

FOR TEACHERS

The Growth of the Fur Trade

HBC's fur trade begins with the establishment of forts on Hudson Bay. The Bay men wait for Aboriginal traders to come to them to conduct their business. But as HBC's competitors move inland and establish trading posts along waterways that are closer to where Aboriginal traders reside, HBC follows the same strategy and begins to establish inland posts close to water routes. Eventually, HBC merges with its major competitor, the North West Company, taking over their business. HBC now has forts across Canada and continues to build forts in western Canada. In the early twentieth century, HBC opens forts in the Arctic.

The map highlights the trade routes and locations of forts and posts used in the HBC fur trade. The trade routes show the impact of the fur trade on the development of Canada and its growth as a nation. The routes indicate the journeys of the fur traders that link to corresponding events in HBC's story.

Trading on Hudson Bay



The demand for felt hats in Europe and what appeared to be an endless supply of beavers in Canada draws Radisson and des Groseilliers to the fur trade. The French control of the St. Lawrence and Great Lake trade routes motivates Radisson and des Groseilliers to convince the British to seek an alternative route into Hudson Bay in 1668. The successful voyage of the Nonsuch results in the formation of the Hudson's Bay Company in 1670 and the construction of forts on Hudson Bay where the Cree come to trade beaver pelts. Primary modes of transportation are the canoe, York boats and tall ships.

HBC Timeline References

- 1659** Pierre Esprit Radisson and Médard Chouart, Sieur des Groseilliers travel from Montreal to Lake Superior to trade for furs with the Cree and Ojibwa.
- 1668** Des Groseilliers, aboard the 12-metre ship the *Nonsuch*, travels to James Bay.
- What are some obstacles these early entrepreneurs are willing to face in order to establish the Hudson Bay fur trade as a viable business?
 - How did climate and weather play a key role in the first voyage of the *Nonsuch*?
- 1670** The Hudson's Bay Company, the world's oldest continuously operating trading company, is born with the signing of the Royal Charter on May 2nd.
- 1673** From 1673 to 1684, HBC builds trading posts as the Company expands along the Hudson and James Bay routes.
- What is the significance of establishing these trading posts as part of the English fur trade in North America?
- 1674** HBC establishes Fort Albany.
- 1684** HBC establishes York Factory.
- Why is York Factory well situated for the transport of goods?
- 1690** Henry Kelsey travels west from York Factory.
- Trace Kelsey's journeys on behalf of HBC and describe the information he gathered about western Canada.

- 1728** Traders from Quebec continue to follow inland lakes and rivers to trade with native people.
• Why does this inland trading impact on the British fur trade?
- 1768** HBC's share of the fur trade continues to decline due to competition from Montreal "pedlars."

For More Information

- [Video: The First 100 Years](#)

Inland Competition and the North West Company



The southern fur trade routes are established by the French prior to the Quebec Act of 1763. After that, the routes are taken over by British business interests who continue to employ voyageurs and establish posts closer to where Aboriginal peoples reside. In 1779, competition increases with the creation of the North West Company. In response HBC opens inland trading posts and forts.

HBC Timeline References

- 1728** Traders from Quebec continue to follow inland lakes and rivers to trade with native people.
- 1756** The Seven Years War begins.
- 1768** HBC's share of the fur trade continues to decline due to competition from Montreal "pedlars."
- 1774** HBC meets the competition head on and builds Cumberland House to have a location for inland trading.
- 1779** Fur traders in Montreal form the North West Company and are referred to as Nor' Westers.
• How do the transportation routes used by HBC and the North West Company differ and as a result, how does that affect each company's "business cycle"?
- 1811** Thomas Douglas, Earl of Selkirk, the majority shareholder of HBC, buys 74 million acres (29,946,737 hectares) of Rupert's Land for 10 shillings. This comes to be known as Assiniboia.
- 1815** Selkirk's Governor Macdonnell forbids export of pemmican from Red River without his permission.
• What are the economic aspects that result from the ban on pemmican sales?
- 1816** At the Battle of Seven Oaks, the Métis and Nor'Westers defeat a force led by the Selkirk settlement's Governor Semple, resulting in the death of 21 settlers and 1 Métis.
- 1821** Hudson's Bay Company and North West Company merge. George Simpson begins a plan for reorganizing HBC.
• Why does Simpson choose the canoe to travel to the posts?
• How might Simpson's foresight impact on the Company's survival and growth?

For More Information

- [Video: "Fur Trade to Retail"](#)

Merger and Western Expansion



In 1821, HBC and the North West Company merge under the leadership of George Simpson who streamlines fur trade operations. Simpson calls his new regimen “economy.” Further expansion occurs under Donald Smith as HBC becomes more than just a fur trade company.

HBC Timeline References

- 1821** Hudson’s Bay Company and North West Company merge. George Simpson begins a plan for reorganizing HBC.
- Why does Simpson choose the canoe to travel to the posts?
- 1836** The HBC steamship, *S.S. Beaver* goes into service.
- Describe the advantages for HBC of using a steamship over a sailing ship.
- 1843** HBC build Fort Victoria.
- Why is Camosack ideal for a new HBC Fort?
- 1849** HBC discovers rich coal deposits at Nanaimo.
- 1889** HBC governor Donald Smith pushes for lands sales.
- Why is the railway an important mode of transportation for settling western Canada?
- 1903** Settlement of the West is increasing and HBC land sales are growing.

For More Information

- Video: “Fur Trade to Retail”

Arctic Posts



Although HBC starts exploring Arctic regions in the 1850s it is not until the early twentieth century that trading posts are opened in the Arctic. Initially ships are used to carry trade goods and later the use of bush planes improves the flow of trade goods and opens up a market for Inuit art in the south.

HBC Timeline References

- 1854** Dr. John Rae maps the Arctic coastline.
- Do you think Rae's decision to abandon further exploration in the Arctic was a good one? Explain your reasoning.
- 1909** HBC opens the first trading post in Eastern Arctic.
- What possible impacts does the opening of the North have on the development of Canada?
- 1911** HBC commissions the building of the *R.M.S Nascopie*.
- Describe the functions the *Nascopie* performs and tell how these contribute to Canada's identity.
- 1932** Airplanes deliver goods to Northern Canada.
- What are other impacts of air travel to the North?
- 1953** HBC becomes the supplier of Inuit art to the Canadian Handicrafts Guild.
- How does this business venture benefit both HBC and regional economies in the north?
- 1959** Fur Trade Department is re-named Northern Stores Department.
- 1968** Hudson's Bay Oil & Gas begins an extensive search for oil on Arctic properties.

For More Information

- *Kitikmeot Heritage Society: HBC Arctic Posts*
- *Above and Beyond: Canada's Arctic Journal*
- *The Hudson's Bay Company in Northern Manitoba, 1912-1987*

IMPLEMENTATION PLAN

Big Idea

The available modes of transportation used by HBC in its fur trading business influenced the pattern of Canada’s development as a nation.

Critical Questions

- How did HBC’s expansion of the fur trade contribute to the development of Canada?
- Why were Canada’s waterways critical to the fur trade?

Curriculum Connection

Business courses
Social Studies/ History/ Geography courses

Tasks

Students explore how HBC’s expansion of the fur trade paralleled the development of Canada, using the map and other sources of information.

Questions to Guide Students’ Thinking

- Where did HBC establish trade routes?
- Why did they choose these routes?
- What modes of transportation were used in the fur trading expeditions?
- Why did HBC locate their posts and forts near waterways?
- Why did HBC traders journey farther into the interior lands?
- How did the expansion of the fur trade contribute to the settling of Canada’s vast lands?

Working in small groups, students focus on one trade route, using a specific task to guide their investigation. The groups share their findings with the class as a whole.

Trade Route	Task
Trading on Hudson Bay	Illustrate and describe the modes of transportation used by HBC in the first hundred years of its existence. Explain the benefits of each mode of transportation.
Inland Competition and the North West Company	Compare the trade advantages available to the Hudson’s Bay Company and the North West Company and describe how these benefits related to transportation and routes.
Merger and Western Expansion	Since water is the chosen mode of transportation, why was it necessary to build a railway as new immigrants began to buy farms? Explain your thinking.
Arctic Posts	Identify the advantages and disadvantages of water and of air transportation for the Arctic posts.