

company (whence the name Rupert's Land). In 1676, merchandise costing £650 was sent to the bay and the furs got by barter sold in England for £19,500. The dividend on the stock of £10,500 was sometimes as high as 100 per cent. During the struggle with the French, beginning about 1685, no return was made, but with the English victory, the company resumed payments, usually amounting to 20 per cent per annum. Forts were built on Hudson bay and James bay at the mouths of rivers; the company, as monopolist, waited for the furs to be brought to its posts.

With 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. A period of open competition followed. The discoverer of a new fur district was soon followed by competitors who undersold him and were undersold by him until some or all were ruined and left for new fields. "The goods were bartered away for a consideration below their values the Indians were corrupted and the English character was brought into contempt." At length, the competitors would join their interests. Such a concern was the Northwest Company, founded in 1783-4, with a stock divided into 16 shares. No capital was deposited, but each party supplied a proportion of the articles needed for trade. The Northwest Company pursued a vigorous policy, founding 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 forty 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 the larger lakes and rivers. Rising values have led to new processes of treatment and to the utilization of products once rejected. The muskrat has ousted the beaver from the *première place* (muskrat \$4,707,043 in 1921-22; beaver \$4,266,767). Competition has been encouraged, and new territory eagerly sought as in the days prior to 1821. The modern opposition, 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, as is shown in the figures for the war years. 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