

The actual profit on the trade of the Southern Department in Outfit 1876, was £7,300.

The capital employed in the Department was about £70,000.

The charge for interest, and a proportion of the London expenses, are estimated at about £6,000, so that there was but a small balance of profit from the Department last year.

With a reduction in the expenditure of goods, an improvement in the Country Accounts, and the recent advance in the prices of Furs, the profits on the trade of the Southern Department may be estimated at about £23,000 on Outfit 1877, subject to the charge for interest and London expenses.

Eastmain District shows a great falling off in the quantity of White Foxes, which were very abundant in Outfit 1876.

Mr. Parson in his Report to the Chief Commissioner alludes to some discontent among the Indians at Eastmain, in consequence of their hearing that higher tariff rates had been paid in some neighbouring Districts. The officer in charge was endeavouring to arrange the matter with the Indians of Eastmain District which as a rule has proved a valuable one.

Furs to the amount of £2,342 were traded at Moose Factory Depot and at the increased value of these Returns, the Depot would show little if any loss. General charges at the Factory were £148 in Outfit 1877, as against £221 in Outfit 1876.

With the exception of Outfit 1876 the Southern Department trade has produced a very satisfactory return on the capital employed. The average profits from the Department for Outfits 1870 to 1873 were £36,000. Hitherto there has been no opposition in the Southern Department, and the result of its trade has been mainly affected by the fall in the prices of Furs in Europe. It should, however, be borne in mind that several Districts in the Montreal Department have been maintained for years past at a loss in consequence of the protection which they have afforded to the Southern Department.

The unprofitable posts to which reference has been made, are Bersamis and Mingan, in the Gulf of St. Laurence, and the Districts of Temiscaminque and St. Maurice, which will be noticed under the head of the Montreal Department.