

necessary that the condition of the whole of the vast regions which are under the administration of the Company should be carefully considered; but there are other circumstances which, in the opinion of Your Committee, would have rendered such a course the duty of the Parliament and Government of this country.

"Among these, Your Committee would specially enumerate,—the growing desire of our Canadian fellow-subjects that the means of extension and regular settlement should be afforded to them over a portion of this territory; the necessity of providing suitably for the administration of the affairs of Vancouver's Island, and the present condition of the settlement which has been formed on the Red River.

"Your Committee have received much valuable evidence on these and other subjects connected with the inquiry which has been entrusted to them, and especially have had the advantage of hearing the statements of Chief Justice Draper, who was commissioned by the Province of Canada to attend the Committee on behalf of that important colony, whose interests and feelings are entitled to the greatest weight on this occasion.

"Your Committee have also had the opinion of the law officers of the Crown communicated to them on various points connected with the charter of the Hudson's Bay Company.

"The territory over which the Company now exercise rights is of three descriptions:—

- 1st. The land held by charter, or Rupert's Land.
- 2d. The land held by license, or the Indian Territory.
- 3d. Vancouver's Island.

"For the nature of the tenure by which these countries are severally connected with the Company, Your Committee would refer to the evidence they have received and the documents appended to their Report.

"With regard to Rupert's Land, which is held by charter, it might be very desirable to ascertain precisely what is the force of the powers claimed and exercised under it, and of the extent of the country over which those powers exist. But from the experience of a long series of years, during which there has been, from time to time, much controversy on these questions, as well as from the tenor of the opinions which they have received from the law officers of the Crown, Your Committee are apprehensive that there may be great difficulty and delay in arriving, by the ordinary forms of law, at any certain conclusions upon them.

"On the other hand, prompt measures are very desirable; and Your Committee hope that it may be found practicable to effect such arrangements as are required for the satisfaction and benefit of those concerned, without waiting for the result of proceedings of so doubtful and dilatory a character as may appertain to the complete investigation of this ancient charter.

"The law officers, however, suggest a course by which, with the united consent of Canada and the Company, the question of the actual boundary, which appears at present to be in a state of uncertainty in some respects, may be determined through the instrumentality of the Judicial Committee of the Privy Council; and Your Committee have been assured by the Hudson's Bay Company, in a letter which is appended to this Report, that they are willing to accede to this proposal. In the event of this course being adopted, it is impossible for Your Committee now to form an opinion how far the award given by the Judicial Committee may modify the recommendations which it will subsequently be the duty of Your Committee to make, by circumscribing the extent of country to which those recommendations may apply.

"Your Committee entertain the strongest conviction that the Crown and people of this country can have no other interest in the territory now administered by the Company, except that it should be dealt with in whatever manner is most conducive to the prosperity and contentment of our North American fellow-subjects; and especially in the mode which is best calculated to add to the strength of the great colony of Canada. It is on these principles alone that the recommendations of Your Committee will be founded, so far as is consistent with equity and good faith.

"In the first place, therefore, Your Committee consider that it is essential to meet fully the just and reasonable wishes of Canada to be enabled to annex to her territory any portion of the land in her neighbourhood which can be made available to her for the purposes of settlement, with which she is willing to open and maintain communications, and for which she will provide the means of local administration. Your Committee apprehend that the districts on the Red River and the Saskatchewan are the most likely to be desired by Canada for early occupation. It is also of great importance that the peace and good order of those districts should be effectually secured. We believe that some simple machinery could be devised, by the aid of which these districts could be ceded to Canada, and a convenient boundary line laid down, upon substantial proof being given of her willingness and ability to administer them.

"In like manner the boundary of the colony in other directions might be thrown back, wherever by so doing any purpose useful to Canada could be obtained; within the districts thus annexed to her the authority of the Hudson's Bay Company would of course entirely cease.