

the two straits, and that they are important from a military point of view. A settlement was not reached until 1871, when the dispute was referred to Emperor William of Germany, who, the following year, decided in favor of the United States. In the meantime, however, friction had occurred between Hudson's Bay Company servants and American squatters on San Juan Island, in one instance over the killing of a pig belonging to the company, and almost resulted in war. This was in 1859. Fortunately war was averted by the forbearance of the British authorities, and the United States soldiers, who had without authority from their Government taken possession of the Island, withdrew, and the Island was jointly occupied by the two nations. By Emperor William's award, San Juan and the other islands adjacent came to belong to the United States.

It was the fear that the boundary line, when settled, would take in Fort Vancouver, that caused the Hudson's Bay Company about 1840 to look for headquarters which would be safely within British territory, and in 1842 they chose Victoria, then Camosun, an Indian village. The next year, Chief Factor Douglas, with a party of fifteen men, selected a site, including the present Bastion square, and a large fort was erected. There was a palisaded enclosure, 150 yards square, containing bastions, store houses and dwellings, after the fashion of Hudson's Bay Company forts. During its erection it was on one occasion attacked by Indians in force, but a judicious display of cannonading so terrified them that they never afterwards attempted to molest the whites. The steamer "Beaver," upon which the party came from Fort Vancouver to Victoria, was the first steamship on the Pacific Ocean, and came around Cape Horn in 1835 from England.

In 1849 Vancouver Island was ceded to the Hudson's Bay Company to own and colonize. Richard Blanshard came out the following year as Governor of the new colony, but retired in 1851 and went back to England. There were at that time no more than thirty settlers on the Island. Mr. Douglas, Chief Factor, was made Governor after Blanshard, and with a council of three, governed the colony. In 1856 the first legislative assembly was elected and the first parliament held. Sittings took place in the old Hudson's Bay fort, and Hon. J. S. Helmcken, M.D., was