

merchant in the big cities, and all are actuated by a keen sense of self-interest. They are on the spot, and having friendly relations with the railway people and settlers, get the earliest information to help their own judgments, that are usually quick enough, about the best sites for stores, &c., and they thus get a footing for future operations from which it is not easy to displace them. I went into a number of stores and tents along the line, and was amazed at the variety and excellence of the goods and the extent and the rapidity of the turn-over.

Now, do we progress, can we procure; or, if we can, are we ready to entrust our men with the authority to conduct business in that way? Let me mention what I saw at our Post Q'Appelle, and which I believe to be a fair, if perhaps a little exaggerated, type of our condition. I visited it on the 6th of August. The English goods had only arrived on the first week in July. The Canadian goods ordered the previous year had actually not come to hand at the date of our visit, but were expected in carts from Fort Ellice. The demand, except for a few Indian articles and staple products, such as bacon, flour, &c., had been supplied. Many of the goods sent from England on requisitions prepared the previous year were unsuitable, and a great demand existed for articles that had either not been ordered at all, or in insufficient quantities; some of them, such as potted meats, &c., having actually been procured from passing traders. When they run short at the store they have first to send a requisition by what is called express to the Officer in charge of the district, at *Fort Ellice* (some 140 miles off). This, after it is examined and approved of there (which I am told often takes some time), is forwarded by the usual cross-country road to Mr. Graham, in Winnipeg. The same process recurs there, and he sends the order perhaps to Montreal, St. Paul, Chicago, or England. Many months elapse before the article—which the independent trader would in the meantime have turned over two or three times—arrives. It is, of course, impossible now to carry on business successfully under such conditions where there are independent competitors, and it is undoubted that the system is obsolete and unsuited to the new order of things.

With my very limited personal knowledge of our Officers, I should not like to pronounce an opinion, but from all I have seen and heard, and I have taken some pains to make enquiry, I fear there are few of them from our Chief Commissioner downwards who are competent to play the role of active Traders successfully, even if the Board were willing to concede the essential power of acting independently. In this case it would seem (assuming that the Board was inclined to reorganise and prosecute the general trade under altered conditions) that sufficient control could be practically exercised if the Company had a thorough and efficient business man at the head of its trading operations. The chief places of business are now, or soon will be, within easy reach of each other. The results of the business at every Store, and its general management and prospects could be easily ascertained half-yearly by the employment of an inspector, and there seems no reason why the delay necessary to ascertaining the result of Outfits for the Fur Trade should apply to our trading operations.

You will ask, What conclusion does all this lead to? But I prefer holding my judgment in suspense on this very important question until you get Mr. Armit's report, and we have a full discussion with our colleagues. That there is a profitable trade to be done by some one I have no doubt. The prestige and reputation of the Company for keeping good articles and for general fair dealing is recognised by every one; but, still, have we the necessary instruments to turn this advantage to account? If not, can or will we procure them, and will our doing so from outside sources alienate our officers; and so disorganise our Fur Trade machinery.