

The Hudson's Bay Company After 1821
Ashley Stevens

HISTORY 1120-01
Dr. Tracy Penny Light
November 25th, 2018

The Hudson's Bay is a store line filled with high-quality merchandise ranging from in-season apparel to notebooks. The company's roots dig deep into the beginning of the fur trade, and its story goes beyond what meets the eye in the store. The Northwest Company formed in 1779 and they were the main competitor of the Hudson's Bay. After a long history of rivalry and violence, the two companies merged in 1821.¹ After merging with the North West Company in 1821, the Hudson's Bay Company closed half of their unprofitable trading posts, provided a government for Red River Valley, and revised the structure of their company.

The Hudson's Bay Company formed two centuries before the confederation of Canada took place. Radisson and des Groseillers discovered the great quality of fur along the interior of North America, just north and west of the Great Lakes.² With the vision and connections of Prince Rupert and King Charles II, the Royal Charter was acquired and in May 1670, the building blocks of the company was formed.³ In the first century of the company, the leaders placed forts and trading posts around the shores of the James and Hudsons Bays. By the 18th century, the company expanded along the interior and placed trading posts along three major cities: Calgary, Winnipeg, and Edmonton.⁴

A trading post was a place where people lived and goods were sold or exchanged. The company opened their first inland trading post in 1744, and eventually, the posts grew into the interior of Canada and beyond. As the trading posts spread across Canada and into Europe, the

¹ Nathan Coschi, Leanna Fong, and Sasha Yusufali, "Hudson's Bay Company," *The Canadian Encyclopedia*, April 2009, accessed November 05, 2018

² Edward Cavanagh, "A Company with Sovereignty and Subjects of Its Own- The Case of the Hudson's Bay Company, 1670–1763.," *Canadian Journal of Law & Society* 26, no. 01 (2011): 32-35, accessed November 13, 2018, doi:10.3138/cjls.26.1.025.

³ Hudson's Bay Company, *The Royal Charter for Incorporating the Hudson's Bay Company: Granted by His Majesty King Charles the Second, in the Twenty-second Year of His Reign, A.D. 1670*, CIHM/ICMH Digital Series = CIHM/ICMH Collection Numérisée; No. 21022 (London: R. Causton and Son, 2001), 1-19.

⁴ "Our History," *Hudson's Bay Company - Our History*, 7, accessed November 10, 2018.

trading of rich furs and goods began to take place.⁵ The posts allowed for cultures to be celebrated and understood. There were many different sizes of trading posts that all had their own purposes. Larger trading posts served in warehousing and shipping goods, and smaller trading posts manufacturers ice chisels, axe heads, and coats.⁶ The Hudson's Bay Company established trading posts along the Hudson's Bay and the James Bay during the fur trade.

In 1821, after a long feud between the Hudson's Bay Company and the North West Company, they were forced to merge together by the British government to end the competition.⁷ Not only did the Hudson's Bay Company become more powerful, but they were able to spread the company across the continent. The company spread from Oregon to Alaska, all the way to the Northwest Territories. Across Canada, the Hudson's Bay company had 76 trading posts with 1,983 employees who faithfully ran the posts.⁸

Bringing together the two companies meant adding new administrative structure and assigning new roles within the company. The British North American government was divided into separate trading departments and further subdivided into districts. Many of the district managers met annually to discuss local governing trade, the status of the employees in the trading posts, and the logistical standards of the various districts. Every council member had an equal voice in the voting poll but the Governor-in-Chief, George Simpson, had the final say when it came to making final decisions.⁹ After the merge, it was decided by George Simpson that

⁵ Edward Cavanagh, "A Company with Sovereignty and Subjects of Its Own? The Case of the Hudson's Bay Company, 1670–1763.," *Canadian Journal of Law & Society* 26, no. 01 (2011): 42-44, doi:10.3138/cjls.26.1.025.

⁶ John E. Foster, "Trading Post," *The Canadian Encyclopedia*, February 7, 2006, , accessed November 5, 2018,

⁷ Canadian Geographic, "Hudson's Bay," *The Canadian Atlas Online - Central Plains*, May 28, 2009, accessed November 20, 2018.

⁸ Open School BC, "The Impact of Hudson's Bay Company and the North West Company on First Nations," BC Learning Network, 2008, accessed November 15, 2018.

⁹ Arthur J. Ray, "Hudson's Bay Company," *The Canadian Encyclopedia*, April 2, 2009, accessed November 2, 2018.

the Hudson's Bay Company would close down half of their trading posts that were unprofitable, leaving many men unemployed and families in need.¹⁰

The closing of the trading posts negatively affected the Indigenous communities that relied on the trading posts for survival. Through the fur trade, the Indigenous people left their traditional lifestyle and economy and later became reliant on European manufactured goods for survival. Many of them moved beyond their traditional territory in search of new fur and wanted to rise up in the competition of the company.¹¹ The men of these Indigenous communities would spend great portions of their time trapping animals to get the best furs, only to travel great lengths to bring them to the trading posts during the summer to trade for guns, tools, and other textile instruments. Indigenous men also served as middlemen, bringing furs from one community to another.¹² The fur trade allowed the women of these communities to show their worth ethic and value in a new way. The women would care for the furs and tend to the crops. Along with tending to the crops and furs, many of the women worked as interpreters and negotiators with the bands. When the posts shut down, these men and women were forced to resort back to their traditional ways of living.¹³

Although the Hudson's Bay Company stayed loyal to their roots of the fur trade, they became very involved with providing structure and government for the Red River Valley. The company oversaw the governors of Assiniboia, and in 1834 they provided a government for the

¹⁰ W. T. Easterbrook, "Dispatch from George Simpson, Esq., Governor of Rupert Land," *Part of Dispatch from George Simpson Esqr. Governor of Ruperts Land to the Governor & Committee of the Hudson's Bay Company, London, March 1, 1829.*, 1949, 272, doi:10.3138/9781442618442_3.

¹¹ Walter A. Kenyon, "Trade Goods: Indigenous Peoples," *The Canadian Encyclopedia*, February 7, 2007, accessed November 12, 2018.

¹² Kurt Korneski, "Planters, Eskimos, and Indians: Race and the Organization of Trade under the Hudson's Bay Company in Labrador, 1830–50," *Journal of Social History* 50, no. 2 (2016): 311, accessed November 11, 2018, doi:10.1093/jsh/shw057.

¹³ "Métis Conflict With the Hudson's Bay Company - 1812," *Canada's First Peoples*, 2007, accessed November 15.

Selkirk colony. Founded in 1812 by Thomas Douglas, the Red River Colony was formed on the Red and Assiniboine rivers crossed, which is now known as Manitoba and North Dakota. After Douglas died in 1820, the colony was transferred over into the hands of the Hudson's Bay Company by the family of Douglas.¹⁴ After the colony was handed over, the population began to rise. The colony was made up of mainly Europeans and Indigenous people, which allowed for conflicts over language and religion. Later in 1849, they attempted to control the commerce and it resulted in free trade for the Métis.¹⁵

Along with providing structure to the Red River Valley, in 1849, Britain gave the Hudson's Bay Company the colony of Vancouver Island with the hopes that it would become an agricultural settlement.¹⁶ In the 1850s, there was a movement across Canada that recognized that settlement in the Northwest and on what is now Vancouver Island was essential to sustain Canada's prosperity and development. The movement saw the Hudson's Bay Company as an impediment to the growth of Canada, and they claimed that the company did not believe in the potential nourishment of the land.¹⁷ Later, in 1863, the company's disinterest in farming land intrigued the International Financial Society, resulting in a turn around for the Hudson's Bay Company. Shortly after the Confederation of Canada, in 1870, Rupert's Land was sold to Canadian Government for \$1.5 million, making the largest real estate transaction for land area in our country's history.¹⁸

¹⁴ J. M. Bumsted, "Red River Colony," *The Canadian Encyclopedia*, August 6, 2013, 4, accessed November 15, 2018.

¹⁵ Gerald Freisen, "History of Settlement in the Canadian Prairies," *The Canadian Encyclopedia*, February 7, 2006, accessed November 15, 2018.

¹⁶ Nicholas T. Garry, *The Diary of Nicholas Garry: A Detailed Narrative of His Travels in the Northwest Territories of British North America in 1821* (Toronto: Canadiana House, 1973), 138.

¹⁷ Arthur J. Ray, "Hudson's Bay Company," *The Canadian Encyclopedia*, April 2, 2009, accessed November 2, 2018.

¹⁸ Shirlee Anne Smith, "Rupert's Land," *The Canadian Encyclopedia*, February 7, 2006, accessed November 15, 2018.

With the growth of retail stores for the Hudson's Bay Company, they began exploring new commercial pursuits beyond traditional fur. In 1907, the company created a wholesale section that sold tobacco, liquor, tea, coffee, blankets, and candy.¹⁹ In the summer of 1912, the Hudson's Bay Company invested in many retail stores across Canada, as they saw more potential in retail than fur trade or land sales. In 1913, the Hudson's Bay Company invested in the construction of retail stores.²⁰ The company's first department store opened in Calgary that year. Following the opening of that store in Calgary, they continued to open locations across Canada, finishing in Winnipeg in 1926. In 1959, the company's fur trade department was relabeled as the Northern Stores Department. Later in 1961, the land sales department was moved to a different company.²¹

Focusing solely on retail sales, the Hudson's Bay Company began expanding into central Canada. In 1970, Queen Elizabeth II allowed a new charter for the company to work under that allowed for a headquarters to open in Winnipeg, Manitoba.²² When the headquarters opened in Manitoba, certain companies became interested in the Bay. Companies such as Shoprite, A.J. Freiman, and Markborough Properties offered to help expand their retail growth. In 1974, the company opened its first store in Toronto at the Yonge and Bloor and moved its corporate offices in Toronto. Later, in 1978, the Hudson's Bay Company acquired the Simpsons department store chain. With this chain, it converted its locations to the Bay stores in 1991.²³

¹⁹ "A Brief History of HBC." HBC Heritage - Timeline. 2016. Accessed November 15, 2018.

²⁰ David P. Monteyne, *The Construction of Buildings and Histories: Hudson's Bay Company Department Stores, 1912-26*, Master's thesis, The University of British Columbia, 1992 (Vancouver: University of British Columbia, 1995), 25.

²¹ "Our Timeline." Hudson's Bay Company. 2015. Accessed November 10, 2018.

²² Arthur J. Ray, "Hudson's Bay Company," *The Canadian Encyclopedia*, April 2, 2009, accessed November 2, 2018.

²³ Arthur J. Ray, "Hudson's Bay Company," *The Canadian Encyclopedia*, April 2, 2009, accessed November 2, 2018.

Every great company has a story of fear and bravery. The merge with the North West Company in 1821 was beneficial for the Hudson's Bay Company, as they were able to close down trading posts, network with new colonies, and build a new structure for their company. Although these drastic changes may have hurt certain communities throughout history, it is clear that this has formed the Hudson's Bay into the shopping chain that it is today.

Bibliography

"A Brief History of HBC." HBC Heritage - Timeline. 2016. Accessed November 15, 2018.
<http://www.hbcheritage.ca/history/company-stories/a-brief-history-of-hbc>.

BC, Open School. "The Impact of Hudson's Bay Company and the North West Company on First Nations." BC Learning Network. 2008. Accessed November 15, 2018.
http://bclearningnetwork.com/LOR/media/fns12/COURSE_8730771_M/my_files/module2/section1/lesson4/topic1.html.

Bumsted, J. M. "Red River Colony." The Canadian Encyclopedia. August 6, 2013. Accessed November 15, 2018. <https://www.thecanadianencyclopedia.ca/en/article/red-river-colony>.

Cavanagh, Edward. "A Company with Sovereignty and Subjects of Its Own- The Case of the Hudson's Bay Company, 1670–1763." *Canadian Journal of Law & Society*26, no. 01 (2011): 25-50. Accessed November 13, 2018. doi:10.3138/cjls.26.1.025.

Cavanagh, Edward. "A Company with Sovereignty and Subjects of Its Own? The Case of the Hudson's Bay Company, 1670–1763." *Canadian Journal of Law & Society*26, no. 01 (2011): 25-50. doi:10.3138/cjls.26.1.025.

Company, Hudson's Bay. *The Royal Charter for Incorporating the Hudson's Bay Company: Granted by His Majesty King Charles the Second, in the Twenty-second Year of His Reign, A.D. 1670*. CIHM/ICMH Digital Series = CIHM/ICMH Collection Numérisée; No. 21022. London: R. Causton and Son, 2001.

Easterbrook, W. T. "Dispatch from George Simpson, Esq., Governor of Rupert Land." *Part of Dispatch from George Simpson Esqr. Governor of Ruperts Land to the Governor & Committee of the Hudsons Bay Company, London, March 1, 1829.*, 1949, 271-72. doi:10.3138/9781442618442_3.

Foster, John E. "Trading Post." The Canadian Encyclopedia. February 7, 2006. Accessed November 5, 2018. <https://www.thecanadianencyclopedia.ca/en/article/trading-post>.

Freisen, Gerald. "History of Settlement in the Canadian Prairies." The Canadian Encyclopedia. February 7, 2006. Accessed November 15, 2018. <https://www.thecanadianencyclopedia.ca/en/article/prairie-west>.

Garry, Nicholas. *The Diary of Nicholas Garry: A Detailed Narrative of His Travels in the Northwest Territories of British North America in 1821*. Toronto: Canadiana House, 1973.

Geographic, Canadian. "Hudson's Bay." The Canadian Atlas Online - Central Plains. May 28, 2009. Accessed November 20, 2018. http://www.canadiangeographic.com/atlas/themes.aspx?id=earlytrade&sub=earlytrade_east_hudsons&lang=En.

Kenyon, Walter A. "Trade Goods: Indigenous Peoples." The Canadian Encyclopedia. February 7, 2007. Accessed November 12, 2018. <https://www.thecanadianencyclopedia.ca/en/article/indian-trade-goods>.

Korneski, Kurt. "Planters, Eskimos, and Indians: Race and the Organization of Trade under the Hudson's Bay Company in Labrador, 1830–50." *Journal of Social History* 50, no. 2 (2016): 307-35. Accessed November 11, 2018. doi:10.1093/jsh/shw057.

Monteyne, David P. *The Construction of Buildings and Histories: Hudson's Bay Company Department Stores, 1912-26*. Master's thesis, The University of British Columbia, 1992. Vancouver: University of British Columbia, 1995. 2-82.

"Métis Conflict With the Hudson's Bay Company - 1812." Canada's First Peoples. 2007. Accessed November 15, 2018.
https://firstpeoplesofcanada.com/fp_metis/fp_metis_redriver.html.

"Our History." Hudson's Bay Company - Our History. Accessed November 10, 2018.
<https://www2.hbc.com/hbc/history/>.

"Our Timeline." Hudson's Bay Company. 2015. Accessed November 10, 2018.
<http://www.hbcheritage.ca/hbcheritage/history/timeline/early/>.

Ray, Arthur J. "Hudson's Bay Company." The Canadian Encyclopedia. April 2, 2009. Accessed November 2, 2018.
<https://www.thecanadianencyclopedia.ca/en/article/hudsons-bay-company>.

Smith, Shirlee Anne. "Rupert's Land." The Canadian Encyclopedia. February 7, 2006. Accessed November 15, 2018.
<https://www.thecanadianencyclopedia.ca/en/article/ruperts-land>.