Forts were built on Hudson Bay and James Bay, at the mouths of rivers, and here the Company bartered with the natives. From the first, the relations with the Indians were friendly, and the Company soon won their confidence by fairness in barter and by help in time of need. As a result, the Indians carried their harvests of pelts to the Company's posts and the ships returned to England each year well laden with furs, the proceeds from which gave to the "Gentleman Adventurers" generous rewards for their vision and for the investment that had made possible the utilization of this rich domain. During the struggle between the English and the French, which commenced about 1685, the Company sustained heavy losses and no dividends were paid but, with the English victory, came a new era of prosperity. Additional posts were built, more and more Indians came to trade, great cargoes of furs were sent to England, and the shareholders again received substantial dividends on their stock.

After the Seven Years' War the fur trade from the south passed out of the hands of the French, and until 1771 the English were busy rediscovering the old French routes to the west. The discoverer of a new fur district was followed by competitors and, in the competition that followed, many were ruined and left for new fields.

There have been great changes in the fur trade. The railway first revolutionized conditions throughout the country, then more recently the advent of the motorvehicle has influenced the extension of highways to the borders of settlement, and beyond. Boats ply the lakes and rivers, and the aeroplane is requisitioned for the transportation of furs from the more inaccessible districts. The advance of lumbering, mining and agricultural settlement, together with improved methods of capture, have driven fur-bearing animals farther and farther afield, and caused serious reduction in their numbers. To guard against further depletion and to ensure the prosperity of Canada's great wild-life heritage, the Dominion and Provincial Governments have adopted, in co-operation, a strong policy of conservation.

Section 2.—Fur Farming*

Since the early days of the fur trade, it has been the practice in Canada for trappers to keep foxes alive until the fur was prime, and from this custom has arisen the modern industry of fur farming. The earliest authentic record of the raising of foxes in captivity comes from Prince Edward Island, where about 65 years ago a number of foxes were raised on a farm near Tignish. After 1890 there came a period of rising prices for furs, and the fox farming industry grew rapidly. The beauty of the fur of the silver fox and the consequent high prices realized from the sale of the pelts, caused attention to be directed chiefly to this breed, a colour phase of the common red fox, which had been established through selective breeding carried on by the pioneer fox farmers. While experiments were being carried on in Prince Edward Island, attempts at raising foxes in captivity were also being made in other provinces, the records showing that foxes were successfully bred in Quebec in 1898, in Ontario in 1905 and in Nova Scotia in 1906. Fur farming is now carried on in all provinces of the Dominion and the number of farms, until the outbreak of war in 1939, showed a steady increase. An experimental fox ranch is operated by the Dominion Government at Summerside in Prince Edward Island, where problems of breeding, feeding, housing and general care are studied.

^{*} Revised in the Agricultural Branch, Dominion Bureau of Statistics.