

posts to control all the best fur districts. The Hudson's Bay Company felt the keenness of the competition, and was forced to abandon its ancient policy of waiting for furs to be brought to the bay. By 1816, the rivals had absorbed or ruined eleven other partnerships, and were themselves on the verge of ruin. Finally, in 1821, the two were joined under the name of the older company. The Northwest Company brought with it the control of the Pacific and Arctic watersheds, to be added to the lands draining into Hudson bay, and over the whole region the Hudson's Bay Company secured legal recognition of its monopoly of the fur trade. There followed 40 years of great prosperity. The company's rights of exclusive trading in Indian territory expired in 1859, and ten years later it surrendered its other privileges. In return, Canada granted £300,000 to the company, as well as lands about its trading posts, and one-twentieth of the land in the fertile belt between the North Saskatchewan river and the United States boundary. The Hudson's Bay Company thereupon became a trading company, with no extraordinary privileges.

**The Modern Industry.**—Great changes have come over the trade in recent years. The railway has revolutionized conditions wherever its influence reaches. Steamboats now ply upon the larger lakes and rivers. Rising values have led to new processes of treatment and to the utilization of products once rejected. Competition has been encouraged, and new territory is eagerly sought as in the days prior to 1821. The modern competition, though it ranges throughout Canada, has centred at Edmonton, on the edge of the great preserve. Winnipeg is now the chief collecting and distributing point of the Hudson's Bay Company, though Moose Factory is visited once a year, as formerly, by a vessel from London. Montreal collects the furs of the Ottawa valley and the Quebec hinterland, and receives the bulk of the supplies.

During the Great War, the important market changed from London to the United States. Of the \$5,100,000 worth of undressed furs exported to England and the United States in 1914, England received \$3,000,000; in 1919, out of \$13,300,000 worth, only \$3,700,000 went to England. Figures of exports in recent fiscal years will be found in Table 12 of the chapter on External Trade.

At the close of the war, Montreal took a position as an international fur market, holding the first Canadian fur auction sales in 1920, when 949,565 pelts, valued at \$5,057,114, were disposed of. At the auction sales held in Montreal in 1927 there were 1,344,212 pelts sold for \$6,273,755. Sales are also held at Winnipeg and Edmonton. A growing industry is that of the dressing and dyeing of furs. In 1926 the number of fur skins treated in Canadian plants was 5,444,739, compared with 4,190,351 in 1925. The plants in operation numbered 11 in 1926, 10 in 1925 and 8 in 1924.

Improved methods of capture, together with the advance of lumbering, mining and agricultural settlement, have driven fur-bearing animals farther and farther afield. Close seasons have been declared for Russian sable, Bolivian chinchilla and Canadian beaver, but even this has been insufficient, as is shown by a continued decrease of the numbers of the animals. The fur trade has taken other methods to supply the demand by re-naming common and despised furs and by encouraging the use of the furs of domestic animals. About 40 years ago, Persian lamb, astrachan and broadtail, the product of the Karakul sheep, came into general use. Several Karakul sheep farms are now established in Canada, the largest of which is situated in Alberta. Of fur-bearing wild animals the fox has proved the best suited for domestication. The successful breeding of the fox on fur farms came in the period of rising prices after 1890, with the introduction of woven wire fencing. Other