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THE HUDSON'S BAY COMPANY.

“A MILLION:”

SHALL WE TAKE IT?

ADDRESSED
TO THE SHAREHOLDERS OF THE COMPANY
BY ONE OF THEMSELVES.

LONDON:
A. H. BAILY AND CO., EXCHANGE BUILDINGS.
1866.

LONDON
R. CLAY, SON, AND TAYLOR, PRINTERS,
BREAD STREET HILL.

HUDSON'S BAY COMPANY.

“A MILLION:”—SHALL WE TAKE IT?

TO THE SHAREHOLDERS.

BROTHER SHAREHOLDERS,

It is no longer a secret that the Imperial Government has offered to the Governor and Committee of our Company a practical guarantee of ONE MILLION STERLING, for the transfer of our territory.

Shall we take it?

We shall, probably, at no very distant date, be called together to consider this proposal. Many parties are inclined, I believe, to accept it. They argue, that inasmuch as our Capital is only £2,000,000, and inasmuch as our cash and other property in hand is nearly £1,200,000, even at the present valuation, a payment of a million by the Government will repay the Shareholders the whole amount of the Capital, leaving a considerable surplus and sufficient means to continue the present trading.

In the face of our present unsatisfactory dividend (only $4\frac{1}{2}$ per cent.) and the unduly low price of our £20 shares (which are quoted at 16), this is no doubt a tempting prospect.* But, desirable as it may seem to receive back our whole Investment, without in any way impairing the efficiency of the Company, I think it is worth considering whether in surrendering our territory for “a Million” we are not making a great and unnecessary sacrifice; whether, in fact, we should not do better to “wait a little longer,” in the hope of obtaining a much higher price for what we have to offer.

Rumours are afloat of an intention on the part of the Americans to make an offer for our lands, and to

* An attempt was made at the Meeting in November to explain why our Stock stood so low as 20 per cent. below par. I own I was not satisfied with the explanation. I should rather attribute the cause to the absurd secrecy and mystery in which our concerns are enveloped, and the obvious want of enterprize and activity in the conduct of our affairs. As regards the price of our Stock, as I am a holder, and neither a buyer nor a seller, it is comparatively immaterial to me; but I must observe that regarding the Company as a $4\frac{1}{2}$ per cent. paying concern, it is strikingly and ridiculously low. Why, here are the SPANISH CERTIFICATES, which stand unrecognized by any Government, which have nothing in the world to support them except the hopes of the holders, which never have and never will receive interest, and for which the most sanguine holder does not expect, even in the lapse of ages, to receive more than £21,—here, I say, are those documents daily fetching 14, 15, 16, and even 18, whilst our $4\frac{1}{2}$ per cent. paying Stock is marked at 20 per cent. discount. Can anything be more ridiculous?

form a Company to promote their colonization. It is not stated what they intend to offer us, but it may be presumed they would not think of offering less than the sum our own Government is prepared to guarantee. It must be admitted that there would be great political danger were the Americans to acquire these lands, and thus insert a wedge between Canada and British Columbia. At the same time, there are many who think that we are entitled to look for the highest bidder, whether British, Canadian, American, or Russian. The relative advantages of these offers is not, however, what I desire to discuss; the question is whether we cannot do better with our property than to sell it?

With a view to your decision upon this question, I am anxious that you should well consider—

FIRST. The present condition of our Company.

SECOND. Its immediate prospects.

I.

THE POSITION OF THE COMPANY.

THE Hudson's Bay Company, as you are aware, was originally incorporated in 1670 under a Royal Charter of King Charles II. By this Charter "the Governor and company of adventurers of England trading with Hudson's Bay," were invested with a vast tract of territory extending from Upper Canada to the Pacific Ocean, together with the sole right of trade and commerce, and all mines royal within the territory. The powers granted to the Company were, in fact, unlimited, and during the two centuries which have elapsed since the Grant was made, the Agents and Officers of the Company have exercised exclusive influence over the vast territory under their control.

Almost from its very outset the trading operations of the Company were successful: a circumstance which, perhaps, more than anything else, has contributed to the present condition of affairs. As early as 1684 the Company paid a dividend of 50 per cent. In 1688 another dividend was paid of 50 per cent. In 1689, 25 per cent. was paid. Between 1690 and 1800, a period of 110 years, the Company paid between 60 and 70 per cent. per annum. For

some time after this the Hudson's Bay Company was subjected to formidable and dangerous rivalry on the part of a Colonial Association called the North West Company, which it was afterwards obliged to absorb. But in 1837 the consolidated Company paid a dividend of 5 per cent., with a bonus of 6 per cent. ; in 1849, it paid 10 per cent. ; in 1850, 10 per cent., and so on, down to 1856.

In 1863 the affairs of the Company were handed over to the present proprietary with a view to a large extension of the Company's operations. The prospectus set forth that—

“The operations of the Company have been hitherto, with slight exceptions, wholly of a trading character. It has become evident that the time has arrived when these operations must be extended, and the immense resources of the Company's territory, lying as it does between Canada and British Columbia, should be developed in accordance with the industrial spirit of the age, and the rapid advancement which colonization has made in the countries adjacent to the Hudson's Bay territories.”

The property of the Hudson's Bay Company, which was handed over to us in 1863, consisted of—

1. ASSETS (valued recently and specially) £1,023,569.
2. LANDED TERRITORY, held under the Charter, and extending over 1,400,000 square miles, or upwards of 896,000,000 acres.
3. CASH BALANCES, amounting to £370,000.

The ASSETS consisted of goods in the hands of

the Agents with which to conduct the fur trade of the Company ; of goods on shipboard ; of shipping, business premises in London, and buildings in the territory necessary for carrying on the trade at the various posts.

The LANDED TERRITORY embraces, not only the districts in which the fur trade is conducted, but a large area, on the southern frontier of the property, eminently adapted for European colonization. This district produces, from a most fertile soil, abundance of wheat and other cereal crops. It is capable of sustaining a numerous population. The territory contains no less than 1,400 miles of navigable lakes and rivers, running, for the most part, east and west, and constituting not only a means of settlement but an important feature in the means of communication between the Atlantic and Pacific Oceans. The navigable water-line of the lakes and rivers in the Company's territory is 2,757 miles, and the shore-lines nearly 6,000 miles.

In addition to their Chartered Territory, the Company possesses, under titles confirmed by Her Majesty's Government, several plots of valuable land in British Columbia, occupying the most favourable sites at the mouths of the rivers : also farms and building sites in Vancouver's Island ; and in Canada 10 square miles at La Cloche in Lake Huron, and tracts at 14 other places, including a property in Montreal.

In the valley of the Saskatchewan there is a district of land called the "FERTILE BELT," which is unsurpassed for the richness of its soil and its adaptability for agricultural purposes. This great district is said to be capable of maintaining *twenty millions* of people, and the explorations of Simpson, Palliser, Hind, Blakiston, and others, all prove that within this territory exists the most fertile land in America, west of the Mississippi. Captain Palliser says :—

"The extent of surface drained by the Saskatchewan and other tributaries of Lake Winnipeg, which we had an opportunity of examining, amounts in round numbers to 150,000 square miles. This region is bounded to the north by what is known as the 'strong woods,' or the southern limit of the great circum-Arctic zone of forest which occupies these latitudes in the northern hemisphere. Between the line of the 'strong woods,' and the northern limit of the true prairie country, there is a belt of land varying in width, which at one period must have been covered by an extension of the northern forests, but which has been gradually cleared by successive fires. It is now a partially wooded country, abounding in lakes and rich natural pasturage, in some parts rivalling the finest park scenery of our own country. Throughout this region the climate seems to preserve the same character, although it passes through very different latitudes, its form being doubtless determined by the curves of the isothermal line. Its superficial extent embraces about 65,000 square miles, or 40,000,000 acres, *of which more than one-third is AT ONCE available for the purposes of the agriculturist.*"

Mons. E. Bourgeau, who accompanied Captain Palliser in his explorations, has thus reported on the

subject of this territory to Sir W. Hooker, the eminent botanist :—

“ It remains for me to call the attention of the English Government to the advantage there would be in establishing agricultural districts in the vast plains of Rupert’s Land, and particularly on the Saskatchewan, in the neighbourhood of Fort Carlton. The district is much more adapted to the culture of the staple crops of temperate climates, wheat, rye, barley, oats, &c., than one would have been inclined to believe from the high latitude. In effect, the few attempts at cereal culture already made in the vicinity of the Hudson’s Bay Company’s forts demonstrate, by their success, how easy it would be to obtain products sufficiently abundant largely to remunerate the efforts of the agriculturalist. In order to put this land under cultivation, it would be only necessary to till the better portions of the soil. The prairies offer natural pasturage as favourable for the maintenance of numerous herds, as if they had been artificially created. The construction of houses for habitation, and for pioneer development, would involve but little expense, because, in many parts of the country, independent of wood, one would find fitting stones for building purposes, and in others, clay to make bricks.... In the gardens of the Hudson’s Bay Company’s forts—but more particularly in those of the different missions, succulent vegetables of the leguminous family, such as beans, peas, and French beans, have been successfully cultivated; also cabbages, turnips, carrots, rhubarb and currants. Different species of gooseberries, with edible fruits, as well as raspberries, grow wild here.”

Such are the character of the reports respecting this district addressed to the Government at home. But the Queen’s Government are not alone in making

inquiry, and obtaining information respecting our valuable territory. Some time since the Government of the United States took the utmost pains to inform itself on every question relating to Rupert's Land, and there can be no doubt that the Americans most fully appreciate the value of the district. The New York Chamber of Commerce also obtained a Report some time ago, respecting this territory; and I quote the following remarkable passage from that important document:—

“There is, in the heart of North America, a distinct subdivision, of which Lake Winnipeg may be regarded as the centre. This subdivision, like the valley of the Mississippi, is distinguished for the fertility of its soil, and for the extent and gentle slope of its great plains, watered by rivers of great length and admirably adapted for Steam Navigation. It has a climate not exceeding in severity that of many portions of Canada and the Eastern States. It will, in all respects, compare favourably with some of the most densely peopled portions of the Continent of Europe: in other words, it is admirably adapted to become the seat of a numerous, hardy and prosperous community. It has an area equal to eight or ten first class American States. Its great river, the Saskatchewan, carries a navigable water-line to the very base of the Rocky mountains. It is not improbable that the valley of this river may yet offer the best route for a railroad to the Pacific. The navigable waters of this great subdivision interlock with those of the Mississippi.”

I might multiply testimony to the fertile character of this territory, to an extent that would be absolutely wearisome. Every one who has visited the district

speaks in the same terms of it. Sir George Simpson speaks of the valleys west of Lake Winnipeg as presenting "a beautiful country, with lofty hills and long valleys, full of sylvan lakes; whilst the bright green of the surface, as far as the eye could reach, assumed a foreign tinge under an uninterrupted profusion of roses and blue bells." Father de Smet, a devoted missionary to the Indians (whose name is said to be a "tower of strength and faith"), reports the whole country on every side to offer situations favourable for the construction of mills. "The country," he says, "is capable of supporting a large population." A writer in the *New York Knickerbocker Magazine*, says, "Here is the great fact—that the North-Western area of this continent—an area not inferior in size to the whole of the United States east of the Mississippi, an area perfectly adapted to the fullest occupation by the people of cultivated nations, *lies almost wholly unoccupied!*"

But I prefer passing from this general testimony to consider specially the productions of the territory.

Gold has been found on the banks of the Saskatchewan. In December, 1864, gold-seekers there were gathering as much as £4 worth a day; and still more recent advices afford evidence that gold is much more widely diffused throughout this region than was previously known. Copper and malachite exist in the region of the Copper-mine river, as its name expresses. Plumbago, iron, and petroleum have been found on

Lake Athabasca. Salt is found in a very pure state near the Great Slave Lake, and salt springs exist on the borders of other lakes. Limestone occurs at Lake Winnipeg, and granite is found in inexhaustible quantities between Lake Winnipeg, Lake Superior, and Hudson's Bay. Coal has been discovered on the Assouri River near Fort Edmonton, and also on the Red Deer River.

With respect to vegetable productions, the mountainous parts of the territory are covered with timber sufficient to supply the wants of the valleys for centuries. Grass is everywhere; millions of buffaloes find pasture throughout the territory. Wild rice is plentiful, and the whole district is gay with roses, blue bells, woodbine, convolvulus, helianthii, and thousands of nameless and delicate flowers.

The noblest species of game, such as the Buffalo, Cariboo, and Wapiti deer, swarm upon the plains. Of birds there is also an endless variety, from the eagle to the humming-bird. The 'white fish,' (a most delicate species of trout) is found in all the lakes, and in the rivers there are sturgeon, pike, gold-eyes, and many other varieties of fish.

But, above all the resources of this territory, it has to be considered that this district, from its geographical position, and its local circumstances, forms the inevitable future highway from the Atlantic to the Pacific Ocean. The territory of the Hudson's Bay Company presents not only the shortest, but the easiest route

from the Atlantic to British Columbia and Vancouver's Island. Besides which it may be observed, that the Cariboo mines—the principal gold-diggings of the British north-west,—are so far within the Rocky Mountains that they are practically more easily accessible from the Hudson's Bay district than from the coast of the Pacific. The route through our territory is, in fact, the only route which population is likely to follow. Any railroad constructed south of the 49th parallel, and consequently within the limits of the United States, must inevitably pass for a distance of 1,200 miles through uncultivable land. Through the "fertile belt," however, any line of communication would enjoy the great advantage of being fed by an agricultural population from one extremity to the other.

The advantages which would accrue from the construction of a Pacific railroad through our territory are beyond calculation. It would not only open up a large country to civilization, but it would open up to all the cultivators of soil within that country a means of transit to the markets in the Pacific. This route, moreover, would be the shortest and easiest to China, Japan, Australia, and the East Indies. No less than 2,000 miles would be saved by this route between London and Hong Kong. In an engineering point of view there is no route so easy as to follow up the valley of the Saskatchewan. On the whole line from Lake Superior to the Pacific, the chain of the Rocky

Mountains presents the only real engineering difficulty to the construction of a railroad which shall place the Atlantic and Pacific Oceans in communication by way of our territory; and the obstacles presented by the Rocky Mountains are nothing to those of the Mont Cenis, the Alleghanies, or the great Austrian route through Styria.

In the prospectus presented to us in 1862, we were told:—

“With a view of providing the means of telegraphic and postal communication between Canada and British Columbia across the Company’s territory, and thereby of connecting the Atlantic and Pacific Oceans, by an exclusively British route, negotiations have been pending for some time past between certain parties and her Majesty’s Government, and the representatives of the Government of Canada; and preliminary arrangements for the accomplishment of these objects have been made through her Majesty’s Government (subject to the final sanction of the Colonies) based upon a five per cent. guarantee from the Governments of Canada, British Columbia, and Vancouver’s Island. . . . One of the first objects of the [new] Company will be to examine the facilities and consider the best means of carrying out this most important work, and there can be little doubt that it will be successfully executed either by the Hudson’s Bay Company itself, or with their aid and sanction.”

From that time to the present, I am sorry to say that we have heard nothing further of these “negotiations and preliminary arrangements.” We certainly ought, in this year 1866, to be conducting a postal

service through our own territory to Vancouver. As far back as May, 1862, a body of 300 Canadians passed through our territory on an overland journey to the Cariboo mines, prospecting at the sources of the Saskatchewan, and our Governor Dallas was fully authorized by the then Directors of the Company to co-operate in every possible way in opening the route. But here we are still without even a line of postal communication.

What I want my brother Shareholders to appreciate, therefore, is the fact that it is not only this great territory, so easy of cultivation, possessing such infinite resources, so full of navigable lakes, and traversed by such noble rivers, but that it is absolutely the **GREAT HIGHWAY OF THE WORLD'S COMMERCE**, that they are about to sell for—*A Million of Money!*

III.

THE PROSPECTS OF OUR COMPANY.

BUT it may be said, all these are very fine ideas, and probably in the course of some future generation they may be realized: but we cannot afford to wait. "A bird in the hand is worth two in the bush:"—It will be better to take the present advantage offered to us, and leave the purchasers to reap the future benefits.

Now, I am by no means sure that we shall have to wait, for the development of our territory, by any means so long as some people may fancy.

It is to be recollected that the whole set of the tide of emigration has, during the last twenty years, been to the North-west provinces of America,—to *States which are immediately adjacent to our territory*. Think of the marvellous—the utterly unprecedented, increase which has taken place in these States. Only a few years ago, these States, which have now "settled up," as the Americans say,—which are sending members to Congress and exercising important influences

on the future of America,—only a few years ago, I say, the great States of Michigan, Iowa, Wisconsin, and Minnesota, all bordering on Lake Superior, Lake Huron, and Lake Michigan, were what our Hudson Bay territory is now, almost untracked wilderness.

Now, I must ask you to look at some statistics, with a view to judge of the rapidity of colonization, and the growth of the prosperity of the American States which adjoin our own possession.

MICHIGAN.

Michigan was admitted into the Union in 1837. Its population has increased as follows :—

Year.	Population.	Ratio of Increase.
1820	8,765	—
1830	31,639	255.65 per cent.
1840	212,267	570.69 „
1850	397,654	87.34 „
1860	749,113	88.38 „

The State comprises nearly 36,000,000 acres of land. The following is a comparative view of the progress of the agriculture of Michigan between 1850 and 1860.

AGRICULTURE.

	1850.	1860.
Acres under cultivation	1,929,160 ...	3,419,861
„ enclosed but unimproved ...	2,454,780 ...	3,511,581
Cash Value of Farms	\$51,872,446 ...	163,279,087
Value of Farming Implements „	2,891,371 ...	5,855,642

LIVE STOCK.

	1850.	1860.
Horses	58,506	154,168
Cows.....	99,676	200,635
Oxen	55,350	65,949
Other Cattle.....	119,471	267,683
Sheep	746,425	1,465,477
Swine	205,847	374,664
Value of Stock	\$8,008,734	\$23,220,026

CEREAL PRODUCTS, IN BUSHELS.

	1850.	1860.
Wheat	4,925,889	8,313,185
Indian Corn.....	5,641,420	12,152,110
Oats	2,866,056	4,539,132
Barley	75,249	305,914
Buckwheat	472,917	123,202

OTHER PRODUCTS.

	1850.	1860.
Butter	lbs. 7,834,359	14,704,837
Cheese	„ 1,011,492	2,009,064
Wool.....	„ 2,043,283	4,062,858
Value of Animals Slaughtered \$	8,008,734	\$23,220,026
„ Orchard Produce ... „	132,650	1,137,678

Let us take another neighbouring State,

IOWA.

Iowa is nearly ten years younger than her sister State, Michigan; having been admitted to the Union in 1846. In 1830 there were actually no settlers in this State. In 1840 she had a population of 43,112. The following figures show the increase:—

Year.	Population.
1830	None.
1840	43,112
1850	192,214
1860	674,948
1863	702,374

Here are some of the agricultural returns of this State up to the very latest accounts :—

	1850.	1863.
Acres of Improved Land	824,682	4,902,000
Wheat harvested ... bushels.	1,530,581	14,592,000
Indian Corn „	8,656,799	39,000,000

The railways in this State run over 804 miles, and have cost upwards of \$25,000,000 ! The value of real and personal property in this State was assessed in 1864, at \$167,113,639, or upwards of £33,000,000 sterling; *thirty-three times as much as we are expected to take for our possessions.*

And all this progress has been made in fifteen years.

Take the next State—Wisconsin.

WISCONSIN.

This State did not enter the Union until 1848. Its population, in 1840, was estimated at 6,100. It “settled up” so rapidly between 1840 and 1850, that, in the latter year, it had 305,000 inhabitants. In 1860 it numbered 775,881.

The State only contained 20 miles of railroad in 1850: it now has 1,010 miles, which have cost \$37,165,000.

The following are some of its statistics :—

	1850.	1860.
Improved Land acres.	1,045,499 ...	3,746,036
Unimproved, but owned..... „	1,931,159 ...	4,153,134
Cash Value of Farms \$	28,528,563 ...	131,117,082
„ Implements... .. „	1,641,568 ...	5,758,847
Real Estate & Personal Property „	42,056,595 ...	263,671,668
Value of Live Stock „	4,897,385 ...	17,807,366

PRODUCTS.

		1850.	1860.
Wheat	bushels.	4,286,131 ...	15,812,625
Indian Corn	„	1,988,879 ...	7,565,290
Rye	„	81,253 ...	888,534
Oats	„	3,414,672 ...	11,059,270
Potatoes.....	„	1,402,077 ...	3,848,505
Butter	lb.	3,633,750 ...	13,651,053

The value of flour and meal produced in this State during the year 1850 was \$3,536,293; in 1860, \$8,160,183; or an increase of 130 per cent. The value of lumber, plain and sawed, in 1850, was \$1,218,516; in 1860, \$4,836,159, or an increase of 297 per cent.

Marvellous as is the progress of Wisconsin, it is, however, nothing to that of *our next-door neighbour*,

MINNESOTA.

Minnesota was admitted into the American Union, and permitted to enjoy the rights of a sovereign State, so recently as 1857—*only eight years since!* Her progress has been without a parallel in the annals of any territory, ancient or modern, in the world. And this, I should observe, has been in the face of the most disastrous circumstances. In the early period of the settlement, the cultivated part of Minnesota was inundated by a plague of grasshoppers. After eating up every green thing in the country, they disappeared in the middle of the summer; but left behind them a deposit of eggs, which hatched in the year following, and produced a second plague far greater than the first. The grass-

hopper plague lasted three years, and after that came a worse trial for the settlers even than the plague of grasshoppers. The country, in 1862, was surprised by a general uprising of the tribe of the Sioux Indians, settled in the State, who massacred all the whites they could lay their hands on, butchering more than 500 in cold blood. They also devastated all their cultivated lands, carrying off booty to the amount of a million dollars. Minnesota, up to 1862, had contributed no less than 12,266 men to the northern armies; yet she was compelled, late in that year, to set on foot a military expedition to expel the Sioux; and this was done so effectually, that in a very short time nearly 3,000 armed soldiers, and upwards of 36,000 militia were enrolled to defend their homesteads, by whom the Indians were speedily and effectually driven from the country to a distant region, where they are no longer dangerous.

From the official records it appears that up to 1850 Minnesota had no settled population at all. In that year the census gave this State 6,077 inhabitants. In 1860 the population had increased to 173,855, and in 1864, to upwards of 350,000: the principal city, St. Paul, a very beautifully-situated place on the eastern bank of the Mississippi, alone containing a population of 16,000. St. Paul is only separated by the river from St. Anthony and Minneapolis, two other thriving towns, which show a population of 10,000. The whole valley of the Mississippi, to Crow Wing, a distance of 128 miles, is reported, on

official authority, to be "lined with thriving villages and towns."

The agricultural statistics of Minnesota are even more astounding than those of her population.

	1850.	1860.
No. of Acres Tilled	1,900 ...	433,267
„ Improved.....	5,035 ...	546,951
Grain and Potatoes harvested... bushels.	71,709 ...	14,693,517

Everything in this State has increased in corresponding proportions ; in fact, the statistics are of such a character, that if they were not the result of the most accurate investigation they would be scarcely credible. The following is a comparative table of the Live Stock in this State in 1850 and 1860 respectively.

LIVE STOCK.

	1850.	1860.
Horses and Mules.....	874	17,263
Working Oxen	655	17,290
Milch Cows	607	38,938
Other Cattle	740	49,781
Total Head of Neat Cattle.....	2,002	106,009
Sheep	80	12,595
Swine	734	104,479
Value of Live Stock	\$92,859	3,210,769

ANIMAL PRODUCTS.

Butter..... lb.	1,100	2,839,500
Cheese	„ —	186,527
Wool	„ —	19,306
Value of Slaughtered Animals.....	\$2,840	480,162

The following table shows the growth of property in the State of Minnesota in twelve years.

Year.	Valuation of Real and Personal Estate. Dollars.	No. of Assessed Counties.
1849	514,936	1
1850	806,437	6
1851	1,282,123	3
1852	1,715,835	8
1853	2,701,437	6
1854	3,508,518	13
1855	10,424,157	18
1856	24,394,395	24
1857	49,336,673	31
1858	41,846,778	37
1859	35,564,492	40
1860	36,753,408	41
1861	38,712,427	41

The water power of Minnesota is one of the principal causes of its flourishing position. The country is described as permeated with navigable rivers, and the number, beauty, and picturesqueness of its lakes, form a marked feature in the scenery of the State. The lakes are from one to thirty miles in diameter—some of them circular, others of very irregular outline. The “water privileges” are already so far in operation that in 1864 there were 65 water-mills (besides 83 steam-mills) for making lumber. The total feet of logs sawn in that year was 110,500,000, and the value of lumber, shingles, and lath was computed at \$1,151,815. Besides these sawing mills there were 63 flour-mills on the water-courses, and 22 steam

flour-mills in other parts. The Falls of St. Anthony alone are computed by intelligent engineers to afford 120,000 horse-power. This is considerably beyond the motive power employed in textile manufactures in England in 1850; and it should be observed that the hydraulic power of Minnesota is not confined to the St. Anthony Falls, but is distributed throughout the State. And the consideration must not be neglected, that this water power, which has formed so great an inducement to settle in Minnesota, is an inducement which presents itself in a still greater degree in every part of our territory.

Mr. Seward, the U.S. Secretary of State, in a recent visit to St. Paul, Minnesota, spoke in the following terms of the resources of the locality:—

“I now find myself for the first time upon the highlands in the centre of the continent of North America, equi-distant from the waters of Hudson’s Bay and of the Gulf of Mexico, from the Atlantic Ocean to the ocean in which the sun sets,—here, upon the spot where spring up almost side by side, the two great rivers of the American Continent [the St. Lawrence and the Mississippi]. The one after a course of 2,000 miles, carrying your commerce half way to Europe; the other, after a distance of 2,000 miles finding its way into the Gulf of Mexico. Here is the place—the central place—where the agriculture of the richest region of North America must pour out its tribute to the whole world. *On the east, all along the shore of Lake Superior, and on the west, stretching in one broad plain* IN A FERTILE BELT across the Continent, is a country where State after State is yet to arise, and where

*the productions for the support of human society in other old crowded States must be brought forth. This is the commanding field. . . . Studying what perhaps may seem to some trifling or visionary, I once cast about me for the future and ultimate seat of the power of the North American people. I had looked at Quebec, at New Orleans, at Washington, and San Francisco, at Cincinnati and St. Louis, and it had been the result of my conjecture that the seat of power for North America would be found in the valley of Mexico, and that the glories of the Aztec capital would be revived by its becoming ultimately the capital of America. But I have corrected that view. I now believe that the ultimate seat of Government on this great Continent will be found somewhere within a circle or radius not very far from the spot on which I stand at the head of the navigation of the Mississippi river.” **

And this is the territory which we are asked to sell for “A MILLION.” “*Shall we take it?*”

Already the State of Minnesota has constructed a Railroad from Milwaukie, † on Lake Michigan, to the City of St. Paul. That Railway is to be carried on to

* A speech of this sort, which expresses so forcibly the American appreciation of the value of our territory, might suggest to Mr. Cardwell the desirability of coming to some decision respecting its affairs. The Americans are at our very boundaries; and nothing so easy as to get up some dispute about lines of demarcation, which may involve both the Imperial and Canadian Governments in difficulties, in which they have everything to lose and nothing to gain.

† Milwaukie, the chief city of Wisconsin, is now the second largest grain-exporting town of the United States. Only a few years since it did not contain a single habitation. The statistics of this place are astounding.

the head of Lake Superior and to Pembina on the frontier of the Hudson's Bay territory. Thus the Hudson's Bay Company's lands will be opened by direct Railway intercourse with the Lakes and with the river St. Lawrence, and it cannot be doubted that, by these routes, the population which is flowing into Minnesota will largely extend itself, in the next decade, into our territory; giving us, without any exertions of our own, all the advantages anticipated in our Prospectus, as likely to result from the colonization of our lands.

The settlement of Immigrants in America uniformly follows the course of the rivers and railroads. Wherever a railroad is constructed, or is placed in course of construction, villages and towns spring up with wonderful rapidity. The Illinois Central Railway presents, perhaps, the most remarkable illustration of this. The Company which constructed this road obtained a concession of lands at each side of the track. Within ten years they have sold 1,500,000 acres of these lands to more than 20,000 settlers; and the result has been to place Illinois at the head of the corn-producing States of America; her production of wheat and Indian corn, in 1860, largely exceeding the production of the two great States of New York and Pennsylvania together. During 1864, this Illinois Central Railway Company sold nearly 264,500 acres of land along their line; a larger aggregate than in any one year since the opening of

the road. The land is sold in quantities to suit purchasers, at low prices, and, either for cash or credit; the price ruling from \$9 to \$15 per acre, according to situation and other circumstances. The sales of 1864 realized to the Company \$2,406,000, or nearly £500,000 sterling; half the whole amount for which we are asked to part with our far more extensive and valuable property.

With such facts as these before us, it would be well to consider carefully whether there is not a far better course open to us than that of parting with our property to the Canadian Government for a "Million." The commencement of a railroad through our territory from Pembina, and a scheme of land sales assimilated to that of the Illinois Central Railroad Company, would, no doubt, bring settlers very rapidly indeed into the region of the "Fertile Belt." If it was thought desirable, a separate Company might no doubt readily be formed to take our land and colonize it: although it may be a great question whether it would not be better to keep the enterprise in our own hands. If we commenced the construction of a railroad through our territory, it is to be considered that it must, ultimately, form a link in the chain of ocean connexion, and must thus acquire immense importance. There are plenty of persons thoroughly acquainted with colonization in America, &c., who would gladly undertake the enterprize on terms: but it seems really worth consideration whether the whole affair would not be better in our own hands.

It may be asked, have we means for such an enterprise? We were told in the original Prospectus that, in addition to all the property handed over to us at home and abroad, "there would be ample funds immediately available for the proposed extended operations of the Company." And so there were; but these ample funds have never been employed. Upon this point let me observe, first, that as the land required is all our own, the means requisite for the construction of a railroad would not be unduly large. Second, I say that, whether large or small, we have abundant funds for any work we may desire to undertake. It was stated at the last meeting, and it is a fact, that not more than half our capital is usefully employed. We have actually got standing at Interest in London, either in private Loans, or investments in Stock or Bonds, a sum of no less than £385,000. Out of our £2,000,000 of capital we have only, on the showing of the last account, £809,000 invested in our trade. It would surely be a good thing to try and do something with all the money which we have lying comparatively unemployed, producing no more than $3\frac{1}{2}$ and 4 per cent. at a time when the Bank rate is up to 8.

Our property is, indeed, very far beyond anything that we have any notion of. You know that hitherto our Accounts have never been audited, and that at the last General Meeting it was agreed to appoint Auditors. From the rumours which are afloat, it would

appear that the facts, as ascertained by these Auditors, go to show an immense excess of property in the hands of the Company *beyond the value at any time exhibited to us*. One fact alone will illustrate the real state of the case. In May last, all our real property in London, and the whole of the fleet of Ships and Steamers employed in our trade, was put down in the "Abstract" sent to us, at £65,164 11s. 5d.

What do you think has occurred since? Why, an offer has been made to us for the block of buildings belonging to us, in Fenchurch Street, of no less than £75,000, or £10,000 more than the estimated value of the whole of our real property, Ships and Steamers! It appears, from an official explanation of the Governor of the Company, that the principal items of real property in this Estimate were "included in the Balance-sheet *only at the value put upon them forty-two years ago!*" The Ships were also set down at sums "much below their real worth."

Then there is our claim on the United States under the Oregon treaty, which, as we were told at the Meeting last November, has been referred to arbitration. In the accounts submitted to us there has never been the slightest suggestion of any sum to be received on this account. I understand that the government of the United States actually offered, at a period not very remote, to pay our Company a Million dollars (say £200,000 sterling), on account of this

claim. The offer was then refused, the Company claiming a very much larger sum. What may be the result of the arbitration I cannot say. You will remember that the last Report assured us that our case in America was in excellent hands. Judge Curtis, "a gentleman of admitted ability and integrity, has been sworn in as Umpire, and our case in America is in the hands of the Honourable Charles Day, of Montreal, as leading counsel, in whom the committee have full confidence." It was anticipated, in the last Report, that a conclusion might be arrived at before the end of the past year. The result has not yet reached us; but it cannot be far off. And the probabilities are, that this result will bring another very large item to our credit—a sum certainly not less than that which the United States Government offered not very long ago.

Let us, then, just review the position—

Our Cash Balances, Investments, &c., as per Balance Sheet, amount to	£386,581 18 0
Our Fenchurch Street Property realizes	75,000 0 0
Our Claim on the United States may be expected to produce not less than	200,000 0 0
Our advances on account of the Fur trade are taken at	809,149 19 0

Our real Property in London, our
Fleet of Ships, Steamers, &c.,
(evidently greatly undervalued)

was taken in last Report at . 65,164 11 5

These figures show to our credit upwards of a MILLION AND A-HALF of property, or *three-fourths* of the whole amount of our large capital, without estimating one farthing as the value of our territorial possessions in America, our lands in Canada, British Columbia, and Vancouver's Island, the establishments, and improved estates, and live stock, goods, materials, &c. at our numerous ports and agencies, or any of our other miscellaneous property. You are aware that we have five principal depôts, and no less than 164 different trading ports in America. These have been valued at nearly £400,000.

In 1856, the "Company's lands and buildings, exclusive of those in Vancouver's Island and Oregon, were estimated at £318,884 12 8

"The amount invested at Fort Victoria, and at other establishments and ports in Vancouver's

Island, was estimated at . . 75,000 0 0

You will remember that the chairman told us, in November, that our Vancouver's Island property, which is gradually being sold, had produced, last year, \$34,584. "It would be easy," he said, "to throw more land upon the market and to press sales, but to

do so would be to depreciate the value, and, therefore would be unwise."

It is clear, therefore, that we have abundance of means, present and prospective, for any enterprise we choose to undertake. Looking at the advance which the adjacent States have made, at the wonderful development of real and personal property within them, and at their greatly enhanced value in consequence, should we not do well to apply some of those means which we now have lying comparatively idle, in endeavouring to produce the like results? At any rate, should we do well to listen to an offer of such a sum as a Million for our rights? I believe firmly that in ten years we shall acquire ten Millions, if we only apply ourselves to turn our territory to account. At any rate, ought we not to try and find the best market and the highest bidder? If our own shareholders, as a body, are unwilling to launch out as thus proposed, might we not confer with others who are now ready to do so? Considerable purchases of our stock are known to have been recently made by leading American capitalists in London for American account. The Americans evidently have an eye to our territory, and a far better appreciation of its value than anybody else. If it were deemed unpatriotic to make over our rights either to the Government of the United States, or to an American Company, there is still no reason why we should not deal with Americans in the form of a concession of certain lands and privi-

leges with specified objects ; and in this way, I cannot doubt, very much more than a Million would be realized. At any rate, let us ask ourselves, How much would the Americans give us ?

With the progress of Minnesota as one of the great subjects of observation and daily conversation in the United States, the importance of the adjacent territory, and especially of the region of the "FERTILE BELT," cannot fail to be increasingly felt. The Americans, as before observed, understand the theory and practice of colonization and the all-important results and consequences of it, far better than any other people. On all these points the Canadians are most unfortunately backward. Even as I write, a paragraph meets my eye in a London journal, copied from a leading Toronto newspaper, in which the idea of giving the "extravagant" sum of a Million to "the Hudson's Bay people," is most earnestly deprecated. The miserable peddlars in Canada have the smallest ideas of enterprize and advancement. With one of the largest and finest territories in America at their feet, the Canadians remain almost a stagnant people—numbering in both their provinces a population inferior in number to that of the single State of New York, and scarcely greater than that of the recently populated State of Ohio. The Canadians are spiritless and poor : and, as too often happens with poverty-stricken people, they are insanely jealous of every one richer than themselves, or who is likely

to do better. A Million of money—a sum which they probably could only muster with difficulty—strikes the Canadian mind as an immense extravagance, which must necessarily involve some enormous job.

But what, let me ask, is a Million of Money?

A MILLION is only *one-seventieth* part of the annual revenue of Great Britain and Ireland.

A MILLION is one *six-hundredth* part of the treasure expended in the three years of the American War.

A MILLION is one *five-hundredth* part of the annual import and export trade of Great Britain.

A MILLION is one *sixty-eighth* part of our annual trade with the United States before the War.

A MILLION is one *twenty-fifth* part of the sum we annually expend on our Army and Navy.

A MILLION is about *sevenpence-halfpenny* for each acre of our territory! *Shall we take it?*

A MILLION is about one *fiftieth* part of the sum which the Canadians might well, and wisely, and advantageously expend in endeavouring to bring a population into their sparsely-peopled country, or into the adjacent territories.

But I fear little is to be expected from the Canadians.

If they are to have our territory, at least, Brother Shareholders, let us see to one thing. The Imperial Government offers to “guarantee” the payment of the “Million” by the Canadians: a very necessary gua-

rantee, no doubt. But I say, do not let us be satisfied with a guarantee. "Down with the Dust;" "Cash Payments," and "No Credit," should be our cry. Do not let us be put off with promises or guarantees. Let us sell to the highest bidder, and ask for the money down. If the Canada people get our territory the probabilities are they will do little with it. They do not seem to have either the means, the self-reliance, or the enterprise. They will probably be shuffling and scheming, for half-a-dozen years to come, how to get off the payment, and throw the responsibility of the Million on the Imperial Government. I say let us require *the Cash*, and take nothing less—*if we sell at all*.

Which I humbly submit, in the aspect of our affairs, with our ample resources, and with the brilliant prospect before us, is not only utterly unnecessary, but involves a shocking sacrifice.

Wishing you all the compliments of the season,

I remain,

Brother Shareholders,

Yours sincerely,

ONE OF YOURSELVES.

LONDON,

January, 1866.

NOTE.

IN the preceding pages I have purposely abstained from any reference to the TRADING of the Hudson's Bay Company. It is understood that the consideration for the purchase of our Lands is not to cover our Fur trade—that the hunting-grounds of the Company will be reserved, and our trade continued. It is out of the profits of the trading that our dividends are paid, and there is certainly reason for believing that those profits are sufficiently ample to allow us a larger dividend than that $4\frac{1}{2}$ per cent. per annum, which the Committee so steadily and cautiously administer. Respecting the trading, however, an observation has been made to me, apropos to the subject of this pamphlet, which appears to be worth repeating. Our trading is usually considered to be merely in the furs and pelts, which our agents collect in our territory. But, in point of fact, our trading is of a double character. By the ships which we send to our factories for furs, we carry to the territory stocks of goods of European manufacture, which are sold by our agents at considerable profits to the settlers in our country and the parts adjacent. Now, it is quite obvious that the greater the population, and the greater the wealth of these districts, the greater must be the profit arising to the Company from this class of business. It is especially for our interest, even if we look to profit

from the trading only, to promote, in every way, the colonization and settlement of our territory, and not to allow it to fall into the hands of parties who have no interest in its development. Of course, with a Railway open into our lands, we cannot expect, nor would any of us desire, to maintain a monopoly of trading transactions: that would be both impossible and undesirable. But it is obvious that our old established agencies, our superior knowledge of the population, of their means, and of their requirements, together with the ample Capital we are able to employ, must always give us great advantages in conducting trading operations in the Territory. And we ought to do all we can to extend those operations and make them additionally profitable.

