

254038-44A

ALL OFFICIAL CORRESPONDENCE
SHOULD BE ADDRESSED
TO THE FUR TRADE COMMISSIONER,
HUDSON'S BAY COMPANY,
MONTREAL

CABLE ADDRESS
"BEAVER"
MONTREAL

Hudson's Bay Company
Fur Trade Commissioner's Office

508761

Montreal, May, 11th 1918 MG

IN YOUR REPLY REFER TO NO 1611

Immediate
Adna

Sir:-

With further reference to your letter No. 254038/44 A, of the 1st instant, I have gone very carefully into the charge of \$7.00 per day quoted by Mr. McKenzie for the rent of canoes and equipment for Treaty Party No. 9, and so far from being excessive, I have come to the conclusion that from a business point of view Mr. McKenzie would have been justified in quoting an even higher rate.

At the outset I would state that the Company do not keep their stock of canoes, tents, etc. for the purpose of renting them as a regular business. The equipment has to be supplied from stock, and when it is returned the goods must either be sold as secondhand articles, or retained for a year - or until an opportunity occurs for renting them again. As far as the canoes are concerned; while these are being rented to the Indian Department they are not available for service in carrying the Company's freight at a time when they are most needed, which means that either capital has to be invested for additional canoes, kept for the use of the Indian Department only, or that the Company's transport must suffer.

It would not appear that you have considered the charge from the point of view of the value of the articles concerned. Mr. McKenzie estimates the value of tents, cooking utensils, pack straps, axes, canoe covers, cod lines, etc. at \$250, and his charge for these is \$2.50 per day, representing 1% per day only. In all probability these articles would be in use for forty days, and when returned would be secondhand articles, while the depreciation would equal, if not exceed, the charge for hire.

As regards the canoes, I very much doubt if these could be

Indian Affairs. (RG 10, Volume 6888, file 486/28-3 pt. 4)

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