

border-line between free enterprise and governmental activity in the discovery, processing, and utilization of our national heritage.

As in other fields of human activity a review of the past is essential to an appreciation of present conditions. In the subject now under review it is useful to start with conditions that existed almost 300 years ago.

I. Historical Background

Historical policies relating to the handling of natural resources are important, partly because practices that have been in effect for many years are bound to influence current patterns, and partly because the traditional methods of disposing of land and other resources do much to explain present ownership. And ownership, of course, has a direct bearing on policy. The Biblical aphorism "Where your treasure is there will your heart be also" is true of governments as well as of individuals, and is even more true of joint stock companies!

Canada in the 17th and early 18th centuries can be divided into three areas of significant activity. There was the early development of the St. Lawrence Valley, colonized almost exclusively by the French until after the British conquest in 1763. There were the Maritime Provinces, where progress was difficult because of the frequent changes in government that resulted from fluctuating fortunes in the world-wide conflict between France and Britain. Finally there were the vast and lonely regions inland from Hudson's Bay, where trade with the sparse native population was dominated by the English and the Scots.

Of these developments the movement up the St. Lawrence Valley was of first importance. It opened the great wealth of the fur trade, provided homes for European settlers, and gradually pushed tentacles into the western reaches of lake and prairie. Here it came into abrasive contact with the employees of the Company of Adventurers of England Trading into Hudson's Bay (the full-blown title of the Hudson's Bay Company). This Company, with its rivals and its successors, has exercised a notable influence on the development of Western Canada. From the beginning it represented the northern interest in the conflict between the St. Lawrence and the Hudson's Bay trade routes; a conflict which has continued with varying degrees of intensity, and through an even greater variety of agents, to the present day.

Settlement in the Maritime Provinces was for many years based on fishing and a rather meagre agriculture. This area played little direct part in the economic development of the rest of the continent, although eventually, as was the case with New England in the United States, the exodus of the descendants of the early settlers and the influence of the intellectual and social life of the region made a marked impression on the national history.

In the St. Lawrence Valley, vigorous but restricted and sporadic efforts were made by the French Government to settle the country. Various inducements were used to stimulate emigration to the colony. Free land, government subsidies of various kinds, and (in the case of young ladies) even guaranteed husbands, were offered to those who would settle in New France. It was hoped that this policy would result in a rapid increase in population based firmly on an expanding agricultural and industrial economy. Thus the colony would become profitable in peace and defensible in war.

The desired results did not materialize. The people of France showed a marked disinclination to leave the fields of home for the snow drifts of the New World. The one class in the nation that - judged by the English analogy - might have provided eager and permanent settlers were the Huguenots. But these religious rebels were forbidden entry into New France where the power of the state church was directed towards the establishment of a loyal and orthodox community as a base from which the conversion of the Indians could be directed. The Church, and particularly the great missionary Order of the Society of Jesus, took an almost equally dark view of the fur traders, the Coureurs des Bois, whose commercial ethics and personal morals were sometimes a shock even to the pagan Hurons and Algonquins.