

The Colonization of Vancouver Island, 1849-1858¹

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Historians of the early colonial period have maintained that the Hudson's Bay Company's colonial experiment on Vancouver Island failed owing to the company's mistaken adoption of the "Wakefield system," a colonial theory premised on high land prices, a land-based exclusionary franchise, and the hope of an ordered and hierarchical society. The company's experiment resulted in the settlement of a mere handful of independent colonists and a small, inbred, and company-dominated local gentry later known as the Family Company Compact. Politically, the colony was polarized between this gentry and the few independent merchants, settlers, and radicals.² Only the arrival of tens of thousands of forward-looking American miners and entrepreneurs in the Fraser River gold rush rescued the colony from its corrupt and moribund state. In this article I question some of these perceptions. I discuss the politics behind the grant of the island to the company, explore the application of the Wakefield system on Vancouver Island, show the extent and variety of land sales before the gold rush, examine the motives for colonial settlement, investigate the limitations and implications of the Wakefield model in a non-agricultural economy, document the ways in which colonists bent the Wakefield system to local conditions, and generalize about the nature of the colonial economy and its impetus to settlement.

The Hudson's Bay Company's colonial experiment must be placed against the backdrop of the company's thirty-year experience in the Columbia Department, the company's vast administrative unit to the west of the Rocky Mountains. At the time of the Oregon Treaty of 1846 as many as

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² John S. Galbraith, *The Hudson's Bay Company as an Imperial Factor 1821-1869* (Toronto: University of Toronto Press, 1957), 283-307.

1,000 Métis employees of the company and their families had retired to farms in the fertile valley of the Willamette River, a southern tributary of the Columbia.³ The Willamette settlement had not, however, been recognized by the British government, and political and institutional barriers prevented formal colonization in the Columbia Department before 1849. Vancouver Island provided company employees with a legitimate colonial opportunity that they had not enjoyed on the Columbia River, and between 1849 and the Fraser River gold rush some 1,000 non-Native people settled on the island. Of these, 180 bought land in the Victoria area, of whom only fifteen had never worked for the Hudson's Bay Company or its affiliate, the Puget's Sound Agricultural Company. The colony, then, gave company employees the chance to settle, belatedly but legally, in British territory west of the Rockies.

The settlement history of the early colonial period on Vancouver Island is more than just the story of a political squabble between the Family Company Compact and the independent settlers. A larger conflict united all settlers. The story of the early colonization of Vancouver Island is one of a struggle between two sharply conflicting approaches, one devised and imposed by theorists and officials in London, and the other originating in local experience and economic circumstances. The history of settlement on Vancouver Island between 1849 and 1858 is the history of the gradual avoidance, erosion, or abandonment of certain key conditions regarding land sales set out in the company's prospectus. The Wakefieldian land laws were opposed by colonial governors Richard Blanshard and James Douglas, by the associate governor of Rupert's Land, Eden Colvile, and universally by the colonists of Vancouver Island.

All settlers, whatever their affiliation with the company, viewed the system devised in London as a hindrance to settlement and commercial development. They understood the need to adapt to a new environment bearing a new set of resources. The Wakefield model assumed the existence of sufficient amounts of arable land to form an agricultural economy. On Vancouver Island, however, such land was scarce, and immigrants concentrated, instead, on the island's varied natural resources, commercial potential, and Native trade. The wealth that allowed colonists to buy land at Wakefield's high prices arose not from the exports of an agricultural economy, but increasingly from the earnings of a commercial, resource-oriented economy, and from Hudson's Bay Company contracts and wages.

³ See Juliet Pollard, "The Making of the Métis in the Pacific Northwest. Fur Trade Children: Race, Class, and Gender" (Ph.D. dissertation, University of British Columbia, 1990).

While company employees had, in the 1830s and 1840s, left the company primarily to benefit from an agricultural opportunity in the Willamette Valley, on Vancouver Island after 1849 they left the company in order to trade, fish, mine, log, retire, and farm.⁴

Political events at first obscured these regional differences. Between 1846 and 1849 high-level negotiations occurred in London regarding the fate of British Oregon. Anxious to cut its losses after the Oregon treaty and to establish a permanent presence on the north Pacific, the British government resolved to establish a colony on Vancouver Island. The Colonial Office accepted the company's offer to colonize the island after rejecting three rival proposals put forward in 1847 and 1848.⁵ The company possessed advantages not shared by its rivals. Its strong ties in the City of London were strengthened in the 1840s when Sir John Pelly served simultaneously as Governor of the Hudson's Bay Company and of the Bank of England.⁶ Such connections gave the company the financial stability necessary to undertake such a costly project.⁷ Officials at the Colonial Office also believed that the Hudson's Bay Company had administered its colony at Red River successfully;⁸ attached great importance to the company's stable "Indian policy";⁹ and knew that the company had already diversified its

⁴ The company laid "the groundwork for agrarian development" south of the border before 1846: James R. Gibson, *Farming the Frontier: The Agricultural Opening of the Oregon Country, 1786-1846* (Vancouver: University of British Columbia Press, 1985), 190. "The border settlement closed off an unexploited agricultural possibility and in the long run, a different, more abundant direction of North American development." R. Cole Harris, "Canada in 1800," in R. Cole Harris, ed., *Historical Atlas of Canada, Volume 1, From the Beginning to 1800* (Toronto: University of Toronto Press, 1987), 171.

⁵ Colonial Office, "Confidential Report on Vancouver Island, 1848," in "Papers Relating to the Colonization of Vancouver Island," in Report of the Provincial Archives Department of British Columbia, *British Columbia Sessional Papers* (Victoria: King's Printer, 1914), V70-V73. See also Galbraith, *The Hudson's Bay Company*, 283-93.

⁶ Reginald Saw, "Sir John H. Pelly, Bart., Governor, Hudson's Bay Company, 1822-1852," *British Columbia Historical Quarterly* 13:1 (January 1949): 23-32. Director Edward Ellice had held cabinet posts in the 1830s under his brother-in-law Earl Grey. See E. E. Rich, ed., *Colin Robertson's Correspondence Book, September 1817 to September 1822* (London: Champlain Society, 1939), 211. Governor H. H. Berens was also a Bank of England director: J. Chadwick Brooks, "HBC and 'The Old Lady': The Company's Association with the Bank of England," *The Beaver* 4: 264 (March 1934): 32-33, 64.

⁷ E. E. Rich, *The History of the Hudson's Bay Company* (Toronto: McClelland & Stewart, 1960): Vol. 1, 660; Vol. 2, 394; Vol. 3, 762; Harold A. Innis, *The Fur Trade in Canada. An Introduction to Canadian Economic History* (New Haven: Yale University Press, 1930; revised edition Toronto: University of Toronto Press, 1962), 124, 126, 332, 376.

⁸ Rich, *Hudson's Bay Company*: Vol. 3, 755; Ormsby, *British Columbia*, 97.

⁹ See Barry M. Gough, "The Indian Policies of Great Britain and the United States in the Pacific Northwest in the mid-Nineteenth Century," *Canadian Journal of Native Studies* 2:2 (1982): 321-37, 324.

west coast operations into activities suited to colonization, especially farming.¹⁰ Finally, the company signified its willingness to abandon its trading monopoly on the island and to adopt a modern plan of colonization.¹¹

In 1849 the third Earl Grey, secretary of state for the colonies, defended the grant in a House of Lords debate. He was reported as follows:

After the treaty with America it became of importance that Vancouver's Island should be settled with as little delay as possible. If the settlement were delayed, and no constituted authority were established, it was clear that in a short time the island would be irregularly occupied by persons whom it would not be possible to dislodge. It had therefore become of importance that some constituted authority should be established. But at the same time it was clear that if the Government were to undertake to form such an authority, considerable expense would be incurred. It would be impossible to colonise such a distant part of the world without entailing considerable expense. If the island was to be colonised at all, it was clear that it must be done either by the Hudson's Bay Company, or by private individuals. Private individuals, however, had not the means or the capital for the undertaking.¹²

The Charter of Grant, dated 13 January 1849, awarded the island to the Hudson's Bay Company for "the advancement of colonization and encouragement of trade and commerce," and set forth the principal conditions of colonization. The main condition was that the company must establish "a settlement or settlements of resident [British] colonists" on the island by 13 January 1854, or forfeit the grant. The grant, then, was revocable at the end of five years. The company was to sell land at a "reasonable price" and spend 90 per cent of land revenues on the colonization and improvement of the island — that is, on public schools, buildings, roads, bridges, and other construction.¹³ Direct taxes were to be absent.¹⁴

¹⁰ See "Papers Relating to the Colonization of Vancouver Island," in "Confidential Report on Vancouver Island," *British Columbia Sessional Papers* (1914), V72-V73.

¹¹ Rich, *Hudson's Bay Company*, Vol. 1, 660; Vol. 2, 394; Vol. 3, 755; Robin Fisher, *Contact and Conflict: Indian-European Relations in British Columbia, 1774-1890* (Vancouver: University of British Columbia Press, 1977), 49, 71-72.

¹² "Administration of Justice (Vancouver's Island) Bill," *The Morning Chronicle*, 30 June 1849, in Provincial Archives of Manitoba, Hudson's Bay Company Archives (hereafter HBCA), A.71/8.

¹³ The Charter of Grant is reprinted in James E. Hendrickson, ed., *Journals of the Colonial Legislatures of the Colonies of Vancouver Island and British Columbia* (Victoria: Provincial Archives of British Columbia, 1980), Vol. 1, 374-78.

¹⁴ In 1850 Simpson told a prospective immigrant that "the price of land is 20/- per acre, of which no less than 8/10ths are appropriated to Colonial purposes, such as the construction of roads, bridges, public buildings &c. leaving the actual cost of the land 2/- per acre the remaining being in lieu of the taxes which would otherwise have to be paid by the settlers for the municipal government &c." Simpson to Thomas Gibbs, 17 September 1850, HBCA A.12/5, fo. 218.

These somewhat general conditions were elaborated in the company's prospectus of 24 January 1849 entitled "Colonization of Vancouver's Island," which stipulated that land would cost £1 an acre; that no sale would be of less than 20 acres; that colonists must pay their own way to the island from Britain; that purchasers of 100 acres or more must "take out with them five single men, or three married couples, for every hundred acres"; that land districts would measure between five and ten square miles; that for every eight square miles of land sold in the colony a square mile would be reserved for the use of the Anglican clergy, and that a further square mile would be reserved for "church and churchyard, schools, or other public purposes." The prospectus also announced that the island's resources would be generally available (except for coal, upon which a royalty was placed), and its ports and harbours open to colonists and foreign merchants alike.¹⁵ Sir John Pelly outlined the conditions of the grant and prospectus in June 1849 as follows:

*The company have no exclusive right of trade in Vancouver's Island. The right ceased when the island became a colony, and if you will take a grant of twenty acres of land there, you will be at liberty to hunt, and fish, and trade with the natives and all the world; and should there happen to be coal under your land, you will be allowed to work it for your own benefit on paying a royalty of thirty pence per ton, of which only three pence, I may remind you, will go into the pockets of the company, and 27- will be appropriated to colonial purposes.*¹⁶

The final clauses of the prospectus made provision for the appointment of governor, council, assembly, and for the passage of laws. In July 1849 "An Act to Provide for the Administration of Justice in Vancouver's Island" was passed at Westminster that introduced English common law to the colony.¹⁷ In December 1849 Chief Factor James Douglas was authorized to extinguish, on behalf of the crown, the proprietary rights of the Native people of the island.¹⁸

The clauses relating to the sale of land were the most contentious conditions of what was, except from a Native point of view, a liberal and

¹⁵ [Hudson's Bay Company], *Colonization of Vancouver's Island* (London: 24 January 1849), HBCA A.37/42 fos. 13-14d.

¹⁶ Sir J. H. Pelly in *The Morning Chronicle*, 28 June 1849, HBCA A.71/8. (Emphasis in original)

¹⁷ This act is reprinted in E. O. S. Schofield and F. W. Howay, *British Columbia from the Earliest Times to the Present Day* (Vancouver: S. J. Clarke, 1914), Vol. 1, 680-81.

¹⁸ See Wilson Duff, "The Fort Victoria Treaties," *BC Studies* 3 (Fall 1969), 3-57.

innocuous document.¹⁹ What made them contentious was the existence of free or cheap land south of the border. These conditions were not, however, the work of local officials like James Douglas, who knew the Oregon land laws intimately. The prospectus was drawn up in London by the company's head office acting on the advice of the Colonial Office, which in turn subscribed to certain ideas of colonial theorist Edward Gibbon Wakefield (1796-1862). This prospectus reflected current wisdom at the Colonial Office more than economic conditions on the west coast of North America. As E. E. Rich observed, Wakefield's scheme was "a dogmatic point in the theory of the economics of colonisation upon which the Colonial Office had pinned its faith, not a subterfuge inserted by the Company."²⁰

Wakefield assumed the presence in the colonies, as in England, of cheap, available labour and of land suitable for the formation of an agricultural economy. He pointed to the failure of the Swan River settlement in New South Wales, founded in 1828, where low land prices had prompted immigrant capitalists and labourers to acquire more land than they needed or could cultivate. This drove up the price of labour and caused a labour shortage. "No one would work for wages if he could obtain land for himself. When land was cheap there was a shortage of labour; capitalists could not employ their money profitably; settlement was dispersed and the possibility of developing a truly civilized way of life prohibited. All this could be corrected, Wakefield claimed, if land were sold for a sufficient price."²¹ Land, labour, and capital were to be introduced to the colonies in appropriate proportions. The high price of land would force ordinary immigrants to engage in wage-labour. They would form a landless pool of immigrant labour which, the theory went, would encourage colonial development by attracting capital.

Capitalists and other well-to-do immigrants would constitute the colonial élite, and over time the landed population would form a representative government. Only if initial barriers were placed on access to land could a properly balanced and hierarchical way of life be recreated in Britain's

¹⁹ Apart from the land laws, the conditions formulated by the Colonial Office and by the Governor and Committee resemble Adam Smith's theories. Smith wrote that the government should be involved in five areas of a nation's economy: defence, administration of justice, public works, public institutions, and institutions of education, and whenever possible it should pay for these activities through fees and fines. Adam Smith, *An Inquiry into the Nature and Causes of the Wealth of Nations* (Oxford: Clarendon Press, 1976), Book V.

²⁰ Rich, *The Hudson's Bay Company*, Vol. 3, 760. See also Fisher, *Contact and Conflict*, 58.

²¹ Hugh Johnston, *British Emigration Policy 1815-1830: Shovelling out Paupers* (Oxford: Oxford University Press, 1972), 116.

colonies.²² "It is the great merit of E. G. Wakefield," Karl Marx wrote a few years later, "to have discovered, not anything new about Colonies, but to have discovered in the Colonies the truth as to the condition of capitalist production in the mother-country."²³ Marx considered Wakefield "the most notable political economist of the 1830s."²⁴

It should be noted that the scheme was intended to do more than reproduce a social hierarchy. It also bore the promise of individual mobility: Wakefield hoped to encourage both wage-earning labourers and gentry to emigrate to the colonies where they could improve their social and economic situation within a model English setting. Prosperous labourers would be encouraged to buy land with their savings and obtain the franchise that went with it. The whole scheme depended on the presence of agricultural land, on a steady flow of wealthy emigrants in search of land, and on the presence of landless immigrants willing to engage in wage labour for the landowners.

The decision to impose the Wakefield system on Vancouver Island was made by Earl Grey, an enthusiastic Wakefieldian.²⁵ In June 1849 he defended the proposed price of land in a speech before the House of Lords. He pointed out that the government had given the company no particular powers or privileges, only the right to sell land in the colony: "... nothing was given them but merely the land of Vancouver's Island . . . as was the case of the Canada Company, the South Australia Company, the New South Wales Company, and the New Zealand Company." And *The Morning Chronicle* reported him further as follows:

He believed that colonists would find it very much cheaper to pay 20 s. an acre for land in a colony where they were sure the price would be expended upon the land, than to go where they could get land for nothing, and be obliged to get on as they best could without any assistance. In Western Australia the experiment was tried. The people got the land for nothing, and it was a ruinous bargain. In South Australia they had to pay 1 £ an acre, and they were well pleased with their bargain.²⁶

Governor Pelly and his committee were equally enthusiastic about Wakefield. In December 1849 the company's secretary explained to Hud-

²² Graeme L. Pretty, "Edward Gibbon Wakefield," in *Australian Dictionary of Biography 1788-1850*, Vols. 1-2 (Melbourne: 1967), 559-62.

²³ Karl Marx, *Capital A Critique of Political Economy Vol. 1*. (Chicago: Charles H. Kerr & Company, 1906), 839.

²⁴ M. F. Lloyd Pritchard, ed., *The Collected Works of Edward Gibbon Wakefield* (Auckland, New Zealand: Collins, 1969), 24.

²⁵ Margaret A. Ormsby, *British Columbia: A History* (Toronto: Macmillan of Canada, 1958), 97-101.

²⁶ "Administration of Justice (Vancouver's Island) Bill," *The Morning Chronicle*, 30 June 1849, HBCA A.71/8. See also Ormsby, *British Columbia*, 97-98.

son's Bay Company chief factor James Douglas their reasons for charging £1 an acre for land, in a passage that Fisher has described as "pure Wakefield":²⁷

The object of every survey system of colonization should be, not to re-organize society on a new basis, which is simply absurd, but to transfer to the new society whatever is most valuable and most approved in the institutions of the old, so that Society may, as far as possible, consist of the same classes, united together by the same ties, and having the same relative duties to perform in the one country as in the other.

The Committee believes that some of the worst evils that afflict the Colonies have arisen from the admission of persons of all descriptions; no regard being had to the character, means or views of the immigrants. They have therefore established such conditions for the disposal of lands, as they trust will have the effect of introducing a just proportion of labour and capital, and also of preventing the ingress of squatters, paupers and land speculators. The principle of Selection, without the invidiousness of its direct application, is thus indirectly adopted.²⁸

The Londoners, by translating a plausible theory into official policy, ignored the reality of economic conditions on the west coast of North America. They were unaware of the colony's limited agricultural potential and of the scarcity and expense of European labour there. With no knowledge of the California gold rush of 1849 they could not have foreseen the difficulties prospective landowners would have in hiring and retaining labourers,²⁹ and as yet they were unaware of the island's lack of arable land. They showed, however, a puzzling ignorance of Oregon's generous land laws which caused such a drain on colonial immigration; company officials at Fort Vancouver had over the years kept the Governor and Committee provided with copies of these land laws.³⁰

The question here is how the Wakefield system was received and implemented on Vancouver Island. Wakefield was not welcomed on Vancouver Island, neither by local Hudson's Bay Company officials, nor by visiting Rupert's Land governor Eden Colville, nor by the first two governors of

²⁷ Fisher, *Contact and Conflict*, 58.

²⁸ Barclay to Douglas, 17 December 1849, in Hartwell Bowsfield, ed., *Fort Victoria Letters 1846-1851* (Winnipeg: Hudson's Bay Record Society [hereafter HBRS], 1979), lii-liiii.

²⁹ See, e.g., Dorothy Blakey Smith, ed., *The Reminiscences of Doctor John Sebastian Helmcken* (Vancouver: University of British Columbia Press, 1975), 294.

³⁰ Oregon's "Bill on Land Claims" of June 1844, for example, was sent to London and is reproduced in E. E. Rich, ed., *McLoughlin's Fort Vancouver Letters, 1844-1846* (London: HBRS, 1944), 237-38.

Vancouver Island, Richard Blanshard and James Douglas. Blanshard thought the Wakefield system "a mere theory, sure to fail in practice."³¹ Even Wakefield had recognized that his scheme would not work in Upper or Lower Canada because "an increased price of land would simply divert settlement to the United States."³² All landowners, from the colonial surveyor to the independent merchants, regarded the high price of land and other land regulations as diametrically opposed to colonization.

The greatest proponent of colonization on the island was James Douglas. It is true that he once said "the interests of the Colony, and Fur Trade will never harmonize, the former can flourish, only, through the protection of equal laws, the influence of free trade, the accession of respectable inhabitants; in short by establishing a new order of things, while the fur Trade must suffer by each innovation."³³ This quotation is often used to bolster arguments that the company's colonization of the island was doomed because the fur trade was fundamentally incompatible with settlement, as indeed, strictly speaking, it may have been.³⁴ Yet there was more to the Hudson's Bay Company than the fur trade. Douglas made this theoretical statement in 1838 with special reference to the fur trade of the Columbia River and before he had any practical experience with colonization. The "colony" he referred to was the Willamette. Economically and politically, Vancouver Island was not the Columbia. None of the company's posts or farms on the island was founded or maintained for the trade in fur, though some valuable fur existed and some was traded to the island from the Native people of the mainland. In practice, Douglas found it possible to harmonize the interests of the colony with those of the Hudson's Bay Company, not as a fur trade company, but as a resource development company and as a colonial proprietor.³⁵ Douglas brought with him to the island twenty years' experience at Fort Vancouver where, next to John

³¹ *Helmcken's Reminiscences*, 285.

³² H. J. M. Johnston, "Edward Gibbon Wakefield," in Frances Halpenny, ed., *Dictionary of Canadian Biography*, Vol. 9 (Toronto: University of Toronto Press, 1976), 817-19, 817.

³³ Douglas to Governor and Committee, 18 October 1838, in E. E. Rich, ed., *McLoughlin's Fort Vancouver Letters 1825-1838* (London: HBRS, 1941), 242.

³⁴ For example, Galbraith, *The Hudson's Bay Company*, 12; Arthur Throckmorton, *Oregon Argonauts. Merchant Adventures on the Western Frontier* (Portland: Oregon Historical Society, 1961), 75; Fisher, *Contact and Conflict*, 48. See Gibson, *Farming the Frontier*, 144, 189, for a discussion of the background to Douglas's remarks.

³⁵ Keith Ralston first characterized the Hudson's Bay Company as a resource development company in "Miners and Managers: The Organization of Coal Production on Vancouver Island by the Hudson's Bay Company," in E. Blanche Norcross, ed., *The Company on the Coast* (Nanaimo: Nanaimo Historical Society, 1983), 42-55.

McLoughlin, he had been the major architect of the company's programme of economic diversification on the Pacific coast.³⁶

Douglas may have been the hard-nosed autocrat of legend — he was known as “Old Square Toes” by Hudson's Bay Company clerks — but he also had an extensive practical knowledge of “frontier” settlement and economic conditions. He had been a Justice in the Oregon Provisional Government; he knew the Oregon land laws intimately; he knew that labour was scarce and expensive on the west coast; and he knew that land, at least to start, should be free or cheap if immigrants and capital were to be attracted. In December 1848, before receiving a copy of the company's prospectus, he ventured his own ideas for the settlement of the island:

The first settlers in this country will have many difficulties to contend with, first the scarcity and quality of food, the want of society, . . . I would therefore recommend that a free grant of 2 or 300 acres of land be, in the first instance, made to each family, to give them a property interest in the country. As the Settlement improved, and the means of living increased, the free grant of land might be discontinued.³⁷

Years before he was appointed governor of the colony, while still a chief factor and member of the Columbia Department's Board of Management, Douglas expected some say in the disposal of land. Settlement was a subject, Eden Colville told Pelly in November 1849, in which Douglas “takes great interest.” Douglas wished to open a land office in the colony immediately “and dispose of lots to British subjects making application for the same”:

He might also proceed forthwith to lay out town lots in eligible situations on the said reserves or elsewhere, in the disposal of which I think he should not be bound down by any rigid instructions as to price &c., inasmuch as it is frequently desirable to encourage in the first instance, by placing a moderate

³⁶ People have been writing about the company's diversification on the Pacific coast, with no reference to one another, for the last hundred years. See, e.g., Joseph William McKay, “The Fur Trading System,” in *The year book of British Columbia . . .*, comp. R. E. Gosnell (Victoria: 1897), 21-25; F. W. Howay, “The Fur Trade in Northwestern Development,” in H. Morse Stephens and Herbert E. Bolton, eds., *The Pacific Ocean in History . . .* (New York: Macmillan, 1917), 276-86; Robie L. Reid, “Economic Beginnings in British Columbia,” *Proceedings and Transactions of the Royal Society of Canada*, Third Series, 30, (1936), 89-108; Lamb's introductions to *McLoughlin's Fort Vancouver Letters*; Ormsby, *British Columbia*, 71-81; Mary Cullen, *The History of Fort Langley* (Ottawa: National Parks and Sites Branch, 1979); Ralston, “Miners and Managers”; Richard Mackie, “Colonial Land, Indian Labour, and Company Capital: The Economy of Vancouver Island, 1849-1858” (M.A. thesis, University of Victoria, 1984); Gibson, *Farming the Frontier*, 18, 77, 198; James R. Gibson, “A Diverse Economy. The Columbia Department of the Hudson's Bay Company, 1821-1846,” *Columbia* (Summer 1991): 28-31.

³⁷ Douglas to Pelly, 5 December 1848, in *Fort Victoria Letters*, p. 34.

or even a nominal price on those lots, the establishment of mechanics and others, whose presence will give an enhanced value to the lots in the vicinity.³⁸

Plans such as these were shattered upon receipt of the company's prospectus. Both as the company's agent for land sales, and later as governor, Douglas lacked the power to reduce the price of land. Nonetheless he was a consistent advocate of a liberal land policy and a steadfast opponent of the restrictive land laws embraced so enthusiastically by Earl Grey and the Governor and Committee. The most onerous restrictions in the company's prospectus were those stipulating that landowners bring with them three married couples or five single labouring men for every 100 acres of land (the labour clause), and that rural land should be priced at £1 an acre. In 1852 the company, on Douglas's advice, cancelled the labour clause for residents of the colony, and in the years that followed he found ways of evading the full terms of the second condition.

Company employees on the west coast regarded the land laws with incredulity when they heard of them. Most had large families and had looked forward to settling on the island after their tribulations south of the border or in the interior. "They are almost all married and have large families," wrote naval officer Richard Mayne, who visited Victoria first in 1849; "their wives being generally half-breed children of the older servants of the Company. Marriage has always been encouraged amongst them to the utmost, as it effectively attaches a man to the country. . . ." ³⁹ Work, Tod, and Tolmie were among the most vociferous of the intending settlers. Work's response was perhaps typical:

I fear the Colony won't increase fast, the terms are so high, 1 £ p. Acre, and to bring out many labourers in proportion to the quantity of land purchased will put it out of the power of any but Capitalists to embark in the undertaking. The Company were ill advised in adopting such extravagant terms, more especially when land can be had on the opposite side of the straits from the Yankies at 1/3 the price & even for nothing on the mainland on our side of the line. I would be sorry indeed should the colony not thrive. . . . I think it would have been no great stretch of liberality in the Company to have given grants gratis to their old servants worn out in their employ especially those who have no means to purchase and Set themselves a going.⁴⁰

³⁸ Colville to Pelly, 22 November 1849, in E. E. Rich and A. M. Johnson, eds., *Eden Colville's Letters, 1849-1852* (London: HBRs, 1956), p. 11.

³⁹ Richard Mayne, *Four Years in British Columbia and Vancouver Island; an Account of their Forests, Rivers, Coasts, Gold Fields, and Resources for Colonisation* (London: John Murray, 1862), 116.

⁴⁰ Work to Ross, 7 January 1850, Ross Papers, BCARS.

Tod, perhaps in protest, "commenced a farm at Fraser's River" in 1850 which, however, he had abandoned by year's end.⁴¹ "I wonder if people will be such fools as to take lands on the terms proposed," Work mused from Fort Simpson; "It is to be feared that many of those sent out at a heavy cost to some one or other, particularly the labourers will be seized by the gold fever and be off to California leaving the more respectable who may remain without hands to carry on their operations."⁴² Eden Colville concurred. "I would not insist on the condition of bringing out labourers," he told Simpson; "They would not stop except at high rates of wages, are unacquainted with the use of the axe, and grumble incessantly."⁴³ Tolmie expressed his concern in a private letter to London in March of 1850: "The clause in the prospectus providing that labourers shall be brought out by each purchaser of 100 acres of land amounts to an obligation to bring so many settlers to American Oregon. . . . nothing but an extremely liberal policy will induce intending settlers to select Vancouver's Island as their place of abode. . . ."⁴⁴

In June 1850, Sir George Simpson, governor-in-chief of Rupert's Land, bowed to pressure from Douglas and others in recommending to the Governor and Committee the abandonment of the labour clause owing to the high price of labour and inducement of free or cheap land in Oregon. His reasoning reflected a knowledge of the character of fur trade settlement at Red River, Willamette, and elsewhere:

[Company officers] who contemplate settling there are married men with families, who, without being bound to do so, would take with them to the Island a number of connexions and retainees, in most cases, I have little doubt, in a larger proportion to the number of acres they would occupy than required by the prospectus. . . . From their previous habits, they would be better able than strangers to provide themselves with the means of subsistence, until the resources of the country could be more fully developed.⁴⁵

Three months later, in August 1850, Simpson notified Douglas that he would urge the abandonment of the labour clause on the grounds that it "appears almost tantamount to a prohibition of Settlement in the present

⁴¹ Colville to Simpson, 26 October 1849, in *Eden Colville's Letters*, 183; Work to Ross, 27 November 1850, Ross Papers, BCARS.

⁴² Work to Ross, 27 November 1850, Ross Papers, BCARS.

⁴³ Colville to Simpson, 7 December 1849, in *Eden Colville's Letters*, 187.

⁴⁴ Tolmie to Agents of the Puget's Sound Agricultural Company, 2 March 1850, Tolmie Letterbook, BCARS. See also Colville to Simpson, 28 October 1849, in *Eden Colville's Letters*, 183.

⁴⁵ Simpson to Governor and Committee, 26 June 1850, HBCA A.12/5, fos. 141-42.

state of the Northern Pacific.”⁴⁶ In 1852, the company finally “relaxed” the labour clause in cases where landowners were already residents of the colony, a gesture that benefited the settlement of colonists with some connection with the Hudson’s Bay Company. Governor Andrew Colvile expected that such colonists “might influence the labourers, whose term of service [had] expired, to take service with them for the cultivation of their lands.”⁴⁷

The second onerous condition, the £1 an acre law, proved impossible to dismantle, though Douglas found a way around it by settling company servants unobtrusively on the island and charging only for cultivable land. After 1851 he granted town and country lots to veteran Hudson’s Bay Company labourers for remaining faithful to their contracts.⁴⁸ As governor, he awarded small land grants in lieu of wages or services, and he established a couple of “frontier villages” near Victoria in 1852 and 1853 for defensive purposes.⁴⁹ In 1853, along with the colony’s legislative council, Douglas dispensed with the property qualification pertaining to Justices of the Peace and authorized that they be paid for their services. As he told the new secretary of state for the colonies, the Duke of Newcastle, in 1853, with more than a trace of sarcasm, “the reason in both cases being the absence of a wealthy class who might afford to devote their time gratuitously to the public service.”⁵⁰ In 1854 he reminded Newcastle that the American government gave grants of a square mile of land, “a principle of liberality which I beg to suggest to your Grace, prodigiously strengthens American influence in this part of the world, and contrasts advantageously with the system of colonization followed on Vancouver’s Island, which may suit the condition of other colonies; but will I fear, never succeed in the vicinity of American settlements. . . .”⁵¹ In 1856 he and the surveyor, Joseph Despard Pemberton, instituted a pay-by-instalment plan that quickened land sales by encouraging the poorest aspiring landowners.⁵² In these ways they introduced a degree of flexibility to the Wakefield system.

The £1 an acre law nonetheless remained in effect on Vancouver Island

⁴⁶ Simpson to Douglas, 30 August 1850, HBCA D.4/42, fos. 68-69.

⁴⁷ Andrew Colvile to Sir John Pakington, 1 December 1852, C.O. 305/3, fos. 475-479.

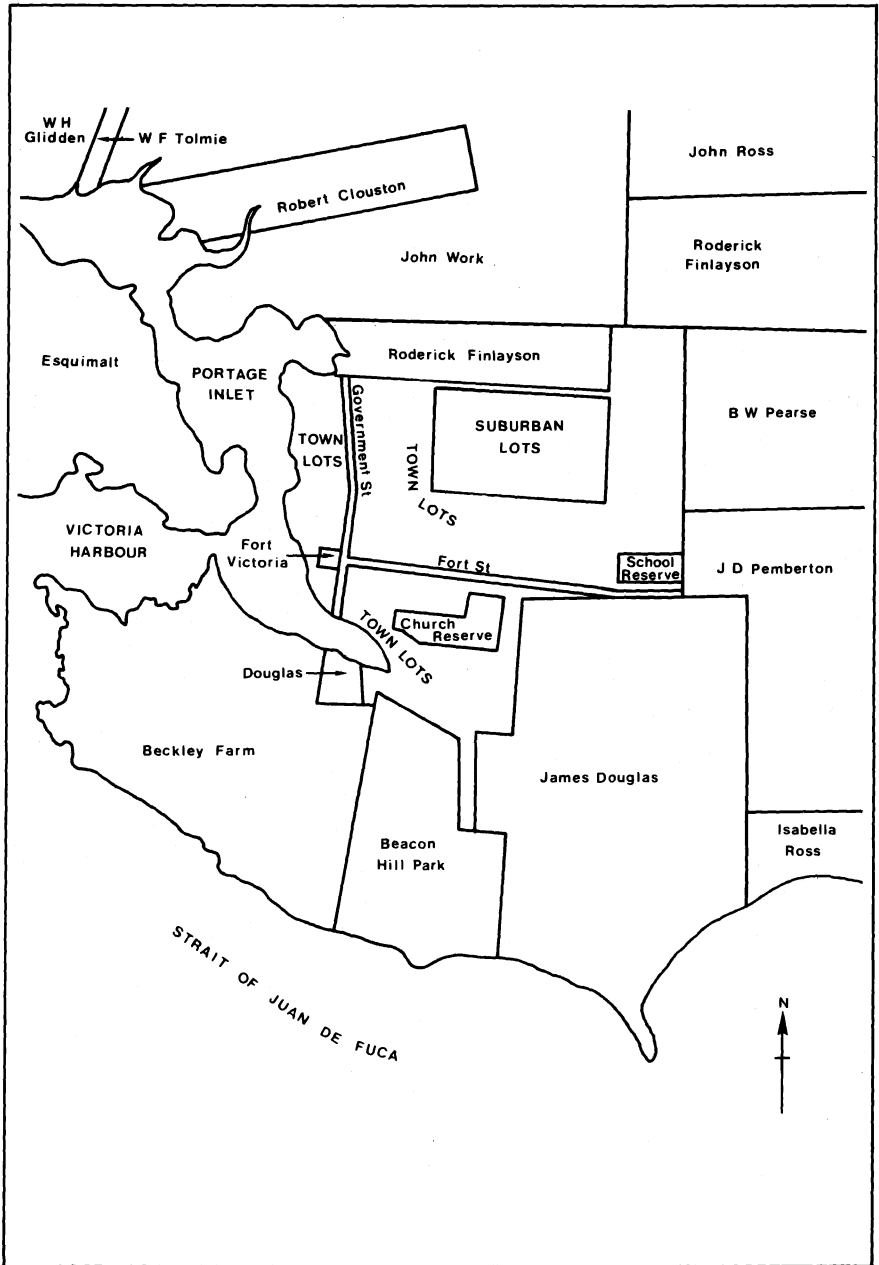
⁴⁸ Douglas to Barclay, 16 April 1851, *Fort Victoria Letters*, 174.

⁴⁹ J. Despard Pemberton, *Facts and Figures Relating to Vancouver Island and British Columbia: Showing What to Expect and How to Get There* (London: Longman, Green, Longman, and Roberts, 1860), 73.

⁵⁰ Douglas to Newcastle, 11 April 1853, quoted in David L. Farr, “The Origin of the Judicial System of the Colonies of Vancouver Island and British Columbia” (B.A. essay, University of British Columbia, 1944), 12.

⁵¹ Douglas to Newcastle, 17 May 1854, HBCA A.11/75, fos. 182-183.

⁵² Rich, *Hudson’s Bay Company*, Vol. 3, 772; Ormsby, *British Columbia*, 121.



MAP 1
Victoria 1858

until 1860. Colonists correctly associated it with Wakefield and with Earl Grey; both Pemberton and chief factor Roderick Finlayson used the term “the Wakefield system” as a synonym for the high price of land.⁵³ J. S. Helmcken, Douglas’s son-in-law, referred in his memoirs to the scheme of colonization adopted on the island as “a blunder — a theory” bearing no relation to local conditions.⁵⁴ Pemberton in 1859 wrote that land had been “scarcely marketable” before the gold rush,⁵⁵ and a year later he blasted Vancouver Island’s early land laws as “a programme so illiberal, so restrictive, and so detrimental to the memory of the colonial administration of Earl Grey, for ten years stopped the settlement of the country.”⁵⁶

Actual land sales in the early colonial period were more extensive than these critics and historians have acknowledged. The dramatic boom and bust cycle of the gold rush era may have obscured these earlier and quieter years. In fact, Pemberton sold over 17,000 acres in five south island districts before the gold rush as well as another 155 town and suburban lots to 180 colonists. Critics Finlayson, Pemberton, and Helmcken were three of the largest country landowners, with 658, 533, and 275 acres of country land respectively.⁵⁷ It is worth examining early colonial land records in some detail.

TABLE 1
Private Purchases of Land, 1851–25 April 1858

<i>Type of land</i>	<i>No. of purchasers</i>	<i>Total</i>
Country Land (Victoria, Esquimalt, Lake, Sooke, and Metchosin Districts)	107	17,281 acres
Suburban Lots (Victoria and Esquimalt)	26	29 lots (145 acres)
Town Lots (Victoria)	70	126 lots

⁵³ “Report of the Select Committee appointed to ascertain the particulars of all reservations of rocks, or rocky land. . .” in *British Columbia Sessional Papers* (Victoria: Queen’s Printer, 1890), lxxv-lxxxviii.

⁵⁴ *Helmcken’s Reminiscences*, 117.

⁵⁵ Pemberton to Douglas, 20 December 1859, in Great Britain, Parliament, *Miscellaneous Papers Relating to Vancouver Island, 1848-1863*. On Pemberton’s attempts to sell private land before the gold rush see also *Helmcken’s Reminiscences*, 118. Pearse, the assistant surveyor, recalled that when a visitor arrived in the colony in the mid 1850s, “he was treated like a lord; feasted and driven about the surrounding country, and offered his pick of the crown lands, if by any means he could be induced to become a settler.” *The Northwestern Review* (July-August 1891), 35.

⁵⁶ Pemberton, *Facts and Figures*, 58.

⁵⁷ This discussion, and tables 1, 2, 4, 5, 6, and 7 are drawn from Mackie, “Colonial Land,” 247-58, and from land records at BCARS and at HBCA.

TABLE 2
Occupations of Landowners, 1851-1858

<i>Rank</i>	<i>Occupation</i>	<i>Number</i>
Officers & others	Director	1
	Chief Factors	4
	Chief Traders	9
	Doctors	2
	Total	16 [9%]
Clerks & others	Clerks	6
	Captains	10
	Widows, Wards	2
	Sons of Chief Traders	2
	PSAC Bailiffs	2
	Marine Engineers	4
	Land Stewards	2
	Millwrights	5
	Shipwright	1
	Others	2
Total	36 [20%]	
Colonial Professionals	Chief Justice	1
	Surveyors	2
	Clergyman	1
	Schoolmasters	3
	Total	7 [4%]
Labourers	General Labourers	78
	Blacksmiths	3
	Carpenters	4
	Brickmaker	1
	Baker	1
	Builders	4
	Shepherd	1
	Coopers	2
	Sailmaker	1
	Collier-Labourers	5
	Sexton	1
	Total	101 [56%]
	HBC Occupations unknown	
Others	(Never in HBC or PSAC)	15 [8%]
Total		180 [100%]

These sales demand a discussion of the nature and extent of settlement and economic activity on early colonial Vancouver Island. The financial act of purchase and the physical act of settlement implied some degree of confidence in political and social institutions and in the economic potential of the colony. Settlement required a substantial outlay of money.

In charge of land surveys and sales was colonial surveyor Pemberton. His task was to fashion a survey system upon the conditions of colonization set out in the charter and prospectus. Formerly a professor of engineering at Cirencester Agricultural College, twenty-nine year old Pemberton arrived in Victoria from England in June 1851 with a detailed knowledge of the land laws and survey systems of New Brunswick, Prince Edward Island, South Australia, New Zealand, and seven other colonial locations, from which he devised a separation of land into town lots, suburban lots, and country (also called rural or agricultural) land. These Wakefieldian categories were intended to attract colonists from the lower, middle, and upper classes: town lots were priced at £10; five-acre suburban lots at £15; country lands remained £1 an acre for a minimum of twenty acres. All land sales before 1858 were of one of these categories.⁵⁸

Most landowners had some connection with the Hudson's Bay Company (table 2). Their diverse occupations reflect the company's transformation on the south coast from a fur trading company in the 1820s, to what was, on the Columbia River and Puget Sound, primarily an agricultural export company in the 1830s and 1840s, to a resource development company and colonial proprietor in the 1850s. Faced with a limited supply of furs on the coast and an abundance of other resources, isolated from external food supplies, and motivated by a basic desire for profit, the company had diversified its operations since 1821 while hiring an increasingly diverse workforce. Labourers and tradesmen like builders, millwrights, engineers, colliers, coopers, and blacksmiths operated the company's farms, cooperages, coalmines, sawmills, flour-mills, and steamships. In 1849 the company operated twenty-five posts west of the Rockies, both north and south of the forty-ninth parallel, to which were attached about 600 men. Many chose to settle on the island instead of Red River, Canada, or Britain. Basic differences developed between coast and interior. Interior posts specialized in the production of furs for export to London, while increasingly those on the coast specialized in the production of agricultural

⁵⁸ See Richard Mackie, "Joseph Despard Pemberton," in Frances Halpenny, ed., *Dictionary of Canadian Biography*, Vol. 12 (Toronto: University of Toronto Press, 1990), 832-34; and Richard Ruggles, *A Country So Interesting: The Hudson's Bay Company and Two Centuries of Mapping 1670-1870* (Montreal: McGill-Queen's University Press, 1991), 96-105.

foodstuffs, fish, lumber, and coal for export to Hawaii, Sitka, and, after 1849, California. The coast, not the hidebound interior, was the crucible of commercial change.⁵⁹

It should be noted that table 2 shows original Hudson's Bay Company occupations of landowners; many of these people, especially labourers, adopted new occupations when their contracts expired. They became farmers, lumbermen, shopkeepers, or small merchants, and took up numerous other occupations. Others signed new contracts with the company.

Labourers outnumbered all other occupations. Eden Colville had stated in 1849 that "the best class of settlers are men with families of stout Sons, who will have an interest in the work, and who will all labour with their own hands." Helmcken recalled that the most successful colonists of these years were "rough and ready folk" who "kept sober and were thrifty and hardworking."⁶⁰ Many labourers came to the island on five-year indentures to work at the Hudson's Bay Company's farms in Victoria and at those of the Puget's Sound Agricultural Company in Esquimalt.⁶¹ At the end of their contracts they received a "land premium," also called a land bonus or land grant, ranging in size from 20 to 50 acres depending on their skill and occupation. One was a Puget's Sound Agricultural Company shepherd, James Deans, later a poet and myth-collector. "Our terms were as follows," Deans recalled; "The settlers came out under an agreement to the company for five years after which time each man received a grant of land varying from 25 to 50 acres, say labourers 25 and tradesmen 50." The premium was the incentive that enticed these workers to the colony. Between 1848 and 1854 the Hudson's Bay Company sent 641 immigrants to the island from Britain, mainly to work as agricultural labourers and colliers (table 3). It should be noted that some immigrants died en route, some deserted, and most of the *Colinda* immigrants found work in Chilean coal mines after they mutinied.⁶² Hundreds deserted to the United States, where wages in the gold rush years greatly surpassed those offered by the company.⁶³ Despite this, perhaps 400 of these immigrants settled perma-

⁵⁹ See Richard Mackie, "Geopolitics and Commercial Strategy: The Hudson's Bay Company on the Pacific, 1821-1843" (Ph.D. dissertation, University of British Columbia, forthcoming).

⁶⁰ Eden Colville to Andrew Colville, 7 December 1849, in *Eden Colville's Letters*, 187; *Helmcken's Reminiscences*, 117.

⁶¹ For a discussion of the difficulties faced by the Puget's Sound Agricultural Company on Vancouver Island, see Brian Coyle, "The Puget's Sound Agricultural Company on Vancouver Island, 1847-1857" (M.A. thesis, Simon Fraser University, 1977).

⁶² Personal communication, Keith Ralston, 1990.

⁶³ On desertions to the United States see *Helmcken's Reminiscences*, 103, 112, 115, 117, 168-69.

nently on the island. Their allegiance to the company did not necessarily extend beyond their contractual obligations; they became independent colonists the moment their contracts expired.

The career of one immigrant, George Dutnall, might briefly be given. Born in Kent in 1830, Dutnall worked as a farm-hand and game-keeper on the Kentish estate of the Baring Brothers, the London bankers, until 1849 when he joined the company as an indentured labourer with his brother John. They left London in the fall of 1849 and arrived in Victoria during a blizzard the following spring. John turned to George and said "well, George, so what do you think of this for a five years' destination? We've seen some nice countries, but, by Jove! this looks kind of tough!" In the next few months George worked as a general labourer and wood-cutter, and he helped round up wild colts, cows, and calves near Victoria. Late in 1850 he joined the fur-trading vessel *Beaver*. In 1854 he found work at Beckley Farm in Victoria, where his brother was bailiff. In 1857 he took up his grant of 20 acres in Esquimalt. With his savings he bought another twenty acres adjacent to his grant. After a stint as a Cariboo miner, Dutnall recalled, "I worked in logging camps, sawmills, mines, and, in fact, everything that a man can do in this country." Dutnall was unusual in that he did not marry. When interviewed in 1909 he was still living at Albert Head.⁶⁴

Indentured labourers who broke their contracts by deserting to the United States or elsewhere automatically forfeited their land premiums, a

TABLE 3

"*Emigrants Hired by the Hudson's Bay Company,*" 1848-1854⁶⁵

<i>Year</i>	<i>Name of ship</i>	<i>Men</i>	<i>Women</i>	<i>Children</i>	
1848	<i>Harpooner</i>	11	5	6	
1849	<i>Norman Morison</i>	15	5	—	
1850	<i>Tory</i>	67	12	12	
1850	<i>Pekin</i>	6	5	12	
1851	<i>Norman Morison</i>	27	—	—	
1852	<i>Norman Morison</i>	34	24	24	
1853	<i>Colinda</i>	96	41	77	
1853	<i>Otter</i>	—	9	—	
1854	<i>Princess Royal</i>	34	25	44	
1854	<i>Marquis of Bute</i>	4	2	4	
	Totals	343	119	179	(641)

⁶⁴ Colonist, 29 March 1909.

⁶⁵ "Vancouver Island Colony Accounts, Journal," HBCA E.22/2, fos. 261-62.

factor that promoted settlement by convincing labourers to stay in the colony at least for the duration of their contracts. The Hudson's Bay Company, the Puget's Sound Agricultural Company, and the Vancouver's Island Steam Saw Mill Company (a Victoria-based joint-stock company) had colonization schemes of their own: all sent labourers to the island with a promise of land at the expiry of their contracts. By the end of 1854 the Puget's Sound Agricultural Company alone had imported 154 men, women, and children to work on their Vancouver Island farms, all but five of whom were under forty years of age.⁶⁶ Other landowning labourers came from the traditional labouring ranks of the Hudson's Bay Company. A good many labourers did not obtain land until after the gold rush.

Most landowners came from the British Isles (table 4), though all the fur trade's major ethnic groups are represented. The British were over-represented in the landowning categories, a result of the 1848-1854 immigration and of the fact that most indentured labourers were hired in Britain. Upper Canadians are almost entirely absent, a result of the fact that this was a British not a Canadian colony. It was also a result of the difficulties of transcontinental migration at this time, of the company's traditional reliance on the British Isles as a source of educated and indentured labour and, indirectly, of the success of Simpson's policy after 1821 of "exhausting the frontier" between the company's territories and the politically hostile Canadian settlements.⁶⁷

TABLE 4
Origin of Landowners, 1851-1858

England	48
Scotland	45
Ireland	3
Britain (origin unknown)	35
Lower Canada	21
Upper Canada	1
Rupert's Land & Columbia Department	7
Hawaii	8
Others and Unknown	12
Total	180

⁶⁶ For the demographic profile at mid-decade see W. Kaye Lamb, "The Census of Vancouver Island, 1855," *BCHQ* 4 (January 1940): 51-58, 55. On the youthfulness of the British immigrants see also N. de Bertrand Lugrin, *The Pioneer Women of Vancouver Island, 1843-1866* (Victoria: Women's Canadian Club, 1928), 274.

⁶⁷ On Simpson's realignment of the company's trade from Montreal to Hudson Bay after 1821 see H. A. Innis, introduction to R. Harvey Fleming, ed., *Minutes of the Northern Department of Rupert Land, 1821-31* (London: Hudson's Bay Record Society, 1940), lvi, and Harris, ed., *Historical Atlas of Canada*, plate 61.

The ancient division in fur trade social structure between officers and servants⁶⁸ was reproduced in patterns of fur trade settlement at Victoria. Town lot owners gave the place a commercial character. Builders, carpenters, coopers, blacksmiths, and labourers of all ethnic backgrounds bought the £10 town lots. Kanakas (Hawaiians) and Lower Canadians (French Canadians) also bought, or were granted, town lots. No Kanakas and only two French Canadians obtained expensive country land. The high price of country land, and the restriction of the franchise and other political privilege to those owning it, made permanent the company's rigid hierarchy, at the top of which French Canadians and Kanakas were nearly absent.⁶⁹ Quite neatly, then, the company's occupational hierarchy dovetailed with the Wakefield system: labourers, except those on indentures, obtained little land, while officers and clerks bought country land in abundance. The Wakefield system did not benefit the company's traditional labourers who, except in rare cases, did not receive premiums at the end of their contracts. No Native people bought land, and the only woman to do so was Isabella Ross, an officer's widow.

Traditional fur trade relationships persisted in this world beyond the fur trade. Large landowners like Douglas, Cooper, Helmcken, Tolmie, and Finlayson hired retired company servants and Native people to clear their land, build their houses, and operate their farms. Some landowners hired Kanaka labourers. The company's labour demand was met by indentured labourers, but as the 1850s progressed their contracts expired and they started their own farms on their land premiums. The island's Native population, enumerated at 25,873 in 1856,⁷⁰ constituted the largest, cheapest, most accessible, and most knowledgeable pool of labour in the colony.

Colonization was based in part on the private savings of senior Hudson's Bay Company employees, many of whom, before 1849, had been unable to invest their money locally. Many had let their earnings stack up in their London accounts or had entrusted them to Sir George Simpson, who invested them in railways in Canada and in Pelly, Simpson & Company, a Norwegian timber import company controlled by Simpson and the Pelly family.⁷¹ After 1849 these fur traders had a local outlet for their entre-

⁶⁸ On this basic distinction see Jennifer Brown, *Strangers in Blood: Fur Trade Families in Indian Country* (Vancouver: University of British Columbia Press, 1980), xxi.

⁶⁹ On the absence of French Canadian officers after 1821 see Philip Goldring, "Governor Simpson's Officers: Elite Recruitment in a British Overseas Enterprise, 1834-1870," *Prairie Forum* 10:2 (Autumn 1985): 251-81, 272.

⁷⁰ "Indian Population Vancouver's Island 1856," Helmcken Papers, BCARS.

⁷¹ On Canadian railways see Rich, *Hudson's Bay Company*, Vol. 3, 485; on Pelly, Simpson and Company see *ibid.*, 819, and Mackie, "Colonial Land," 216.

preneurial tendencies. In addition to their land purchases, they invested around £4,000 in two island-based lumber companies, the Vancouver's Island Steam Sawing Mill Company and Captain Brotchie's spar company, and another £2,000 in Allan, Lowe & Company, a San Francisco merchant house formed by two former company clerks from Fort Vancouver.⁷²

The unexpected success of this Wakefieldian colony on the west coast of North America was helped by the fact that Hudson's Bay Company dividends reached record levels in 1854 and 1855: chief traders received £690 and £872 in these two years, while chief factors made exactly double these amounts.⁷³ Company officers and clerks stationed from Fort Simpson to Fort Colvile, from New Caledonia to Honolulu, spent their earnings on land on the island. Table 5 shows that fifteen Hudson's Bay Company officers bought almost half the country land sold to private individuals in this period.

TABLE 5
Average Size of Country Lots, 1851-1858

<i>Rank</i>	<i>Number</i>	<i>Total acres</i>	<i>Average lot size</i>
Officers	15	8,012	534
Clerks	22	3,397	154
Colonial professionals	3	769	256
Labourers	55	3,671	67
HBC occupation unknown	4	338	84
Others	10	1,094	109
Total	109	17,281	208

The presence of a large group of retired or active "fur" traders on the island should neither surprise nor necessarily offend us. There was no reason why these men, especially those with many years' experience in the diverse coastal economy, should not become successful businessmen, farmers, or politicians in the colony. Many came from mercantile or agricultural backgrounds. Douglas's father was a West Indies merchant; A. C. Anderson's father was an indigo planter near Calcutta;⁷⁴ John Work was

⁷² Mackie, "Colonial Land," 203-14, 282-86. See also J. M. S. Careless, "The Lowe Brothers, 1852-70: A Study in Business Relations on the North Pacific Coast," in W. Peter Ward and Robert A. J. McDonald, eds., *British Columbia: Historical Readings*, (Vancouver: Douglas and McIntyre Ltd., 1981), 277-95.

⁷³ Roderick Macfarlane, "Statement shewing the annual gain by the Fur Trade Partners from 1821-1871," ms., 1884, BCARS.

⁷⁴ E. E. Rich, ed., *McLoughlin's Fort Vancouver Letters 1839-1844* (London: HBRS, 1942), 384.

“bred an operative farmer” in County Donegal, Ireland;⁷⁵ George Blenkinsop’s father was an excise officer in Cornwall. Others deserted the company for the larger world of business in both the 1849 and 1858 gold rushes; clerks Thomas Lowe, George Traill Allan, and Archibald McKinlay left the company in 1849 to set up shop as commission merchants in San Francisco and Oregon City. Some of these men had been on the coast for thirty years by the time they settled on the island. These men were reasonably young; Douglas was forty-six in 1849. He and many others had long careers ahead of them and large families who knew no other home. They had access to Victoria’s boarding school which was open to anyone who could pay £15 a child a year.⁷⁶ Fur traders had a tremendous *esprit de corps* and often shared a Scottish background, along with powerful institutional, kin, and friendship ties forged first in Scotland and later, through their wives, here.⁷⁷ The Family Company Compact originated long before Amor de Cosmos coined the name in February 1859.⁷⁸

Political power rested directly on land, just as it did in Britain and in other colonies. The Colonial Office ruled that only those colonists owning 300 acres or more could run for office and that only those owning twenty acres or more could vote.⁷⁹ In 1856 Douglas objected to these conditions, favouring “a more extended basis of representation, including all persons possessed of Freehold, Town, or Suburban property . . . but I do not like to deviate, on that point, from the letter of Her Majesty’s Instructions.”⁸⁰ That is, Douglas wished to extend the franchise to include everyone owning town and suburban lots, including merchants, tradesmen, and labourers. He was unsuccessful. By charging £1 per acre and linking the franchise to the ownership of land, the Colonial Office forged a legal and formal connection between wealth, land, and political power. The average size of lots owned by labouring landowners (table 5) was sixty-seven acres, making it very difficult for most labourers to run for political office. Most company labourers made £20 a year. On the other hand, eleven of the first twelve colonial legislators, elected in 1856, came originally from the

⁷⁵ Glyndwr Williams, ed., *Hudson’s Bay Miscellany 1670-1870* (Winnipeg: HBR, 1975), 199.

⁷⁶ G. Hollis Slater, “Rev. Robert John Staines, Priest, Pedagogue, and Political Agitator,” *BCHQ* (1950): 187-240.

⁷⁷ On the strength of these institutional, kin, and friendship ties on the west coast see Careless, “The Lowe Brothers;” Goldring, “Governor Simpson’s Officers,” 251-52, 257, 262-64; Brown, *Strangers in Blood*, xii-xiv, 36, 111-30.

⁷⁸ Amor de Cosmos in *The British Colonist*, 12 February 1859.

⁷⁹ Hendrickson, *Journals*, Vol. 1, 18.

⁸⁰ Douglas to W. G. Smith, 7 June 1856, in “Letters of the Hudson’s Bay Company on Vancouver Island Colony,” [1855-1859], BCARS.

company's upper ranks: only John Muir, a mining oversman turned lumberman, defied this trend. There is evidence that Douglas manipulated the land laws by granting several hundred acres to clerk Joseph William McKay to ensure his success over Edward Langford in the first elections to the colonial assembly. McKay's obituarist recorded that in 1856 Douglas, "knowing the value of Mr. Mackay's services, was determined he should be elected, and therefore (Mr. Mackay not having the necessary land qualification) had a plot of land granted to him."⁸¹ McKay later paid for this land, minus its rocks and swamp.

Land records also reveal that the public reserves anticipated in the company's prospectus became a reality before the gold rush (table 5; map 2). Such reserves as these could be found in contemporary Australian and New Zealand colonies.

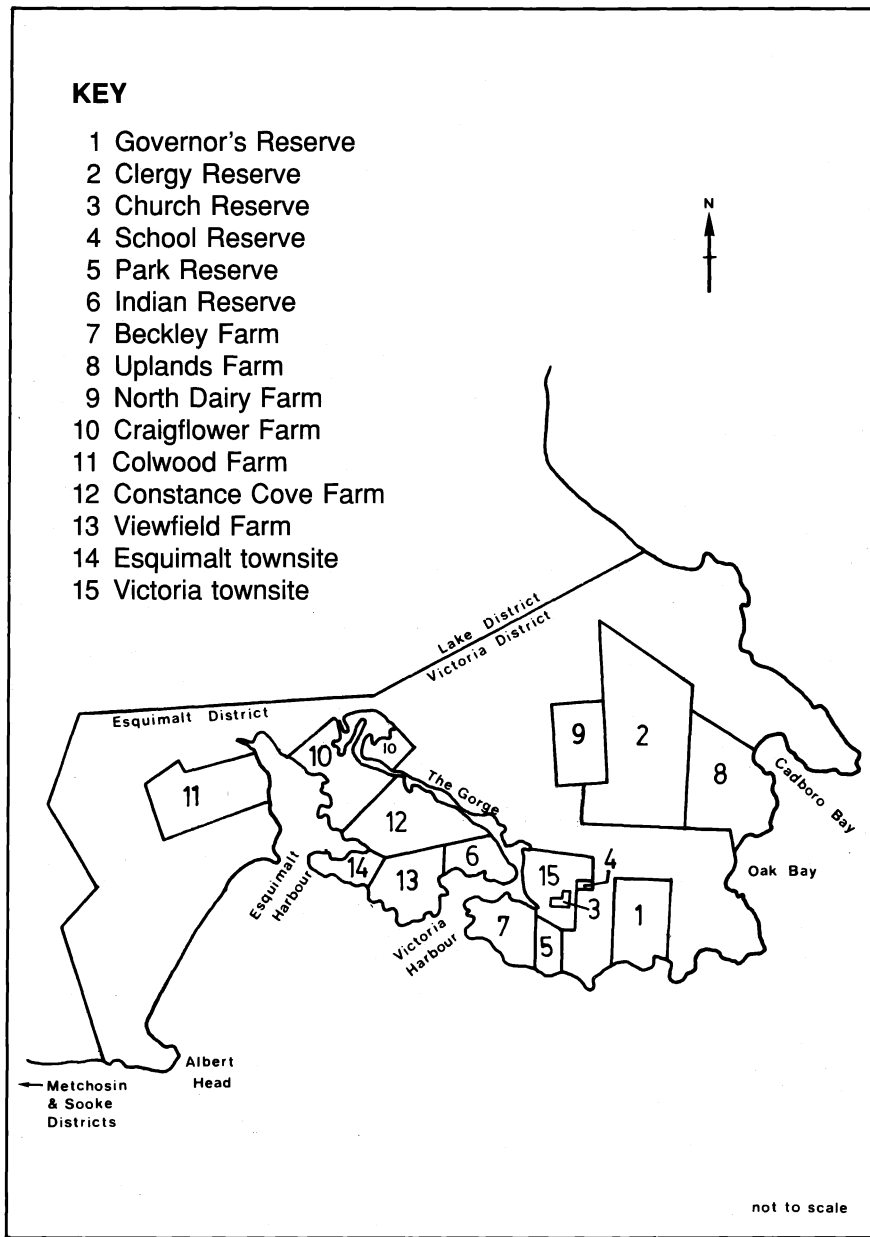
TABLE 6⁸²
Public Reserves, Victoria, 1851-1858

<i>Reserve</i>	<i>Acres</i>
Governor's Reserve Victoria District (Public Reserve No. 1)	952
Clergy Reserve, Victoria District (Public Reserve No. 2)	2,188
Church Reserve, Victoria Town	23.95
Parsonage Reserve, Victoria Town	2.06
School Reserve, Victoria Town	10
Park Reserve, Victoria District	178.98
Total	3,354.99

Public and private lands were the normal ingredients of the colonial settlement systems with which Pemberton was familiar. The company's presence on the island ensured a third variety of land, namely corporate land. Both Hudson's Bay Company and its affiliate, the Puget's Sound Agricultural Company, were also major land owners (table 6). From 1844 onwards, the produce of the Hudson's Bay Company's farms at Victoria had gone, in part, towards fulfilling the company's provision contract with the Russian American Company, and in 1850 the Puget's

⁸¹ "Vertical File," Joseph William McKay, BCARS.

⁸² The governor and clergy reserves were later sold to colonists; the church reserve now contains Christ Church Cathedral, pioneer cemetery, and the provincial law courts; the school reserve is Victoria Central High School, and the park reserve is Beacon Hill Park.



MAP 2

Victoria and Esquimalt Districts 1885
(public reserves and company farms)

Sound Agricultural Company began to shift its major farming operations from Puget Sound to Esquimalt. These two companies operated a total of seven farms in Victoria and Esquimalt, most of which have given their names to modern districts. Though increasingly they supplied the colony and Royal Navy with provisions, these farms, hemmed in by the sea on one side and by hills on the other, were not capable of infinite expansion (map 2).

TABLE 7
Company Farms on Vancouver Island 1849-1858

<i>Name of Farm</i>	<i>Acres</i>	<i>Other Names</i>
<i>HBC Farms Victoria</i>		
Beckley Farm (within HBC Reserve No. 1)	1212	Ogden Fields Farm The Fur Trade Reserve Dutnall's Farm
Uplands Farms (HBC Reserve No. 2)	1144	Old Village Farm The Fur Trade Farm The Farm at Cadboro Bay
North Dairy (HBC Reserve No. 3)	724	
<i>PSAC Farms Esquimalt</i>		
Craigflower Farm	819	Maple Point Farm Mr McKenzie's Farm
Colwood Farm	630	Esquimalt Farm Mr Langford's Farm
Constance Cove	610	Mr Skinner's Farm
Viewfield Farm	605	McAulay's Farm
Total	5,744	

The only major colonial settlement north of Victoria and Esquimalt was Nanaimo, where the company opened a coal-mine in 1852 after buying close to ten square miles (6,193 acres) around the valuable coal deposits for the full Wakefieldian price of £6,193. The company immediately transferred colliers and machinery from its unsuccessful Fort Rupert coal mine, and in 1854 sent a ship (the *Princess Royal*) full of English coal miners and their families to the new settlement. The 1854 census put Nanaimo's total population at 151; a census of 1857 found 132 non-Natives, of whom 121 were British.⁸³ Land was not yet for sale in this company town; miners lived in houses provided by the company.

⁸³ Mark Bate, "Reminiscences of Early Nanaimo Days," *Nanaimo Free Press*, 10 May 1907, 1-2.

The official census taken at the end of 1854 put the island's colonial, non-Native population at 774 (table 8). Six years earlier Fort Victoria's population had been thirty. This was a young community which, like other fur trade societies in the mid-nineteenth century, exhibited great fecundity.⁸⁴ The settlements at Victoria, Esquimalt, and Nanaimo were substantial enough to persuade the colonial office that the company had established "a settlement or settlements of resident colonists" on the island. It is important that labourers completed their contracts, obtained their land premiums, and that they and company officers settled on the island if for no other reason than that their presence satisfied the principal condition of the 1849 charter. Strictly speaking, the company's colonization of Vancouver Island was a success. The 1855 census is a political document, drawn up by Douglas for transmission to London, aimed at showing the extent of agricultural settlement and commercial activity on the island. The Colonial Office, however, was not impressed with the relatively limited extent of settlement on the island, nor with the increasingly turbulent and polarized state of colonial politics, and a parliamentary inquiry in 1857 recommended the revocation of the grant. The colony was finally reconveyed to the Crown in 1867.⁸⁵

TABLE 8

European Population of Vancouver Island, 31 December 1854

Town of Victoria	232
Victoria District	176
Esquimalt District	154
Sooke and Metchosin Districts	20
San Juan Island	29
Nanaimo	151
Fort Rupert	12
Total	774

Precise population figures for the period 1855-1858 are not available. Edward Cridge put the colony's "white" population on his arrival in April 1855 at about 600.⁸⁶ Most indentured labourers' contracts expired in 1856 and 1857, thus enabling them to take up their land premiums. "Like the native pines of its storm beaten promontories it has acquired a slow

⁸⁴ See D. N. Sprague and R. P. Frye, eds., *The Genealogy of the First Metis Nation: the Development and Dispersal of the Red River Settlement, 1820-1900* (Winnipeg: Pemmican Publications, 1974).

⁸⁵ Ormsby, *British Columbia*, 131.

⁸⁶ Edward Cridge, "Bishop Cridge Recalls Memories," *Victoria Daily Colonist*, 22 December 1907, 29.

but hardy growth," Douglas wrote of the colony in 1856.⁸⁷ The instalment plan came into effect in 1856, and in 1857 the slump caused by the exhaustion of the California gold mines finally came to an end. In July 1857 Douglas wrote that "The Colony is at present in a tolerable state of prosperity, the public lands are going off apace, and population exhibits a corresponding increase."⁸⁸ In February 1858 Samuel Murray, an American visitor, wrote of the colony as a whole: "White population about 1000, mostly persons who are or have been in the employ of the Hudson's Bay Company. They seem content and prosperous, and express no desire to exchange for our boasted land of freedom."⁸⁹ Alfred Waddington put the population of Victoria on the eve of the Fraser River gold rush at 800.⁹⁰

The first few years of settlement had been characterized by serious impediments. The attraction of gold in California, free land in Oregon, the high price and scarcity of labour, a crisis at Fort Rupert, an incompetent surveyor (Captain Grant), and other difficulties hindered the settlement of the colony before 1851. Ormsby's introduction to the *Fort Victoria Letters* paints an accurate and gloomy picture of these years. But 1851 was not 1858, and it is worth examining the motives for settlement in the quiet years in between.

It is true that Douglas could do nothing to alter the price of country land, but in 1854 he and Pemberton found a way to negate the Wakefield system imposed by the Londoners. This was the "liberal allowance for rock and swamp" which allowed a purchaser of country land to pay only for the land suitable for cultivation.⁹¹ This controversial allowance was discontinued during the gold rush, but in 1890 it became the subject of a legislative inquiry at which Pemberton explained:

The late Sir James Douglas wanted to reduce the price of land so as to make it on a par with land on the American side. . . viz.: \$1 per acre, but the Hudson's Bay Company at home were disinclined to discontinue the Wakefield system or to reduce the price of land; the price of land in Australia and other Colonies being all at the same rate of £1 per acre. . . Among the reasons

⁸⁷ Douglas to Assembly, in Hendrickson, *Journals*, Vol. 1, 5-6.

⁸⁸ Douglas to Admiral Bruce, 27 July 1857, in James Douglas, *Correspondence Outward*, 1854-1857, BCARS.

⁸⁹ Samuel Murray in *Alta California*, 2 February 1858.

⁹⁰ Alfred Waddington, *The Fraser Mines Vindicated: or The History of Four Months* (Victoria: De Garro, 1858).

⁹¹ Pemberton, *Facts and Figures*, 72-73. In October 1855 Pemberton received formal authority to exercise "discretionary power" in the charging of rocks and swamp, and in 1856 this power was vested in the colony's land laws. See "Report of the Select Committee," (1890), lxix, lxx. In 1851 Douglas had tried without success to convince the company to subtract rocks and swamp from the purchase price: Douglas to Barclay, 16 April 1851, *Fort Victoria Letters*, 174.

urged by Sir James Douglas for the reduction of the price of land was the large amount of rock and swamps on the Island, and the answer to that was, 'Do not sell the rocks and swamps; order the surveyor not to sell them. Sell only good land if people want to buy'. . . . My instructions were to be very liberal in making allowances for rocks and swamps. . . .

Finlayson's explanation was similar. He recalled that:

One reason for these rocks being exempted was the anxiety of the Hudson's Bay Company to retain the settlers that had been brought out or had come out to farm from England, and who, when the mines broke out in California, left in hundreds. They wished to make the terms of sale as easy as possible and to leave no ground of complaint that they were buying useless land; thus the rocks and swamps being of no use to them for agricultural purposes, were included in their deeds, so that the settlers should only be required to pay for the land actually suitable for agricultural purposes.⁹²

Altogether Pemberton collected £13,465 for the 17,281 acres sold. He himself paid only £196 for his 533 acres; his assistant Benjamin William Pearse paid £95 for his 190 acres in Victoria District.⁹³ Pearse later admitted, candidly, that "It was Sir James Douglas who made us rich by insisting upon our taking up land."⁹⁴ Although the inquiry accepted Pemberton's explanation of the origins of the allowance in 1890, the private rancour toward him and Pearse persisted. One Chief Trader's son charged that "it may be surmised that those who had the job of designating the various characters of the land were not slow to take advantage of the opportunity."⁹⁵ Fortunately for early landowners, the 1858 gold rush drove up the price and value of most land around Victoria and rendered its agricultural potential immaterial.

The net result, then, of Douglas and Pemberton's attempts to circumvent the land laws was an increase in the number of landowners and often a considerable increase in the size and value of their farms and estates. In the early gold rush years the liberal allowance for rock and swamp encouraged speculation in land. The Wakefield system worked for those with money. It resulted in a conservative, atavistic, hierarchical, and land-based political culture dominated by those who could afford to buy land, most of whom were former and active Hudson's Bay Company employees. Society was stratified in the colony as it had been in the fur trade. The rank structures of the company and the colony merged. The Family Company Compact made the transition from a fur trade élite to a colonial élite through its control of

⁹² "Report of Select Committee" (1890), lxxxvii-lxxxviii.

⁹³ Mackie, "Colonial Land," 235, 250.

⁹⁴ Pearse is quoted in James Robert Anderson, "Notes and Comments on Early Days and Events in British Columbia, Washington, and Oregon," ts., BCARS, 157.

⁹⁵ *Ibid.*, 187-88.

land and political power. The Wakefield system worked in the sense that it resulted in the creation of a stratified colonial society where political power was vested, as in Britain, in the ownership of land. Unexpectedly, it worked also in the sense that wealth derived locally from commerce, resource development, and company wages could buy political power as efficiently as wealth derived from the profits of agricultural land. This was particularly the case during and after the gold rush when trade and other resources yielded large profits. The Wakefield system failed in that it did little to encourage fresh immigration to the colony; to attract and maintain a sizeable labouring population in a colony adjacent to American territories offering high wages and liberal access to land. Many officers, clerks, tradesmen, and agricultural labourers benefited enormously from the land-boom of the gold rush years; the full effect of the Wakefield system was not felt until after 1858.

Douglas, in both his public and private capacities, had an enormous influence in encouraging company employees to settle on the island.⁹⁶ His determination to settle on the island appears to have formed during Blanshard's governorship, 1849-1851. As he told his friend James Hargrave in January 1850, "I am thinking of making a purchase of land on Vancouver's Island, more as a speculation than with any serious intentions of settling. Yet there is no saying what in the chapter of accidents may come to pass."⁹⁷ In October 1850 he hinted to A. C. Anderson that he might leave the Hudson's Bay Company altogether; the company had declared a dividend which he called "a paltry affair of some hundred pounds just about enough to keep us in tobacco money. I hope the next will be more respectable — or the sooner we cut and run the better."⁹⁸ But Douglas did not cut and run. His private letters display a genuine desire to establish a successful colony on the island. Late in 1850 he bought a 300-acre estate, which he named Fairfield, and he began a house in James Bay. "I have lately purchased a bit of land in this neighbourhood," he told Hargrave in January 1851, "and have laid the foundation of the first private house in the Town of Victoria. This will of course cost me a good deal of money, but then it will be a refuge in time of need, and eventually repay the original outlay with interest."⁹⁹ He moved from the fort to James Bay in October 1852.¹⁰⁰

Douglas encouraged others to follow his example by settling in what had

⁹⁶ *Helmcken's Reminiscences*, 137.

⁹⁷ Douglas to Hargrave, 17 January 1850, Hargrave Papers, NAC.

⁹⁸ Douglas to Anderson, 28 October 1850, in Fort Victoria, Correspondence Outward, BCARS.

⁹⁹ Douglas to Hargrave, 23 January 1851, Hargrave Papers, NAC.

¹⁰⁰ Memo by Douglas in his "Expense Book 1869," ms., BCARS.

been the company's fur trade reserve at Victoria. This ten-square-mile claim, amounting to almost half of Victoria District, had been a major hindrance to settlement during Blanshard's tenure. It consisted of land that had been used by the company before the colonization of the island. It was opposed by Grant, Blanshard, Finlayson, and by Douglas, who regarded the reserve as "injurious to the country."¹⁰¹ Douglas convinced the Governor and Committee to reduce the reserve to 3,084 acres, retaining the Hudson's Bay Company's three farms (table 7) and the valuable "Fort Property" in downtown Victoria. The rest was opened for public sale. As Douglas wrote in March 1851, "It was with the object of meeting Governor Blanshard's views without materially compromising the interests of the Company that I took the liberty of granting a certain number of 20 Acre lots on the fur trade Reserve to the Company's retiring servants, a measure which I hope the committee may sanction as it will meet the demand for protection at very small expense."¹⁰² Subsequently, in 1851 and 1852, Finlayson, Work, Tolmie, and others bought land and established farms in the former trade reserve.¹⁰³

Douglas's experience in Oregon and the threat of continued American expansion helped shape his actions on the island. British Columbia was born in an atmosphere of strident and genuine anti-Americanism. "No people can be more prejudicial and national than the Americans in this Country," Douglas had written in 1845, "a fact so evident to my mind, that I am more suspicious of their designs, than of the wild natives of the forest."¹⁰⁴ Company officers had developed on the Columbia River a strong dislike for things American that no amount of free land would overcome. Douglas was especially contemptuous of Americans who attacked company officers who had provided them with food and credit at the end of the Oregon Trail. "Unfortunately gratitude is not a republican virtue, it has at all events taken leave of this country, to seek elsewhere a more congenial retreat," he wrote in 1847.¹⁰⁵ Douglas retreated to Van-

¹⁰¹ Rich, *Hudson's Bay Company*, Vol. 3, 763.

¹⁰² Douglas to Barclay, 21 March 1851, BCARS A/C/20 Vi 2a. See also Douglas to Barclay, 16 April 1851, *Fort Victoria Letters*, 174-75; and 173 n and 219 n for the fur trade reserve.

¹⁰³ See Roderick Finlayson, "Autobiography of Roderick Finlayson," ms., BCARS; Rich, *Hudson's Bay Company*, Vol. 3, 763.

¹⁰⁴ Douglas to Simpson, 4 April 1845, in Rich, ed., *McLoughlin's Fort Vancouver Letters, 1844-1846*, 190.

¹⁰⁵ Douglas to Hargrave, 24 March 1847, Hargrave Papers, NAC. For a revisionist examination of American attitudes to the company and the company's role south of the border see Keith A. Murray, "The Role of the Hudson's Bay Company in Pacific Northwest History," in G. Thomas Edwards and Carlos A. Schwantes, eds., *Experiences in a Promised Land* (Seattle: University of Washington Press, 1986), 28-39.

couver Island in 1849 with a special loathing of American frontiersmen, Indian policies, legal and political institutions, and with a determination to create a better sort of society. Land may have been available for pre-emption in Oregon, but purchasers had to become American citizens. In 1847 former company clerk Adolphus Lee Lewes gave up his land claim on the north bank of the Columbia when he discovered that he "could not hold the place without becoming an American Subject."¹⁰⁶ Moreover, obtaining legal title to land in Oregon was a lengthy process. As Douglas told Anderson in March 1850, "I would rather pay a pound per acre for land with a secure title and numerous other advantages than have a farm for nothing with ten years torturing suspense."¹⁰⁷ At least two senior company officials, chief factors John Work and Robert Cowie, preferred Vancouver Island over the Canadian colonies as a place to retire because the annexationist movement threatened to absorb Canada in the "Yankee Union."¹⁰⁸

If anti-Americanism promoted immigration, so did the presence of British institutions on Vancouver Island, the only British colony west of Red River or on the North Pacific. By 1852 it possessed "grog shops," and a year later what one colonist called "that indisputable mark of civilization, a tavern."¹⁰⁹ More importantly, it offered colonial schools, an Anglican church, English laws, a colonial assembly, and the hope of a Royal Navy base at Esquimalt. The colony favoured a strident and chauvinistic John Bull-type of Englishman with previous colonial or overseas experience, often in trade. One was Emily Carr's father Richard, an English merchant who spent the 1850s in San Francisco; another was John Work. Work's obituarist wrote in 1861 that he was attracted to the colony by these institutions:

Until the formation of this colony, Mr Work had always expressed a fond intention of spending the evening of his days in his native land, the North of Ireland, but the prospect of a civilized home on this Island, under British Institutions, induced him to settle here, where he acquired considerable

¹⁰⁶ Lewes to Simpson, 18 March 1847, in Rich, ed., *McLoughlin's Fort Vancouver Letters 1839-1844*, 393.

¹⁰⁷ Douglas to Anderson, March 1850, in F. W. Howay, "The Raison d'Étre of Forts Yale and Hope," *Proceedings and Transactions of the Royal Society of Canada, Third Series, XVI* (1922), 49-64; 62-64.

¹⁰⁸ Work to Ross, 27 November 1850, Ross Papers, BCARS; Cowie (1850) is quoted in L. G. Thomas, "Fur Traders in Retirement," *The Beaver* (Winter 1979): 14-21; 18. On contemporary fur trade settlement to Canada, see Brown, *Strangers in Blood*, 193-95.

¹⁰⁹ John Moresby to Fairfax Moresby, 4 February 1853, in *The Week* (Victoria), 15 July 1911; James Murray Reid to Robert Clouston, 16 February 1853, in BCARS vertical file "J.M. Reid."

property and became one of the earliest and most enterprising farmers in Victoria District.¹¹⁰

Victoria possessed other attractions. "The place itself appears a perfect 'Eden' in the midst of the dreary wilderness of the North west coast," Douglas wrote in 1843, "and so different is its general aspect from the wooded, rugged regions around, that one might be pardoned for supposing it had dropped from the clouds into its present position."¹¹¹ Simpson regarded it as "a very Elysium in point of climate and scenery."¹¹² The southern end of the island, exposed to the Pacific Ocean, got less rain, fewer mosquitoes, and more sunshine than the mountainous and cloud-locked mainland. Adam Dundas, a Royal Navy officer who visited Victoria in 1848, commented that "Though fever and ague are very prevalent on the Main land yet from the absence of low and marshy ground they are unknown here."¹¹³ John Work praised the island's potential even when complaining of the restrictive land laws. "This will no doubt eventually become a fine country under whatever government it may be, the climate is delightful, the soil what is of it is good, and the situation and harbours favourable for commerce," he wrote in 1850.¹¹⁴

The "liberal allowance for rock and swamp" reflected the poor quality of colonial land. The island had barely been explored by Europeans in 1849 when the Wakefieldian grant was made; its agricultural potential was unknown. Early reports were not promising. Although Eden Colville, in 1849, wrote that farm land at Victoria was of "a good quality, about 2 feet of black mould with a subsoil of loam," he had to conclude that "the quality of prairie land is limited, and this island is by no means suited for either stock or sheep farming."¹¹⁵ Douglas concurred. "I am extremely sorry that I cannot make a very favourable report as to the capabilities of this part of the Island for the immediate support of an agricultural population," he wrote in 1849.¹¹⁶ The Puget's Sound Agricultural Company turned a profit on Puget Sound but not on the island, in part because of the quality of the land.¹¹⁷ In 1850 Captain Grant, the surveyor, estimated that only one-third of the twenty-five square-mile Victoria District was arable; in 1851

¹¹⁰ *The British Colonist*, 23 December 1861.

¹¹¹ Douglas to Hargrave, 5 February 1843, Hargrave Papers, NAC.

¹¹² Simpson to Charles Ross, 20 June 1844, quoted in Ormsby, *British Columbia*, 85.

¹¹³ Adam Dundas to the Secretary of State for the Colonies, 30 May 1848, in "Papers Relating to the Colonization of Vancouver Island," 49.

¹¹⁴ Work to Ross, 7 January 1850, Ross Papers, BCARS.

¹¹⁵ Colville to Simpson, 15 October 1849, in *Eden Colville's Letters*, 181.

¹¹⁶ Douglas to Barclay, 3 September 1849, in *Fort Victoria Letters*, 41.

¹¹⁷ Gibson, *Farming the Frontier*, 85-108.

Pemberton found that the district contained 6,317 acres of dense forest, 3,337 of rock, hill, swamp, and lake, and only 6,290 acres of "clear land."¹¹⁸ A few small fertile districts existed and were gradually settled. "The country looks rocky in the extreme when viewed from the sea," wrote newcomer Robert Clouston in 1851, "but one finds beautiful little spots dotted with oak and other trees and containing soil of the richest description."¹¹⁹ By 1855, 10,423 acres of rural land had been sold on the south end of the island of which only 1,418 acres had been improved.¹²⁰ Although Douglas investigated the fertile Cowichan and Comox valleys, distance and fear of their large Native populations prevented settlement. The basic non-Native exploration of the island was not embarked upon until after the gold rush.¹²¹

That Vancouver Island did not become the agricultural colony prophesied in the Wakefield model resulted not from the high price of land but, ultimately, from its poor quality.¹²² Immigrants immersed in a powerful agrarian mentality had no use for rock, swamp, and impenetrable forest. "A hundred dollars per acre will not make land ploughable," Helmcken recalled. He doubted that Vancouver Island would have attracted more settlers even with cheap land because the country was a "pretty rough one with comparatively little open land." Land in parts of Oregon was, Helmcken continued, so fertile that "it was only necessary to tickle the unencumbered land, to make the ears of corn laugh."¹²³ He blamed the failure of the Wakefield model on the Londoners' lack of awareness of the island's poor agricultural potential, which rendered much of the island valueless for farming:

They seem to have had the English ideas of the value of the soil — when in truth the soil, markets &c. bore no resemblance. The land in England was valuable because money had been spent on it — to clear, drain, improve and make it fit for cultivation and production. Here the case was exactly the opposite — land covered with a dense forest, very difficult to clear — had it been

¹¹⁸ Grant to Douglas, 10 September 1850, in Vancouver Island, Colonial Surveyor, Correspondence Outward, BCARS; Pemberton is cited in Clouston to Ross, 1 July 1851, Donald Ross Papers, BCARS.

¹¹⁹ Clouston to Ross, 1 July 1851, Hargrave Papers, NAC.

¹²⁰ Lamb, "The Census."

¹²¹ See John Hayman, ed., *Robert Brown and the Vancouver Island Exploring Expedition* (Vancouver: University of British Columbia Press, 1989).

¹²² Fisher makes this point in *Contact and Conflict*, 58. And Dunn, writing of the coast in 1844, had noted that: "There are, too, in many places, great fertility of soil, and agricultural capabilities [but] as a whole, it is not favourable for agricultural cultivation." John Dunn, *History of the Oregon Country* (London: Edwards and Hughes, 1844), 203.

¹²³ *Helmcken's Reminiscences*, 169.

open prairie it could have been sold and settled, but naturally people shirked woods and Indians.¹²⁴

Agricultural land existed on the island, but there was no rich and yielding agricultural frontier. A strictly agricultural economy was impossible on Vancouver Island; Fort Victoria never equalled Fort Vancouver's level of agricultural production, and the company never exported surplus flour from Vancouver Island to Hawaii as it had from the Columbia River. Self-sufficiency was impossible, and any surplus went to the colony's domestic market. The 1854 wheat crop from the Victoria area was sufficient to meet the entire colonial demand for flour, though this had not happened before and has not happened since.¹²⁵ "[E]verything could be sold that was raised and more too," Helmcken recalled. "Indeed from the very commencement of the settlement until now [1892] the Colony has never supplied itself with ordinary necessities."¹²⁶

The island was known for its natural variety and commercial opportunity: Native people had always drawn their wealth from the resources of the land and sea, and the company had diversified its trade to reflect the commercial opportunity on the coast. In 1844 retired company trader John Dunn had noted that for "general adaptation for commerce" the Columbia Department could "scarcely be surpassed by any country in the world. It is, in a word, chiefly valuable for trade." "From the advantages the country possesses it bids fair to have an extensive commerce, on advantageous terms, with many parts of the Pacific. It is well calculated to produce the following staple commodities — furs, salted beef and pork, fish, grain, flour, wool, hides, tallow, timber and coals; and in return for these — sugars, coffee, and other tropical productions, may be obtained at the Sandwich Islands."¹²⁷

After 1849, merchants and traders involved in trading, fishing, and lumbering gave the colony an increasingly commercial character. The colony was open to British mercantile activity. Customs duties were absent; Victoria was a free port.¹²⁸ The company's exclusive right to trade with the Native people of the island was effectively over, and the colony's Native communities provided commodities in trade, markets for merchants, and sources of labour that had only begun to be tapped in 1858.

¹²⁴ *Ibid.*, 168; on the Londoners' mistaken "scheme of colonization" see 85, 112, 117, 143, 294.

¹²⁵ Willard E. Ireland and F. W. Laing, "Early Flour Mills in British Columbia," Part 1, *BCHQ*, (April 1941), 93-94.

¹²⁶ *Helmcken's Reminiscences*, 117.

¹²⁷ Dunn, *Oregon*, 202, 217.

¹²⁸ *Helmcken's Reminiscences*, 112, 163.

Patterns characteristic of the later nineteenth century, including the exploitation of cheap Native labour and the scarcity and expense of non-Native labour, were established before the gold rush. Native people produced and traded many of the resources exported from the island and coast; their produce was not limited to animal pelts. Thus, the poor quality of agricultural land, restrictive land laws, and the presence of Native people whose varied and extensive trading economies were still largely intact, promoted a wide commercial interest. The only real rush before 1858 was to develop the riches of the Native economy, a process that the company had embarked upon first in the fur trade and subsequently applied to many other branches of trade. Native people, who figured so prominently in the commercial ambitions of all European colonists, were not entitled to own land or vote in the colony. Company officials made the transition from fur trade to settlement in part by hiring their former trading partners as labourers in the new colony. Increasingly, the colonial economy was grafted onto the Native economy of the island. Between 1849 and 1858 Hudson's Bay Company personnel, settlers, merchants, island-based joint-stock companies, and some Native traders vied for access to the island's resources, all of them enlisting Native people as labourers. The pattern had been set. About thirty independent merchants worked the island's coastline in these years, operating out of Victoria, Esquimalt, Sooke, Metchosin, Nanaimo, Port San Juan, Clayoquot, and Kyuquot. These merchants also traded with the growing American settlements in Puget Sound.¹²⁹

The demands of commerce influenced the colony's political character from its inception. Aspects of the company's character, prospectus, and the colony's laws favoured the growth of the island's merchant and settler communities. Only British subjects could buy land in the colony. Fisheries, Douglas wrote in 1852, could be established "only by British subjects who are bona fide freeholders on Vancouver's Island."¹³⁰ This meant that large producers of salmon and dogfish oil like Hugh McKay and William Banfield had first to buy land. These protectionist measures combined with the franchise regulations dictated that politically ambitious merchants had also to be landowners, even if their land contributed in no direct way to the success of their businesses. In September 1853 the legislative council resolved that only British subjects resident in the colony were entitled to remove timber from public lands,¹³¹ a condition that was in-

¹²⁹ Their activities are outlined in Mackie, "Colonial Land," 53-57, 131-32, 164-65, 215-26.

¹³⁰ Douglas to Barclay, 26 August 1852, in Fort Victoria, Correspondence Outward to H.B.C. on affairs of Vancouver Island Colony, 1850-1855, BCARS.

¹³¹ Hendrickson, *Journals*, Vol. 1, 11.

tended to keep American lumbermen off the island, and to encourage lumbermen like the Muir brothers at Sooke. These measures promoted settlement; merchants invested in town lots at Victoria.

Douglas also encouraged colonial entrepreneurs and manufacturers, like the Muirs at Sooke, Dunsmuir and Walker at Nanaimo, and Porter and Mason at Victoria, by awarding them contracts to produce or transport a variety of commodities and by helping market their produce through the company's agents or contacts in California and Honolulu. They, in turn, hired labourers who also settled in the colony and formed a local market for imported goods. In 1856 Douglas admitted to the colonial assembly that the island's "trade and resources remain undeveloped," a condition he attributed not to the lack of political encouragement but to the high price of European labour, restrictive customs duties in American and Hawaiian markets, and to the colony's isolation from British markets. He even attempted to extend to the colony the 1854 Reciprocity Treaty between the colonies in eastern British North America and the United States. Although he was not successful, the incident reflects Douglas' consistent determination to promote the island's economy.¹³² Douglas never contemplated an alternative to resource development. In general, before 1858 the colony exported natural resources in return for food and manufactures. Vancouver Island was known not for its farms or furs but for its exports of masts, spars, square timber, shingles, coal, salmon, fish, and whale oil produced by Natives, by Hudson's Bay Company employees, and by independent merchants. It was a land of diverse opportunity. The colony and the company adapted to local economic conditions on the west coast, rejecting conventions and regulations not favourable or applicable to the place.

There were, then, valid reasons for settling on Vancouver Island before the gold rush. Victoria was well situated to intercept the extensive coastal Native trades.¹³³ Markets, resources, and sources of cheap labour were close at hand. Pockets of good farmland existed for the convinced agriculturalists. The harbour was adequate for most vessels of the day. Victoria faced out to the Pacific markets that the company had cultivated since the 1820s. There was no Columbia River bar to worry about. The community was a natural entrepôt between the outer Pacific and the Puget Sound, Fraser River, and Gulf of Georgia settlements. These advantages persisted: in the

¹³² Douglas to Assembly, 1856, in Hendrickson, *Journals*, Vol. 2, 5-6.

¹³³ "As a centre of operations for a general Commerce, such as we now carry on in the Pacific (and I presume there is no intention of abandoning all branches of business except the actual trade in furs) Fort Victoria is better situated than any point with which I am acquainted. . . ." Peter Skene Ogden, "Memorandum," 2 July 1852, HBCA A.12/6, fos. 120-121d.

1860s Victoria assumed commercial superiority over New Westminster, and the city's commercial prominence waned only in the 1890s with the completion of the Canadian Pacific Railway, the subsequent rise of Vancouver, and the re-emergence of a continental economy.

The colonization of Vancouver Island by non-Native people was motivated by a commercial as well as an agrarian impulse. The island was open to independent traders. Labour, market, trade, and production strategies were firmly in place on the eve of the gold rush. Farms, sawmills, fisheries, and collieries around Victoria and at Nanaimo supported small but growing colonial populations. Following the company's lead, colonists acquired a faith in general resource development that survived the gold rush. Commercial and industrial opportunities eventually overwhelmed the island's limited agricultural potential, just as they had elsewhere in British North America.¹³⁴ Colonists avoided the most restrictive terms of the land laws and adapted to local resources, forms of labour, and markets. Despite the high price and poor quality of agricultural land, and temptations across the border, a viable colony was formed before the gold rush. The agrarian emphasis of the 1830s and 1840s had only partial application on Vancouver Island. In 1846 the British may, as Gibson laments, have been "dispossessed of part of their rightful Columbia heritage" of fine agricultural land south of the forty-ninth parallel;¹³⁵ but if this argument is pursued it is equally the case that the British preserved natural resources unequalled on the west coast of North America. The real losers in 1846 were the Native people on both sides of the border.

Characteristic patterns of resource development in British Columbia originated long before 450 miners arrived in Victoria from San Francisco on 25 April 1858. The Hudson's Bay Company's development of diverse export trades, beginning in the 1820s, had transformed the company's coastal operations, swelled its workforce, and prepared it for some of the commercial responsibilities of colonization. Colonial merchants had developed the same resources before the gold rush. Gold was a finite resource, and when it was exhausted, gold miners would have no choice but to follow the company's example and develop the diverse natural resources of the west coast, or go elsewhere. If they stayed, they would have to live and work in a colony that retained the political and social imprint of the Wakefield system.

¹³⁴ The colony resembled parts of British North America where, Harris writes, in 1800 the presence of only "scattered patches of agricultural land" caused the commercial economy to "focus elsewhere." Harris, "Canada in 1800," 171-73.

¹³⁵ Gibson, *Farming the Frontier*, 205.