

ordinary purposes of administration; and the Government have full powers, under the Act of 1821, to appoint justices and establish courts, independent of the Company, when and where they shall think it expedient. All new establishments of this description will create expense, which must be paid by this country or by Canada, as neither the Red River settlement nor the Indian country have taxable means for the purpose.

We beg to be allowed to add the expression of our opinion, that in whatever arrangements which may now be made for the future government of the country, any mixed authority, or combination of agents, appointed to act with those of the Company, will only weaken an administration which it is essential to strengthen in the present state of affairs.

No competent persons would be found to abandon civilized life to accept such situations with such salary as will be found reasonable; and if they could be found, the probability is, that the want of sufficient occupation will soon engage them in antagonistic discussions with one another, not conducive to the general order or cordiality of the small community whose affairs they will be sent to direct.

The Board is willing to remain in the exercise of its present functions; to concur in any arrangements proposed by Government or Parliament which will not interfere with or obstruct their power of independent management of the concerns of the Company; and to give assistance and support to any magistrates appointed by the Government, in endeavouring to maintain the present undisturbed state of the Indian territories; but they will decline to undertake a divided administration, or accept the responsibility of carrying on the government of the country, under the exceptional circumstances of the case, unless assured of the same cordial and unhesitating support from Her Majesty's Government which they have hitherto enjoyed.

I have, &c.
(Signed) JOHN SHEPHERD.
Governor.

No. 10.

No. 10.

COPY of a LETTER from H. H. BERENS Esq. to the Right Honourable Sir EDWARD BULWER LYTTON Bart.

SIR, Hudson's Bay House, London, February 22, 1859.

I HAVE the honour to acknowledge the receipt of the Earl of Carnarvon's letter, dated the 15th instant,* in which his Lordship, by your directions, informs me that a Despatch has been received from Governor Douglas, stating that on the 3d November last he had proclaimed the revocation of the licence of the 30th May 1838, to the Hudson's Bay Company, of exclusive trade with the Indians, so far as the same embraces the territories comprised in British Columbia.

* Page 23.

I have, &c.
(Signed) H. H. BERENS,
Governor.

The Right Hon. Sir E. B. Lytton, Bart.
&c. &c. &c.

No. 11.

No. 11.

COPY of a LETTER from H. H. BERENS Esq. to the Right Honourable Sir EDWARD BULWER LYTTON Bart.

SIR, Hudson's Bay House, March 15, 1859.

I HAVE the honour to acknowledge Mr. Under Secretary Merivale's letter of the 9th instant,† and lose no time, after consulting with my colleagues, in replying to it.

† Page 23.

With respect to the chartered rights of this Company, I can only repeat that my colleagues and myself are unanimous in considering that we cannot in justice to our proprietors be consenting parties to any inquiry which shall have for its object to challenge the validity of the Charter, and we feel convinced that in any discussion that may arise before Parliament that body will be prepared to act upon the maturely considered opinion which was given by the then law officers of the Crown when the whole matter was submitted to their consideration. I refer to the opinion of Sir Richard Bethell and Sir Henry Keating in July 1857, in which they state that "the questions of the validity and construction of the Hudson's Bay Company's Charter cannot be considered apart from the enjoyment that has been had under it during nearly two centuries, and the recognition made of the rights of the Company in various Acts both of the Government and the Legislature;" and that "nothing could be more unjust or more opposed to the spirit of our law than to try this Charter as a thing of yesterday, upon principles which might be deemed applicable to it if it had been granted within the last ten or twenty years." They then go on to state, that in their opinion the Crown could not now with justice raise the question of the general validity of the Charter, but that on