

1657. And you fancy that that was the result of the free trade, if we may so express it?—Yes, I think so.

1658. And that that would be the result under any circumstances?—There would be a recurrence of the same evils if the trade was thrown open again.

1659. Are all those evils occurring in the territory of the United States at the present moment?—There is no fur trade in the interior of the United States of any consequence.

1660. Is there no fur trading upon the western coast of the Pacific from the boundary line down to California?—Very little.

1661. Is there not a fur company?—No, there is no fur company that I am aware of.

1662. So that the Americans do not accumulate furs at all?—In that part of the country they do not.

1663. Do they in any part of the country?—No, I am not aware of it; on the sources of the Missouri a good many furs are collected.

1664. Is there not an American fur company?—No, I think not; there was an American fur company; it was broken up long ago.

1665. *Mr. Charles Fitzwilliam.*] Within the last two months?—No, within the last few years.

1666. *Mr. Aderley.*] In reply to a question put by the Chairman, you stated that the Company would not object to any settlement west of the Rocky Mountains, provided such settlers were restrained from interfering with the rights of the Company as to the fur trade?—I think so.

1667. Will you describe the nature of the restraint which you would suggest?—That they should not be allowed to interfere in the fur trade, but confine themselves to agriculture or other pursuits.

1668. Do you mean, then, that the settlers west of the Rocky Mountains should be bound to maintain their own settlement in a fur-bearing condition?—No; the country adapted for settlement is not a fur-bearing country.

1669. Then what would be the nature of the restraint which you think the Company would consider necessary?—That the settlers should not go into the fur-bearing countries.

1670. The restraint would only apply to other portions of the district claimed by the Hudson's Bay Company?—Yes.

1671. Do you consider that the Company would have a right or interest in making any restrictions upon the settlement of the country itself west of the Rocky Mountains?—No, I think not.

1672. The settlement of that part of the country might be effected with no injury to the Hudson's Bay Company, without any restrictions as to the territory itself?—Provided they did not interfere with the fur trade.

1673. *Mr. Edward Ellice.*] Would the restriction of dealing with the Indians be sufficient for your purpose?—Yes, it would, I think.

1674. *Mr. Aderley.*] The country to be settled, west of the Rocky Mountains, might be settled free from any conditions relative to that country itself?—Except as regards the fur trade.

1675. *Chairman.*] How do you manage to prevent the Canadian traders now from introducing spirits into the territories of the Hudson's Bay Company, along that great extent of frontier?—They cannot pass through the country without our assistance.

1676. Is that difficulty of communication sufficient to enable you practically to prevent the trade in spirits?—Yes, decidedly.

1677. I suppose there is some smuggling in the districts immediately in the neighbourhood of the settled countries?—I think there is no smuggling in the territory of the Hudson's Bay Company, in the district of country over which they claim an exclusive right of trade, except at Red River.

1678. When you say no smuggling, do you mean that there is none of any consequence, or none at all?—I believe there is none.

1679. *Lord Stanley.*] You have posts beyond your own territory, have you not, in Canada?—Yes; we have establishments all the way down the St. Lawrence.

1680. *Chairman.*]

1680. *Chairman.*] Have you gone on in harmony with the Canadians and the Canadian Government?—Perfectly so.

1681. *Mr. Roebuck.*] In that census which you have given in, is there an account of the numbers of the half-breeds in the Red River Settlement?—Yes; 8,000 is the whole population of Red River; that is the Indian and half-breed population.

1682. Can you give any notion of how many of those are half-breeds?—About 4,000, I think.

1683. Can you tell the Committee whether those half-breeds are improving in their intelligence?—I think they are.

1684. Have not the Company established schools there?—Yes, there are schools.

1685. Do not the half-breeds go to those schools?—Many of them do, especially the half-breeds of European parentage.

1686. Since they have gone to those schools have you found the half-breeds as submissive as they were before?—Yes, I think they are fully; more so.

1687. So that they do not give you any more trouble than they used to do?—We have little or no trouble with them.

1688. They do not demand free trade in furs; you never heard of such a thing?—They do not demand it, but they practise it; many of them do.

1689. Have you found the free trade increase since the instruction of the people increased?—No, I do not find that since the encouragement to trade has increased they have been extending their operations in that way.

1690. Do you mean to say that the free-trading has not increased of late years?—Not very materially; they have been in the habit of trading, more or less, for a great many years; perhaps there may be more engaged in it recently than there were a few years ago.

1691. So that the increase of education at the present moment has not at all increased the desire of the people to have communication with America?—No, I am not aware that it has; I am not aware that there is any particular desire to connect themselves with America.

1692. I mean to trade with America?—To trade in what?

1693. In all commodities?—I believe there is very little trade at present going across the frontier.

1694. Are you at all aware of any increased desire on the part of those people to carry on trade with the Americans?—No; I am not aware that there is any increased desire.

1695. So that we may take it as your statement that there is no increased desire on the part of that population in that respect?—They have more frequent communication with the United States than heretofore, inasmuch as they have larger dealings.

1696. *Mr. Edward Ellice.*] That is not in furs?—Not in furs; principally in buffalo robes, and a very few furs.

1697. *Mr. Roebuck.*] What do they give to the Americans?—They take cattle from Red River; buffalo robes, and a small quantity of tallow and horses; I think those are the principal articles.

1698. Do the Indians of the Red River Settlement wish to trade with the Americans?—I think not.

1699. I mean the pure Indians?—The pure Indians, I think, principally deal with us.

1700. You have found no desire on their part to conduct trade with the Americans?—No; not across the boundary line; they principally deal with us.

1701. But I want to know about their desire to have communication with the Americans: have you any proof respecting that?—I think not; there is nothing to prevent their having it if they have any desire.

1702. *Mr. Edward Ellice.*] Do not they like to sell their furs to the best bidder?—Yes, they go to the best market.

1703. *Chairman.*] And I suppose they would get spirits wherever they could find them?—Yes, I think they would.

1704. Are the fur-bearing animals on the increase or otherwise, in the Hudson's Bay territory, speaking generally?—I think towards the southern frontier they are on the decrease.

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1705. Take the whole together?—In the northern part of the country we nurse the country very much, and the country has improved and is much richer in fur-bearing animals than it was 20 years ago.

1706. Taking it altogether, is the export of furs increasing or decreasing?—It is larger now than it was at any time within my recollection.

1707. It is the most valuable fur trade in the world, is it not?—I think so.

1708. A great deal larger than the Russian fur trade?—Yes.

1709. Mr. Gregow.] You stated that in the form of the lease of land, one of the clauses was that the settler should endeavour to encourage the Christian religion?—Yes.

1710. What is the meaning of that covenant?—I do not know; I do not recollect the covenant. Perhaps you will draw my attention to it.

1711. You read a passage from one of your land deeds. Mr. Elliot asked you the conditions of grants of land to settlers. One of them you said had relation to efforts on the part of the settler to encourage morality and the Christian religion?—Yes.

1712. What meaning do you attach to that covenant?—The covenant expresses it.

1713. Will you read it?—"And for encouraging and promoting general education and religious instruction. And that he the said —, his executors, administrators, or assigns, shall or will from time to time, and at all times during the said term contribute in a due proportion to the expenses of all public establishments, whether of an ecclesiastical, civil, military, or other nature, including therein the maintenance of the clergy, the building and endowment of schools, which are or shall or may be formed under the authority of the charter or charters hereinbefore referred to."

1714. What may be the tax imposed upon the settler?—There is no tax.

1715. Then that covenant is void?—That covenant is void as far as taxation goes.

1716. There is no contribution imposed upon the settler for any of the purposes stated in that covenant; viz., the maintenance of the clergy and the maintenance of schools?—No, I think not.

1717. In answer to a question a few moments ago by Mr. Roebuck, you stated that there were schools established in the country, at the Red River Settlement for instance?—Yes.

1718. By whom were those schools established?—By the Missionary Societies; the Church Missionary Society and the Wesleyan Missionary Society.

1719. And they are still maintained by them?—They are still maintained by them, and assisted by the Hudson's Bay Company.

1720. Will you explain to me the amount of assistance which the Hudson's Bay Company give them?—There is a money grant to the Bishop of 300 *l.* per annum.

1721. What Bishop?—The Episcopalian Bishop of Rupert's Land. There is 100 *l.* in aid of schools; there is 150 *l.* to a chaplain at Red River; 50 *l.* at York; 50 *l.* to a chaplain at Moose; 50 *l.* at East Main; 200 *l.* in aid of the schools at Fort Victoria; to the Roman Catholic Mission at Red River, 100 *l.*; to the Roman Catholic Mission at Oregon, 100 *l.*; on the Gulf of St. Lawrence, 100 guineas; to the Wesleyan Missionary at Norway-house, 50 *l.*; at Oxford-house, 50 *l.*; Rainy Lake, 50 *l.*; Saskatchewan, 20 *l.*; and the Presbyterian Chaplain at Red River, 50 *l.*

1722. With regard to the sums which you have just enumerated, are those payments out of the proper monies of the Hudson's Bay Company, or out of any other fund?—Out of the funds of the Hudson's Bay Company.

1723. Exclusively?—Exclusively.

1724. If a missionary were dispatched from this country to that district to take up a location there, would he have a free passage in one of your vessels?—Yes; they usually get free passages.

1725. Are you sure on that subject?—I do not recollect that any case has ever been refused.

1726. Are you aware of any cases in which freight has been charged for missionaries going to that country in your ships?—I cannot tax my memory with that.

1727. In the Parliamentary Paper before us there is a statement of expenditure

ture for two passages in a Company's ship, and travelling expenses 41*l.* 9*s.*; freight, shipping, and insurance 81*l.*; that is charged to the Church Missionary Society for two persons who were sent out?—Very likely it was so. If it is stated there the probability is that it was so.

1728. Then how is that reconcilable with the fact which you have just told us, that there was no charge made?—I did not say so. I said that I could not call to memory whether there was any charge or not; but we are in the habit of allowing them these salaries.

1729. Are those salaries to these missionaries and clergymen to them as chaplains or as schoolmasters?—They are to them in the double capacity of chaplains and schoolmasters.

1730. Is there any requirement upon them on the receipt of such a salary to keep a school?—No, there is no positive requirement, but they usually do keep schools.

1731. Is it entirely optional with them whether they keep a school or not?—It is optional as far as we are concerned; we do not insist upon their keeping schools. They are under the control of the bishop of the territory, or the society to which they belong. We exercise no control over them.

1732. *Chairman.*] I think you made an arrangement with the Russian Company by which you hold under lease a portion of their territory?—Yes.

1733. I believe that arrangement is that you hold that strip of country which intervenes between your territory and the sea, and that you give them 1,500*l.* a year for it?—Yes.

1734. What were your objects in making that arrangement?—To prevent difficulties existing between the Russians and ourselves; as a peace offering.

1735. What was the nature of those difficulties?—We were desirous of passing through their territory, which is inland from the coast about 30 miles. There is a margin of 30 miles of coast belonging to the Russians. We had the right of navigating the rivers falling into the ocean, and of settling the interior country. Difficulties arose between us in regard to the trade of the country, and to remove all those difficulties we agreed to give them an annual allowance. I think, in the first instance, 2,000 otter skins, and afterwards of 1,500*l.* a year.

1736. Before that arrangement was made did you find that spirits got introduced owing to a sort of competition between your traders and those of the Russian Company?—Yes; large quantities of spirits were used previously to that.

1737. And you found that very injurious?—Yes.

1738. During the late war which existed between Russia and England, I believe that some arrangement was made between you and the Russians by which you agreed not to molest one another?—Yes, such an arrangement was made.

1739. By the two companies?—Yes; and Government confirmed the arrangement.

1740. You agreed that on neither side should there be any molestation or interference with the trade of the different parties?—Yes.

1741. And I believe that that was strictly observed during the whole war?—Yes.

1742. *Mr. Bell.*] Which Government confirmed the arrangement, the Russian or the English, or both?—Both Governments.

1743. *Mr. Grogan.*] Did you know or hear of one of the servants of the company, named John Saunderson?—No, I do not recollect the name.

1744. Or Peter Walrus?—No. There are many Saundersons in the service; it is a common Orkney name, and we employ a good many Orkney men.

1745. Is it a fact that a distillery has recently been established at the Red River Settlement?—There was a distillery erected a good many years ago, but never put in operation. We have never attempted distillation. By the desire of the settlers we built a distillery to please them; but we have never put it in operation.

1746. *Mr. Edward Elliot.*] It was stopped by the Company in London, I believe?—It was.

1747. *Mr. Grogan.*] What privileges or rights do the native Indians possess strictly applicable to themselves?—They are perfectly at liberty to do what they please; we never restrain Indians.

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1748. Is there any difference between their position and that of the half-breeds?—None at all. They hunt and fish, and live as they please. They look to us for their supplies, and we study their comfort and convenience as much as possible; we assist each other.

1749. Lord Stanley.] You exercise no authority whatever over the Indian tribes?—None at all.

1750. If any tribe were pleased now to live as the tribes did live before the country was opened up to Europeans; that is to say, not using any article of European manufacture or trade, it would be in their power to do so?—Perfectly so; we exercise no control over them.

1751. Mr. Bell.] Do you mean that, possessing the right of soil over the whole of Rupert's Land, you do not consider that you possess any jurisdiction over the inhabitants of that soil?—No, I am not aware that we do. We exercise none, whatever right we possess under our charter.

1752. Then is it the case that you do not consider that the Indians are under your jurisdiction when any crimes are committed by the Indians upon the Whites?—They are under our jurisdiction when crimes are committed upon the Whites, but not when committed upon each other; we do not meddle with their wars.

1753. What law do you consider in force in the case of the Indians committing any crime upon the Whites; do you consider that the clause in your licence to trade, by which you are bound to transport criminals to Canada for trial, refers to the Indians, or solely to the Whites?—To the Whites, we conceive.

1754. Mr. Grogan.] Are the native Indians permitted to barter skins *inter se* from one tribe to another?—Yes.

1755. There is no restriction at all in that respect?—None at all.

1756. Is there any restriction with regard to the half-breeds in that respect?—None, as regards dealings among themselves.

1757. Lord John Russell.] Supposing any person was to come from the United States to trade with them, would you interfere?—We should oppose it by every means in our power, but not by violence.

1758. By what means would you prevent it?—By giving higher prices, or watching the Indians.

1759. But you would not drive away such a person?—No.

1760. Mr. Grogan.] Have you ever seized and confiscated the goods of parties who were trading in that way with the Indians?—If it has been done, it has been of very rare occurrence; I do not recollect the circumstances.

1761. It is stated in these papers that an instance occurred where the goods of some of the settlers were seized and confiscated on the suspicion that they were intended for the purpose of trade with the Indians?—It has been of such rare occurrence that I have not the least recollection of it.

1762. You stated on Thursday that the price of land to a settler was 7 s. 6 d. an acre?—From 5 s. to 7 s. 6 d. an acre.

1763. That is at the Red River settlement?—Yes.

1764. Is that price ever exacted?—Very rarely.

1765. If you practically give the land free, why is it held out to the world that you demand 7 s. 6 d.?—We consider ourselves proprietors of the soil.

1766. Has the 7 s. 6 d. ever been paid?—It has been paid.

1767. Lord Stanley.] You claim the right to impose that price, but you do not impose it in every case?—That is so.

1768. Mr. Edward Ellice.] But inasmuch as it has been the interest of the Company to settle the land as fast as possible, they have withdrawn from taking the price, because they thought it for the company's interest?—Yes.

1769. Mr. Grogan.]—What amount may the Company ever have received from settlers in that way by the sale of land?—I think from the beginning of time it does not exceed from 2,000 l. to 3,000 l.

1770. Within your own government can you say what sum has been received?—I cannot tell from recollection, but I think under 3,000 l.

1771. In what way was that money applied?—It was the property of the Company.

1772. It was applied to the general funds of the Company?—Yes; part of the time it went to the estate of Lord Selkirk; Lord Selkirk was then the proprietor of the soil.

1773. I asked

1773. I asked you, within the time that you had been Governor, am I to understand that the sum of 3,000 *l.* has been received from settlers for the purchase of land?—Yes.

1774. Since your own government?—Since my own government.

1775. Mr. *Edward Ellice.*] Is that since the year 1834?—I think not so much since the year 1834.

1776. Previously to 1834 the Red River Settlement belonged to Lord Selkirk, did it not?—Yes.

1777. It had been sold a long time previously by the Hudson's Bay Company to his Lordship for the purposes of colonisation?—Yes.

1778. He re-transferred it to the Company in 1834?—Yes.

1779. And you paid his Lordship for that acquisition?—Yes.

1780. Mr. *Grogan.*] You stated that the sum of 3,000 *l.* had been paid by settlers for the purchase of land?—I think so.

1781. To whom was that money paid?—Partly to Lord Selkirk or the heirs of Lord Selkirk, and partly to the Company.

1782. Can you say how much was paid to the Company?—I cannot from recollection.

1783. Was there anything paid to the Company?—Yes.

1784. 100 *l.*?—I think so; more than that.

1785. 1,000*l.*?—Perhaps not 1,000 *l.*; or possibly it may be 1,000*l.*

1786. Did that go into the general funds of the Company, or was it applied to any other purpose?—I think it went into the general funds of the Company.

1787. It was not applied in the construction of roads?—No; monies were given from time to time for the construction of roads.

1788. From the funds of the Company?—No; from the general funds. There is an import duty of 4 per cent. chargeable upon all goods imported into the settlement of Red River. The Hudson's Bay Company are the principal importers, and they pay the largest portion of that duty.

1789. Am I to understand that the amount of that duty is expended upon roads?—It is expended for public purposes—roads, and bridges, and schools, and in various other ways for public purposes.

1790. Mr. *Edward Ellice.*] Is it the fact that the Company pay 4 per cent. upon all their imports into the colony for that purpose?—That is the fact.

1791. Mr. *Grogan.*] Then did the sum which you spoke of as having been given by the Company to the schools come from this source?—It is without reference to this source.

1792. Then the money which you have now spoken of derived from the customs of the country, and being given in aid of schools, is additional to the sum you have already mentioned as having been paid by the Company in aid of schools?—Yes.

1793. Can you give the Committee any estimate of what the amount of that expenditure on roads and public improvements would be?—No, I cannot. Perhaps 600 *l.* or 700 *l.* a year.

1794. You described the country about the Red River as being very productive?—Yes, upon the banks of the river.

1795. But you stated that your impression was that the land beyond a mile from the river was not so good?—It is not so good.

1796. On what is that opinion based?—Upon experiment; trial. It has been tried and found not good, and discontinued.

1797. Mr. *Gladstone.*] I did not quite clearly understand you whether the price of 7*s.* 6*d.* per acre or 5*s.* per acre still purports to be the rule of the Company?—That is the rule of the Company. We sell very little land. Our sales of land from the beginning of time, I believe, are only from 2000 *l.* to 3000 *l.*

1798. But the settlements are very much more considerable than would be indicated by such a price?—Decidedly.

1799. In point of fact, then, a very small portion of land has been sold?—Very small.

1800. Has a long time elapsed since any price was received for land at the Red River?—I think there has been very little money received for land at the Red River for several years.

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1801. Have several years elapsed since, in any instance, a price was received for land to the best of your remembrance?—If money has been received for lands it is to a very small amount. If a person retiring from the service expresses a desire to go to Red River to settle, we say, "In that case you must become a purchaser of land." And he may purchase his 50 acres, and pay down 25 per cent. upon the amount.

1802. Supposing an application is made for land, what consideration governs the authorities of the Company in determining whether to sell or whether to grant?—The means of the parties generally.

1803. If you think them able to buy then you sell?—Yes.

1804. If you do not think them able to buy then you grant?—They squat; we never disturb anybody.

1805. Then you do not make grants of land?—We give them grants when they apply for them, but they rarely apply.

1806. Then, do you encourage squatting?—We cannot prevent it.

1807. Do you endeavour or desire to prevent it?—No; if the people cannot afford to pay for land, we cannot interfere with them.

1808. [Lord John Russell.] How do you prevent disputes between two squatters?—We never have any disputes upon the subject of lands.

1809. Mr. Gladstone.] Is that owing to the abundance of the land?—Yes.

1810. Mr. Adderley.] Are there many squatters?—They are nearly all squatters.

1811. Out of how many?—The population is 8,000.

1812. Are those 8,000 squatters?—No; some have paid.

1813. What proportion of the 8,000 do you suppose have paid?—The whole receipts for land, from the beginning of time, are certainly under 3,000 £.

1814. Can you tell us at all, in round numbers, what proportion of the families who have settled at the Red River Settlement, have paid for land?—Nineteen twentieths have not paid.

1815. How do you reconcile the statements you have just made as to the mode of disposing of land with your answer to Question 1217, in which you said that land was granted at sums varying from 5s. to 7s. 6d. an acre, not in fee simple, but under leases of 999 years?—The parties frequently set themselves down on land without consulting us; we never disturb them.

1816. I asked you, in Question 1207, "If I wanted to buy land in the Red River Settlement, upon what terms could I buy it?" Your answer was, "Five shillings an acre"—Yes.

1817. Am I to understand that if I applied for it for nothing I should get it, equally?—If you were to squat, we should not, in all probability, disturb you.

1818. You said that free grants were given to those who applied for them?—Yes.

1819. Squatters do not apply for free grants, do they?—We point out the situations where they may squat; we do not give them titles unless they make some arrangement for the payment.

1820. Are we to understand that squatters squat under terms of agreement with the Company?—Yes; very frequently.

1821. Mr. Rochuck.] Then why are they called squatters?—A man without means, coming into the country, says, "I should like to settle there, but I have not the means of paying;" we say, "There is no objection to your settling there."

1822. Mr. Adderley.] Are there settlers in the Red River Settlement who squat without any agreement with the Company?—Many.

1823. Am I to understand that a great proportion of what you call squatters have squatted under an agreement with the Company?—No.

1824. May we understand distinctly what you mean by the word "squatter"?—A man who comes and sets himself down upon land without title.

1825. Is it possible that a squatter should settle under distinct terms of understanding with the Company, even though he does not pay for his land?—Yes; very likely a man without means would say, "Where can I settle?" We should point out a certain district of country which we thought desirable, and the best situation for settlement.

1826. Are there many squatters in the Red River Settlement who had their location pointed out by the Company, and who paid nothing for their land?—Many.

1827. Is that the case with the majority of them?—I think the majority of them have settled themselves down where they liked and we could not prevent it.

1828. Without asking the Company?—Yes.

1829. Mr. Bell.] Then you mean that the difference is that, where they settle without paying for the land, they have no agreement?—They have no agreement.

1830. And they have no title; when they apply for the land and pay for it, then they have a title?—Yes.

1831. Mr. Adderley.] When the Company assign a territory in the nature of a free grant, is there anything paid in the way of license duty?—No, nothing.

1832. Do any people settle in the Hudson's Bay territory upon licenses, without a payment per acre?—No, I am not aware that they do.

1833. Mr. Roebuck.] Is that the form under which lands are granted (*Assuaging an indenture to the witness*)?—Yes, I think this is it.

1834. Mr. Edward Ellice.] Is that the Company's grant or Lord Selkirk's grant?—This is the Company's grant.

1835. What is the date of it?—March, 1844.

1836. Mr. Roebuck.] Is this indenture the title by which a person holds land who buys it?—It is.

1837. Amongst the engagements of the buyer, is there one that he will not part with any portion of the land?—The conditions are there; I cannot call to mind the precise conditions.

1838. Then though you have been 37 years governor of that country, you do not know the conditions upon which land is granted?—I have been very little resident during that time in Red River; there has been usually an officer in charge of Red River, who is styled Governor of Assiniboia.

1839. Are you aware that this is one of the engagements of the buyer, that he "shall not nor will at any time during the said term," which is 999 years, "underlet or assign, or otherwise alienate, or dispose, or part with, the actual possession of the said land hereby demised, or any part thereof, for all or any part of the said term, or any interest derived under the same, without the consent in writing of the said Governor and Company for the time being first had and obtained"?—Yes; that is a clause in it.

1840. Were you aware that that was in the indenture?—Yes.

1841. So that when a party buys land of you he cannot sell one particle of that land, or even let it?—Yes; but we never object to it.

1842. This is your indenture?—Yes; that is our indenture.

1843. Does that, in your view, tend to promote the settlement of the country?—I do not think it can materially affect the settlement of the country.

1844. Do you fancy that depriving a man of the power of alienating any part of his land, or even underletting it, conduces to the settlement of the country?—I do not believe that the settlers of the Red River pay much attention to the terms of their title deeds.

1845. Do you fancy that preventing a man from underletting, from selling or parting with any portion of his interest in the land, conduces to the settlement of the country?—No; I do not think it does.

1846. Do you think it hinders the settlement?—I think it does not hinder it in the Red River, because there are no applicants for land.

1847. Mr. Edward Ellice.] With reference to the question which the Chairman put to you just now, with regard to the territory being colonised, I think your answer was that you did not consider that the colonisation of any part of the territory which the Government might think proper to reserve for that purpose would be prejudicial to the fur trade, if the exclusive right was properly protected?—Yes; I think it would not be prejudicial.

1848. By the exclusive right being protected you mean the trade of the Indians being protected?—The fur trade with the Indians.

1849. With regard to the cases of starvation, I presume that the means of the Company in supporting the people in the territory very much depend upon the produce of the buffalo hunt and upon the crops raised at Red River?—Yes, the produce of the chase and the products at Red River.

1850. Would it be impossible for the Company to undertake to provide for the general population throughout the country in times of scarcity?—Quite impossible.

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1851. Mr. *Roebuck*.] Do the buffaloes extend to the Arctic circle?—The prairie buffalo does not; he is confined to the prairies; the musk ox is to be found in the Arctic circle.

1852. What proportion of the food of the inhabitants is supplied by the musk ox?—It is very small; it is entirely confined to that part of the country.

1853. In fact, you may put it out of consideration altogether?—Yes.

1854. Therefore, your answer that the food of the country chiefly depended upon buffaloes was not correct?—The food of the prairie country is buffalo; the food of the thickwood country is principally fish.

1855. Mr. *Edward Ellice*.] Is not pemican almost the staff of life of the servants of the Company in all parts?—For transport.

1856. Mr. *Roebuck*.] What is pemican?—Pemican is a compound of buffalo meat and tallow; it is a portable provision, principally used in travelling.

1857. Have you formed any idea of the quantity of pemican which is manufactured in that country per annum?—Perhaps from 2,000 to 3,000 cwt. per annum; some years more; sometimes less.

1858. And you have told us that there are 55,000 inhabitants?—East of the mountains there are about 55,000; of these about 25,000 are Indians living upon buffalo meat principally, and 30,000 live principally upon fish; that is to say, fish and rabbits.

1859. Mr. *Edward Ellice*.] But the means of existence of the servants of the Company depend upon provisions taken to the different posts from other parts?—Yes, and the fish they are able to collect; they live very much upon fish throughout the country.

1860. Has that deed which is before the Committee ever, practically speaking, been made use of by the Company to restrain settlement at the Red River?—Never.

1861. Mr. *Roebuck*.] What is the use of the deed, then?—It is so very little used that it is of no value, in fact; nineteen-twentieths of the people have no title; they squat and set themselves down.

1862. Supposing a dozen people were to start from Canada determining to settle in the Red River Settlement, would they be at all impeded by the Company?—I think not.

1863. And if instances are brought forward of great impediments being thrown in the way, you never have heard of them?—There has never been an instance to my knowledge; they squat and set themselves down wherever they please.

1864. Have the Company ever ejected anybody?—Never to my knowledge.

1865. Mr. *Grogan*.] If an emigrant, as Mr. *Roebuck* describes, come from Canada to the Red River Settlement, and be anxious to purchase a partly-improved land which some squatter had been upon, would your Company interfere to prevent the transfer of the land?—No.

1866. Would it be necessary to ask your permission?—We usually enter all such transfers in a transfer book when the parties apply; but if they do not choose to apply to us we cannot help it.

1867. Is there any fee for that entry?—None.

1868. Then is not the practical effect of such a deed as has been read to prevent any person taking such a deed from you?—I think that it is not.

1869. If a man may squat upon the land, and hold undisputed possession of the part that he squats upon from you or from any one else, and if he may transfer that land to another person without obstruction, why should he take a deed from you?—That other party would not be disposed to pay unless he could have some title.

1870. Mr. *Glaistow*.] Then the restriction is operative, if so, is it not; if a purchaser from a Red River settler will not be disposed to pay unless a title is given, and if, in order to make a title, it is necessary, as it plainly must be, to show the consent of the Company, then the clause requiring the consent of the Company is an operative clause?—The cases of the purchase of land are so very rare that there is scarcely a case in point.

1871. Lord *John Russell*.] Is that deed ever made use of now, or is it disused?—When parties apply for a deed that is the deed which is given.

1872. Mr. *Bell*.] Have those settlers who now do not hold a deed applied for a deed?—I think not.

1873. You

1873. You are not aware of any applications having been made by those who hold without deed?—No; applications are not usually made for deeds; an application for a deed is a very unusual thing.

1874. They are satisfied to hold the land without a deed?—Yes.

1875. Mr. Grogan.] I understood you to explain to us that there was a certain annual sum received by the Company as duties of customs, viz., four per cent. ?—Paid by the Company.

1876. To whom?—To the treasury of the Red River.

1877. Is the treasury of the Red River part and parcel of the Company?—No.

1878. Is not the government of the Red River Settlement, and of course the treasury, as a part of that government, a part and parcel of the Hudson's Bay establishment?—No; it is in the hands of the settlers themselves.

1879. Am I to understand you, then, that the Company pay four per cent. as well as the public?—They do.

1880. They paid that amount on all goods imported into the Red River Settlement to the local municipality of the Red River Settlement?—Yes, decidedly.

1881. Which money is employed in local improvements?—Yes.

1882. Is there any establishment by the Company or by the Red River Settlement, whereby if a settler wished to send a letter, for instance, he could do it?—There is a postal communication through the United States.

1883. How is it to get there?—The United States are close upon the border.

1884. How many miles is it?—About 50 miles; there is constant communication with the frontier.

1885. If therefore a letter written at Assiniboia finds its way to the frontier of the United States, the United States take care of that letter and will forward it to its destination as far as it goes through their territories?—Yes.

1886. Mr. Edward Ellice.] There is a regular post, is not there?—Yes, twice a month.

1887. Mr. Grogan.] Who maintains that regular mail?—The United States Government.

1888. Is there any mail or post, or despatch of any kind, maintained by the Hudson's Bay Company in their territories?—There are several expresses in the course of the season.

1889. Is there any mail or post or despatch maintained by the Hudson's Bay Company for the accommodation of the settlers or the public?—Yes, there is.

1890. Will you describe it?—By canoe during the season of open water, and I think there are three or four expresses in the interior in the course of the winter.

1891. In the event of a settler wishing to send letters or anything of that sort by those despatches, can he do so?—Decidedly.

1892. Is he charged for it?—There is a very small charge; I forget what.

1893. But he is charged for it?—There is something I think.

1894. Mr. Edward Ellice.] Is there a regular post maintained by the settlers between Red River and Pembina?—No, there is no regular post; at least I am not aware that there is.

1895. Mr. Roddick.] I have a letter in my hand which is to the following effect: "My dear Sir,—As by the new regulation regarding the posting of letters, it will be necessary that Mr. McLaughlin should send up his letters open for my perusal, a thing which cannot be agreeable to him, will you have the goodness to tell him that in his case I shall consider it quite sufficient his sealing the letters in my presence without any perusal on my part, and for that purpose I shall call in at your house to-morrow evening. Believe me, &c. R. Lane." That is dated 29th December 1844?—It was quite unauthorised.

1896. Who was Mr. Lane?—Mr. Lane was a clerk then in the service of the Company.

1897. What does he mean by the new regulation: he says, "as by the new regulation regarding the posting of letters"?—It was no regulation of the Company.

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1898. Do you mean to say that there was no regulation?—There was no regulation within my recollection; there may have been a local regulation.

1899. Do you mean to say that you, being governor of that territory, if that was a regulation, you are ignorant of it?—Yes; there was no regulation to that effect that I recollect. I was governor of that country, and superintendent of the whole of the affairs of that country, but there was a local governor, who conducted the affairs of the district of Assiniboia.

1900. Mr. *Edwards Ellice*.] I think we have had it before in evidence that the government of Assiniboia comprises the settlement of Red River; that there is a separate governor there, who resides there, and who governs all things within a radius of 50 miles; the colony being a settlement of itself, and there being a separate council?—Yes.

1901. Mr. *Reesbeck*.] Do you know a person of the name of R. Lane?—Yes; he was a clerk in the Company's service a good many years ago.

1902. Where was he a clerk?—He was at Red River.

1903. Do you know his writing; will you look at that (*handing the Letter to the Witness*)?—I think it is very likely that this may be his writing; I cannot prove his writing.

1904. Did you know a person of the name of Andrew M'Dermot?—Yes.

1905. So that there was a person of that name?—There is a person of that name now in the settlement.

1906. The letter there is written by a clerk of the Hudson's Bay Company to a person whom you know to have resided in that part of the world?—Yes.

1907. And that letter speaks of a set of new regulations, of which you know nothing?—Of which I am not aware unless my memory be refreshed upon the subject.

1908. The letter speaks of new regulations, of which regulations you know nothing?—Very likely; I do not know unless my memory be refreshed upon the subject; I was very likely not in the settlement at the time.

1909. That is not an answer. I ask you, do you know anything of those regulations?—No, I do not; at least I cannot call them to mind.

1910. Mr. *Gladstone*.] This letter, purporting to be written by a person who was a clerk of the Company, and resident in the country, and written to another person, with whose name you are also acquainted as being that of a resident in the country, do you think it is likely that there were such regulations as are alluded to in the letter?—I think it is very likely that there were such regulations, but they were not continued for any time; they were, very likely, disallowed.

1911. Apart from this letter, did you ever hear in the course of your experience of any regulation in force within the Hudson Bay Company's territories under which it was required, or under which the Company had the power to read the private letters of individuals?—Never. I never knew an instance.

1912. Supposing there was such a regulation as is here mentioned by Mr. Lane, by whom would that regulation be made?—Very likely by the Council or the Company's principal representative for the time being at Red River, but it would be disallowed forthwith.

1913. Could such a regulation, that is to say, a regulation to the effect that the letters of residents must be perused by the authorities of the Company, be made by any local officer of the Company upon his own responsibility?—I think not.

1914. Then are you at a loss to conceive how such a regulation as this could have been made at all?—I am quite at a loss; I am not aware of the regulation.

1915. Could such a regulation be made by the Governor and Council?—Of Assiniboia it might; but it is not likely to have been continued; it would not have been continued.

1916. Would the Governor and Council of the colony have been competent to make such a regulation?—Yes; but I think it would have been disallowed by the Company forthwith.

1917. Mr. *Reesbeck*.] Disallowed where?—At home.

1918. How long would it take to send from there home?—A very few months.

1919. Then

1919. Then that is different from your answer to me, that it would take three years?—No; I never made such an answer.

1920. Mr. Gladstone.] Do you consider that the Governor and Council of Red River would have been legally competent to make such a regulation if they had thought fit?—I think not.

1921. Mr. Grogan.] I think you told us, that a letter which should find its way to the frontier, to Pembina, could be despatched thence through the United States?—Yes.

1922. At the expense and cost of the United States Government?—Yes.

1923. Is there any provision made by the Governor and Council of Assiniboia for the transmission of a letter from Assiniboia itself to the frontier?—I think not.

1924. The distance, you said, was about 60 miles?—About 50 miles.

1925. Is it once a week, or once a month, or once in a season; or how often is it that the mail in the United States part of the territory is despatched?—Once a fortnight.

1926. And yet there is no provision by the Governor and Council of Assiniboia for transmitting a letter regularly to the frontier at all?—No; at least I am not aware that there is.

1927. I asked you a general question, whether there was any post or dispatch by which letters could be sent through the Hudson's Bay territory, maintained by the Government, and you said that there were canoes and boats occasionally?—Yes.

1928. Do those expresses, or canoes, start periodically?—They do.

1929. When?—Two or three times in the course of the season of open water, and I think once a month (at least it was so when the troops were there) during the winter; not so frequently now.

1930. What do you call the period of open water?—From the month of May until the month of October.

1931. That is four months?—Five months.

1932. Then there are opportunities of sending letters two or three times during the fine season?—Yes.

1933. And once a month during the bad season?—I am not sure that the mail is continued so frequently as once a month during the winter.

1934. Do you know how often it is sent; my object is to ascertain the exact information as to what means of communication, sending letters for instance, exist in the Hudson's Bay territory?—Through the United States regularly.

1935. I do not ask as to the United States?—The time occupied from Red River to the Sault St. Mary, where there is the first regular communication, is so long, that parties will not be disposed to send their letters in that way; for instance, they would send them by the United States.

1936. Would that arise from the uncertainty in the means of sending them? The uncertainty and the length of time occupied in conveying the letters.

1937. I see in your evidence you state that you have travelled from Fort William, at the head of Lake Superior to Assiniboia, about 40 times?—Yes, I think so.

1938. Of course you know that road remarkably well?—Yes, pretty well.

1939. Are there steamboats which now navigate to Fort William, on the head of the lake, from Canada?—No; there is no regular steamboat communication. Steamboats have passed round on pleasure excursions.

1940. Do they go periodically?—No.

1941. If it were stated that they went once a week regularly, would it be correct?—It is not the case.

1942. Are there steamboats of any nation that traverse the lake periodically?—On the south-west side of the lake, the American side of the lake, there are steamboats which pass, I think, once or twice a week; on the north-east side of the lake there is no traffic; there is no communication.

1943. With those boats passing once or twice a week, as you describe it, where is the uttermost limit of their journey on the lake?—I cannot exactly tell you the port on the west side of the lake.

1944. Do they go up to Fort William?—Certainly not.

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1945. Mr. Charles Fitzwilliam.] Do they go beyond Fort William?—No, they do not go near Fort William.

1946. You mean that they keep to the west of Fort William?—Yes.

1947. Mr. Bell.] Do they go to the River St. Louis?—I am not aware that they do; I think not.

1948. Mr. Grogan.] Have you ever read a work called "Minnesota," by Mr. Oliphant?—No.

1949. I think it was published in 1845. If he stated that he went in a steamboat which traversed that distance in the territory up to the River St. Louis, you do not know whether that would be correct or incorrect?—That would be out of our reach; it is perfectly possible. If he says so I should suppose it to be correct.

1950. What is the distance from Fond du Lac, at the River St. Louis, to the Kamenistiquia, where Fort William is?—One hundred or one hundred and twenty miles.

1951. You have no reason to doubt that steamboats travel two or three times a week up to that district?—I think it very likely.

1952. And yet there is no facility made or contemplated for the transmission of letters through the Hudson's Bay territory, by the Hudson's Bay Company, for the settlers from that place, to meet those boats?—None; not through the United States; availing ourselves of the United States communication. You are talking of the west side of the lake; I am talking of the east side of the lake; we keep on the east side of the lake; we have no steam communication on the lake.

1953. Mr. Edward Ellice.] Would not the shortest route for a letter be by Pembina and St. Paul's to this country?—Decidedly.

1954. Mr. Grogan.] In the Parliamentary Papers, under the date of the 23d of April 1849, at page 58, there is the following passage: "Mr. Dunn's book was written with the same view as his letters to the 'Times' newspaper, namely, to draw the attention of this country to the value of Oregon, and the encroachments which the Americans made. Neither his disposition nor his temperament admitted of his telling the whole truth. Had he written his book himself, and had he not been compelled, according to his own statement, to burn his journal at Fort Vancouver by a regulation of the Company prohibiting their servants from retaining any record of what passes in the country, his History of Oregon would be far more valuable than it is." What regulation of the Company is it which prohibits their servants from keeping any journal or record of what passes in the country?—There never was any such regulation in my time. It is the first time I ever heard of it.

1955. I presume you have seen these papers?—I have not seen them.

1956. Are there any limitations whatsoever imposed by the Company, on their servants of any class, with regard to keeping a journal?—None; I never heard of any restriction in any shape, directly or indirectly; they write what they please, and send it as they please.

1957. Mr. Adderley.] Did you ever hear of Mr. Dunn's journal being burnt?—I never did.

1958. Or destroyed?—I never heard of it.

1959. Mr. Gordon.] I wish to ask you a few questions in continuation of those which I put to you on Thursday with respect to the Red River Settlement. I think you said that one of the causes which rendered the Red River unsuitable, in your opinion, for settlement, was the prevalence of great floods there?—Yes; the prevalence of floods and of droughts.

1960. What is the length of country into which the Red River Settlement extends along the river?—About 80 miles; perhaps not quite so much as 80 miles.

1961. Mr. Edward Ellice.] I think you said 50 the other day?—Yes.

1962. Mr. Gordon.] Is the whole of that length of the river equally subject to floods?—The whole of that country has been overflowed in my recollection.

1963. Am I to understand you to say that the whole of that 50 miles is equally subject to be devastated by extensive floods?—Not equally so; because the lower grounds are more subject to flood than the higher grounds.

1964. Is

1964. Is not the lower part of the river, near Fort Garry, more elevated than the upper part, and therefore less subject to floods?—The lower part is more elevated than the upper part.

1965. And therefore less subject to floods?—Yes.

1966. Is there a marked difference between the two in that respect?—Not a marked difference; perhaps eight or ten feet.

1967. Has the district of the Grand Rapids ever been covered by floods?—No.

1968. That is free from floods?—Yes; that is at a great distance from Red River.

1969. Mr. *Edward Ellice*.] How far is it?—I should think from 200 to 300 miles; it is the Grand Rapid of Lake Winnipeg; it is the outlet of the Saskatchewan River.

1970. Mr. *Gordon*.] Is there not a place upon the Red River termed the Grand Rapid?—There is a place upon the Red River termed the Rapids of the Red River; but there is a place known in the country as the Grand Rapid, which is the Grand Rapid of Lake Winnipeg; the outlet of the Saskatchewan River.

1971. I meant upon the Red River; is that subject to floods?—The bank at the Rapid is a few feet higher, perhaps 10 or 15 feet higher, than in many other parts of the stream.

1972. Does not that objection apply chiefly, if not only, to the upper part of the river, and not to the lower part of the river?—The bank at the Rapids is higher and thence down towards the lower establishment.

1973. Is that equally liable to be overflowed with the upper part?—No; the ground is rather higher.

1974. Then I suppose that is more favourable for cultivation and settlement?—One part of the population prefer the upper district of country; for instance, the Canadians prefer the upper part above the junction of the Assiniboine River.

1975. Notwithstanding the floods?—Notwithstanding the floods. The Orkney half-caste population prefer the lower end of the stream.

1976. The chief part of the settlement is in a district of about 20 miles long, is it not?—About 50 miles in length.

1977. Has it ever been wholly covered by floods?—Yes, I think so, excepting the higher spots, which form islands in seasons of flood.

1978. Has any attempt ever been made to improve the banks of the river to prevent those floods?—Never.

1979. Why not?—Because the means of the country could not by possibility admit of it.

1980. The banks are not susceptible of improvement?—Not at all.

1981. The settlement is on both sides of the river, is it not?—It is.

1982. Has any attempt ever been made to establish a communication between them by means of a bridge or otherwise?—No; there is a ferry in use.

1983. What is the average width of the Red River?—The average width below the forks is about one sixth of a mile perhaps.

1984. What is the width of the Mississippi at St. Paul's?—Not quite so wide I think, or about the same width.

1985. You are aware, I suppose, that at St. Paul's there is a large suspension bridge?—I am not aware that there is; there was none when I passed there.

1986. St. Paul's is a settlement of much more recent date than the Red River?—Yes.

1987. And they have now a large bridge?—There was no bridge when I was at St. Paul's.

1988. Why has no attempt ever been made in the nature of a communication by bridge at the Red River?—The cost would be too large; there is no traffic and no population to justify such an outlay.

1989. Have any of the smaller streams been bridged over by the Company?—Yes, many of the smaller streams, especially in the settlement; they have been bridged out of the funds of the settlement.

1990. Have the Company done anything to make roads in the settlement?—They have contributed their share of the duties of four per cent. upon all imports.

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1991. And with that have they made roads themselves?—With that the settlers have made roads.

1992. About what number of miles of roads, should you say, have been made under the authority of the Company?—The Company make no roads.

1993. Mr. *Edwards*.] They pay for their being made?—They contribute their share of the tax.

1994. Mr. *Gordon*.] You mentioned in your evidence on Thursday, "The Company allow the interest of the day, I think it is four per cent., to any parties who may choose to leave their money in their hands, or they will pay their balances as they accrue, from year to year, as they may desire." Does that apply only to the servants of the Company, or does it extend to any of the settlers in the Red River?—The servants of the Company.

1995. Is there anything in the nature of a bank established for the settlers?—There is no bank.

1996. Then what do the settlers do with their money?—The settlers have their own agents in England whom they employ; a few of them, I think, leave their money in the hands of the Company; they are retired servants.

1997. Mr. *Kinnaird*.] In question 1009, put by the Chairman, you were asked, "Do you ever encourage the Indians to resort to agriculture, under any circumstances?" and your answer was, "Always; we have encouraged them by every means in our power." Will you kindly state to the Committee some of the means which have been used?—By giving them agricultural implements, free of charge, and seed of various kinds; seed wheat, seed potatoes.

1998. Without charge for the land?—Without charge for the land.

1999. That has been done in the different Indian settlements?—Yes; in several parts of the country.

2000. There is every facility given?—Every facility.

2001. With reference to question 1102, with regard to the education and christian instruction of the Indians, are we to understand that the Company have adopted no means for the education of the 55,578 Indians from whom they receive their furs, and whose land they claim; I do not refer to the half-caste, but to the positively Indian population?—Over 25,000 of that Indian population we have no control; namely, the Plain tribes. They wander from the Missouri to the banks of the Saskatchewan; they are a bold, warlike people, over whom we have no control.

2002. That is a part of them; with respect to those who hunt for you, you use no means for their instruction?—There are religious missions in various parts of the country.

2003. You contribute a very small sum, but that is for them to minister to your own stations and factories, not as missionaries?—Yes.

2004. You give no specific help for the Indians?—The country is so poor that they cannot form settlements; the missions must be immediately in the neighbourhood of the establishments.

2005. Are we to understand that the Company give no aid specifically for the instruction of the Indian children to the missionary societies who have voluntarily undertaken it?—We are very anxious to give the Indian children instruction; but the Indians will not give up their children.

2006. Then you would give assistance to schools and missionaries for that purpose, although you have not done it at present?—Yes.

2007. Have you taken any means of getting books of education, either in the Roman or syllabic character, for the population?—The missionary societies have sent out books from time to time.

2008. At their own expense?—At their own expense.

2009. With no assistance from yourselves for that purpose?—I am not aware that there has been any.

2010. Can you tell me of any case where you have contributed for school-rooms for the benefit of the Indians?—We are quite ready to receive Indian children at our own establishments when they can be obtained.

2011. I do not see any record of any contributions out of the funds of the Company for the erection of these schools?—There is no immediate outlay connected with the erection of schools at any of our establishments. We have a regular establishment of people who do all the work about the establishment; they build houses and erect schools, and whatever else may be necessary.

2012. At York, have you an evening school, conducted by one of the Com-

pany's

pany's servants during the winter, for the benefit of the Indians and others resident at the fort?—Yes.

2013. Was that formed under the direction of the Company?—Yes.

2014. Is that carried out at any other station?—I think at Norway House, and at all the establishments where there are missions.

2015. Do you assert that there are evening schools conducted at the expense of the Company?—There is no expense connected with it. At the different establishments where there are missionaries we promote education by every means in our power.

2016. It would be very easy to enforce this at all the stations, would it not?—Not to enforce it, but to encourage it.

2017. And you would do so?—Yes, we would do so.

2018. Mr. *Roebuck*.] Is there a licence to freight goods granted by the Company? Supposing that I being a settler at the Red River Settlement wanted to freight goods to London, is there not a licence granted by the Hudson's Bay Company to enable me to do so?—No, I am not aware that there is. We freight all goods that come to us if there is room in our shipping.

2019. I will read you a copy of a licence to freight goods. It is signed by a Company's officer; it is signed "Alexander Christie, chief factor of the Honourable Hudson's Bay Company." "I hereby license _____, of Red River Settlement to carry on the business of a freighter between Red River Settlement aforesaid and York Factory. Provided, however, that this licence shall be null and void for every legal purpose from this date if he traffic in anything whatever beyond the limits of the said settlement, excepting in so far as he may do so under any municipal regulation, or if he traffic in furs within Rupert's Land or without, or if he usurp any privilege whatever of the Hudson's Bay Company, or if he become, or continue to be the employer, or the agent, or the partner of any person who may traffic or usurp, or may have trafficked or usurped as aforesaid, or of any such person's debtor. Given at Fort Garry this 29th day of July 1845, *Alexander Christie*, Chief Factor of the Honourable Hudson's Bay Company." Are you aware of any such documents as this (*the same being shown to the Witness*)?—I am not aware of them. I do not think this is Mr. Christie's writing, and I never heard of the regulation.

2020. I think you are or have been governor of Rupert's Land. In 1845, were you at the Red River settlement?—It is very likely I was there in 1845; I do not exactly recollect.

2021. You had a council there, I suppose?—Yes, in all probability.

2022. That council was held on the 10th of June?—Very likely.

2023. I see that you passed certain resolutions at that time; have those resolutions been allowed or disallowed?—If you will allow me to see the resolutions I may have some recollection of them. I cannot exactly call them to mind. We pass resolutions for our own operations.

2024. You do not bear in mind whether any of those resolutions were disallowed or not?—I think the Company did disallow some of our resolutions, but I forget exactly what they were.

2025. Will you be kind enough to inform us why, amongst your resolutions, you resolved this, "That all other imports from the United Kingdom for the aforesaid settlement shall, before delivery, pay at York Factory a duty of 20 per cent. on their prime cost, provided, however, that the governor of the settlement be hereby authorised to exempt from the same all such importers, or any of them, from year to year, as can be reasonably believed by him to have neither trafficked in furs themselves since the 8th day of December 1844, nor enabled others to do so by illegally or improperly supplying them with trading articles of any description." Do you recollect passing any such resolution as that?—I do not recollect such a resolution; it may have been so.

2026. In your present view of the matter, do you think that that would conduce to the settlement of the country?—I think it would not.

2027. Therefore, if passed at that time, it would have opposed the settlement of the country?—No; I do not think it would have materially affected the settlement of the country.

2028. Not prohibiting the importation of goods, except upon a duty of 20 per cent., and that from the United Kingdom?—I do not recollect that it was ever enforced.

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2029. Laws are made to be enforced?—But I do not think that was.
2030. Mr. *Edward Ellice*.] Is it so now?—Certainly not.
2031. Has it ever been so in your recollection?—Not in my recollection. I never recollect to have heard it.
2032. If such a rule had existed, would it not have been solely for the protection of the fur trade?—Decidedly.
2033. Mr. *Gladstone*.] How can you be very certain that that regulation is not in force now; if it appears to have been in force at one time without your knowledge, how do you know that it may not be in force without your knowledge still?—I do not think it ever was in force.
2034. Mr. *Roebuck*.] You do not deny that it has been in force?—I do not deny it. I have no recollection of it. It was disallowed if so.
2035. Mr. *Edward Ellice*.] But you say that if passed, it has not been enforced as against the importers?—No.
2036. Lord *Stansley*.] You would have known if any action had been taken upon it?—I should have known as a matter of course.
2037. Mr. *Gladstone*.] On the subject of the import duty which is paid by the Company, I think you stated that it was paid to the Treasury of the Red River?—Yes.
2038. Is it expended under the direction of the Governor, or of the Governor and Council?—The Governor and Council.
2039. To whom do they render an account of the expenditure?—There is an officer called the Head of the Board of Works; he takes the entire management of the fund, and an account is submitted to the Council at the close of each season.
2040. Who appoints the officer of the Board of Works?—The Council do.
2041. Is the money paid to the Council and by them handed to this officer, or what is the course through which it goes?—The officer draws upon the establishment; we are the bankers; the funds are usually left in the Company's hands; the proper officer draws upon the Company from time to time for such funds as may be required.
2042. Is the import duty paid to the Company or some officer of the Company for account of the Governor and Council of Red River?—For safe keeping, it is paid into the Company's hands.
2043. It is paid into the Company's hands, but merely by way of deposit?—Merely by way of deposit.
2044. Then if I understand rightly, the Company hold it, subject to be drawn upon by the officer of the Governor and Council of Red River?—Yes.
2045. Does that officer, by authority of the Governor and Council, draw the money?—Yes, at pleasure.
2046. And he renders an account of the money and expenditure to the Governor and Council?—Yes.
2047. Then the Hudson's Bay Company hear nothing of the money, and know nothing of the mode of its expenditure?—Not further than that they have to pay their quota.
2048. But after payment they have no further concern with that money at all?—No.
2049. It is disposed of by the Governor and Council of the Red River Settlement, or under their authority, just as much as it would be if the colony were a free and open colony?—Decidedly.
2050. Mr. *Roebuck*.] The Governor of the Red River Settlement is appointed by the Hudson's Bay Company, is not he?—Yes.
2051. Mr. *Gladstone*.] I believe the Governor and Council are both appointed by the Hudson's Bay Company, and likewise hold office during pleasure?—Yes.
2052. Mr. *Edward Ellice*.] But the money is actually expended?—The money is expended decidedly.
2053. Lord *Stansley*.] You were asked whether you had done anything for the improvement of the navigation; I will now ask you whether there is any trade with the western country which would justify a large expenditure upon navigation?—None; there is no trade which would justify an outlay.
2054. Is there any trade at the present time which may not be effectually and satisfactorily carried on in canoes?—Between Canada and the interior the trade that is conducted from Canada must be entirely by canoes; but the communication

munication with England is by boat from York Factory and Moose Factory, the two depôts upon the coast.

2055. I was referring to the Red River, and that part of the country?—With Canada the communication must be by canoe. With England by boat to the coast.

2056. You have been asked questions with regard to the appliances of education and civilization which you have provided for the Indian tribes. Have you ever considered yourselves as a Company charged with the education or civilization of those tribes?—No, we do not consider ourselves charged as a Company, but we contribute nevertheless.

2057. If I understand your former evidence rightly, you have no control over those tribes, except that of being able to exclude other traders from the country?—None.

2058. Are you well acquainted with the country to the west of the Rocky Mountains?—Yes; I have travelled through that country repeatedly.

2059. Are you able to form any opinion as to how much of it, or whether any of it, is fit for colonization; I speak of the mainland; not of Vancouver's Island?—Very little of it I think is fit for settlement and colonization north of 49°, from the rugged character of the country; it is an exceedingly rugged and mountainous country.

2060. Do you mean by that, that the soil is unfit for culture, or that there are no means of transport to the sea?—There are patches of soil near the rivers in certain localities where agriculture might be carried on upon a small scale; but generally speaking, the country is exceedingly wild and rugged and mountainous north of 49°.

2061. What are the winters there; are they severe?—The winters are not so severe as east of the Rocky Mountains.

2062. Assuming the soil to be suitable, is it probable that wheat crops would not ripen in that country?—I think they would not; there is too much moisture; it is exceedingly humid.

2063. Have any experiments been made in the neighbourhood of the forts there?—At Fort Langley there have been experiments made, and grain has been raised upon a very small scale; potatoes are very abundant; and likewise further north.

2064. In the event of colonization being attempted there, is it likely that any difficulty would arise as regards the Indians?—The Indians are very warlike and very numerous, and I think they might be troublesome to settlers in the first instance, until they were sufficiently numerous to protect themselves.

2065. The Company has had more trouble with them west of the mountains than in the east?—Much more trouble. They are difficult of management.

2066. I think about two-thirds of the whole Indian population reside west of the mountains?—I think about 80,000; the whole population being about 139,000.

2067. Therefore on account of those tribes, putting other difficulties out of the question, there are only some parts of the country where it would be possible for settlers to establish themselves?—Yes.

2068. They could not do so in small numbers or at outlying posts?—They could not.

2069. In the event of any part of that western territory being constituted a colony apart from the Hudson's Bay Company, would it be easy to mark a boundary, so that the establishment of a colony there should not interfere with the exclusive rights of the Company?—I think there is no room for a colony of any extent north of 49°, upon the west side of the mountains. The character of the country is exceedingly rugged.

2070. In the event of any portion of the territories being set apart for purposes of colonization as a colony independent of the Company to the west of the Rocky Mountains, would there be any difficulty in so defining the boundary of such a colony as to prevent any disputes or difficulties with regard to the point at which the rights of the Company terminated?—You mean the British territory I presume north of 49°.

2071. I mean, of course, the British territory?—I think there is no portion of that country north of 49° adapted for settlement.

2072. Mr. Roebuck.] That is not the question; the question is, whether there are any means of marking out the boundaries of the colony, supposing that a colony should be determined upon; supposing it should be determined to make a colony west of the Rocky Mountains, taking the southern boundary to be

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the boundary between it and the United States and the eastern boundary, the Rocky Mountains, is there any possibility of finding a northern boundary?—I do not know of any other means of finding it than determining it by observation. The country is not so marked in its character as to form any boundary.

2073. There is no river?—There is no river.

2074. With respect to the climate, you say that you have travelled in that country; is not the climate of America, on the west of the Rocky Mountains, similar, in point of fact, to that of Europe, in the same latitude?—I think there is more moisture on the shores of the Pacific than upon the eastern side.

2075. That is not my question; my question is, whether taking latitude for latitude in Europe, and on the west of the Rocky Mountains in America, the climate in the same latitude is not the same?—I have been such a length of time out of England, that I scarcely recollect what the climate is.

2076. I am not talking of England; I am talking of Europe?—I cannot tell.

2077. We will speak of the climate of Vancouver's Island; do you know that?—Not well.

2078. Is not it a fine climate?—It is a very good climate, I believe.

2079. It will grow pretty nearly anything, will not it?—On the southern part of the island.

2080. It will grow wheat?—Yes; on the southern side of the island.

2081. And on the northern too?—The northern is a rugged, mountainous country, where you can grow nothing.

2082. But it would not be prohibited by climate?—There is a great deal of moisture; there are torrents of rain.

2083. So there is in England?—I think there is more on the west side of the mountains than in England.

2084. Lord *John Russell*.] Is the quantity of moisture such as to prevent the culture of wheat?—It is such as to prevent the ripening of grain, I think.

2085. Mr. *Edouard Ellice*.] But at Fort Vancouver, on the Columbia, in the Oregon, are there very fair crops?—Yes; never productive crops; we used to look upon a return of ten or twelve, as very fair crops for Oregon.

2086. With reference to Fort Langley, which is near the southern boundary of the British Territory and where there is a fort, I think you said the other day, that there were about 100 square miles of level ground there?—Yes, I think so.

2087. Could not a colony be planted there?—It might be.

2088. Is there any thing remarkable in the climate there different from what it is in Vancouver's Island?—I believe there is more moisture.

2089. Nearer the mountains?—Yes.

2090. Mr. *Gregson*.] You are making a comparison between Fort Langley and Vancouver's Island?—Yes.

2091. You say that there is rather more moisture at Fort Langley?—Yes.

2092. Does the thermometer show any difference in the temperature?—The further north we go, the degree of cold is greater.

2093. I am speaking of those two situations?—Yes; the one is in 50°, and the other is in 46°. (α)

2094. Practically, is the heat there very great in summer?—In the Columbia it is.

2095.—In the part called Caledonia, there is the Columbia River; that is on the west side of the Rocky Mountains?—Yes.

2096. I am not speaking now of the American territory, but of the British above 49°. Is the heat in that part of the country very great in summer?—Not very great.

2097. I perceive that in the account of your travel, speaking of Fort Colville, you speak of its being an exceedingly productive, and well circumstanced place?—Yes.

2098. And that what you describe as a fine season is a damp season?—Yes.

2099. That is owing to the great heat which prevails below 49°?—The great drought, the great length of time they are without rains, they are weeks and months' together without rains.

2100. Does the same observation apply to the land immediately above 49°?—Upon the coast there is more moisture than inland.

2101. Is the quantity of moisture sufficient to destroy the ripening of the grain?—Yes, I think so; in some seasons I think it is likely.

2102. But

(α) This answer had reference to Fort Vancouver, on the Columbia River.

2102. But as a general rule?—As a general rule I think the great moisture would materially affect the crops.

2103. What may be the distance of Fort Colville south of the 49th degree of latitude, the boundary?—I think Fort Colville is about 48 or 49 degrees.

2104. About one degree southward of the boundary?—Yes.

2105. Do you consider that the difference of one degree would make such a difference in the temperature of the place?—There is more moisture on the coast than inland.

2106. Fort Colville is not on the coast?—No, it is inland.

2107. I want to draw a comparison between Fort Colville and the same land on the British side of the boundary. What circumstances exist to make a difference in the climate and the adaptability for colonization of the two places?—The climate west of the mountains is warmer, I think, than in the same parallel east.

2108. Would not that part of the British dominions north of the 49th degree of latitude, but in the same parallel of longitude with Fort Colville, be equally adapted for colonization as Fort Colville itself?—No; the climate of the west side is warmer, there is much more heat, but very little level land.

2109. Supposing a colony were planted on the 49th degree of latitude, quite close to Fort Colville, on the Columbia River, what circumstances exist which would prevent that colony so planted being equally well favoured and well circumstanced as Fort Colville itself?—I do not see that it would be materially prevented. I am not aware of any circumstances which should cause it.

2110. Then would this description in your judgment apply to it, "Cattle thrive well, while the crops are abundant. The wheat, which weighs from 63 to 65lbs. a bushel, yields 20 or 30 returns. Maize also flourishes, but does not ripen till the month of September. Potatoes, peas, oats, barley, turnips, melons, and cucumbers, are plentiful." That is the description which you give of Fort Colville?—Yes.

2111. And you do not see any circumstances which would prevent a colony on the British territory opposite Fort Colville being so well favoured?—No; the climate is not so warm.

2112. Therefore it would, in your opinion, hold out equal inducements as regards the ripening of grains and fruits as Fort Colville itself?—No. I think the climate of the Pacific is more favourable to cultivation than the same parallel on the east side.

2113. Mr. *Edwards Ellice*.] I suppose if a population were found to want a settlement of that kind, and chose to go there, they could raise crops very well for their own support?—On either the one side or the other, I think; on either side of the mountains.

2114. Mr. *Grogan*.] Have any attempts ever been made to establish a colony, or any settlement at all to the eastward of Fort Garry on the Assiniboine, up Lake Winnipeg, Rainy Lake, or in that district?—No attempt has been made to form a settlement at Rainy Lake.

2115. Or to the eastward of it?—To the westward there may have been a few settlers at Manitobah, within 40, 50, or 60 miles of Red River.

2116. In fact, there is not a sufficient population to render those localities, which you have described as so beautiful, an object to settlers?—That is the fact.

2117. But if it should become an open colony, and settlers should go there, there are no physical circumstances in the country in your judgment to prevent their success?—No; I think not. The country is not favourable for settlement, I think, about Red River.

2118. Why?—The crops are very uncertain.

2119. You have nothing to adduce beyond what you have stated already?—No.

2120. In the extent of land between the Rainy Lake and Fort William, on the Kamenistiquois, at the head of Lake Superior, what may be the height to which the land rises; is it 800, 1,000, or 2,000 feet, or what?—I think about 800 feet above the level of the lake.

2121. Do any serious practical difficulties or impediments exist in making that navigation, which you have traversed with your canoes, a regular course of navigation?—I think there are insuperable difficulties, unless the "Bank of England were expended" upon the improvement of the country. Near the

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height of land there is no water; the rivers are shoal, and the soil is bad. I think the difficulties are very great.

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2122. To how many miles of country, in your judgment, would your present remark apply?—I think about 300 miles.

2123. As much as that?—I think so.

2124. You have given the entire distance from Assiniboina to the head of Lake Superior as about 500 miles?—Yes.

2125. And you think that in 300 of those 500 miles, there would be such difficulties?—Yes.

Mr. William Kernaghan, called in; and Examined.

Mr. W. Kernaghan.

2126. Lord John Russell.] WHERE do you reside?—At Chicago.

2127. What is your business or occupation?—I am a General Merchant there.

2128. Have you any statement to make with regard to the Hudson's Bay Company, or their territory, or their trade?—The Chicago people are running steam-boats now towards that part of the country.

2129. Where from, and where to?—From Chicago to Superior City, Ontonagon and Marquette; steamers also ply from Detroit and Collingwood to those cities.

2130. Mr. Edward Ellice.] Are you a native of the States?—I am an Irishman.

2131. Lord John Russell.] Have you any statement to make with regard to that matter?—I should like to see the trade opened up there in the Hudson's Bay country.

2132. That is to say, you would like to see an end put to any exclusive privileges?—Yes, either in land or trade.

2133. Have you found any obstacles practically to exist to the trade which you wish to promote?—There is every opposition thrown by the Company in the way of our traders there.

2134. Of what kind?—Every opposition. They are not allowed to trade there. This last season 500 waggons started from Pembina, or the Red River Settlement, and sold their loads of wheat, tallow, beef, and other produce at either St. Paul or St. Anthony. I do not know which, returning with goods of American and British manufacture and other produce back to the Red River. That is the first direct trade the Red River and the Company's country have had with the United States.

2135. Were not they allowed to dispose of the goods which they had bought in St. Paul's?—A good many of the goods were British manufactures; but they had to pay duties on going into the American territory at very high rates, which would not be the case had they gone through Canada to the Red River Settlement.

2136. How could they have reached the Red River Settlement through Canada?—You can get goods shipped direct from London, Liverpool, Glasgow, or any port in Great Britain, to the extreme end of Lake Superior, at 3*l.* 10*s.* a ton, in one bottom, or with transshipment; they pass through the St. Lawrence, a Canadian river.

2137. Mr. Gregor.] Can you specify any port on Lake Superior?—Any port on the Upper Lakes, either Lake Michigan or Lake Superior, ports in Superior, stated above.

2138. Lord John Russell.] How would you have the goods conveyed from there to the Red River Settlement?—You would have plenty of people to waggon them, or bring them across. I suppose the expense would be about 8*l.* or 10*l.* a ton; it would not be greater than that of waggons from Red River to St. Paul.

2139. Mr. Edward Ellice.] Have you been between Fort William and Red River?—No.

2140. Is not that the route which the goods would take; how do you know that goods could be conveyed between Fort William and Red River for 10*l.* a ton?—The Americans would do it.

2141. What authority have you for saying so?—The statement of people in Chicago connected with steamboats.

2142. Have

2142. Have they ever gone that route?—Their steamboats go to Superior city. Mr. W. Kersey, Sec.

2143. Mr. Grogan.] Where is the town of Superior?—The town of Superior is at the very extreme end of Lake Superior. 2 March 1857.

2144. Is it at Fond du Lac?—Yes. Superior is a new town, commenced last year, and it will this year have a population of 10,000 people.

2145. Mr. Bell.] Then you think it would be possible to make a similar settlement on the British shore, if it was not for the monopoly of the Hudson's Bay Company?—Certainly.

2146. Lord John Russell.] When you speak of the goods going in waggons, do you mean in the summer season only?—The lakes are only open from about the middle of April, and the lake communication closes at Chicago about the 1st of December. In Lake Superior, I suppose it closes about a month earlier. In winter goods might be carried in sleighs.

2147. In what part of the year do you suppose the goods could go in waggons between Lake Superior and the Red River Settlement?—In summer by waggons, winter by sleighs. I beg to say that the Chicago people, the owners of the steamboats, are beginning to open a line from the extreme end of Lake Superior to the Red River Settlement. I think I had better read an extract from a Chicago paper which I have got to-day. It is headed, "A New Project.—In the Senate of Michigan, on Thursday, General Cass presented the petitions of Jean Lafever, Robert Mallon, and Alexander McLain, asking for a Government exploration and survey of the Pigeon and Arrow Rivers, of Lake Superior, and of the route from the mouth of those streams, or near them, to Rainy Lake, on the United States boundary line, with estimates of the cost of so improving by locks and canals the communication between those waters as to make a practicable navigation from the Lower Red River of the North, via Lake Winnipeg, to Lake Superior. They represent that, at a reasonable cost, the whole valley of the Red, Assiniboine, and Saskatchewan rivers can be connected with the waters of Lake Superior."

2148. Mr. Edmond Elliot.] Through what territory would that route to which you have referred be made?—Partly British and partly American; the chain of lakes and rivers separate both countries.

2149. You stated that one of the obstacles to trade was the duties put upon goods entering into the States; how would you avoid those duties?—By landing the goods in British territory.

2150. You just now said that the road was to be opened up partly on British territory and partly on American, between Fond du Lac and Red River; if it is to be partly on British territory and partly on American, how do you get rid of the duties?—The goods would go in under bond in that case.

2151. Why could not they go in under a bond by the other route?—They have never tried it yet in that way, but a great business would be done in that country if free trade were allowed there.

2152. Mr. Blackburn.] Is there any duty except the American duty at present?—The Canadian duty is very light; the American duty is very great. I am not aware of any duties at Red River.

2153. I thought you spoke of the duties being paid on the goods going into the American territory?—What I mean to say is, that on the goods put at St. Paul into the 500 waggons, the sellers of the goods had paid the American duties.

2154. Then it was the American duties which made it disadvantageous, not anything done by the Hudson's Bay Company?—That business was done against the wishes of the Hudson's Bay Company.

2155. Did they impose the duties or the Americans?—The Americans.

2156. Mr. Grogan.] Am I to understand you that this caravan which crossed from Pembina to St. Peter's, or St. Anthony's, purchased goods?—They sold at St. Anthony the productions of their own country, and they bought at St. Anthony their groceries, wines, woollens, linens, &c.

2157. Which had been British imports?—Some had been British imports and some American manufactures.

2158. And on all the British imports the American Government imposed a duty?—Yes.

2159. If they could have gone through the country under bond, the Red River people would have saved that duty?—Yes.

- Mr. W. Kernaghan. 2160. Mr. *Edward Ellice*.] Is there an export duty in the States upon goods ?
—I do not know.
2161. Then how do you mean that the Red River people would have saved the duty ?—Had the goods been in bond. This is the first attempt of the Red River people to open a free-trade.
2162. You say that the Red River people are placed at the disadvantage of this duty ; but as I understand you the British goods pay going into St. Paul's ?
—Yes, unless they go there in bond.
2163. They do not pay coming from St. Paul's to Red River ?—No ; but they had paid at New York, or at Chicago, before they went to St. Paul, the regular American duties.
2164. Lord *John Russell*.] You mean, that if they were landed at Fond du Lac, or at the head of Lake Superior, they would go in bond, and not pay the American duties ?—If landed at Superior City, where there is an American custom-house, they would go in bond through our British territory without paying duties.
2165. Mr. *Edward Ellice*.] If there were a road to Red River ?—Yes ; and that will be done by Chicago and other people this season.
2166. If they could go in bond from Superior, and pass through part of the territory and so escape the duty, why should not they be in bond at New York ?
—You can pay duty at Chicago, Detroit, New York, or at any place where there is a custom-house of the United States, or you can bond goods at all ports of entry.
2167. You said that goods could be carried to Red River, going through part of the American territory, giving bond ?—Yes.
2168. Why could not they go by New York in the same way, giving bond ?—They could.
2169. Therefore the Red River settler would not be prejudiced by the duty payable in the American territory ?—He would not be if they went in bond.
2170. Mr. *Charles Fitzwilliam*.] With reference to the 500 waggons you have mentioned, you mean that a person bought goods in the American territory because he could get them cheaper there than from the stores of the Hudson's Bay Company at Red River ?—Yes ; they have undersold.

Jovis, 5^a die Martii, 1857.

MEMBERS PRESENT.

Mr. Adderley.	Mr. Kinnaird.
Mr. Bell.	Mr. Labouchere.
Mr. Blackburn.	Mr. Lowe.
Mr. Edward Ellice.	Sir John Pakington.
Mr. Charles Fitzwilliam.	Mr. Roebuck.
Mr. Gordon.	Lord John Russell.
Mr. Gregson.	Viscount Sandon.
Mr. Grogan.	Lord Stanley.
Mr. Percy Herbert.	

THE RIGHT HON. HENRY LABOUCHERE, IN THE CHAIR.

Mr. *William Kernaghan*, called in ; and further Examined.

- Mr. W. Kernaghan. 2171. Mr. *Grogan*.] YOU have been for some time settled at Chicago, have you not ?—Yes.
2172. Are you connected with mercantile pursuits there ?—Yes.
2173. Individually, or as a partner in associated companies ?—Individually.
2174. Has the course of your commercial business made you acquainted with Lake Superior, and its capabilities for transit and commerce ?—Yes ; friends of mine there have a line of steamers that run from Chicago to three ports on Lake Superior.
2175. What is the most northern port, on Lake Superior, that they go to ?
—They go to Ontonagon and Marquette ; Ontonagon is the copper, Marquette, the iron district ; and Superior City ; they go to the west.

2176. Do

2176. Do they go higher up than Lake Superior; do they go to Fort William in the English territory?—No.

2177. They do not extend their course then beyond the American boundary?—No; there are no settlements on the other side.

2178. Do you know whether there are English steamers which traverse the lakes to Fort William?—I do not think any regular line runs; a line in conjunction with the Toronto and Collingwood railroad runs to Lake Superior, but the steamers belong to an American company.

2179. Do they go to Fort William, the English settlement?—I do not think they do; they go to the American towns only.

2180. Can you state what is the population of the town of Superior?—Superior City was founded a year and a half ago, and the population at the end of this year will exceed 10,000 people.

2181. Are there any projected railways there?—The Fond du Lac railway runs 120 miles from Chicago at present, and it is to go to Superior City; it is finished 120 miles from Chicago. It is to go to Marquette, to Ontonagon, and to Superior City; three branches.

2182. Do you know of any projected connections or communications, between Fond du Lac, and any of the British Settlements across the line; Red River, or the lakes there?—General Cass brought a Bill the other day into the Michigan Legislature to render navigable all the rivers, as far as the American territory went, between Lake Winnipeg and Lake Superior, for steamboats and ships.

2183. Mr. *Edward Ellice*.] Lake Winnipeg is in British territory?—As far as the American territory goes towards Lake Winnipeg.

2184. Mr. *Adderley*.] In the direction of Lake Winnipeg?—Yes.

2185. Mr. *Grogan*.] Do you know what is the length of that projected canal?—I do not know.

2186. Or the expense?—I do not know.

2187. Has there been any action on that petition in the Legislature?—I do not know. I only saw it in the Chicago paper.

2188. Was Chicago your place of residence?—Yes.

2189. What is the age of that city?—It is about 19 or 20 years of age.

2190. What may be the population of it?—In December it was 110,000. I suppose this month it is about 114,000. It increases 1,800 a month.

2191. Was it not from Chicago that the vessel was freighted which came the other day to Liverpool with corn?—Yes. She came direct.

2192. Have you a personal knowledge of the Vancouver country on the west side by the Pacific?—I have never been as far north as Vancouver's Island. I have been trading on the west coast of America for three years. I have been as far north as San Francisco.

2193. Mr. *Edward Ellice*.] What is popularly called California?—Yes.

2194. Mr. *Grogan*.] Have you any knowledge of that district from reports?—I met several gentlemen who went to Vancouver's Island to try to trade there and they could not trade; they were refused.

2195. They went to Vancouver's Island for the purposes of trade?—Yes; they tried to commence trade there, and they could not.

2196. What obstruction was there in their way?—The Company did not like any people to interfere with them there; that was the reply of those gentlemen to me.

2197. Mr. *Edward Ellice*.] Where was that?—At Vancouver's Island.

2198. I thought you said you had only been at San Francisco?—Yes; I only visited San Francisco.

2199. How do you know that fact?—Gentlemen went to trade there from San Francisco. I found them on their return at San Francisco.

2200. But did they go to trade there?—Certainly; they brought up cargoes there.

2201. What sort of cargoes?—I suppose general cargo.

2202. Was it spirits?—I suppose everything.

2203. Who were they?—I do not recollect their names now, but I recollect perfectly the parties.

2204. Mr. *Grogan*.] Have you reason to believe that the obstructions to trade to which these gentlemen referred, arose from their desire to trade in furs?—No.

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2205. Was it general trade that they were anxious to carry on?—They did not want to trade in furs; they wanted general trade.

2206. Did those parties say that they were prohibited, or that such obstructions were thrown in their way by the Government of the island, that they were unable to carry on business?—Yes; they were willing to trade there, but would not go back again.

2207. Mr. Edward Ellice.] Was the obstruction by means of underselling them?—I do not know what the obstruction was, but they were willing to trade there, and would not go back again until the Hudson's Bay Company would be done away with.

2208. Mr. Grogan.] Did those gentlemen inform you whether their inability to trade arose from any want of the productions of the island, which could be exchanged for their imports?—No. The finest timber in the world grows on that coast and in Vancouver's Island, and the best market for timber is San Francisco. At that time there was a duty of 20 per cent on timber imported into the States, which is now done away with under the Reciprocity Act.

2209. Was there any duty on the export of timber from Vancouver's Island?—No; but there was a duty then on the imports into the United States, which is done away with now.

2210. Mr. Edward Ellice.] What description of timber is it?—All kinds of pine; fir. Captain Grant shipped one cargo from Vancouver's Island to a friend of mine before I was in San Francisco.

2211. Mr. Grogan.] Did those gentlemen mention to you anything about coal, or the mineral productions of the island?—Those gentlemen did not; but I was on board the United States steam frigate "Massachusetts."

2212. In what year was this?—January and February 1851; she coaled herself at Vancouver's Island with the native coal of the island.

2213. Did the officers give you any account of what it cost them, or the time it took to coal her?—The officers told me that they went very close to where the coal is, on the strand, and that the Indians quarried the coal, and that the men of the ship shipped the coal in boats.

2214. Mr. Edward Ellice.] How do you know all this?—The officers of the United States frigate "Massachusetts" told me. I give the time, and the place, and the officer who told me.

2215. Mr. Grogan.] Is there any other part of the North American territory or coasts that you are personally acquainted with?—I have been in Labrador.

2216. For what length of time were you in Labrador?—Not very long.

2217. Mr. Bell.] Are you acquainted with the mining operations on the south side of Lake Superior?—No. I know some of the companies, but I have no interest in them myself.

2218. Are you acquainted with any facts as to the products?—I know about the quantity of the products.

2219. What quantity of copper is there?—There have been 3,000 tons of copper shipped last year from the mines.

2220. How many mines are there?—Near Ontogonagan, I suppose there are about half-a-dozen public companies mining.

2221. How long is it since they commenced operations?—A good many years; but since the ship canal was opened from Lake Superior to the other lakes a great many more companies have started. There are iron companies at Marquette.

2222. I see that Lake Winnipeg is mentioned in the passage which you read the other day from the newspaper?—Yes.

2223. On the map there is a small Lake Winnipeg between the Rainy Lake and the Mississippi River; do you know whether that is meant?—I do not know which.

2224. Mr. Grogan.] In that part of Lake Superior, where the mineral district is located, on the American side, are there any limitations imposed by the State of Michigan with regard to emigrants who desire to explore the minerals?—None whatever.

2225. Every facility is given?—A man may squat where he likes.

2226. And with regard to raising the minerals, is he at liberty to do so?—If you buy the land, the minerals are yours afterwards.

2227. Is it within your knowledge whether the same facilities for emigrants exist in the British territories as on the American side?—There are no facilities

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