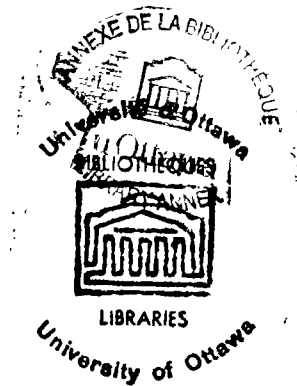


THE XY COMPANY 1798 TO 1804

BY

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THE CONSTANT AND HELPFUL COURTESY EXTENDED BY THE LIBRARIANS AT THE UNIVERSITY OF OTTAWA, THE PUBLIC ARCHIVES OF CANADA, THE ARCHIVES DU GRAND SÉMINAIRE DE QUÉBEC, THE UNIVERSITIES OF TORONTO, MONTREAL, MCGILL AND ROCHESTER IS GRATEFULLY ACKNOWLEDGED.

CURRICULUM STUDIORUM

RUSSELL ANTHONY PENDERGAST WAS BORN IN TORONTO, ONTARIO, ON SEPTEMBER 24TH, 1921. IN 1947 HE COMPLETED THE HONOURS COURSE IN POLITICAL SCIENCE AND ECONOMICS, AND WAS GRADUATED FROM ST. MICHAEL'S COLLEGE IN THE UNIVERSITY OF TORONTO WITH A BACHELOR OF ARTS DEGREE. HE WAS ORDAINED TO THE PRIESTHOOD AS A BASILIAN FATHER ON JUNE 29TH, 1950. IN 1951 HE RECEIVED A MASTER OF ARTS DEGREE FROM THE UNIVERSITY OF TORONTO IN ECONOMICS. SINCE SEPTEMBER, 1951, HE HAS BEEN TEACHING AS A MEMBER OF THE FACULTY OF ST. JOHN FISHER COLLEGE IN ROCHESTER, NEW YORK.

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INTRODUCTION

THE PRESENT WORK IS CONCERNED WITH THE HISTORY OF THE XY COMPANY. THE SIGNIFICANCE OF THIS COMPANY IS BASED ON ITS OPERATIONS IN THE FUR TRADE OF THE CANADIAN NORTH WEST FROM 1798 TO 1804. UP TO THE PRESENT THERE HAS BEEN NO DETAILED STUDY OF THIS COMPANY AND ITS ROLE IN THE ECONOMIC HISTORY OF CANADA.

BOTH G. C. DAVIDSON¹ AND H. A. INNIS² HAVE DESCRIBED THE NORTH WEST COMPANY WHICH WAS CONTEMPORANEOUS WITH THE XY COMPANY. THESE AUTHORS HAVE TREATED THEIR SUBJECT FROM A VARIETY OF EXCELLENT SOURCE MATERIALS, YET NEITHER OF THEM HAD ACCESS TO THE BOOKS OF ACCOUNT OF THE NORTH WEST COMPANY.

THE SPECIAL CONTRIBUTION OF THIS STUDY OF THE XY COMPANY HINGES ON THE FACT THAT THE AUTHOR WAS ABLE TO FIND AND USE THE BOOKS OF ACCOUNT OF THE XY COMPANY. FROM THESE PRIMARY MATERIALS THE COMPANY CAN BE SKETCHED IN BOLDER OUTLINE BASED ON THE WRITINGS OF THE FUR TRADERS, AND THE MORE OBJECTIVE INFORMATION CONTAINED IN THE FIRM'S BOOKS OF ACCOUNT.

THIS STUDY WILL BE RESTRICTED TO THE CONSIDERATIONS WHICH FOLLOW. THE SEVERAL NAMES UNDER WHICH THE COMPANY

1. G. C. DAVIDSON, THE NORTH WEST COMPANY, BERKELY, UNIVERSITY OF CALIFORNIA PRESS, 1918.

2. H. A. INNIS, "THE NORTH WEST COMPANY", CANADIAN HISTORICAL REVIEW, VOL. 8, NO. 4, DEC. 1927, PP. 308-21.

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OPERATED WILL BE ESTABLISHED, THE VARIOUS OWNERS OR CO-PARTNERS WILL BE RECORDED, AND THE PERIOD OF OPERATIONS WILL BE DEFINED. THE SALIENT FACT CONCERNING THE OPERATIONS OF THE COMPANY WAS THE COMPETITION WITH THE NORTH WEST COMPANY. THIS VIGOROUS COMPETITION IS DESCRIBED, AS IS ITS RESOLUTION IN THE UNION OF THE XY AND NORTH WEST COMPANIES IN 1804. THE FINANCIAL STRUCTURE AND THE SCALE OF OPERATIONS OF THE XY COMPANY ARE ANALYZED IN THE PRIMITIVE ECONOMIC SETTING OF CANADA AT THE BEGINNING OF THE NINETEENTH CENTURY.

THE PURPOSE OF THIS RESEARCH WILL BE TO MAKE USE OF THE IMPORTANT HISTORICAL INFORMATION CONTAINED IN THE BOOKS OF ACCOUNT OF THE XY COMPANY, AND THUS TO PRESENT FROM THIS EVIDENCE A DETAILED STUDY OF A SIGNIFICANT COMPANY IN THE NORTH WEST FUR TRADE.

CHAPTER I

GENERAL CONSIDERATIONS REGARDING THE XY COMPANY

SUMMARY

THE FUR TRADERS OF THE CANADIAN NORTH WEST LEFT RECORDS OF THEIR OPERATIONS, IN THE FORM OF CORRESPONDENCE, JOURNALS, AND BOOKS OF ACCOUNT. A REVIEW OF THE CRITICAL HISTORICAL WRITINGS ON THE XY COMPANY, ITS TIMES, AND THE NORTH WEST FUR TRADE IS PRESENTED. THE PURPOSE AND SCOPE OF THE PRESENT WORK IS OUTLINED, AND SOME PRELIMINARY CONSIDERATIONS ARE PRESENTED REGARDING THE NORTH WEST FUR TRADE AND TRADERS IN ORDER TO PROVIDE A SETTING FOR THE RESEARCH WHICH FOLLOWS.

FOR THE STUDENT OF THE HISTORY OF CANADA, THE FUR TRADE OF THE NORTH WEST PRESENTS A FERTILE AREA FOR RESEARCH AND RECONSTRUCTION. THERE EXISTS A LARGE CORPUS OF DOCUMENTATION, MORE OR LESS ORGANIZED, PERTAINING TO THIS EARLY CANADIAN STAPLE INDUSTRY. THIS LEGACY OF CANADIANA HAD BEEN GENERATED IN THE FIRST INSTANCE FOR COMMERCIAL REASONS. AS IS OFTEN THE CASE, CONTEMPORARY WRITERS WERE NOT AWARE OF THE VAST DOCUMENTATION LEFT BY THE FUR TRADERS.

GENERAL CONSIDERATIONS

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THE REAL TRANSACTIONS OF THESE COMPANIES [FUR TRADERS] IS LOCKED UP IN THE BREASTS OF THEMSELVES AND THEIR SERVANTS.¹

SOME INDICATION OF THE EXTENT OF THIS DOCUMENTATION CAN BE DISCOVERED IN THE MATERIALS PRESERVED IN THE ARCHIVES OF THE HUDSON'S BAY COMPANY.

IT WAS A RULE OF THE COMPANY THAT THESE SERVANTS SHOULD KEEP DIARIES OR JOURNALS. THESE JOURNALS HAVE BEEN PRESERVED IN AN ALMOST UNBROKEN SERIES FROM 1766 FOR MANY YEARS AFTERWARDS, AND THEY AFFORD A REMARKABLY FULL PICTURE OF WHAT WAS TAKING PLACE IN THE WEST AFTER THE BRITISH CONQUEST OF CANADA.²

THESE RECORDS OF THE FUR TRADERS HAVE BECOME FOR THE STUDENT OF HISTORY THE SOURCE OF EYEWITNESS TESTIMONY, RECORDED IN NOTES, JOURNALS, WHOSE PURPOSE WAS TO RECORD THE EVENTS, THE NATURE OF THE COUNTRY, AND THE PROBLEMS OF THE FUR TRADE. SUCH DOCUMENTS WERE SIMPLY A NECESSITY OF DOING BUSINESS IN AN UNORGANIZED HINTERLAND, COUPLED WITH THE PROBLEM OF SUPERVISION AND CONTROL FROM LONDON IN ENGLAND. IN THE PRESENT WORK ONLY THE PUBLISHED DOCUMENTS OF THE HUDSON'S BAY COMPANY WERE AVAILABLE FOR CONSULTATION, SINCE THE ARCHIVIST OF THE COMPANY WAS OF THE

1. JOHN MAUDE, A VISIT TO THE FALLS OF NIAGARA IN 1800, LONDON, 1826, P. 39.

2. W. S. WALLACE, "THE PEDLARS FROM QUEBEC", CANADIAN HISTORICAL REVIEW, VOL. 13, NO. 4, DEC., 1932, P. 390.

GENERAL CONSIDERATIONS

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OPINION THAT THERE WOULD BE NO NECESSITY FOR THE PRESENT WRITER TO CONSULT THE ARCHIVES IN THE PROBLEM OF THE XY COMPANY.³

FOR THE SAME REASONS THE TRADERS WHO OPERATED OUT OF MONTREAL LEFT DOCUMENTS WHICH RECORDED THEIR OPERATIONS. THE NECESSITY OF KEEPING WRITTEN RECORDS WAS RECOGNIZED FROM THE VERY BEGINNING OF THE OPERATIONS OF THE XY COMPANY. IN THE FIRST INVOICE OF GOODS BROUGHT FROM ENGLAND IN 1799, ONE CAN FIND THE FOLLOWING ITEMS.⁴

1 CASE CONTAINING				
WASTE BOOK	6	QRS.	MEDIUM	£ 1- 0-
JOURNAL	5	"	"	1- 0-
INVOICE BOOK	5	"	"	1- 5-
LETTER BOOK	6	"	"	1- -
CASH BOOK	4	"	"	-16-
LEDGER	5	"	ROYAL	2- 0-
DO	5	"	DO	2-15-
6	4	QRS.	LONG FO. CAP. BOOKS @ 6/	1-16-
2	6	"	" " " " @ 8/	-16-
	600	LARGE DUTCH	QUILLS 5/ PER C	1-10-
	3	DOZ.	BRIT INK POWDER 4/ PER DOZ.	-12-

3. LETTER FROM R. A. REYNOLDS, SECRETARY OF THE HUDSON'S BAY COMPANY, IN POSSESSION OF THE AUTHOR, AND REPRODUCED IN APPENDIX 1, P.252 .

4. -----, -----, BOOK No. 4, OF THE BOOKS OF ACCOUNT OF THE XY COMPANY, MANUSCRIPT, ARCHIVES DU GRAND SÉMINAIRE DE QUÉBEC, THIS BOOK RECORDS COPIES OF INVOICES FOR TRADE GOODS FROM PHYN, INGLIS AND COMPANY OF LONDON, ENGLAND; THE MATERIAL ABOVE IS INCLUDED IN AN INVOICE DATED 15TH MARCH 1799.

GENERAL CONSIDERATIONS

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IT MUST BE POINTED OUT THAT IN THE CONTEXT OF THE NORTH WEST FUR TRADE CIRCA 1800, THAT THERE IS A VERY MINIMUM OF EVIDENCE IN THE TRADE AREA. THIS EVIDENCE WHEN DISCOVERED TENDS TO BE VAGUE, SINCE IT CONSISTS MOSTLY IN THE REMAINS OF FORTS, OR ARTIFACTS, OR SOME OF THE MORE DURABLE TRADE GOODS.⁵ IN CONTRAST TO THE MEAGER REMAINS OBTAINABLE IN THE FRONTIER AREA WHERE THE TRADING WAS DONE, THE DOCUMENTS PRESERVED IN METROPOLITAN CENTERS, SUCH AS MONTREAL, QUEBEC CITY, AND LONDON IN ENGLAND, ARE MUCH MORE SIGNIFICANT TO THE STUDENT OF THE NORTH WEST FUR TRADE.⁶

REVIEW OF THE LITERATURE

THE HISTORY OF THE FUR TRADE IN THE CANADIAN NORTH WEST HAS BEEN WRITTEN BY A RATHER SMALL GROUP OF HISTORIANS. PERHAPS THE MONUMENTAL WORK IN THIS FIELD WAS PUBLISHED IN 1889-90, BY L. R. MASSON, IN THE TWO VOLUMES ENTITLED, LES BOURGEOIS DE LA COMPAGNIE DU NORD-OUEST... IN THE

5. A. S. MORTON, "FIVE FUR TRADE POSTS ON THE LOWER QU'APPELLE RIVER 1787-1819", TRANSACTIONS OF THE ROYAL SOCIETY OF CANADA, VOL. 35, MAY 1941, PP. 81-93.

6. J. M. S. CARELESS, "FRONTIERISM, METROPOLITANISM AND CANADIAN HISTORY", CANADIAN HISTORICAL REVIEW, VOL. 35, No. 1, MARCH 1954, PP. 1-21.

GENERAL CONSIDERATIONS

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FIRST VOLUME THERE CAN BE FOUND WHAT IS PERHAPS THE BETTER DELINEATION OF THIS TOPIC IN THE FIRST 154 PAGES. THIS "SKETCH" MUST STILL BE RECOGNIZED AS THE CLASSIC DESCRIPTION OF THE NORTH WEST FUR TRADE. MASSON'S TWO VOLUMES HAVE PRESERVED IN PRINT SELECTED DOCUMENTS AND RECORDS CRUCIAL TO THE HISTORY OF THE FUR TRADE IN THE NORTH WEST. SINCE THESE VOLUMES WERE PRINTED WITHOUT AN INDEX, ONE SHOULD MENTION THAT AN EXCELLENT WORKING-INDEX WAS PREPARED BY DR. LUCIEN BRAULT, AND IS AVAILABLE IN TYPESCRIPT AT THE PUBLIC ARCHIVES OF CANADA.

IN 1900 G. BRYCE WROTE THE REMARKABLE HISTORY OF THE HUDSON'S BAY COMPANY. THIS WAS ONE OF THE MANY PUBLICATIONS WHICH WERE BASED ON THE MATERIALS FOUND IN THE ARCHIVES OF THE HUDSON'S BAY COMPANY. FOLLOWING BRYCE, THERE ARE SEVERAL AUTHORS, WHO USED THIS SAME SOURCE OF INFORMATION. AMONG THE WORKS IN THIS TRADITION THE FOLLOWING HAVE BEEN SELECTED BECAUSE OF THEIR RELEVANCE TO THE PRESENT RESEARCH ON THE XY COMPANY. IT SHOULD BE NOTED THAT THESE WORKS HAVE A SECONDARY IMPORTANCE FOR THE XY COMPANY SINCE THEY PROVIDE MOSTLY BACKGROUND AND PERSPECTIVE. THE BIBLIOGRAPHICAL NOTATIONS HAVE BEEN ABBREVIATED HERE SINCE COMPLETE DETAILS ARE PRESENTED IN THE SECTION ON BIBLIOGRAPHY.

GENERAL CONSIDERATIONS

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R. H. FLEMING	<u>MINUTES OF COUNCIL OF THE NORTHERN DEPARTMENT OF RUPERT LAND</u>
A. M. JOHNSON ED.	<u>CUMBERLAND HOUSE JOURNALS</u>
A. C. LAUT	<u>CONQUEST OF THE GREAT NORTH WEST</u>
D. MACKAY	<u>THE HONOURABLE COMPANY</u>
E. E. RICH ED.	<u>JOURNAL OF OCCURENCES IN THE ATHABASKA DEPARTMENT</u>
J. B. TYRELL ED.	<u>DAVID THOMPSON'S NARRATIVE OF EXPLORATIONS....</u>
H. B. WILLSON	<u>THE GREAT COMPANY</u>

IN REGARD TO THE SPECIFIC TOPIC OF THE NORTH WEST FUR TRADE AT THE TIME OF THE XY COMPANY, THE FOLLOWING IS A DISCUSSION OF THE MORE SIGNIFICANT AUTHORS AND THEIR WRITINGS. IN 1918 G. C. DAVIDSON PUBLISHED HIS DOCTORAL DISSERTATION, THE NORTH WEST COMPANY. THIS WORK DIFFERS FROM MASSON'S IN THAT DAVIDSON WAS USING AND ORGANIZING MATERIALS, WHILE MASSON HAD SET HIMSELF THE MAIN TASK OF PUBLISHING AND PRESERVING DOCUMENTS. DAVIDSON'S WORK, AS DOES THE WORK OF THE AUTHORS MENTIONED BELOW, DEPENDS HEAVILY ON THE DOCUMENTS PUBLISHED BY MASSON. IN THE 1920'S, AT THE UNIVERSITY OF TORONTO, H. A. INNIS BEGAN TO PUBLISH ARTICLES ON THE FUR TRADE. PERHAPS THE MORE SIGNIFICANT ARTICLE FOR THE PRESENT RESEARCH WAS THE "NORTH WEST COMPANY", PUBLISHED IN THE CANADIAN HISTORICAL REVIEW FOR

GENERAL CONSIDERATIONS

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DECEMBER 1927. IN 1930 INNIS PUBLISHED HIS BOOK, FUR TRADE IN CANADA. THIS WORK WAS A COMPREHENSIVE TREATMENT OF THE FUR TRADE. IT TENDS TO BE MORE GENERAL IN SCOPE THAN THE WORK OF THE PREVIOUS SCHOLARS. THE TEXT OF THIS BOOK IS HEAVILY LADEN WITH DOCUMENTS AND OTHER HISTORICAL MATERIALS. THIS MAKES THE BOOK DIFFICULT FROM THE POINT OF VIEW OF CONTINUITY, BUT THE RESEARCH IS RELIABLE.

R. H. FLEMING WROTE ARTICLES AT THE SAME TIME INNIS WAS WRITING. FLEMING WAS A DISCIPLE OF INNIS AT THE UNIVERSITY OF TORONTO. IN RELATION TO THE XY COMPANY, HIS ARTICLE "THE ORIGIN OF 'SIR ALEXANDER MACKENZIE AND COMPANY'", IN THE CANADIAN HISTORICAL REVIEW OF JUNE, 1928 IS PERTINENT. IN 1934, W. S. WALLACE PUBLISHED HIS DOCUMENTS RELATING TO THE NORTH WEST COMPANY. THIS COLLECTION ALONG WITH THE DOCUMENTS PRINTED BY MASSON, INNIS, AND FLEMING ARE RELEVANT TO THE XY COMPANY, THOUGH NONE OF THEM TREAT OF IT ADEQUATELY. IN 1954, WALLACE REPUBLISHED SEVERAL ARTICLES, FORMERLY PUBLISHED IN THE TRANSACTIONS OF THE ROYAL SOCIETY OF CANADA. THIS BOOK IS A CONVENIENT GATHERING OF ARTICLES, WHICH ARE REPRINTED NOT REWRITTEN. THE BOOK IS CALLED THE PEDLARS FROM QUEBEC.

A. S. MORTON IN 1939 PUBLISHED HIS HISTORY OF THE CANADIAN WEST UP TO 1870-1. THIS WORK IS A CONVENIENT SUMMARY OF THE RESEARCH DONE BY MORTON AND OTHERS UP TO

GENERAL CONSIDERATIONS

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THAT TIME. MORTON'S BOOK TENDS TO BE DIFFICULT IN SO FAR AS THE CUSTOMARY ACADEMIC DEVICES FOR REFERENCING HAVE BEEN GENERALIZED. THERE ARE FEW FOOTNOTES TO IDENTIFY SOURCES, AND IN THE BACK PAGES GENERAL INDICATIONS OF THE SOURCE MATERIALS ARE GROUPED ACCORDING TO CHAPTERS. THIS TYPE OF FORMAT IS PERHAPS UNFORTUNATE, SINCE THIS BOOK, IF CONVENIENTLY REFERENCED, MIGHT WELL BE A MONUMENTAL WORK IN THE HISTORY OF CANADA.

FROM THE CRITICAL ANALYSIS OF THE LITERATURE ON THE NORTH WEST FUR TRADE, THE MORE IMPORTANT WORKS OF WHICH HAVE BEEN LISTED ABOVE, IT BECOMES EVIDENT THAT AN IMPORTANT AREA IN THE HISTORY OF THE FUR TRADE HAS NOT BEEN INVESTIGATED, NAMELY THE HISTORY OF THE XY COMPANY. UNDOUBTEDLY THE CHIEF REASON FOR THIS NEGLECT IS THAT THE SOURCE MATERIALS PERTINENT TO THE COMPANY HAD NOT BEEN MADE AVAILABLE TO SCHOLARS. REFERENCES HAVE BEEN MADE TO THE XY COMPANY, BUT ONLY IN AN INCIDENTAL WAY AS IN THE CASE OF M. W. CAMPBELL'S THE SASKATCHEWAN.⁷ IN THIS WORK ONE CHAPTER IS DEVOTED TO THE COMPANY, BUT THE TREATMENT IS GENERAL AND AS IT CONTRIBUTES NOTHING NEW, IT COULD BE CONSIDERED

7. M. W. CAMPBELL, THE SASKATCHEWAN, NEW YORK, RHINEHART, 1950, RIVERS OF AMERICA SERIES .

GENERAL CONSIDERATIONS

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AS HAVING LITTLE HISTORICAL SIGNIFICANCE. THUS THE WRITING OF THE HISTORY OF THE XY COMPANY HAS BEEN DELAYED UNTIL SUFFICIENT DOCUMENTARY EVIDENCE COULD BE BROUGHT TO LIGHT.

PARALLEL TO THE DOCUMENTATION IN THE ARCHIVES OF THE HUDSON'S BAY COMPANY, ONE COULD ANTICIPATE THAT THERE MIGHT EXIST A BODY OF DOCUMENTS FROM WHICH COULD BE RECONSTRUCTED THE HISTORY OF THE XY COMPANY. SUCH DOCUMENTATION WOULD INEVITABLY TAKE THE FORM OF BUSINESS RECORDS, PERHAPS BOOKS OF ACCOUNT, OR LETTERBOOKS. THIS SURMISE WAS ENCOURAGED BY THE FOLLOWING STATEMENT, CONTAINED IN A COPARTNERSHIP AGREEMENT RELATED TO THE XY COMPANY.

8TH ARTICLE

AND IT IS HEREBY COVENANTED AND AGREED UPON BY AND BETWEEN THE SAID PARTIES, THAT JOHN GILLESPIE AND WILLIAM PARKER IN LONDON, SAMUEL GERRARD AND THOMAS YEOWARD IN MONTREAL, JOHN MURE IN QUEBEC, AND GEORGE GILLESPIE AT MICHILIMACKINAC, SHALL AND WILL PROVIDE AND KEEP, SUCH AND SO MANY BOOKS AS SHALL BE NECESSARY, WHEREIN THEY SHALL FAIRLY WRITE AND ENTER, THE JUST AND TRUE PARTICULARS OF ALL MONIES RECEIVED AND PAID OUT OF ALL GOODS, WARES AND MERCHANDIZE OR COMMODITIES THAT SHALL BE CONSIGNED ACCEPTED IMPORTED EXPORTED BOUGHT SOLD RECEIVED IN, OR DELIVERED OUT, AND OF ALL DEBTS CONTRACTED AND OF ALL OTHER MATTERS AFFAIRS OR THINGS, ANY WAYS RELATIVE OR NECESSARY, OR CONDUCTING TO THE MANIFESTATION OF THE TRUE STATE OF AFFAIRS AND CONDITION OF THE SAID JOINT TRADE OR BUSINESS OF THE COPARTNERSHIP.

8. R. H. FLEMING, "THE ORIGIN OF 'SIR ALEXANDER MACKENZIE AND COMPANY'", CANADIAN HISTORICAL REVIEW, VOL. 9, NO. 2, JUNE 1928, P. 148.

GENERAL CONSIDERATIONS

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FURTHER RESEARCH LED TO THE DISCOVERY OF PHOTOSTATS OF THE "XY LETTERBOOK" IN THE PUBLIC ARCHIVES OF CANADA. THESE PHOTOSTATS BORE THE INDICATION THAT THE ORIGINAL DOCUMENT WAS TO BE FOUND IN THE ARCHIVES DU GRAND SÉMINAIRE DE QUÉBEC. AN EXAMINATION OF THIS DOCUMENT IN QUEBEC CITY, CONFIRMED THE ANTICIPATIONS OF THE WRITER, FOR THIS LETTERBOOK WAS PART OF A GROUP OF TWENTY DOCUMENTS RELATED TO THE COMPANY. THESE THEN WERE THE BOOKS OF ACCOUNT OF THE XY COMPANY.

THE BOOKS OF ACCOUNT OF THE XY COMPANY ARE ENTERED MAINLY IN ENGLISH, THOUGH THERE ARE SOME SECTIONS KEPT IN FRENCH. THEY ARE QUITE LEGIBLE, IN MANUSCRIPT, USUALLY IN QUARTO. SUCH DOCUMENTS CONSTITUTE A MEANINGFUL AND RELIABLE RECORD OF HISTORICAL INFORMATION, WHICH CAN BE USED TO SHED LIGHT ON THE HISTORY OF THE COMPANY. ONE CAN FIND RECORDED IN THEM THE EXACT EQUITY OR OWNERSHIP INTEREST OF EACH OF THE COPARTNER-OWNERS OF THE COMPANY, AS WELL AS FIRST HAND INFORMATION REGARDING THE GOODS, TECHNIQUES, AND PROBLEMS ENCOUNTERED IN THE FUR TRADE. WRITTEN IN THESE RECORDS IS THE EVIDENCE OF THE STRENGTHS AND WEAKNESSES OF THE NORTH WEST FUR TRADE AT THE BEGINNING OF THE NINETEENTH CENTURY IN CANADA.

THESE BOOKS OF ACCOUNT REPRESENT PERHAPS THE MOST COMPLETE AND INTEGRAL SET OF SUCH MATERIAL KNOWN TO EXIST.

GENERAL CONSIDERATIONS

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FROM CRITICAL EXAMINATION, AND THE TRACING OF CROSS REFERENCES, IT CAN BE ESTABLISHED THAT THE HOLDINGS IN THE ARCHIVES DU GRAND SÉMINAIRE DE QUÉBEC, DO NOT CONTAIN ALL THE BOOKS OF ACCOUNT THAT WERE USED BY THE XY COMPANY. HOWEVER IT MUST BE POINTED OUT THAT THIS COLLECTION IS A VERY VALUABLE CORPUS OF THE ACCOUNT BOOKS WHICH HAVE SURVIVED FROM THE FUR TRADE OF THE NORTH WEST. TO EMPHASISE THIS STATEMENT, A SHORT DISCUSSION FOLLOWING WILL DEAL WITH SOME OF THE EXTANT MATERIALS OF THE SAME GENERAL TYPE AS THE BOOKS OF ACCOUNT OF THE XY COMPANY.

THERE HAVE BEEN OTHER MATERIALS OF THIS TYPE WHICH HAVE SURVIVED FOR THE STUDY AND CONSIDERATION OF SCHOLARS. IN THE PUBLIC ARCHIVES OF CANADA, ONE MAY CONSULT "JOURNAL H". THIS RECORD IS A BOUND BOOK, IN MANUSCRIPT, COVERING THE PERIOD FROM THE 10TH OF AUGUST, 1704 TO THE 31ST OF DECEMBER, 1706.⁹ IT IS PART OF THE MCTAVISH FROBISHER COMPANY RECORDS. YET THE "JOURNAL" IS IN FACT A COUNTER BOOK, OR DAILY BLOTTER, OF ONE TRADING POST, OR STORE. THERE IS NO CORRESPONDING LEDGER, OR SUMMARY BOOK, TO ACCOMPANY IT. THE CONTRAST BETWEEN THIS BOOK AND BOOKS

9. -----, -----, "JOURNAL H", KEPT FROM 10TH AUGUST, 1704 TO 31ST DECEMBER, 1706, IN FRENCH, AT TERREBONNE, CALLED THE MCTAVISH FROBISHER AND COMPANY JOURNAL, MANUSCRIPT, PUBLIC ARCHIVES OF CANADA.

GENERAL CONSIDERATIONS

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NO. 10 AND 11 OF THE XY COMPANY IS GREAT. THE LATTER BOOKS RECORD AT THE COMPANY LEVEL, THE RECEIPTS, DISBURSEMENTS, THE OWNERSHIP INTERESTS, AND OTHER SIGNIFICANT INFORMATION CONCERNING THE OPERATIONS OF THE XY COMPANY. IN OTHER WORDS "JOURNAL H" IS A FRAGMENT, WHILE THE BOOKS OF ACCOUNT OF THE XY COMPANY ARE A MORE OR LESS COMPLETE RECORDING OF THAT COMPANY'S EXISTENCE AND PROGRESS.

THERE IS AT LEAST ONE OTHER ACCOUNT BOOK WHICH IS VERY SIMILAR TO "JOURNAL H" ABOVE. THIS IS THE "JOURNAL" OF MCTAVISH FROBISHER AND COMPANY, KEPT BY FRANCIS BADGLEY AT TERREBONNE, FROM THE 21ST OF JUNE 1802 TO THE 25TH OF OCTOBER, 1804.¹⁰ THIS BOOK IS LIKE "JOURNAL H", A COUNTER BOOK, OR DAY BOOK, IT HAS NO CORRESPONDING LEDGER. IT IS AN ALMOST ISOLATED FRAGMENT REFERRING ONLY TO ONE STORE OR POST. THAT SUCH RECORDS AS THE ABOVE NOTED JOURNALS ARE IMPORTANT CANNOT BE DENIED. ONE COULD REFER TO THE INTERESTING ARTICLE WRITTEN BY W. D. LIGHTHALL ON THE JAMES AND ANDREW MCGILL "JOURNAL".¹¹ THIS ARTICLE ILLUSTRATES THE

10. "JOURNAL", KEPT BY FRANCIS BADGLEY AT TERREBONNE FROM 21ST JUNE, 1802 TO 25TH OCTOBER, 1804, FOR THE MCTAVISH FROBISHER AND COMPANY, MANUSCRIPT, 375 PAGES, PUBLIC ARCHIVES OF CANADA, SOME OF THE LATER PAGES HAVE BEEN TORN OUT.

11. W. D. LIGHTHALL, "NEWLY-DISCOVERED JAMES AND ANDREW MCGILL JOURNAL 1797", TRANSACTIONS OF THE ROYAL SOCIETY OF CANADA, VOL. 29, MAY 1935, PP. 43-50.

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MINE OF HISTORICAL INFORMATION IN SUCH RECORDS. YET UPON CLOSE EXAMINATION ONE WILL FIND THAT NONE OF THESE DOCUMENTS PRESENT THE RICH VARIETY OF MATERIALS THAT ARE CONTAINED IN THE BOOKS OF ACCOUNT OF THE XY COMPANY.

PURPOSE AND SCOPE

THE PURPOSE OF THE PRESENT RESEARCH IS TO REPORT, AND TO HISTORICALLY INTERPRET, THIS MUCH MORE COMPLETE AND MORE SIGNIFICANT DOCUMENTATION OF THE XY COMPANY. BECAUSE THE BOOKS OF ACCOUNT OF THE NORTH WEST COMPANY HAVE NOT AS YET COME TO THE ATTENTION OF PRESENT DAY STUDENTS OF CANADIAN HISTORY, IT MAY WELL BE THAT THE BOOKS OF ACCOUNT OF THE XY COMPANY WILL TAKE ON THE ADDED SIGNIFICANCE OF PERHAPS THE UNIQUE EVIDENCE OF THEIR TYPE AND PERIOD.

SOME PRELIMINARY CONSIDERATIONS REGARDING THE BACKGROUND OF THE NORTH WEST WILL BE PRESENTED IN ORDER TO CLARIFY THE HISTORICAL SETTING OF THE XY COMPANY. THE DISCUSSION OF THE PRECISE IDENTIFICATION OF THE FIRM, IN REGARD TO ITS VARIOUS NAMES, OWNERS, AND ITS PERIOD OF OPERATIONS WILL SERVE TO SET THE HISTORICAL DIMENSIONS OF THE COMPANY. THE SALIENT FACT IN THE HISTORY OF THE NORTH WEST AT THIS TIME WAS THE RENEWED COMPETITION ENGENDERED BY THE OPERATIONS OF THE XY COMPANY. THIS PERIOD OF OPPO-

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SITION WAS CHARACTERISED BY WATCHING OF RIVAL TRADERS, A SIGNIFICANT INCREASE IN THE USE OF RUM AS A TRADING COMMODITY, AND OUTBREAKS OF PHYSICAL VIOLENCE ON AN EPIDEMIC SCALE. THIS COMPETITION INVOLVED A NEW INTENSITY IN THE RECRUITING OF MAN-POWER. THE ROLE OF THE HUDSON'S BAY COMPANY WILL BE SHOWN AS INDEED A MINOR ONE, IN THE COMPETITION OF THIS PERIOD IN THE NORTH WEST. THIS WAS DUE TO THE CRIPPLING DEMANDS OF THE BRITISH ARMED FORCES FOR MEN DURING THE NAPOLEONIC WARS.

THE PERIOD OF OPPOSITION ENDED IN 1804 WITH THE UNION OF THE NORTH WEST AND XY COMPANIES. THE FURTHER DISCUSSION WILL DEAL WITH THE SCALE OF OPERATIONS OF THE XY COMPANY, AND THE PRIMITIVE ECONOMIC FORMAT IN WHICH IT OPERATED. THROUGHOUT THE DISSERTATION THE BOOKS OF ACCOUNT OF THE XY COMPANY WILL BE USED TO PROVIDE RELIABLE, AND IN THE ^{MAIN} HITHERTO UNREPORTED INFORMATION. IT MAY WELL BE THAT THE STUDY OF THIS FUR TRADING COMPANY FROM ITS BOOKS OF ACCOUNT, AND OTHER PRIMARY SOURCES, WILL CONTRIBUTE TO AN UNDERSTANDING OF THE RAPID COLLAPSE OF THE FUR TRADING ENTERPRISES OPERATING FROM MONTREAL TO THE NORTH WEST IN THE FIRST QUARTER OF THE NINETEENTH CENTURY.

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PRELIMINARY CONSIDERATIONS

THE FOLLOWING PRELIMINARY CONSIDERATIONS WILL SERVE AS A BRIEF ORIENTATION TO THE FURTHER RESEARCH ON THE XY COMPANY. IN THE PERIOD OF THE 1790'S THE FUR TRADE OPERATED OUT OF MONTREAL. THE HUDSON'S BAY COMPANY HAS BEEN EXCLUDED FROM THIS STATEMENT SINCE AT THIS TIME THE ACUTE RIVALRY TO BE DESCRIBED BELOW INVOLVED MAINLY THE TWO MORE SIGNIFICANT COMPANIES OPERATING OUT OF MONTREAL, NAMELY THE NORTH WEST COMPANY AND THE XY COMPANY. THE TRADE GOODS CAME FROM ENGLAND, USUALLY THROUGH MONTREAL, THOUGH IN SOME CASES THROUGH FIRMS IN NEW YORK STATE. AN EXAMPLE OF THIS LATTER WOULD BE TOBACCO PURCHASED FROM LEWIS FARQUHARSON AND COMPANY IN SCHENECTADY.¹² THE GOODS WERE TRANSPORTED FROM MONTREAL TO THE INTERIOR BY CANOES OVER THE LAKES AND RIVERS OF THE PRE-CAMBRIAN SHIELD. THE ACTUAL TRADING WITH THE INDIANS IN THE NORTH WEST TOOK PLACE IN AREAS WHICH WERE REACHED BY THE TRADERS ONLY AFTER A SUMMER'S TRAVEL FROM GRAND PORTAGE AT THE WEST END OF LAKE SUPERIOR. GRAND

12. DANIEL SUTHERLAND, "LETTERBOOK XY", BOOK NO. 1, OF THE BOOKS OF ACCOUNT OF THE XY COMPANY, P. 12, ARCHIVES DU GRAND SÉMINAIRE DE QUÉBEC, "80 ROLES TWIST EACH WEIGHING NOT LESS THAN 90 LBS., AND NOT EXCEEDING 100 LBS.; 3000 LBS. CARROT TOBACCO IN CARROTS OF 3 LBS. EACH."

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PORTAGE WAS THE "JUMPING OFF" PLACE OF THE FUR TRADERS. IN 1802 THE NORTH WEST COMPANY MOVED FROM GRAND PORTAGE TO KAMINISTQUIA.¹³ THERE WERE AT LEAST TWO REASONS FOR THIS MOVE. THE FIRST INVOLVED THE FACT THAT UNDER JAY'S TREATY, GRAND PORTAGE FELL INTO UNITED STATES' TERRITORY, AND THUS SUBJECT TO "FOREIGN" CUSTOMS INCONVENIENCES.¹⁴ THE SECOND REASON WAS FUNCTIONAL, IN SO FAR AS ANOTHER ROUTE WAS DISCOVERED OVER THE HEIGHT OF LAND INTO THE RIVERS FLOWING TO THE NORTH AND WEST.

THE FURS WERE BROUGHT FROM THE INTERIOR IN CANOES TO GRAND PORTAGE, AND FROM THERE TO MONTREAL. AT MONTREAL THE PELTS WERE GRADED AND PACKED FOR SHIPMENT OVERSEAS. THE EXTENSION OF TIME AND DISTANCE OF THIS TRADING DEMANDED THAT RECORDS BE KEPT. THESE RECORDS CAN PROVIDE RATHER COMPLETE INFORMATION, RECORDED BY CONTEMPORARIES, REGARDING THE SCOPE OF OPERATIONS IN THE NORTH WEST FUR TRADE. ONE MIGHT SAY THAT THE EXIGENCIES OF TRANSPORT AND COMMUNICATION FORCED THE FUR TRADERS TO LEAVE ABUNDANT MATERIALS FROM WHICH THE HISTORY OF THEIR TIMES COULD BE WRITTEN.

13. JOHN McDONALD [OF GARTH], AUTOBIOGRAPHICAL NOTES PRINTED IN L. R. MASSON, LES BOURGEOIS...., OP. CIT., VOL. 2, PP. 34-5.

14. A. S. MORTON, HISTORY OF THE CANADIAN WEST TO 1870-1, OP. CIT., P. 343.

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THE FUR TRADE IN THE NORTH WEST WAS TYPICAL OF OTHER STAPLE INDUSTRIES. THE TRADERS ENCOURAGED THE ABORIGINES TO EXPLOIT THE FUR-BEARING FAUNA. THE TRADERS ARRANGED TO SELL SUCH PELTRIES IN THE FUR MARKETS OF EUROPE. IN LONDON SKINS WERE SOLD TO THE FURRIERS AND FELT-MAKERS OF EUROPE. EVEN THE LESS VALUABLE PELTS FOUND BUYERS IN THE PARCHMENT MANUFACTURERS. THE DEMAND FOR FURS IN EUROPE WAS POSTULATED ON THAT FACT THAT FURS THEN, AS NOW, WERE AN ARTICLE OF "CONSPICUOUS CONSUMPTION".^{14A}

IN THE CASE OF BEAVER PELTS, THERE WAS A STRONG MARKET, DUE TO THE FASHION FOR FELT HATS. THE BARBED HAIRS OF THE BEAVER FUR, MADE AN EXCELLENT FELT.

AT PRESENT THE TRADERS OF THE CANADAS AND THOSE OF HUDSON'S BAY, SUPPLY ALL THE BEAVER CONSUMED IN THE MANUFACTURE OF HATS IN GREAT BRITAIN: FOR WHICH NO MATERIAL HAS BEEN FOUND AN ADEQUATE SUBSTITUTE.¹⁵

THERE WAS ANOTHER ASPECT TO FUR TRADING AND THIS WAS TO ENCOURAGE THE INDIANS TO HUNT BEYOND THEIR BASIC NEEDS OF FOOD AND CLOTHING. THE FUR TRADERS DETERMINED TO MAKE THE INDIANS DEPENDENT ON THEM AND THEIR GOODS. THIS WAS

^{14A}. T. B. VEBLER, THE THEORY OF THE LEISURE CLASS, NEW YORK, MODERN LIBRARY, 1899, P. 73, REPRINTED 1934.

¹⁵. SIR J. H. CRAIG TO LORD CASTELREAGH, 3RD OCTOBER, 1808, NO. 43, "AN ENQUIRY ETC.", FOUND IN TRANSCRIPTS OF COLONIAL OFFICE RECORDS, SERIES Q, "GOV. CRAIG & MISC." LOWER CANADA NO. 108, P. 67, PUBLIC ARCHIVES OF CANADA.

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NOT DIFFICULT TO ACHIEVE BECAUSE OF THE CULTURE LAG BETWEEN THE INDIANS OF THE NORTH WEST, AND THE TRADERS WHO HAD ALL THE RESOURCES OF A EUROPEAN OF THE LATE EIGHTEENTH CENTURY. FROM THE BEGINNING OF TRADE, SUCH THINGS AS METAL GOODS, GUNS, KNIVES, AXES, POTS, TRINKETS, CLOTH AND PATENT MEDICINES WERE EXCHANGED FOR FURS.¹⁶ THE REAL BASIS FOR THE SUCCESS AND CONTINUITY OF THE FUR TRADE WAS THE DEPENDENCE OF THE INDIANS ON THE TRADER FOR THE ARTICLES THAT THE INDIANS NOW WISHED TO OBTAIN, BUT COULD NOT PRODUCE BY THEIR OWN EFFORTS, OTHER THAN BY FUR TRADING. THE TRADERS WANTED PELTS IN ANY QUANTITY. FURS WERE THE VERY THINGS THAT THE INDIANS COULD OBTAIN FROM THEIR ENVIRONMENT, BY TECHNIQUES ALREADY DEVELOPED AND FAMILIAR TO THEIR ABORIGINAL CULTURE. EARLY IN THE BUSINESS OF FUR TRADING, THE DEPENDENCE OF THE INDIANS WAS SECURED, BY THE USE OF LIQUOR AND TOBACCO. THE FOLLOWING ACCOUNT BY DUNCAN MCGILLIVRAY ILLUSTRATES THIS NOTION.

IT IS THEN OUR LUXURIES THAT ATTRACT [SIC] THEM TO THE FORT AND MAKE US SO NECESSARY TO THEIR HAPPINESS. THE LOVE OF RUM IS THEIR FIRST INDUCEMENT TO INDUSTRY, THEY

16. -----, -----, BOOK NO. 4, OF THE BOOKS OF ACCOUNT OF THE XY COMPANY, NO TITLE, A BOOK OF INVOICES, IN THE ARCHIVES DU GRAND SÉMINAIRE DE QUÉBEC, IN THE DETAILED LISTINGS OF THESE INVOICES ONE MAY FIND A GREAT WEALTH OF INFORMATION ABOUT THE GOODS SENT TO THE INTERIOR.

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UNDERGO LONG HARDSHIP AND FATIGUE TO PROCURE A SKINFUL OF THIS DELICIOUS BEVERAGE, AND WHEN A NATION BECOMES ADDICTED TO DRINKING, IT AFFORDS STRONG PRESUMPTION THAT THEY WILL SOON BECOME EXCELLENT HUNTERS. TOBACCO IS ANOTHER ARTICLE OF AS GREAT DEMAND SINCE IT IS UNNECESSARY. CUSTOM HAS HOWEVER MADE IT OF CONSEQUENCE TO THEM AS IT CONSTITUTES A PRINCIPAL PART OF THEIR FEASTS AND SUPERSTITIOUS CEREMONIES, AND IN THEIR TREATIES OF PEACE AND COUNCILS OF WAR A FEW WHIFS OF THE MEDICINE PIPE CONFIRM ARTICLES MUTUALLY AGREED UPON.¹⁷

THE USE OF LIQUOR AND TOBACCO INTRODUCED INTO THE FUR TRADE AN ELEMENT OF EXPLOITATION WHICH WAS TO HAVE VIOLENT RESULTS IN THE COMPETITION DESCRIBED BELOW. FOR THESE REASONS THE INDIANS WOULD HUNT AND KILL MORE BEAVERS, AND OTHER FUR BEARING ANIMALS, THAN WOULD BE REPLACED BY THE NATURAL REPRODUCTION CYCLES OF THESE ANIMALS. THE EFFECTIVENESS OF THE TRADERS' EFFORTS TO KEEP THE INDIANS DEPENDENT ON THEM THROUGH THE USE OF THEIR TRADE GOODS CAN BE ESTIMATED FROM THE TESTIMONY OF DANIEL HARMON.

FRIDAY NOVEMBER 1802

I FIND HERE A BAND OF INDIANS, WHO HAVE BEEN WAITING FOR MY RETURN, IN ORDER TO PROCURE SUCH ARTICLES AS THEY NEED, TO ENABLE THEM TO MAKE A FALL HUNT. THE INDIANS IN THIS QUARTER HAVE BEEN SO LONG ACCUSTOMED

17. A. S. MORTON, A HISTORY OF THE CANADIAN WEST UP TO 1870-1, OP. CIT., P. 459.

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TO USE EUROPEAN GOODS, THAT IT WOULD BE WITH DIFFICULTY THAT THEY COULD NOW OBTAIN A LIVELIHOOD WITHOUT THEM. ESPECIALLY DO THEY NEED FIREARMS, WITH WHICH TO KILL THEIR GAME, AND AXES, KETTLES, ETC. THEY HAVE ALMOST LOST THE USE OF BOWS AND ARROWS; AND THEY WOULD FIND IT NEARLY IMPOSSIBLE TO CUT THEIR WOOD WITH IMPLEMENTS MADE OF STONE OR BONE.¹⁸

THUS ONE OF THE CHARACTERISTICS OF THE NORTH WEST FUR TRADE WAS THE RAPID EXHAUSTION OF HUNTING GROUNDS, AND THE CONSTANT MOVING DEEPER AND DEEPER INTO THE CONTINENT. DAVID THOMPSON RECORDED HIS IMPRESSIONS OF THE DEPENDENCE OF THE INDIANS ON THE TRADERS AS FOLLOWS:

FORMERLY THE BEAVERS WERE VERY NUMEROUS....AND THE POOR INDIAN HAD THEN ONLY A POINTED STICK SHAPED AND HARDENED IN THE FIRE, A STONE HATCHET..., THUS ARMED HE WAS WEAK AGAINST THE SACRIFICIOUS BEAVER.... BUT WHEN THE ARRIVAL OF THE WHITE PEOPLE HAD CHANGED ALL THEIR WEAPONS FROM STONE TO IRON AND STEEL, AND ADDED THE FATAL GUN, EVERY ANIMAL FELL BEFORE THE INDIAN...AND AS THE BEAVER IS A STATIONERY ANIMAL, IT COULD BE ATTACKED AT ANY CONVENIENT TIME IN ALL SEASONS, AND THUS THEIR NUMBERS SOON BECAME REDUCED.¹⁹

THE FUR TRADERS WERE NOT CONCERNED WITH CONSERVATION, BUT CONCENTRATED THEIR EFFORTS ON THE EXPLOITATION OF BOTH THE FUR CROP AND THE INDIAN HARVESTERS.

18. DANIEL HARMON, "JOURNAL", MANUSCRIPT IN PHOTOSTAT, THE GUTHERIE Y. BARBER COPY, P. 73, PUBLIC ARCHIVES OF CANADA.

19. DAVID THOMPSON, NARRATIVE OF EXPLORATIONS IN WESTERN AMERICA 1784-1812, J. B. TYRRELL ED., TORONTO, CHAMPLAIN SOCIETY, 1916, PP. 112-3.

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THERE WAS AN INTERACTION OF CULTURES THAT WAS NOT ALL ONE-SIDED. THE FUR TRADER HAD TO ADOPT SOME OF THE CULTURE PATTERNS OF THE INDIANS IN ORDER TO SURVIVE IN THE INTERIOR. SUCH ADAPTATIONS WOULD INCLUDE THE USE OF THE BIRCH-BARK CANOE, SNOW SHOES, AND THE TOBOGGAN, IN ORDER TO SOLVE THE PROBLEMS OF TRANSPORT. IT WAS THE BIRCH-BARK CANOE THAT ENABLED MONTREAL TO BECOME THE ENTREPÔT OF THE PRE-CAMBRIAN SHIELD, AND OF THE NORTH WEST. THESE CANOES WOULD BE MANNED BY FIVE MEN AND CARRY UP TO THREE THOUSAND POUNDS OF CARGO. THEY DREW ABOUT EIGHTEEN INCHES OF WATER AND COULD MAKE ABOUT SIX MILES AN HOUR IN CALM WATERS.²⁰

PERHAPS ONE OF THE BETTER CONTEMPORARY ACCOUNTS OF THE TRADE CANOES HAS BEEN RECORDED BY DAVID THOMPSON. HE DISTINGUISHED TWO TYPES OF CANOES.

CANOES FROM MONTREAL EACH CARRYING FORTY TO FORTY-FIVE PIECES OF MERCHANDISE INCLUDING SPIRITUOUS LIQUORS: EACH PIECE OF THE WEIGHT NINETY TO ONE HUNDRED POUNDS...THESE RETURNED TO MONTREAL WITH FURS.²¹

THOMPSON HAS DESCRIBED THE "MONTREAL CANOES" OR LES CANOTS DU MAÎTRE. THEIR TRADE BURDEN WAS AT LEAST TWO TONS NOT

20. PETER GRANT, "THE SAULTEUX INDIANS", IN L. R. MASSON, LES BOURGEOIS...., OP. CIT., VOL. 2, P. 313.

21. DAVID THOMPSON, NARRATIVE OF EXPLORATIONS...., OP. CIT., P. 117.

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COUNTING THE WEIGHT OF THE MEN AND THEIR FOOD AND EQUIPMENT. WRITING AT GRAND PORTAGE IN AUGUST OF 1796, THOMPSON DESCRIBES ANOTHER TYPE OF TRADE CANOE.

THE CANOES WERE OF LESS SIZE, AND THE LOAD WAS TWENTY-FIVE PIECES, BESIDES THE PROVISIONS FOR THE VOYAGE AND THE BAGGAGE OF THE MEN; BEING A WEIGHT OF ABOUT 2,900 POUNDS, TO WHICH ADD FIVE MEN, 800 POUNDS.²²

THESE WERE LES CANOTS DU NORD, WHICH WERE USED WEST OF GRAND PORTAGE. TO ILLUSTRATE THEIR CAPACITY ONE COULD REWRITE THOMPSON'S ESTIMATE AS FOLLOWS:

25	PIECES OF TRADE GOODS AT 90 POUNDS EACH	2250	POUNDS
	PROVISIONS AND BAGGAGE	650	POUNDS
5	MEN AT 160 POUNDS EACH	800	POUNDS
	TOTAL CARGO OF <u>UN CANOT DU NORD</u>	3700	POUNDS

THE FUR TRADER HAD TO LEARN TO LIVE IN A NON-AGRICULTURAL COUNTRY, WHERE LONG DISTANCES WERE TRAVELLED BY CANOE. THUS ONE FINDS THE NECESSITY OF USING Pemmican AND WILD RICE, THE "OATS" OF THE NORTH WEST. Pemmican WAS PRESERVED BUFFALO MEAT.²³ THE LEAN PARTS OF THE CARCASS WERE CUT INTO STRIPS AND DRIED IN THE SUN. AFTER THE MEAT WAS DRIED, IT WAS POUNDED INTO A CRUMBLY MIXTURE, RESEMBLING RAISINS. THIS DRY POUNDED MEAT WAS SEASONED WITH WILD

22. DAVID THOMPSON, NARRATIVE OF EXPLORATIONS..., OP. CIT., P. 117.

23. DANIEL HARMON, "JOURNAL", OP. CIT., ENTRY FOR 12TH AUGUST 1800.

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BERRIES, SUCH AS SASKATOONS, OR WITH SPICES, SUCH AS BLACK PEPPER.²⁴ THE NEXT STEP WAS TO MIX THE DRY INGREDIENTS WITH HOT BUFFALO FAT, RENDERED FROM THE PLENTIFUL SUET OF THE BUFFALO CARCASS.²⁵ THIS MIXTURE, PEMMICAN, WAS PUT UP IN NINETY POUND BAGS, IN WHICH IT COULD BE KEPT FOR A YEAR OR MORE WITHOUT SPOILAGE. PEMMICAN COULD BE EATEN "RAW", AS IT OFTEN WAS FOR MEALS TAKEN IN THE CANOE, OR IT COULD BE MADE INTO A STEW WITH OATMEAL AND BISCUIT, AS IT OFTEN WAS FOR THE EVENING MEAL. THE SIGNIFICANCE OF PEMMICAN WAS THAT THE FUR TRADERS COULD PENETRATE THE PARK LANDS NORTH OF THE PRAIRIE REGION CARRYING A LOW BULK, HIGH PROTEIN, CONCENTRATED FOOD SUPPLY. PEMMICAN WAS A BASIC ENABLING FACTOR IN THE EXPANSION OF THE FUR TRADE FROM MONTREAL TO THE ARCTIC AND PACIFIC OCEANS.

SIR ALEXANDER MACKENZIE HAS INDICATED THE FUR TRADER'S HIGH REGARD FOR THIS TYPE OF FOOD WHEN HE WRITES OF "PEMMICAN OUR TREASURE"²⁶ A FURTHER APPRAISAL OF THE

24. FRANCOIS MALHOIT, "A WISCONSIN FUR TRADER'S JOURNAL 1804-5", EDITED BY MILO QUAIFFE, WISCONSIN HISTORICAL COLLECTIONS, VOL. 19, P. 226.

25. W. F. WENTZEL, "LETTERS TO RODERICK MCKENZIE", IN L. R. MASSON, LES BOURGEOIS...., OP. CIT., P. 90, PEMMICAN RECIPE.

26. ALEXANDER MACKENZIE, VOYAGES FROM MONTREAL...., TORONTO RADISSON SOCIETY, 1927, (FIRST EDITION 1801, LONDON, CADELL), P. 491.

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VALUE OF PEMMICA IN THE FUR TRADE HAS BEEN RECORDED BY DUNCAN MCGILLIVRAY IN HIS "JOURNAL".

THE EXPENCES OF DRY PROVISIONS MAY BE AVERAGED AT THE VALUE OF A PACK OF FURS FOR 3 BAGS OF PIMICAN (SIC), THIS ARTICLE OUGHT THEREFORE TO BE CONSIDERED AS CONTRIBUTING A VERY CONSIDERABLE PART OF OUR RETURNS, IT BEING SO NECESSARY TO TAKE OUT [IE. TO PROVISION] THE CANOES OF ALL THE POSTS ON THIS SIDE OF LAKE BOURBON INCLUDING THE ENGLISH RIVER AND ATHABASKA.²⁷

ONE FURTHER CULTURAL ADAPTATION MADE BY MANY OF THE FUR TRADERS WAS THE TAKING OF INDIAN WIVES. THESE WOMEN SERVED AS GUIDES, INTERPRETERS, AS WELL AS BEING THE LIAISON THAT PREVENTED SERIOUS INDIAN WARS. THEIR ROLE WAS A VALUABLE ONE TO THE FUR TRADERS THAT CAN BE BEST ILLUSTRATED IN THE ABSENCE OF A PATTERN OF INDIANS MASSACRING WHITE MEN.

THE OPERATIONS OF THE VARIOUS FUR TRADING INTERESTS IN THE NORTH WEST CIRCA 1795 HAVE BEEN DESCRIBED ELSEWHERE. THE READER IS REFERRED TO THESE SOURCES FOR BACKGROUND WHICH PERTAINS TO THE XY COMPANY IN A GENERAL WAY.²⁸ THE CANADIAN FUR TRADE WAS CHARACTERIZED BY MONOPOLY, OR AT

27. DUNCAN MCGILLIVRAY, "JOURNAL", 21ST JULY, 1794 TO 14TH MAY 1795, IN PHOTOSTAT, P. 59, PUBLIC ARCHIVES OF CANADA.

28. G. C. DAVIDSON, THE NORTH WEST COMPANY, BERKELEY, UNIVERSITY OF CALIFORNIA PRESS, 1918.
H. A. INNIS, THE FUR TRADE IN CANADA, NEW HAVEN, YALE UNIVERSITY PRESS, 1930.
A. S. MORTON, HISTORY OF THE CANADIAN WEST UP TO 1870-1, OP. CIT.

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LEAST SEMI-MONOPOLISTIC STRUCTURES IN THE TRADING UNITS. DURING AND AFTER 1787, THE PROBLEMS OF DISTANCE, FINANCE, AND OPPOSITION, ENCOURAGED CENTRALIZATION AMONG THE TRADERS OPERATING OUT OF MONTREAL.²⁹ THESE TRADERS WERE THE NORTH WEST COMPANY. THE HUDSON'S BAY COMPANY WILL BE DISCUSSED IN CHAPTER IV FOR THE SAKE OF COMPLETENESS; BUT SINCE ITS OPERATIONS WERE NOT CENTERED OUT OF MONTREAL, AND BECAUSE ITS METHODS OF TRADING WERE UNIQUELY ITS OWN, A SHORT DESCRIPTION SHALL BE GIVEN, AND THEN THE HUDSON'S BAY COMPANY WILL BE DELETED FROM THE MAIN DISCUSSION. THE PURPOSE OF THE PRESENT WORK SHALL BE TO EXAMINE A THIRD COMPANY, THE XY COMPANY, WHICH OPERATED FROM 1798 TO 1804. THE PROBLEMS THAT WERE FACED BY THE XY COMPANY, THE FINAL SOLUTION TO ITS EXISTENCE WILL ILLUSTRATE MANY OF THE CHARACTERISTICS OF THE FUR TRADE IN THE CANADIAN NORTH WEST.

PERHAPS THE MOST SIGNIFICANT CHARACTERISTIC OF THE NORTH WEST FUR TRADE WAS ROOTED IN THE GEOGRAPHY OF CANADA. TRANSPORTATION WAS ONE OF THE MAJOR PROBLEMS OF THE FUR TRADERS. THE DISTANCES FROM MONTREAL TO GRAND PORTAGE, AND FROM THENCE TO THE INTERIOR, TO "LAKE QUINAPIQUE", AND INTO THE ATHABASKA COUNTRY, TO CHIPEWYAN, TO THE PEACE RIVER

29. G. C. DAVIDSON, THE NORTH WEST COMPANY, OP. CIT.

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BASIN, THE SLAVE LAKES, THE LAIRD AND MACKENZIE RIVER BASINS, MADE IT IMPOSSIBLE FOR ANY ONE TRADER, AS AN INDIVIDUAL, TO ACCOMPLISH SUCH TRANSPORTATION. IT HAS BEEN ESTIMATED THAT THE COST OF TRANSPORTATION TO THE NORTH WEST WAS AT LEAST ONE-HALF OF THE TOTAL COST OF CARRYING ON THE FUR TRADE.³⁰

THE PATTERN THAT EVOLVED WAS ONE OF COOPERATION IN COPARTNERSHIP, POOLING TRADE GOODS, FOOD, AND OPERATIONS. IN THIS PERIOD THERE WERE "WINTERING PARTNERS", WHO REMAINED IN THE INTERIOR TO CARRY ON THE TRADE, "FUR BRIGADES" MADE UP OF CANOEMEN WHO BROUGHT TRADE GOODS UP AND FURS DOWN THE LONG WATER ROUTES FROM THE NORTH WEST TO MONTREAL. IN MONTREAL THERE WERE COPARTNERS WHO ARRANGED THE SHIPMENTS OF GOODS AND FURS TO AND FROM ENGLAND. THESE MONTREAL COPARTNERS PROCESSED THE TRADE GOODS INTO NINETY-POUND PACKS WITH SPECIAL DUCK WRAPPINGS, IN CERTAIN SHAPES, FOR CANOE AND PORTAGE TRANSPORTATION INTO THE INTERIOR. THE PELTRIES WERE CURED, GRADED, AND SHIPPED FROM MONTREAL, TO BE DISPOSED OF IN THE LONDON AUCTIONS.

THE USE OF NINETY-POUND PACKS HAD SOME INTERESTING IMPLICATIONS. THE FOLLOWING INFORMATION WAS RECORDED

30. SIR ALEXANDER MACKENZIE, VOYAGES...., OP. CIT., INTRODUCTION BY C. W. COLBY, PP. LII-LIII, IN RADISSON SOCIETY EDITION OF 1927.

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BY ISAAC WELD, JR., IN THE 1790'S.³¹ SINCE ALL THE PACKS WEIGHED THE SAME, IT WAS A MATTER OF INDIFFERENCE WHICH PACK A MAN CARRIED. NINETY POUNDS WAS CONSIDERED TO BE THE OPTIMUM WEIGHT FOR CARRYING ON ONE MAN'S BACK. THE BURDEN WAS SUPPORTED BY A "TUMP LINE", A LOOP OF SOFT LEATHER WHICH RAN UNDER THE BUNDLE AND AROUND THE FOREHEAD OF THE CARRIER. THUS THE BUNDLE WAS SUPPORTED (ON THE CARRIER'S BACK) BY THE POWERFUL NECK MUSCLES. THE "TUMP LINE" ENABLED THE TRADERS TO CARRY HEAVY "PIECES" OVER ROUGH PORTAGE TERRAIN. THE USE OF THE "TUMP LINE" FURTHER ENFORCED THE BENT FORWARD POSTURE WHICH WAS AND STILL IS THE HALLMARK OF THE CANOE VOYAGEUR. THE FIXED WEIGHT OF THE PACKS, BOTH OF GOODS AND FURS, MADE THEM PROOF AGAINST THEFT. A LIGHT PACK WAS A PACK THAT HAD BEEN BROKEN INTO, AND THIS FACT COULD NOT LONG BE CONCEALED.

THE XY COMPANY HAS BEEN SELECTED AS A CONVENIENT FOCAL POINT FOR THIS RESEARCH INTO THE HISTORY OF CANADA. THE COMPANY WAS OF SHORT DURATION, BUT ITS DEVELOPMENT IS SIGNIFICANT IN UNDERSTANDING OF THE ECONOMIC GROWTH OF CANADA. THE COMPANY WAS ENGAGED IN THE FUR TRADE OF THE

31. ISAAC WELD, JR., TRAVELS THROUGH THE STATES OF NORTH AMERICA AND THE PROVINCES OF UPPER & LOWER CANADA DURING THE YEARS 1795-6-7, 2ND EDITION, LONDON, STOCK-DATE, 1799, VOL. 1, P. 320. THIS RARE BOOK IS TO BE FOUND IN THE BABY COLLECTION OF THE UNIVERSITY OF MONTREAL.

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NORTH WEST, AND EXHIBITED MANY OF THE PROBLEMS PECULIAR TO THIS TRADE. BECAUSE OF ITS SHORT DURATION AND THE SOLUTION TO ITS EXISTENCE, THE XY COMPANY, HAS NOT FOUND MORE THAN PASSING MENTION IN THE LITERATURE OF THE NORTH WEST. THE DISCUSSION THAT FOLLOWS WILL UNDERTAKE TO DELINEATE THE ROLE THAT THIS COMPANY PLAYED IN A TRADE CHARACTERIZED BY EXPLOITATION, QUASI-MONOPOLY, AND OPPOSITION. THE XY COMPANY REPRESENTED THE ATTEMPT OF ONE POWERFUL GROUP OF TRADERS TO ENCROACH ON ANOTHER POWERFUL AND ORGANIZED UNIT IN THE NORTH WEST FUR TRADE. THE NEXT STEP THEN WOULD BE TO ESTABLISH THE EXACT IDENTITY OF THIS FIRM, TO ASCERTAIN WHO WERE ITS OWNERS, AND TO DETERMINE THE PERIOD OF ITS OPERATIONS.

CHAPTER 11

THE NAMES, DATES AND OWNERS OF THE XY COMPANY

SUMMARY

THE XY COMPANY OPERATED UNDER SEVERAL NAMES. THE DIFFERENT LEGAL NAMES, ALONG WITH THE OTHER LESS DIGNIFIED APPELLATIONS ARE INVESTIGATED. THE PERIOD OF OPERATION OF THE COMPANY HAS BEEN REPORTED WITH SOME VARIATIONS BY REPUTABLE AUTHORS. THIS PROBLEM IS DELINEATED, AND A MORE PROBABLE DATE OF ORIGIN IS SUGGESTED FROM PRIMARY EVIDENCE. THE UNCERTAINTY AS TO WHO WERE THE OWNERS OF THE COMPANY IS REPORTED, AND LISTS OF THE DIFFERENT OWNERS, AT DIFFERENT TIMES HAVE BEEN COMPILED FROM THE ACTUAL BOOKS OF ACCOUNT OF THE XY COMPANY.

CONTRARY TO WHAT ONE MIGHT BE INCLINED TO EXPECT, THE BEGINNINGS OF THE XY COMPANY DID NOT INVOLVE A NEW ORGANIZATION, BUT RATHER A NEW ALIGNMENT OF TRADERS AND SUPPLIERS IN THE NORTH WEST. THE FIRM OF FORSYTH, RICHARDSON AND COMPANY HAD BEEN TRADING AND SUPPLYING TRADERS IN THE DETROIT AND MICHILIMACKINAC AREAS IN THE 1790'S. IN THE LATTER PART OF THIS DECADE IT BEGAN TO PROJECT ITS OPERATIONS INTO THE NORTH WEST.¹ AN ACCOUNT OF THE REASONS FOR THIS MOVE COULD BE SUMMED UP IN THE FACT THAT THE SOUTH WEST TRADING AREAS WERE FACING A VIRTUAL EXHAUSTION OF

1. R. H. FLEMING, "THE ORIGIN OF 'SIR ALEXANDER MACKENZIE AND COMPANY'", OP. CIT., P. 140-1.

NAMES, DATES AND OWNERS

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PRIME BEAVER. SINCE THESE FACTS ARE WITHOUT DISPUTE, AND TO AVOID A LONG DIGRESSION, THEY WILL BE REPORTED BRIEFLY.²

THE SOUTH WESTERN FUR TRADE SUFFERED FROM A SHORT-AGE OF PRIME BEAVER. THE CASTOR SEC D'ÉTÉ, USUALLY OBTAINED IN THE SOUTH WEST, BECAUSE OF ITS POORER QUALITY, WAS NOT ABLE TO COMMAND THE CONSISTENTLY HIGHER PRICES OF THE CASTOR GRAS D'HIVER OF THE NORTH WEST. THE EXPANDING EDGE OF SETTLEMENT FROM THE ATLANTIC COLONIES WAS OBTIATING THE POSSIBILITY OF A TRADE IN FURS. INDIAN UPRISINGS AND THE PUNITIVE MILITARY OPERATIONS OF THE AMERICAN GOVERNMENT IN DEALING WITH THE INDIANS, ALIENATED THE FUR GATHERING AGENTS IN THE SOUTHWESTERN TRADE AREA. THE NEGOTIATION OF JAY'S TREATY IN 1783, LED THE FUR TRADERS TO BE APPREHENSIVE OF INTERFERENCE FROM THE AMERICAN GOVERNMENT IN THEIR OPERATIONS. THUS, IN AND AFTER 1790, MANY OF THE FUR TRADING INTERESTS OPERATING IN THE SOUTH WEST BEGAN TO MOVE INTO THE NORTH WEST, AND TO COMPETE WITH THE TRADERS OF THE NORTH WEST COMPANY.³ WITH THESE GENERAL CONSIDERATIONS ON RECORD ONE CAN PROCEED TO THE CORE OF THE PRESENT RESEARCH, THE XY COMPANY.

2. A. S. MORTON, HISTORY OF THE CANADIAN WEST TO 1870-1, OP. CIT., P. 343, ET. SEQ.

3. W. S. WALLACE, "FORSYTH, RICHARDSON AND COMPANY IN THE FUR TRADE", TRANSACTIONS OF THE ROYAL SOCIETY OF CANADA, SEC. II, VOL. 34, MAY 1940, PP. 187-94.

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NAMES OF THE XY COMPANY

THE BUSINESS ENTITY KNOWN AS THE XY COMPANY, HAS BEEN KNOWN UNDER OTHER NAMES. PERHAPS BECAUSE OF THE VARIOUS DESIGNATIONS UNDER WHICH THIS COMPANY WAS KNOWN AND OPERATED, THERE HAS ARISEN A REAL UNCERTAINTY REGARDING THE NAMES, DATES, AND OWNERS OF THE XY COMPANY.

THE NAMES USED FOR THE XY COMPANY VARY WITH DIFFERENT SOURCE MATERIALS. THE FACT THAT THE LEGAL NAMES WERE NOT THE SAME AS THE SHIPPING DEVICE OR BRAND EPITOMIZES THE PROBLEM. XY IN THIS CONTEXT IS NOT AN ABBREVIATION; IT IS A SHIPPER'S BRAND. THE BALES, KEGS AND PACKAGES OF THIS COMPANY BORE THE BRAND XY. THUS IN THE INTERIOR, AMONG TRADERS, THE BRAND WAS USED TO DESIGNATE THE COMPANY. THE NAME XY COMPANY WAS RARELY USED AS THE LEGAL NAME OF THE ORGANIZATION.

IT HAS BEEN RECORDED BY G. BRYCE, THAT XY WAS THE BRAND CHOSEN BY THE NEW COMPANY BECAUSE THESE WERE THE NEXT TWO LETTERS FOLLOWING THE W, IN THE BRAND OF THE NORTH WEST COMPANY, NW.⁴ THIS SAME NOTION HAS BEEN RECORDED BY D. B.

4. G. BRYCE, THE REMARKABLE HISTORY OF THE HUDSON'S BAY COMPANY, TORONTO, BRIGGS, 1900, P. 148.

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BRYMNER.⁵ THERE DOES NOT SEEM TO BE ANY EVIDENCE TO CONTRADICT THIS POSITION, NOR HAS ANY SUGGESTION OF ANOTHER ORIGIN OF THE DEVICE XY BEEN FOUND. YET IT MUST BE NOTED THAT THERE MAY BE A DOUBT REGARDING THIS OPINION. IN THE "LETTER BOOK" KEPT AT GRAND PORTAGE, THERE IS A LIST OF THE POSTS OF THE NORTH WEST COMPANY WITH THEIR SHIPPING BRANDS AS OF 1802. A LETTER OF THE ALPHABET WAS ASSIGNED TO EACH POST. IN THIS LIST ONE FINDS THAT THE LETTER X DESIGNATED MICHIPICOTEN, AND THE LETTER Y DESIGNATED MICANTANISHE.⁶ THUS THESE LETTERS X AND Y WERE USED BY THE NORTH WEST COMPANY TO INDICATE DESTINATIONS. THE POINT IS THAT THEY WERE NOT USED TOGETHER AS ONE DEVICE. THE USE OF XY SEEMS TO HAVE BEEN EXCLUSIVE TO THE SUBJECT OF THE PRESENT RESEARCH.

THE BRAND XY WAS USED IN 1799 TO MARK THE GOODS SHIPPED FROM THE FIRM OF PHYN, INGLIS AND COMPANY, IN LONDON, TO THEIR CORRESPONDENT IN MONTREAL, DESIGNATED AS THE NEW NORTH WEST COMPANY. IT WAS THE USE OF THIS DEVICE THAT LED TO THE USE OF THE NAME XY COMPANY.

5. D. B. BRYMNER, REPORT OF THE PUBLIC ARCHIVES OF CANADA FOR 1886, OTTAWA, MACLEAN ROGER AND CO., 1887, P. XV.

6. "GRAND PORTAGE LETTER BOOK", 1798-1802, KEPT BY THE AGENTS OF THE NORTH WEST COMPANY AT GRAND PORTAGE, MANUSCRIPT, 193 PAGES, P. 50-1, PUBLIC ARCHIVES OF CANADA. THE LETTERS RECORDED WERE SENT BY VARIOUS MEN WHOSE NAMES HAVE BEEN RECORDED ON THE COPIES. SOME OF THESE WERE SIR ALEXANDER MACKENZIE, WILLIAM MCGILLIVRAY, AND OTHERS.

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LONDON MARCH 15TH, 1799

INVOICE OF GOODS SHIPPED BY PHYN, INGLIS AND CO., [IN THE SHIP] BROTHERS CAPTAIN ALEXANDER PATTERSON OF MONTREAL BY ORDER FOR ACCOUNT AND RISK OF MESSRS. FORSYTH RICHARDSON & CO., MERCHANTS THERE, AND THE OTHER PARTNERS OF NEW NORTH COMPANY AND TO THEM CON-SIGNED, ALL BUNDLES MARKED XY.⁷

AS EARLY AS THE 31ST OCTOBER, 1790, THE XY COMPANY WAS OPERATING AS A DISTINCT ENTITY, IN SO FAR AS IT PAID A FEE TO FORSYTH, RICHARDSON AND COMPANY FOR FREIGHT. THIS EVIDENCE IS FOUND IN THE CASH DISBURSEMENT BOOK OF THE XY COMPANY.

TO FORSYTH RICHARDSON FOR EXPENCE OF TRANSPORT FROM MONTREAL TO KINGSTON OF 47 10/12 BR. [BARRELS] BULK MARKED XY.⁸

R. H. FLEMING HAS WRITTEN THAT THE NAME "XY COMPANY" WAS FIRST USED IN 1800, BY DANIEL HARMON IN HIS JOURNAL.⁹ THE EVIDENCE SUBMITTED ABOVE WOULD INDICATE THAT THIS BRAND HAD BEEN IN USE FOR AT LEAST TWO YEARS BEFORE 1800.

7. -----, -----, BOOK NO. 4, OF THE BOOKS OF ACCOUNT OF THE XY COMPANY, NO TITLE, MANUSCRIPT, PAGES NOT NUMBERED, ABOUT 250 PAGES, ARCHIVES DU GRAND SÉMINAIRE DE QUÉBEC; THIS BOOK CONTAINS LISTS OF INVOICES OF GOODS SHIPPED FROM ENGLAND TO MONTREAL FOR THE XY COMPANY. THE RANGE OF THIS RECORD IS FROM 1798 TO 1805, IT IS REFERRED TO BY DATE, NO INDEX.

8. -----, -----, BOOK NO. 10, OF THE BOOKS OF ACCOUNT OF THE XY COMPANY, NO TITLE, MANUSCRIPT, ABOUT 325 PAGES, ARCHIVES DU GRAND SÉMINAIRE DE QUÉBEC. THIS BOOK CONTAINS THE RECORDS OF EXPENDITURES AND RETURNS RELATING TO THE OUTFITS FROM 1799 TO 1804; IT HAS NO INDEX AND IS REFERRED TO BY DATES.

9. R. H. FLEMING, "THE ORIGINS OF 'THE SIR ALEXANDER MACKENZIE AND COMPANY'", OP. CIT., P. 144.

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AMONG THE LEGAL NAMES OF THE XY COMPANY WAS THE MONTREAL NORTH WEST COMPANY, WHICH WAS USED FROM 1799 TO 1800.¹⁰ THIS NAME WAS ONE OF THE FIRST LEGAL DESIGNATIONS OF THE SO-CALLED XY COMPANY. THIS FACT CAN BE FURTHER ASCERTAINED FROM "INVOICE BOOK". THE FOLLOWING HEADINGS CAN BE FOUND ON THE INVOICE COPIES AS RECORDED IN THIS BOOK.¹¹

25TH MARCH, 1800

INVOICE OF GOODS SHIPPED BY PHYN, INGLIS & Co. [IN THE SHIP] EWERETTA CAPTAIN ALEXANDER PATTERSON FOR MONTREAL BY ORDER FOR ACCOUNT AND RISK OF THE MONTREAL NORTH WEST COMPANY, AND CONSIGNED TO MESSRS. FORSYTH RICHARDSON & Co. MERCHANTS THERE.¹²

5TH NOVEMBER, 1800

INVOICE OF SUNDRIES FORWARDED TO POSTE DES CHATS IN CHARGE OF MR. JOSEPH MONDION FOR ACCOUNT OF THE MONTREAL COMPANY TRADING TO THE NORTH WEST.¹³

THE NAME MONTREAL NORTH WEST COMPANY, HAS NOT BEEN REPORTED IN CONNECTION WITH THE XY COMPANY, AS FAR AS THE AUTHOR CAN DETERMINE, IN THE WRITINGS OF HISTORIANS.

THE ACCOUNTING RECORDS OF THE PAST HAVE NOT BEEN USED EXTENSIVELY BY WRITERS OF CANADIAN HISTORY. ONE

10. -----, -----, BOOK No. 10, OF THE BOOKS OF ACCOUNT OF THE XY COMPANY, OP. CIT., SUMMARY UNDER DATE DECEMBER 1799.

11. -----, -----, BOOK No. 5, OF THE BOOKS OF ACCOUNT OF THE XY COMPANY, "INVOICES 1804", MANUSCRIPT, 111 PAGES, ARCHIVES DU GRAND SÉMINAIRE DE QUÉBEC.

12. IBID.

13. IBID.

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ILLUSTRATIVE EXAMPLE OF SUCH USE CAN BE FOUND IN THE ARTICLE BASED ON THE JAMES AND ANDREW MCGILL "JOURNAL".¹⁴ THE USE OF SUCH MATERIAL BY THE STUDENT OF HISTORY IS AMPLY JUSTIFIED, SINCE THESE RECORDS ARE SOUND EVIDENCE OF THE PAST. ONE COULD POINT OUT THAT BOOKS OF ACCOUNT ARE IN FACT THE ORGANIZED RECORD, IN TECHNICAL FORMAT OF THE DEVELOPEMENT OF A FIRM IN TIME. SUCH DOCUMENTS THEN, AS NOW, RECORD THE HISTORY OF A BUSINESS VENTURE. IN THE BOOKS OF ACCOUNT OF THE XY COMPANY ONE MAY FIND THE RECORD OF OWNERSHIP, THE CERTAIN AND AUTHENTIC RESULTS OF EACH OUTFIT, THE COPARTNERS INTERESTED, THEIR EXACT INVESTMENT, AND THE NAMES OF THE MEN WHO WORKED IN THE ENTERPRISE. BOOKS OF ACCOUNT ARE ESPECIALLY VALUABLE TO THE HISTORIAN AS A SOURCE OF PRECISE DESCRIPTIONS AND EXACT DATES.

THE TERM "OUTFIT" WHEN USED IN THE PRESENT RESEARCH IS A TECHNICAL TERM. IN GENERAL IT INDICATES THE INVESTMENT IN THE FUR TRADE FOR A GIVEN YEAR. THE CANADIAN FUR TRADERS OPERATING OUT OF MONTREAL TRIED TO SETTLE THE PROFITS AND LOSSES OF EACH YEAR'S TRADING AS A DISTINCT BUSINESS VENTURE. SIMON MCGILLIVRAY IN 1826

14. W. D. LIGHTHALL, "NEWLY DISCOVERED JAMES AND ANDREW MCGILL JOURNAL 1797", TRANSACTIONS OF THE ROYAL SOCIETY OF CANADA, SEC. II, VOL. 29, MAY 1935, PP. 44-50.

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RECORDED A BRIEF, BUT ACCURATE DESCRIPTION OF THE TERM "OUTFIT".

THE NORTH WEST COMPANY BEING THUS, BY ITS CONSTITUTION, SUBJECT TO CHANGES OF THE PARTIES INTERESTED IN THE TRADE OF SUCCESSIVE YEARS, IT WAS ALWAYS NECESSARY TO OPEN A NEW AND SEPARATE SET OF ACCOUNT BOOKS FOR THE TRANSACTIONS OF EACH ANNUAL OUTFIT, AND IT WAS ONLY AT THE CLOSE OF THE YEAR, AND AFTER THE BOOKS OF EACH SUCH OUTFIT WERE SETTLED AND BALANCED, THAT THE RESULTS WERE BROUGHT INTO THE GENERAL BOOKS OF THE CONCERN.

THE PROCEEDS OF THE SALES OF THE RETURNS OBTAINED FROM THE TRADE, AND THE INVENTORIES OF PROPERTY, GOODS, AND EFFECTS, REMAINING FROM THE TRADE, OR OTHERWISE BELONGING TO THE COMPANY BEING ADDED TOGETHER, THE SUM WAS DIVIDED AND CARRIED TO THE CREDIT OF THOSE PARTNERS TO WHOM THE SAME BELONGED; WHILST THE AMOUNT WHICH HAS IN THE MEANTIME BEEN ADVANCED TO THE SUCCEEDING OUTFIT, TOGETHER WITH THE AMOUNT OF THE INVENTORIES SO TRANSFERRED AND CREDITED TO THE PARTNERS INTERESTED IN THE OLD OUTFIT, WERE ALL ADDED TOGETHER, AND THE SUM DIVIDED, AND CHARGED TO THE DEBIT OF THOSE PARTNEBS WHO WERE INTERESTED IN THE NEW OUTFIT.¹⁵

THIS DESCRIPTION FITS THE BOOKS OF ACCOUNT OF THE XY COMPANY; ONE MAY FIND THERE CAREFUL AND DISTINCT ALLOCATIONS OF REVENUE AND EXPENDITURE TO THE OUTFITS OF THE VARIOUS YEARS. THE TECHNIQUE OF OUTFIT ACCOUNTING WOULD NOT BE ONE THAT WOULD FIND EXTENSIVE APPLICATION SINCE IN MOST ENTER-

15. SIMON MCGILLIVRAY, "PRELIMINARY EXPLANATION OF THE ACCOUNTS AND STATEMENTS SUBMITTED TO THE CREDITORS OF THE NORTH WEST COMPANY", MONTREAL, 16TH DECEMBER 1826, PRINTED IN DOCUMENTS RELATING TO THE NORTH WEST COMPANY, W. S. WALLACE, ED., TORONTO, CHAMPLAIN SOCIETY, 1934, P. 330.

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PRISES IT WOULD NOT BE DESIRABLE TO PLACE SUCH EMPHASIS ON INSULATING THE RESULTS OF OPERATIONS FROM PERIOD TO PERIOD. THE NOTION OF OUTFIT WAS A CONSEQUENCE OF THE AD HOC NATURE OF THE FUR TRADING COPARTNERSHIPS AT THE BEGINNING OF THE NINETEENTH CENTURY IN CANADA. THE STRUCTURE OF THESE COPARTNERSHIPS WAS FLEXIBLE ENOUGH TO ALLOW A MAXIMUM AMOUNT OF INDIVIDUAL EFFORT, ALONG WITH AN INTEGRATED ORGANIZATION FOR TRADING. IN THE BOOKS OF ACCOUNT OF THE XY COMPANY THE FINAL RESULTS OF THE OUTFIT FOR A GIVEN YEAR CAN BE ASCERTAINED FROM THE RECORD OF THAT "OUTFIT-YEAR", ALONG WITH SUBSEQUENT ADJUSTMENTS THAT MAY BE RECORDED IN THE CLOSE FOLLOWING YEARS. THE READER IS REFERRED TO THE TABLES VII THROUGH XII IN CHAPTER VI, FOR A RESUMÉ OF EACH OF THE OPERATING OUTFITS OF THE XY COMPANY.

WITH THE OUTFIT OF 1801 THE MONTREAL NORTH WEST COMPANY WAS REORGANIZED UNDER THE NAME OF ALEXANDER MACKENZIE AND COMPANY.¹⁶ IN 1802 THE NAME BECAME THE SIR ALEXANDER MACKENZIE AND COMPANY.¹⁷ THERE WERE OTHER NAMES APPLIED TO THIS COMPANY, AND THE MORE COMMON NAME WAS THE XY COMPANY.

16.-----, -----, BOOK NO. 10, OF THE BOOKS OF ACCOUNT OF THE XY COMPANY, OP. CIT., ENTRY FOR THE OUTFIT OF 1801.

17. IBID., ENTRY FOR 30TH NOVEMBER 1802.

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MONDAY, 19TH, NOVEMBER 1804

TWARDS EVENING I WAS SURPRISED TO SEE 2 OF THE XY MEN ARRIVE WITH AN INDIAN.¹⁸

THE MEN OF THE NORTH WEST COMPANY LOOKED ON THE MEN OF THE XY COMPANY WITH DISDAIN, AND COINED THE TERM "POTTIES". THIS TERM WAS FREQUENTLY USED IN JOURNALS AND CORRESPONDENCE FROM THE INTERIOR.¹⁹ THE TERM "FORSYTH'S POTTY" WAS USED TO DESIGNATE ONE OF THE XY MEN.

FORSYTH'S POTTY ENGAGED A HUNTER, NOW I THOUGHT IT EXPEDIENT IF POSSIBLE TO DEBAUCH HIM.²⁰

L. R. MASSON HAS WRITTEN THE FOLLOWING REGARDING THE TERM "POTTIES".

NAME GIVEN IN ATHABASCA DISTRICT TO THE PEOPLE OF THE XY COMPANY - THE "LITTLE COMPANY" - BY THEIR OPPONENTS. IT IS PERHAPS A CORRUPTION OF THE WORD "LES PETITS" VIS., THE MEMBERS OF THE "PETITE COMPAGNIE".²¹

18. -----, -----, "JOURNAL OF A WINTERING PARTNER AT LAKE ST. CROIX" [AND OTHER PLACES], MANUSCRIPT, 15TH SEPTEMBER, 1804 TO 27TH APRIL, 1805, DOCUMENT NO. 12, MASSON COLLECTION, PUBLIC ARCHIVES OF CANADA.

19. -----, -----, "PART OF A JOURNAL OF AN EXPEDITION", MANUSCRIPT, 13TH JUNE TO 20TH AUGUST, DOCUMENT NO. 15, MASSON COLLECTION, PUBLIC ARCHIVES OF CANADA. THIS DOCUMENT WAS TENTATIVELY DATED BY L. R. MASSON AS 1798, BUT INTERNAL EVIDENCE SEEMS TO SUGGEST 1800 AS A MORE PRE-CISE DATE.

20. IBID., ENTRY FOR SUNDAY JUNE 14TH.

21. L. R. MASSON, LES BOURGEOIS...., OP. CIT., VOL. 2, P. 389.

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IT HAS BEEN SUGGESTED BY DR. LUCIEN BRAULT OF THE PUBLIC ARCHIVES OF CANADA, THAT THE EXPRESSION "POTTY" MIGHT WELL HAVE BEEN DERIVED FROM THE CANADIEN EXPRESSION "PETITE POTÉE", WHICH CONNOTES A GROUP OF THINGS OR PERSONS OF LITTLE VALUE, OR VULGAR. THIS EXPLANATION SEEMS TO BE JUSTIFIED IN THE LIGHT OF THE DISDAIN EXHIBITED BY THE NORTH WESTERS WHEN USING THEM TERM TO APPLY TO THE MEN OF THE XY COMPANY.

ALEXANDER MACKENZIE, BEFORE HE BECAME A COPARTNER IN THE XY COMPANY, WROTE THE FOLLOWING DESCRIPTION OF THE XY COMPANY, IN A LETTER FROM GRAND PORTAGE TO MCTAVISH FROBISHER AND COMPANY.

THE LITTLE POTTY [PETITE POTÉE] ARE A POOR DASTARDLY SET.²²

JAMES MCKENZIE USED THE SAME TERM TO REFER TO THE XY COMPANY

20TH JULY, 1800

THE CREES WENT AND ENCAMPT ON THE LITTLE ISLAND BEFORE THE POTTIES WHO BORROWED FISH THIS DAY OF AN OLD MONTAGNE WOMAN.²³

22. (SIR) ALEXANDER MACKENZIE, "GRAND PORTAGE LETTER BOOK", OP. CIT., P. 50-1.

23. JAMES MCKENZIE, "JOURNAL 1799-1800", PHOTO-STATS OF MANUSCRIPT, 75 PAGES, ENTRY FOR 20TH JULY, 1800, P. 62, IN THE MASSON COLLECTION AT MCGILL UNIVERSITY.

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DANIEL HARMON IN THE MANUSCRIPT COPY OF HIS JOURNAL, REFERS TO THE "PARKER GERRARD FORSYTH RICHARDSON OGILVY AND COMPANY."²⁴ IN THE PUBLISHED VERSION OF HARMON'S JOURNAL, THIS SECTION HAS BEEN EDITORIALIZED TO READ "THE XY COMPANY".²⁵ THIS NOTATION IN THE MANUSCRIPT IS ONE OF THE FIRST ATTEMPTS ONE FINDS AMONG THE SOURCE MATERIALS TO IDENTIFY THE OWNERS OF THE XY COMPANY. IT SEEMS UNFORTUNATE THAT THIS SECTION HAS BEEN DELETED FROM THE LATER EDITIONS OF THE JOURNAL, EDITED BY DANIEL HASKELL.

SIR ALEXANDER MACKENZIE WRITING TO JOHN SULLIVAN, ENCLOSED A COPY OF A LETTER WRITTEN BY JOHN RICHARDSON TO HERMAN WITSIUS RYLAND, OF THE SAME DATE. THIS LETTER WAS PERHAPS ONE OF THE BETTER DELINEATIONS OF THE ORIGINS OF THE XY COMPANY, WRITTEN BY ONE OF THE LEADING PARTNERS IN THE COMPANY.

THE TRADE TO THAT COUNTRY IS AT PRESENT CARRIED ON BY TWO DISTINCT CONCERNS, COMMONLY CALLED THE OLD AND THE NEW COMPANIES, THE FORMER OF WHICH HAD EXISTED FOR MANY YEARS BUT EXPIRED IN 1798, AND WAS RENEWED BY PART OF ITS MEMBERS; AND THE LATTER COMMENCE ABOUT THE SAME TIME, IN ITS DISTINCT CAPACITY; BUT IT IS TO BE OBSERVED THAT AS SEVERAL OF THE NEW CONCERN HAD FORMERLY AN INTEREST IN THE OLD CONCERN, SO IN FACT THE ORIGINAL

24. DANIEL HARMON, "JOURNAL", PHOTOSTATS OF THE GUTHERIE Y. BARBER COPY, 246 PAGES, MANUSCRIPT, P. 13, PUBLIC ARCHIVES OF CANADA.

25. DANIEL HARMON, A JOURNAL OF VOYAGES AND TRAVELS IN THE INTERIOR OF NORTH AMERICA, EDITED BY DANIEL HASKELL, NEW YORK, ALLERTON, 1922, P. 15.

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OR GENERAL COMPANY, WHICH, CARRIED ON THAT TRADE HAS BRANCHED OFF INTO TWO COMPANIES OF ABOUT EQUAL DATE, TO EACH OF WHICH MANY MEMBERS HAVE BEEN ADDED AND ARE ADDING; BUT IN COMPLIANCE WITH THE COMMON CUSTOM I SHALL DENOMINATE THE ONE THE OLD AND THE OTHER THE NEW COMPANY.²⁶

THE PRECEDING SECTION CAN BE SUMMARIZED AS FOLLOWS.

THE TRADING ORGANIZATION KNOWN POPULARLY AS THE XY COMPANY, HAD AND WAS REFERRED TO BY OTHER NAMES. THERE WERE TWO GENERAL TYPES OF NAMES ATTACHED TO THE XY COMPANY, LEGAL NAMES AND NICK NAMES. THE LEGAL NAMES WERE, THE MONTREAL NORTH WEST COMPANY FROM 1798 TO 1800;²⁷ THEN THE NAME WAS CHANGED TO ALEXANDER MACKENZIE AND COMPANY IN 1801,²⁸ AND FURTHER CHANGED TO THE SIR ALEXANDER MACKENZIE AND COMPANY IN 1802.²⁹ THIS LAST NAME WAS USED TO DESIGNATE THE COMPANY EVEN BEYOND THE UNION OF 1804 WITH THE NORTH WEST COMPANY, HENCE THE SIR ALEXANDER MACKENZIE AND COMPANY

26. JOHN RICHARDSON TO H. W. RYLAND, 21ST OCTOBER, 1802, TRANSCRIPTS OF COLONIAL OFFICE RECORDS, SERIES Q, VOL. 293, LT. GOV. HUNTER AND MISC., P. 231, PUBLIC ARCHIVES OF CANADA.

27. -----, -----, BOOK No. 4, OF THE BOOKS OF ACCOUNT OF THE XY COMPANY, OP. CIT., INVOICES DATED, 15TH MARCH 1799, AND 25TH MARCH 1800.

28. -----, -----, BOOK No. 10, OF THE BOOKS OF ACCOUNT OF THE XY COMPANY, OP. CIT., ENTRIES DATED, 1ST DECEMBER, 1799, AND 28TH NOVEMBER, 1800.

29. IBID., ENTRY DATED 30TH NOVEMBER 1802, ET SEQ.

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ADMINISTERED A ONE-QUARTER SHARE OF THE NORTH WEST COMPANY UNTIL 1821.³⁰ THE NAME NEW NORTH WEST COMPANY WAS THE LEGAL NAME WHICH WAS USED IN THE ARTICLES OF UNION OF 1804.³¹ THERE WERE OTHER NAMES USED IN DERISION BY THE MEN OF THE NORTH WEST COMPANY, AND AMONG THESE ONE MIGHT NOTE THE FOLLOWING: POTTIES,³² LES PETITES,³³ THE NEW FIRM,³⁴ FORSYTH'S POTTY,³⁵ THE LITTLE COMPANY,³⁶ POTÉS,³⁷

30. -----, -----, BOOK No. 14, OF THE BOOKS OF ACCOUNT OF THE XY COMPANY, NO TITLE, MANUSCRIPT, STATEMENT OF OWNERSHIP ACCOUNTS, FROM 1799 TO 1823, GRAND SÉMINAIRE DE QUÉBEC. THERE IS SUFFICIENT INTERNAL EVIDENCE IN THIS RECORD TO PROVE THAT IT BELONGED TO THE SIR ALEXANDER MACKENZIE AND COMPANY.

31. L. R. MASSON, LES BOURGEOIS...., OP. CIT., VOL. 2, P. 483 ET SEQ., REPRINTING OF THE TEXT OF THE DOCUMENT OF UNION IN 1804.

32. JAMES MCKENZIE, "JOURNAL", OP. CIT., P. 62. ALSO -----, -----, "PART OF A JOURNAL OF AN EXPEDITION", OP. CIT., UNDER DATE OF SATURDAY 13TH JUNE

33. R. H. FLEMING, "THE ORIGINS OF 'THE SIR ALEXANDER MACKENZIE AND COMPANY'" OP. CIT., P. 144.

34. L. R. MASSON, LES BOURGEOIS...., OP. CIT., VOL. 2, P. 486.

35. -----, -----, "PART OF A JOURNAL OF AN EXPEDITION", OP. CIT., SUNDAY 14TH JUNE.

36. G. C. DAVIDSON, THE NORTH WEST COMPANY, OP. CIT., P. 84.

37. IBID., QUOTING ALEXANDER HENRY, P. 84.

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AMK Co.,³⁸ THE NEW ASSOCIATION,³⁹ AND FINALLY AND MOST FREQUENTLY, THE XY COMPANY. THIS LAST NAME IS THE ONE GENERALLY USED IN TEXT BOOKS, AND GENERAL SURVEYS.

PERIOD OF OPERATIONS OF THE XY COMPANY

ALONG WITH THE PROBLEM OF ESTABLISHING THE NAMES OF THE XY COMPANY, THERE IS THE PROBLEM OF ASCERTAINING THE DATES OF ITS OPERATIONS. THERE IS NO DOUBT AS TO THE TERMINAL DATE OF THE COMPANY, 30TH NOVEMBER, 1804. THIS DATE CAN BE FOUND IN THE AGREEMENT UNITING THE XY OR NEW NORTH WEST COMPANY WITH THE NORTH WEST COMPANY.⁴⁰ HOWEVER THE DATE OF ORIGIN OF THE XY COMPANY HAS SEVERAL VARIANTS EACH CITED BY REPUTABLE AUTHORS. THUS THE PROBLEM BECOMES ONE OF ASCERTAINING THE TERMINUS A QUO OF THE COMPANY. THERE ARE AUTHORITATIVE NOTATIONS OF THE FOLLOWING DATES AS MARKING THE BEGINNING OF THE XY COMPANY, 1795, 1797, 1798, 1799 AND 1800. THIS LACK OF AGREEMENT AMONG HISTORIANS DEMANDS INVESTIGATION. THUS THE PRESENT

38. R. H. FLEMING, IBID., P. 144.

39. O. C. FURNISS, "SOME NOTES ON NEWLY DISCOVERED FUR POSTS ON THE SASKATCHEWAN RIVER", CANADIAN HISTORICAL REVIEW, VOL. 24, SEPT. 1943, P. 272.

40. L. R. MASSON, LES BOURGEDIS...., OP. CIT., VOL. 2, P. 483 ET SEQ.

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RESEARCH WILL PRESENT AND EVALUATE EACH OF THESE DATES. THIS DISCUSSION MAY WELL LEAVE SOME OF THE STANDARD AND AUTHORITATIVE WORKS ON THE CANADIAN NORTH WEST IN NEED OF CORRECTION, AND THIS IS SIMPLY DUE TO THE FACT THAT THE INFORMATION CONTAINED IN THE BOOKS OF ACCOUNT OF THE XY COMPANY IS MORE RELIABLE THAN THE SOURCES AVAILABLE TO THE WRITERS NOTED BELOW.

THE DATE 1795 WAS CITED BY E. VOHRIS AS MARKING THE ORIGIN OF THE NEW NORTH WEST COMPANY, OR XY COMPANY.⁴¹

G. BRYCE WROTE THE FOLLOWING:

SO THAT THE USUAL DATE OF THE XY COMPANY IS FROM THE YEAR 1795.⁴²

L. LEJEUNE RECORDED THE SAME DATE.

L'AUTOCRATIE DE SIMON MCTAVISH, LE PREMIER ET LE MARQUIS DETERMINA, EN 1795, QUELQUES BOURGEOIS A FONDER UNE CORPORATION DISIDENT SOUS L'APPELLATION DE COMPAGNIE XY QUI SE NOMMA À MONTREAL 'FORSYTH RICHARDSON COMPANY' ET EN 1801 'COMPAGNIE DE SIR ALEXANDER MACKENZIE'".⁴³

F. MERK CHOSE THE SAME YEAR 1795.

⁴¹. E. VOHRIS, HISTORIC FORTS AND TRADING POSTS OF THE FRENCH REGIME AND ENGLISH FUR TRADING COMPANIES, OTTAWA, DEPARTMENT OF THE INTERIOR, DEVELOPMENT BUREAU, 1930, MIMEOGRAPH, P. 22.

⁴². G. BRYCE, THE REMARKABLE HISTORY OF THE HUDSON'S BAY COMPANY, OP. CIT., P. 148.

⁴³. L. LEJEUNE, DICTIONNAIRE GÉNÉRAL DU CANADA, UNIVERSITÉ D'OTTAWA, OTTAWA, 1931, VOL. 1, P. 419.

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... XY COMPANY ...FOUNDED IN 1795 BY SEVERAL PART-
NERS OF THE NORTH WEST COMPANY.⁴⁴

THUS THE DATE 1795 HAS BEEN PRESENTED BY AT LEAST FOUR
AUTHORITIES, YET IT CAN NOT BE ACCEPTED IN THE LIGHT OF
THE EVIDENCE FOUND IN "ACCOUNTS CURRENT BOOK" OF THE XY
COMPANY. THIS RECORD VERY DEFINITELY PLACES THE FIRST
OUTFIT OF THE COMPANY IN 1799.⁴⁵

THE DATE 1797 HAS BEEN CHOSEN BY SOME HISTORIANS
AS THE BEGINNING OF THE XY COMPANY.

WHETHER BY COINCIDENCE OR OTHERWISE, FRICTION BE-
TWEEN THE OLDER AND YOUNGER TRADERS OF MONTREAL BE-
CAME ACUTE ONCE MORE IN 1795 - THE YEAR FOLLOWING
MACKENZIE'S RETURN TO LAKE SUPERIOR. WITHOUT SAYING
THAT HE PROMPTED FORSYTH AND RICHARDSON TO STAND UP
AGAINST MCTAVISH, IT IS PLAIN THAT HE SYMPATHIZED
WITH THEM FROM THE FIRST. IN 1797 HE ALIGNED HIMSELF
WITH THEM OPENLY, EVEN TO THE POINT OF SEVERING HIS
CONNECTION WITH HIS FORMER PARTNERS.⁴⁶

IT WOULD SEEM THAT THE STATEMENT ABOVE IS SUBJECT TO COR-
RECTION, SINCE AS OF 1797 ALEXANDER MACKENZIE WAS A PART-
NER IN THE MCTAVISH FROBISHER COMPANY, AND WAS SERVING AS

⁴⁴. F. MERK, FUR TRADE AND EMPIRE, GEORGE SIMPSON'S
JOURNAL, CAMBRIDGE, HARVARD UNIVERSITY PRESS, 1931, PP.
346-7.

⁴⁵. -----, -----, BOOK NO. 10, OF THE BOOKS OF
ACCOUNT OF THE XY COMPANY, OP. CIT., ENTRY OF 1ST DECEMBER,
1799.

⁴⁶. SIR ALEXANDER MACKENZIE, VOYAGES...., LONDON,
1801, REPRINTED 1927, RADISSON SOCIETY OF CANADA, EDITED BY
J. W. GARVIN, INTRODUCTION BY C. W. COLBY, P. XXIV.

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ONE OF THEIR AGENTS AT GRAND PORTAGE.⁴⁷ MACKENZIE WAS
BOUND TO MCTAVISH FROBISHER UNTIL THE 30TH NOVEMBER, 1799.⁴⁸

DANIEL HARMON SELECTED 1797 AS THE DATE OF ORIGIN
OF THE XY COMPANY. THE FOLLOWING WAS RECORDED IN HIS
JOURNAL DATED 1800 FROM GRAND PORTAGE.

JUNE 13, 1800

THE OTHER FORT WHICH STANDS 200 YARDS AWAY FROM THIS
[NORTH WEST COMPANY] FORT BELONGS TO THE XY COMPANY.
IT IS THREE YEARS SINCE THEY MADE AN ESTABLISHMENT
HERE.⁴⁹

THE DATE 1797 CAN BE QUESTIONED ON EVIDENCE OTHER THAN THAT
WHICH WAS RECORDED IN THE BOOKS OF ACCOUNT OF THE XY COM-
PANY. ALEXANDER HENRY WRITING TO JOHN ASKIN RECORDS THE
FACT THAT THIS COMPANY HAD NOT BEGUN ACTIVE TRADING AS OF
JANUARY 1798.

27TH JANUARY 1798

THE NEW NORTH WEST COMPANY IS AT A STAND UNTILL [SIC]
THEY HEAR FROM ENGLAND. I AM IN NO DOUBT OF ITS TAKING
EFFECT, BUT I AM AFRAID THAT I AM TOO OLD TO COMMENCE
OPPOSITION, AND I WILL NOT LIVE LONG ENOUGH TO REAP
THE FRUITS THEREOF.⁵⁰

47. [SIR] ALEXANDER MACKENZIE, "LETTER BOOK AT
GRAND PORTAGE", OP. CIT., HIS LAST RECORDED LETTER IN THIS
BOOK IS ONE TO DUNCAN CAMERON DATED 19TH JUNE 1799. THUS UP
UNTIL THIS DATE AT LEAST MACKENZIE FUNCTIONED AS AN AGENT OF
MCTAVISH FROBISHER, THAT IS THE NORTH WEST COMPANY.

48. R. H. FLEMING, "THE ORIGIN OF THE 'SIR ALEX-
ANDER MACKENZIE AND COMPANY'", OP. CIT., P. 139.

49. D. HARMON, JOURNAL..., OP. CIT., P. 167.

50. ALEXANDER HENRY THE ELDER, TO JOHN ASKIN SR.,
(ASKIN PAPERS), MANUSCRIPT, VOL. 15, PART 2, P. 6742,
PUBLIC ARCHIVES OF CANADA.

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FROM SUCH EVIDENCE ONE MUST CONCLUDE AGAINST A DATE EARLIER THAN 1798 FOR THE BEGINNINGS OF THE XY COMPANY. IT SHALL BE DEMONSTRATED BELOW, THAT THE COMPANY WAS NOT OPERATING BEFORE 1798.

THE DATE 1798 HAS BEEN SELECTED BY SOME HISTORIANS TO MARK THE BEGINNING OF THE XY COMPANY. G. C. DAVIDSON, FOLLOWING THOMAS DOUGLAS, THE FIFTH EARL OF SELKIRK, CHOSE THIS DATE.⁵¹ A. S. MORTON RECORDED 1798 AS THE DATE WHEN "ALEXANDER MACKENZIE CREATED THE RIVAL CONCERN KNOWN AS THE NEW OR XY COMPANY".⁵² IT WILL BE DEMONSTRATED BELOW THAT THE XY COMPANY WAS ORGANIZED AND OPERATED FOR TWO YEARS BEFORE ALEXANDER MACKENZIE BECAME A COPARTNER IN ITS OPERATIONS. THUS HE PERHAPS REORGANIZED, RATHER THAN "CREATED" OR BEGAN, THE XY COMPANY.

LORD SELKIRK DESCRIBED THE ORIGIN OF THE XY COMPANY AS

A GREAT SUCCESSION FROM THE NORTH WEST COMPANY WHICH TRADED FOR SOME YEARS IN COMPETITION WITH THEM.⁵³

SELKIRK RECORDED 1798 AS THE DATE OF ORIGIN OF THE XY COMPANY IN HIS SKETCH OF THE FUR TRADE.

51. G. C. DAVIDSON, THE NORTH WEST COMPANY, OP. CIT., P. 77.

52. A. S. MORTON, THE JOURNAL OF DUNCAN MCGILLIVRAY OF THE NORTH WEST COMPANY, AT FORT GEORGE ON THE SASKATCHEWAN 1794-5, TORONTO, MACMILLAN, 1929, P. 1.

53. THOMAS DOUGLAS, THE FIFTH EARL OF SELKIRK, "SELKIRK PAPERS", IN TRANSCRIPT, DOCUMENTS RELATING TO HIS SKETCH OF THE FUR TRADE, VOL. 34, P. 9934, PUBLIC ARCHIVES OF CANADA.

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....THE NEW NORTH WEST OR XY COMPANY WAS FOUND IN THE YEAR 1798. THE UNDERTAKING WAS POWERFULLY SUPPORTED IN CAPITAL; AND WAS CONDUCTED BY GENTLEMEN OF GREAT EXPERIENCE IN THE INDIAN TRADE, AND FAR SUPERIOR IN POINT OF TALENTS TO MOST OF THEIR ANTAGONISTS.⁵⁴

THE DATE 1798 WAS REPORTED BY ALEXANDER HENRY IN HIS CORRESPONDENCE WITH JOHN ASKIN, SR.

MONTREAL 25TH JANUARY 1799

THE NEW NORTH WEST COMPANY IS GOING ON. IT WILL BE A CONSIDERABLE STRUGGLE, BUT I KNOW WHO WILL GAIN. THE ONE PARTY IS A NEW RAISED CORPS WITHOUT DISCIPLINE, THE OTHER OLD VETERANS. I CAN'T FIND ONE MAN OF EXPERIENCE THAT HAS THE LEAST KNOWLEDGE OF THE NORTH CONCERN'D. FORSYTH DOES THE BUSINESS HERE MONTREAL SHARP AT THE PORTAGE. [GRAND PORTAGE].⁵⁵

THIS LETTER WOULD IMPLY THAT THE XY OR NEW NORTH WEST COMPANY WAS FORMED BEFORE THE CALENDAR YEAR 1799. FROM THE "ACCOUNTS CURRENT BOOK" OF THE XY COMPANY, IT CAN BE ASCERTAINED THAT "SHARP" WAS GEORGE SHARPE, ONE OF THE ORIGINAL COPARTNERS OF THE XY COMPANY IN THE OUTFIT OF 1799.⁵⁶ THE LEGAL DOCUMENT WHICH REFERS TO THE ARTICLES OF ORGANIZATION FOR THE XY COMPANY SHOULD PERHAPS HAVE A PRIORITY IN DETERMINING THE TERMINUS A QUO OF THE COMPANY. THE FOLLOWING

54. SELKIRK, A SKETCH OF THE BRITISH FUR TRADE IN NORTH AMERICA WITH OBSERVATIONS RELATIVE TO THE NORTH WEST COMPANY OF MONTREAL, SECOND EDITION, LONDON, JAS. RIDGWAY, 1816, P. 11, PUBLIC ARCHIVES OF CANADA.

55. ALEXANDER HENRY, THE ELDER, "FUR TRADE ON THE LAKES 1778-1815", ASKIN CORRESPONDENCE, WISCONSIN HISTORICAL COLLECTIONS, VOL. 19, P. 280.

56. -----, -----, BOOK No. 10, OF THE BOOKS OF ACCOUNT OF THE XY COMPANY, OP. CIT., ENTRY OF 1ST DEC., 1799.

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QUOTATION IS TAKEN FROM THE AGREEMENT OF UNION WITH THE NORTH WEST COMPANY IN 1804. THIS DOCUMENT QUOTES THE DATE OF ORGANIZATION OF THE XY COMPANY.

THAT IT BEING THE INTENTION OF THE SAID NEW COMPANY [XY COMPANY] AT THE EXPIRATION OF THEIR AGREEMENT BEARING THE DATE OF THE TWENTIETH DAY OF OCTOBER OF THE YEAR ONE THOUSAND SEVEN HUNDRED AND NINETY EIGHT.⁵⁷

THIS DATE 1798 IS FURTHER CONFIRMED BY REFERENCE TO THE "ACCOUNTS CURRENT BOOK" OF THE XY COMPANY. HERE ONE FINDS THAT THE MONTREAL NORTH WEST COMPANY, WHICH USED THE BRAND XY, AND WHICH WAS THE EARLIEST COMPONENT OF THE SO-CALLED XY COMPANY BEGAN OPERATIONS IN 1798.⁵⁸

THERE IS AN INTERESTING PROBLEM OF NAMES THAT SHOULD BE DISCUSSED AT THIS POINT. THE FACT WAS THAT THERE WERE TWO ALEXANDER M(A)CKENZIES IN THE XY COMPANY. THERE WAS ALEXANDER MACKENZIE, WHO WAS LATER KNIGHTED ON THE 10TH OF FEBRUARY 1802.⁵⁹ HE WAS THE GREAT EXPLORER WHO REACHED THE PACIFIC "OVERLAND FROM CANADA". HE WAS NOT ONE OF THE FIRST ORGANIZERS OF THE XY COMPANY IN 1798.⁶⁰ ONE OF THE WINTERING

57. W. S. WALLACE, DOCUMENTS RELATING TO THE NORTH WEST COMPANY, OP. CIT., P. 147.

58. -----, -----, BOOK NO. 10, OF THE BOOKS OF ACCOUNT OF THE XY COMPANY, OP. CIT., ENTRY OF 1ST DECEMBER,

59. R. H. FLEMING, "THE ORIGIN OF THE 'SIR ALEXANDER MACKENZIE AND COMPANY'", OP. CIT., P. 145.

60. -----, -----, BOOK NO. 10, OF THE BOOKS OF ACCOUNT OF THE XY COMPANY, OP. CIT., ENTRY OF 1ST DECEMBER 1799.

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PARTNERS IN THE VERY FIRST OUTFIT OF THE XY COMPANY WAS ALEXANDER MCKENZIE, WHO HAS BECOME KNOWN TO HISTORIANS AS THE "EMPEROR".⁶¹ ALEXANDER "EMPEROR" MCKENZIE, WAS A COUSIN OF SIR ALEXANDER,⁶² THE EXPLORER, MACKENZIE. THE FOLLOWING EXTRACT FROM A LETTER WRITTEN BY [SIR] ALEXANDER MACKENZIE WOULD FURTHER CLARIFY THE PROBLEM OF IDENTITY.

JUNE 1799

NO ARRIVAL AS YET FROM DETROIT EXCEPT ONE LIGHT BOAT TO FORSYTH TO BRING ONE OF HIS PARTNERS - MY NAME-SAKE...⁶³

HAVING ESTABLISHED THE FACT OF THE TWO ALEXANDERS M(A)CKENZIE, IT WOULD BE WELL TO ASCERTAIN THE EXACT DATE AT WHICH SIR ALEXANDER MACKENZIE BECAME A MEMBER OF THE XY COMPANY. THE ENTRY OF SIR ALEXANDER MACKENZIE INTO THE XY COMPANY WAS AN EVENT THAT DREW THE COMMENT OF SOME OF THE OTHER FUR TRADERS. THE FOLLOWING COMMENT WAS RECORDED BY ANGUS MACKINTOSH, A GENERAL MERCHANT AT SANDWICH, WHO HAD SIGNIFICANT DEALINGS WITH THE NORTH WEST COMPANY.

61. FREDERICK DAMIEN HUERTER, "NORTH WEST 1800-45", SERIES C, VOL. 363, P. 105, PUBLIC ARCHIVES OF CANADA.
"I EMBARKED FROM LACHINE ALONG WITH MESSRS. ALEXANDER MCKENZIE, COMMONLY CALLED THE EMPEROR...."

62. W. S. WALLACE, DOCUMENTS RELATING TO THE NORTH WEST COMPANY, OP. CIT., P. 18.

63. [SIR] ALEXANDER MACKENZIE, "GRAND PORTAGE LETTER BOOK", OP. CIT., P. 57.

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30TH JANUARY 1801

I HAVE BEEN LATELY INFORMED THAT YOUR OLD PARTNER ALEXANDER MCKENZIE HAS FORMED A JUCTION [JUNCTION] WITH THE NEW N.W. COMPANY, WHICH IF IT BE TRUE I CONSIDER TO BE VERY UNGRATEFUL.⁶⁴

THE FACT CAN BE ASCERTAINED FROM THE "ACCOUNTS CURRENT BOOK" OF THE XY COMPANY WHICH DOES RECORD THAT SIR ALEXANDER MACKENZIE WAS A COPARTNER IN THE OUTFIT OF 1801. IN THIS THIRD OUTFIT OF THE XY COMPANY SIR ALEXANDER HELD A ONE-NINETEENTH SHARE VALUED AT £ 1,760-17- 1.⁶⁵ IN THIS CONNECTION IT MIGHT BE WELL TO NOTE THAT THE DATE OF SEPARATION BETWEEN SIR ALEXANDER MACKENZIE AND THE NORTH WEST COMPANY WAS 1799, ACCORDING TO THE CORRESPONDENCE KEPT BY RODERICK MCKENZIE.

16TH JANUARY 1800

THE ENGAGEMENT OF THE HOUSE [MCTAVISH FROBISHER AND COMPANY OF THE NORTH WEST COMPANY] WITH SIR ALEXANDER MACKENZIE HAVING EXPIRED THE 30TH OF NOVEMBER LAST, [1799] NEITHER PARTY FELT INCLINED TO RENEW THEM OWING TO AN UNFORTUNATE MISUNDERSTANDING BETWEEN SIR ALEXANDER MACKENZIE AND MR. MCGILLIVRAY, SO THAT THEY CANNOT ACT WELL TOGETHER.⁶⁶

64. ANGUS MACKINTOSH, "LETTER BOOK 1798-1803", MANUSCRIPT, PAGES NOT NUMBERED, LETTER OF 30TH JANUARY 1801 TO SIMON MCTAVISH, PUBLIC ARCHIVES OF CANADA.

65. -----, -----, BOOK NO. 10, OF THE BOOKS OF ACCOUNT OF THE XY COMPANY, OP. CIT., ENTRY OF 30TH NOVEMBER, 1801.

66. LETTER NO. 78 TO RODERICK MCKENZIE, FROM LONDON 16TH JANUARY 1800, ATTRIBUTED TO SIMON MCTAVISH, MANUSCRIPT, DOCUMENT NO. 32, IN THE MASSON COLLECTION, PUBLIC ARCHIVES OF CANADA.

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ONE MIGHT SUMMARIZE THE EVIDENCE PRESENTED ABOVE AS FOLLOWS. SIR ALEXANDER MACKENZIE TERMINATED RELATIONS WITH THE NORTH WEST COMPANY IN 1799, PROBABLY AS OF 30TH NOVEMBER. THEN DURING MOST OF THE CALENDAR YEAR 1800 HE WAS NOT CONNECTED AS COPARTNER TO EITHER THE XY OR THE NORTH WEST COMPANY. ON OR ABOUT THE 30TH NOVEMBER 1800 HE BECAME A COPARTNER IN THE XY COMPANY, IN THE OUTFIT OF 1801.

IT WOULD SEEM THAT THE DATE OF FOUNDATION OF THE XY COMPANY WAS MOST PROBABLY 1798, YET AS THE FURTHER DISCUSSION WILL SHOW, THERE ARE STILL OTHER DATES PRESENTED BY REPUTABLE SCHOLARS. THE ENSUING DISCUSSION WILL SURVEY THESE DATES. CHESTER B. MARTIN CITED THE DATE 1799 IN HIS INTRODUCTION TO GEORGE SIMPSON'S ATHABASCA JOURNAL.

IN THAT YEAR [1799] A SECOND REVOLT DIRECTED AGAINST THE AUTOCRATIC RULE OF SIMON MCTAVISH, 'THE MARQUIS' OF THE NORTH WEST COMPANY WAS LEAD AGAIN BY ALEXANDER MACKENZIE AND A GROUP OF THE YOUNGER MERCHANTS IN THE XY COMPANY.⁶⁷

IT MUST BE NOTED THAT THE "REVOLT", IF BY THAT TERM ONE UNDERSTANDS THE FOUNDING OF THE XY COMPANY, HAD TAKEN PLACE IN 1798, AND FURTHER THAT SIR ALEXANDER MACKENZIE DID NOT BECOME A COPARTNER IN THE XY COMPANY UNTIL THE OUTFIT OF

67. E. E. RICH, EDITOR, JOURNAL OF OCCURENCES IN THE ATHABASCA DEPARTMENT 1820-1, TORONTO, CHAMPLAIN SOCIETY, 1938, INTRODUCTION BY C. B. MARTIN, P. XVI.

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1801.⁶⁸ HOWEVER IT MUST BE ALLOWED THAT MARTIN WAS CORRECT IN POSITING 1799, AS THE FIRST YEAR OF ACTIVE TRADING IN THE XY COMPANY.

THE DATE 1799 CAN BE FOUND IN THE SKETCH OF THE FUR TRADE, WHICH HAS BEEN ATTRIBUTED TO WILLIAM MCGILLIVRAY, AT LEAST AS EDITOR.

IT WAS HOWEVER FOUND THAT THE MORE POWERFUL PARTY WOULD NOT YIELD AND THEY WERE LEFT MASTER OF THE FIELD UNTIL 1799 WHEN A MORE FORMIDABLE PARTY WAS ORGANIZED FOR THE PURPOSE OF PARTICIPATION IN THE BENEFITS OF THE NORTH WEST TRADE.⁶⁹

IN THE SAME YEAR JOHN FRASER WRITING TO SIMON MCTAVISH RECORDED THE FOLLOWING.

THE OPPOSITION ARE VERY GLAD THEY HAVE NOW MORE THAN THREE CANOE LOAD OF THE MARK XY AT LACHINE.⁷⁰

IN EACH OF THE ABOVE QUOTATIONS ONE FINDS APPROXIMATIONS AS TO THE DATE, OR THE RECORDING OF THE TRADING FUNCTIONS OF THE XY COMPANY. THE FACT THAT THE XY COMPANY WAS ACTIVELY

68. -----, -----, BOOK NO. 10, OF THE BOOKS OF ACCOUNT OF THE XY COMPANY, OP. CIT., ENTRY OF 30TH NOVEMBER, 1801.

69. W. MCGILLIVRAY ED. "SKETCH OF THE FUR TRADE OF CANADA 1809", PHOTOSTATS OF MANUSCRIPTS, P. 5, PUBLIC ARCHIVES OF CANADA, IT IS PROBABLE THAT THE TEXT OF THE "SKETCH" WAS WRITTEN BY DUNCAN MCGILLIVRAY AND EDITED BY WILLIAM MCGILLIVRAY.

70. SIMON FRASER, LETTER TO SIMON MCTAVISH, 6TH APRIL 1799, MCTAVISH FROBISHER PAPERS, FOUND IN STRATHCONA COLLECTION, AS OF JULY 1956, PHOTOSTATS, CAN BE REFERRED TO ONLY BY DATE SINCE THE COLLECTION HAS NOT BEEN ORGANIZED, PUBLIC ARCHIVES OF CANADA.

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TRADING IN 1799 WOULD PRESUME AN EARLIER DATE OF ORGANIZATION.

1800 HAS BEEN RECORDED BY W. S. WALLACE AS THE DATE WHEN, A NEW NORTH WEST COMPANY TO WHICH THE NAME XY COMPANY CAME TO BE APPLIED WAS FORMED.⁷¹

IN ANOTHER PLACE THE SAME AUTHOR HAS RECORDED THIS INFORMATION.

THE NEW NORTH WEST COMPANY FORMED IN 1798 BY FORSYTH RICHARDSON AND COMPANY, AND LEITH JAMIESON AND COMPANY IN OPPOSITION TO THE OLD NORTH WEST COMPANY.⁷²

THIS LATTER EVIDENCE IS MORE IN ACCORD WITH THE FACTS RECORDED IN THE "ACCOUNTS CURRENT BOOK" OF THE XY COMPANY.⁷³

WALLACE HAS RECORDED THAT JOHN OGILVY AND JOHN MURE JOINED THE NEW COMPANY IN 1800.⁷⁴ FROM THE "ACCOUNTS CURRENT BOOK" OF THE XY COMPANY IT CAN BE ASCERTAINED THAT JOHN OGILVY DID BECOME A COPARTNER IN THE MONTREAL NORTH WEST COMPANY, OR XY COMPANY, IN THE OUTFIT OF 1800.⁷⁵ OGILVY'S INTEREST WAS

71. W. S. WALLACE, ED., THE ENCYCLOPEDIA OF CANADA, UNIVERSITY ASSOCIATES OF CANADA, TORONTO, 1940, VOL. 5, P. 17.

72. IBID., VOL. 6, P. 383.

73. -----, -----, BOOK NO. 10, OF THE BOOKS OF ACCOUNT OF THE XY COMPANY, OP. CIT., ENTRY FOR 29TH NOVEMBER 1800.

74. W. S. WALLACE, THE ENCYCLOPEDIA OF CANADA, OP. CIT., VOL. 6, P. 383.

75. -----, -----, BOOK NO. 10, OF THE BOOKS OF ACCOUNT OF THE XY COMPANY, OP. CIT., ENTRY FOR 29TH NOVEMBER, 1800.

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INCLUDED WHEN PARKER GERRARD AND OGILVY AND COMPANY BECAME MEMBERS OF THE XY COMPANY BY INVESTING £ 7,947- 3- 5 IN GOODS AT GRAND PORTAGE.⁷⁶ THIS INVESTMENT WAS CONSIDERED TO BE THE EQUIVALENT TO TWO MONEY SHARES EACH HAVING A NOMINAL VALUE OF £ 2,500 AND EACH TO DRAW ANNUAL INTEREST AT 5%.⁷⁷ JOHN MURE, HOWEVER, WAS NOT RECORDED AS HAVING AN INTEREST IN THE XY COMPANY UNTIL THE 30TH NOVEMBER 1806, WHEN HE AND JOHN OGILVY SHARED ONE QUARTER PART OF THE LOSS ON PAST OUTFITS. THIS SHARE OF THE LOSS AMOUNTED TO £ 3,252- 17- 8.⁷⁸ THERE IS THE POSSIBILITY THAT MURE'S EQUITY IN THE XY COMPANY WAS INCLUDED IN THAT OF JOHN OGILVY. THIS POSSIBILITY SEEMS TO BE INDICATED IN ARTICLE 9 OF THE AGREEMENT OF 1804, WHERE THE NAMES OF JOHN OGILVY AND JOHN MURE APPEAR TOGETHER.⁷⁹ HOWEVER THE FACT REMAINS THAT THE NAME OF JOHN MURE DOES NOT APPEAR IN THE EQUITY SUMMARIES IN THE BOOKS OF THE XY COMPANY UNTIL 1806.⁸⁰ THUS ONE MIGHT

76. IBID.

77. IBID.

78. -----, -----, BOOK No. 2, OF THE BOOKS OF ACCOUNT OF THE XY COMPANY, "AMKCo ACCT. CURT. BOOK", 1805-28, A LEDGER, PP. 9-10, ARCHIVES DU GRAND SÉMINAIRE DE QUÉBEC.

79. W. S. WALLACE, DOCUMENTS RELATING TO THE NORTH WEST COMPANY, OP. CIT., P. 164, THERE IS A COPY OF THE SIGNATURES TO THE AGREEMENT OF 1804.

80. -----, -----, BOOK No. 10, OF THE BOOKS OF ACCOUNT OF THE XY COMPANY, OP. CIT.

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CONCLUDE THAT THE SIGNATURE OF JOHN MURE ON THE AGREEMENT OF 1804, INDICATED THAT HIS ROLE AT THAT TIME, WAS MORE PROBABLY THAT OF AGENT, BUT NOT COPARTNER IN THE XY COMPANY.⁸¹

THERE ARE STILL OTHER REPUTABLE AUTHORS WHO HAVE USED THE DATE 1800 TO MARK THE FOUNDING OF THE XY COMPANY.⁸²
H. A. INNIS CHOSE THIS DATE AS THE ORIGIN OF THE COMPANY.

THE AMALGAMATION FEARED BY MCTAVISH WHICH BECAME KNOWN AS THE XY COMPANY WAS FORMED IN 1800, AND WAS STRENGTHENED BY THE SUPPORT OF SIR ALEXANDER MACKENZIE.⁸³

IN THE SAME PLACE INNIS RECORDS THE THREE COPARTNERS HOLDING THE MONEY SHARES, BUT HE DOES NOT RECORD THE NAMES OF THE WINTERING PARTNERS.

IN HIS CORRESPONDENCE WITH LORD HOBART, LIEUTENANT GOVERNOR ROBERT SHORE MILNES WROTE AS FOLLOWS.

30TH OCTOBER 1802

THE SUCCESS OF THIS COMPANY [NORTH WEST COMPANY] AND THE GREAT AND RAPID FORTUNES WHICH MANY OF THEM HAVE AMASSED, OCCAISIONED [SIC] THE ESTABLISHMENT OF A

81. L. R. MASSON, LES BOURGEOIS...., OP. CIT., VOL. 1, P. 89.

82. CAMBRIDGE HISTORY OF THE BRITISH EMPIRE, CANADA AND NEWFOUNDLAND, VOL. 6, NEW YORK, MACMILLAN, 1930, P. 411.

83. H. A. INNIS, FUR TRADE IN CANADA, OP. CIT., P. 259.

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SECOND COMPANY [XY COMPANY], IN THE YEAR 1800, WHO HAVE COMMAND OF A CAPITAL EQUAL TO THAT OF THE NORTH WEST, AND AS THEY PURSUE THE SAME LINE OF COMMERCE BY THE SAME MEANS, AND IN THE SAME PARTS OF THE INTERIOR COUNTRY, MUTUAL JEALOUSIES HAVE ARISEN.⁸⁴

THIS EVIDENCE INDICATES THAT SEVERAL AUTHORS HAVE TAKEN THE DATE 1800 AS THE BEGINNING OF THE XY COMPANY. ALTHOUGH ONE CANNOT AGREE WITH THIS DATE, IT SHOULD BE CONCEDED THAT 1800 DID IN FACT MARK A SIGNIFICANT EXPANSION IN THE CAPITAL STRUCTURE OF THE XY COMPANY, AND THE BEGINNING OF AN OPPOSITION TO THE NORTH WEST COMPANY ON A LARGER SCALE. THE STATEMENT BY MILNES THE "BOTH COMPANIES HAVE COMMAND OF AN EQUAL AMOUNT OF CAPITAL" SHOULD BE MODIFIED. IN 1805, ONE YEAR AFTER THE UNION OF THE TWO COMPANIES, THE CAPITAL OF THE "OLD" NORTH WEST COMPANY WAS £189,739- 2- 7½,⁸⁵ WHILE THAT OF THE XY COMPANY WAS £63,246- 7- 6½.⁸⁶ THE CAPITAL INVESTED IN THE OUTFIT OF 1799, BY THE XY COMPANY, WAS £8,122- 12- 8,⁸⁷ WHILE THE INVESTMENT IN THE OUTFIT OF

84. R. S. MILNES, LOWER CANADA, VOL. 89, "LT. GOV. MILNES AND MISC., 1802", SERIES Q, P. 146, TRANSCRIPTS OF COLONIAL OFFICE RECORDS, PUBLIC ARCHIVES OF CANADA.

85. -----, -----, BOOK NO. 3, OF THE BOOKS OF ACCOUNT OF THE XY COMPANY, MANUSCRIPT, P. 52, ARCHIVES DU GRAND SÉMINAIRE DE QUÉBEC.

86. IBID., THESE AMOUNTS ARE EXPRESSED IN HALIFAX CURRENCY.

87. -----, -----, BOOK NO. 10, OF THE BOOKS OF ACCOUNT OF THE XY COMPANY, OP. CIT., ENTRY OF 1ST NOVEMBER 1799.

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1800 was £24,748- 12- 7.⁸⁸ THUS THERE WAS AN INCREASE OF CAPITAL IN THIS ONE YEAR OF MORE THAN THREE HUNDRED PER CENT. THE ELIMINATION OF FRANÇOIS BEAUBIEN AND GEORGE SHARPE, AS COPARTNERS WAS MORE THAN OFFSET BY THE ADDITION OF DANIEL SUTHERLAND AND PARKER, GERRARD AND OGILVY COMPANY. THE VALUE OF A ONE-FOURTEENTH SHARE IN THE XY COMPANY FOR THE OUTFIT OF 1799 WAS £580- 3- 9.⁸⁹ WHILE THE VALUE OF A ONE-FIFTEENTH SHARE IN THE OUTFIT OF 1800 WAS £1,649- 8- 2.⁹⁰ IN THE OUTFIT OF 1800 PARKER, GERRARD AND OGILVY COMPANY HELD TWO OF THE FIFTEENTH SHARES.⁹¹

THE DATE OF ORIGIN OF THE XY COMPANY WAS NOT CLEAR EVEN TO TRADERS IN THE NORTH WEST. J. PORTER CITED 1800 IN HIS "JOURNAL" KEPT AT SLAVE LAKE.

26TH MAY, 1800

ARRIVED AT FORT CHIPIWIAN, ABOUT 1 PM, FOUND MR. J. MCKENZIE WITH PAUL ST. GERMAIN & TWO DIFFERENT COMPANIES NEWLY ARRIVED IN OPPOSITION TO THEM, VIZ, FORSYTHE & OGILVIES.⁹²

88. IBID., ENTRY FOR 29TH NOVEMBER 1800.

89. -----, -----, BOOK No. 3, OF THE BOOKS OF ACCOUNT OF THE XY COMPANY, OP. CIT., ENTRY OF 1ST DECEMBER, 1799.

90. IBID., ENTRY OF 29TH NOVEMBER, 1801.

91. IBID.

92. J. PORTER, "JOURNAL", 18TH FEBRUARY 1800 TO 14TH JANUARY 1801, MANUSCRIPT, DOCUMENT NO. 6, MASSON COLLECTION, PUBLIC ARCHIVES OF CANADA.

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FORSYTH RICHARDSON AND COMPANY WERE ACTIVE PARTNERS IN THE XY COMPANY. PARKER, GERRARD AND OGILVY COMPANY DID NOT JOIN THE XY COMPANY UNTIL LATER IN THE SAME YEAR, 30TH NOVEMBER 1800.⁹³ THE EVIDENCE OF PORTER'S "JOURNAL" INDICATED THAT THE XY COMPANY WAS ACTIVELY TRADING FOR FURS IN 1800, AND THIS WOULD BE GOOD REASON FOR NOT ACCEPTING 1800 AS THE DATE OF ORIGIN OF THE COMPANY. THE REQUIRED PREPARATIONS FOR REACHING THE SLAVE LAKE AREA WOULD DEMAND MORE TIME THAN THE FIRST FIVE MONTHS OF THE YEAR 1800.

THIS DISCUSSION OF THE TERMINUS A QUO OF THE XY COMPANY MIGHT BE ENDED IN THE SUGGESTION THAT THE MOST PROBABLE DATE OF ORIGIN OF THE COMPANY WAS LATE IN THE YEAR 1798. ON THE 30TH OF NOVEMBER 1798 THE NORTH WEST COMPANY AGREEMENT OF 1790 EXPIRED.^{93A} IT HAD OPERATED FROM THE OUTFIT OF 1792 TO THE OUTFIT OF 1798. THIS AGREEMENT WAS DRAWN ON THE 24TH JULY, 1790, AT GRAND PORTAGE, AND CONSTITUTED A COPARTNERSHIP OF TWENTY SHARES. THE CLAUSE THAT DETERMINED THE DURATION OF THE AGREEMENT READ AS FOLLOWS:

93. -----, -----, BOOK No. 10, OF THE BOOKS OF ACCOUNT OF THE XY COMPANY, OP. CIT., ENTRY OF 30TH NOVEMBER 1800.

93A. E. A. MITCHELL, "THE NORTH WEST AGREEMENT OF 1795", CANADIAN HISTORICAL REVIEW, JUNE 1955, VOL. 34, P. 135. THIS DATE IS NOTED IN THE PREAMBLE TO THE NORTH WEST AGREEMENT OF 1795.

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...TO COMMENCE WITH THE FIRST OUTFIT OF THE YEAR 1792 AND TO CONTINUE THEREAFTER FOR THE FULL AND COMPLETE TERM OF SEVEN YEARS.⁹⁴

THUS PRIOR TO 1798 THE COPARTNERS OF THE NORTH WEST COMPANY WERE BOUND BY THIS AGREEMENT, AND COULD NOT "REVOLT" AS C. B. MARTIN HAS SUGGESTED.⁹⁵

THE DATE OF ORIGIN IN LATE 1798 IS FURTHER SUPPORTED BY THE FACT THAT THE "ACCOUNTS CURRENT BOOK" OF THE XY COMPANY BEGINS WITH THE OUTFIT OF 1799, AND THERE ARE NO REFERENCES TO AN EARLIER OUTFIT. THIS LAST POINT IS IMPORTANT, SINCE THE BOOKKEEPING FOR AN OUTFIT DID NOT CEASE FOR MANY YEARS AFTER THE CALENDAR DATE OF THE OUTFIT. IF THERE WERE AN XY COMPANY OUTFIT PRIOR TO 1799, THERE WOULD CERTAINLY BE SOME DEBITS OR CREDITS TO IT IN THE BOOKS OF ACCOUNT. IN FACT, AS FAR AS THE AUTHOR COULD ASCERTAIN, THERE ARE NO REFERENCES IN THESE ACCOUNT BOOKS TO AN OUTFIT

94. HENEKER PAPERS, MANUSCRIPT, AGREEMENT DATED 1790 AT GRAND PORTAGE, MCGILL UNIVERSITY.

95. C. B. MARTIN, INTRODUCTION TO JOURNAL OF OCCURRENCES IN THE ATHABASCA DEPARTMENT, E. E. RICH, ED., OP. CIT., P. XVI.

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BEFORE THAT OF 1799.⁹⁶

OWNERS OF THE XY COMPANY

THE HISTORICAL PROBLEMS OF NAMES AND DATES OF OPERATION OF THE XY COMPANY SUGGEST THAT SOME INVESTIGATION SHOULD BE MADE CONCERNING THE OWNERS OF THE ENTERPRISE. THE OWNERSHIP EQUITY WAS HELD IN THE FORM OF COPARTNERSHIP SHARES. THE EQUITY OF EACH COPARTNER, THAT IS INVESTOR-OWNER, WAS RECORDED IN THE BOOKS OF ACCOUNT ON OR ABOUT THE END OF NOVEMBER EACH YEAR. IN THIS CONTEXT THE INFORMATION RECORDED IN THE BOOKS OF ACCOUNT OF THE XY COMPANY MUST BE ADMITTED AS PERHAPS THE MOST RELIABLE EVIDENCE OBTAINABLE. THERE WOULD NOT BE ANOTHER SOURCE OF EQUAL WEIGHT IN THIS DISCUSSION, SINCE THE OWNERS USED THESE VERY DOCUMENTS TO DETERMINE AND RECORD THEIR INTERESTS IN THE COMPANY. THE EVIDENCE IN THE BOOKS OF ACCOUNT COULD BE USED TO CLARIFY SUCH STATEMENTS AS THE FOLLOWING.

96. -----, -----, BOOK No. 10, OF THE BOOKS OF ACCOUNT OF THE XY COMPANY, OP. CIT., ENTRIES FOR FISCAL YEAR ENDS ARE DATED THUS:

1 DECEMBER, 1799
 29 NOVEMBER, 1800
 30 NOVEMBER, 1801
 30 NOVEMBER, 1802
 30 NOVEMBER, 1803
 30 NOVEMBER, 1804, WHICH IS IN BOOK No. 11.

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JOHN GREGORY, ALEXANDER NORMAN McLEOD FORMED A PARTNERSHIP WITH TWO WESTERN PARTNERS PETER POND AND PETER PANGMAN IN OPPOSITION TO THE NORTH WEST COMPANY. THIS GROUP CAME TO BE KNOWN AS THE XY COMPANY, LATER JOINED BY ALEXANDER MCKENZIE.⁹⁷

IN ATHABASCA THE XY COMPANY WAS REPRESENTED BY PETER POND.⁹⁸

FROM THE BOOKS OF ACCOUNT OF THE XY COMPANY, ONE CAN ASCERTAIN THAT NEITHER ALEXANDER NORMAN McLEOD, NOR PETER POND WERE COPARTNERS IN THE XY COMPANY. JOHN GREGORY AND ALEXANDER NORMAN McLEOD WERE PARTNERS IN THE NORTH WEST COMPANY IN THE PERIOD OF OPERATIONS OF THE XY COMPANY, 1798 TO 1804.⁹⁹ THERE WAS NO MENTION IN THE BOOKS OF ACCOUNT REGARDING PETER POND BEING A PARTNER OR EMPLOYEE OF THE XY COMPANY.

THE OWNERS OF THE XY COMPANY WERE NOT GENERALLY KNOWN EVEN TO CONTEMPORARIES. [SIR] ALEXANDER MACKENZIE, WROTE THE FOLLOWING LETTER TO THE PROPRIETORS OF THE NORTH WEST COMPANY. HE WAS AT THAT TIME THE AGENT OF THE NORTH WEST COMPANY AT GRAND PORTAGE, AND THE LETTER WAS MEANT TO INFORM THE OWNERS OF THE NORTH WEST COMPANY ABOUT THE XY COMPANY.

97. L. J. BURPEE, THE SEARCH FOR THE WESTERN SEA, TORONTO, MACMILLAN, 1935, VOL. 2, P. 415.

98. IBID., P. 418.

99. L. R. MASSON, LES BOURGEOIS....., OP. CIT., VOL. 1, P. 89, THE NAMES OF JOHN GREGORY AND ALEXANDER NORMAN McLEOD ARE TO BE FOUND AMONG THE NORTH WEST COMPANY COPARTNERS WHO SIGNED THE AGREEMENT OF 1804.

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THIS COMPANY CONSISTS OF 20 SHARES, 12 HELD BY FORSYTH RICHARDSON & CO AND LEITH SHEPHERD & CO FORMERLY MERCHANTS OF DETROIT, BUT NOW OF MONTREAL THOSE SHARES TO SUPPLY A CAPITAL AS IT MAY BE REQUIRED IN GOODS & MONEY TO CARRY ON THE BUSINESS BUT A NO TIME TO EXCEED £30,000, THIS WITHOUT INTEREST, THE OTHER 8 SHARES ARE TO BE, OR ARE ALREADY GIVEN TO PEOPLE FOR TRANSACTING THE BUSINESS IN CANADA & THIS COUNTRY AS PARTNERS & GIVE THEIR LABOUR IN LIEU OF STOCK. MR. SUTHERLAND HAS ONE OF THEM AS MONTREAL AGENT. MR. SHARPE ONE AS GRAND PORTAGE AGENT, DESRIVIERES FORMERLY LAVIOLETTES PARTNER, ROCHBLANC [ROCHEBLAVE] WHO WAS CLERK TO MR. GRANT ALEXR. MCKENZIE & McDONELL FROM DETROIT EACH A SHARE AS WINTERING PARTNERS, THE OTHER TWO I BELIEVE THEY COULD GET RID OFF (SIC) OR THEY RESERVE THEM TO BE FILLED UP IN THIS COUNTRY OF THEIR COMMIS.

PERRONE & MEZIER LAHAYE ARE THE ONLY ONES WHO EVER WINTERED ABOVE ST. MARIES, THEY HAVE SOME OTHERS BUT OF NO NOTE, THEIR NORTH GUIDES ARE ROY BOUCANNÉ & PIERRE JOLIE THE DRUNKARD BOTH WELL KNOWN TO MOST OF YOU, THEY HAD MARSOLET BUT HE FINISHED HIS VOYAGE IN THIS WORLD A FEW DAYS BEFORE I LEFT MONTREAL & YOU PAY YOUR SHARE OF 2 DOLLARS WHICH WE GAVE THE PRIEST FOR ALLOWING HIM TO BEGIN HIS JOURNEY IN THE NEXT....¹⁰⁰

FROM THE DISCUSSION BELOW ONE CAN POINT OUT THAT MACKENZIE WAS MISINFORMED AS TO THE NUMBER OF SHARES IN THE XY COMPANY. HE NOTED TWENTY SHARES WHEN THERE WERE IN FACT FOURTEEN. HE WROTE THAT FORSYTH RICHARDSON AND COMPANY HELD TWELVE SHARES, WHILE IN FACT THEY HELD THREE. LEITH SHEPHERD AND COMPANY WAS NOT A MEMBER OF THE XY COMPANY, BUT LEITH JAMIESON AND COMPANY WERE. IT MUST BE NOTED THAT SIR ALEXANDER WAS CORRECTLY INFORMED ABOUT DANIEL SUTHERLAND, GEORGE SHARPE, PIERRE ROCHEBLAVE AND JOHN McDONALD.

100. (SIR) ALEXANDER MACKENZIE, "LETTERBOOK AT GRAND PORTAGE", OP. CIT., LETTER OF 16TH JUNE 1799, P. 69.

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THE OWNERS OF THE XY COMPANY, THEN CALLED THE MONTREAL NORTH WEST COMPANY, BEGAN THEIR COPARTNERSHIP WITH THE OUTFIT OF 1799 WHICH HAD FOURTEEN SHARES. THEIR INVESTMENT IN THIS OUTFIT WAS £8,122-12-8, SHARED AS FOLLOWS.

FORSYTH RICHARDSON AND COMPANY	3 SHARES	£ 1,740-11-4
LEITH JAMIESON AND COMPANY	3 SHARES	1,740-11-4
PHYN INGLIS AND COMPANY	2 SHARES	1,160-7-6
PIERRE ROCHEBLAVE	1 SHARE	580-3-9
ALEXANDER MCKENZIE (THE EMPEROR)	1 SHARE	580-3-9
JOHN McDONALD (OF GARTH)	1 SHARE	580-3-9
GEORGE SHARPE	1 SHARE	580-3-9
FRANÇOIS BEAUBIEN	1 SHARE	580-3-9
JAMES LEITH	1 SHARE	580-3-9
IN ALL	14 SHARES	£ 8,122-12-8 ¹⁰¹

THE OPERATIONAL STRUCTURE OF THE XY COMPANY WAS SUCH THAT THERE WERE EIGHT MONEY SHARES AND SIX WINTERING SHARES AS OF 30TH NOVEMBER 1798.¹⁰² AT THIS TIME THE EIGHT MONEY SHARES WERE ADVANCED BY:

FORSYTH RICHARDSON AND COMPANY	3 SHARES	£ 1,740-11-4
LEITH JAMIESON AND COMPANY	3 SHARES	1,740-11-4
PHYN INGLIS AND COMPANY	2 SHARES	1,160-7-6

THE REMAINING SIX PARTNERS EACH HOLDING ONE SHARE WERE WINTERING PARTNERS. THE VALUE OF A MONEY SHARE WAS SET NOMINALLY AT £ 2,500. THUS THE MONEY SHARES CONTRIBUTED A CAPITAL

101. -----, -----, BOOK NO. 10, OF THE BOOKS OF ACCOUNT OF THE XY COMPANY, OP. CIT., ENTRY OF 1ST DECEMBER, 1799.

102. -----, -----, BOOK NO. 10, OF THE BOOKS OF ACCOUNT OF THE XY COMPANY, OP. CIT., ENTRY FOR NOVEMBER 30TH, 1798.

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OF £20,000 UPON WHICH INTEREST WAS PAID AT 5%.¹⁰³ IN THE LIST OF WINTERING PARTNERS IT SHOULD BE NOTED THAT THE ALEXANDER MCKENZIE THERE NAMED IS THE "EMPEROR" NOT THE EXPLORER-KNIGHT.¹⁰⁴ SIR ALEXANDER MACKENZIE DID NOT JOIN THE XY COMPANY UNTIL 1801.¹⁰⁵

IN 1800 THE OUTFIT WAS VALUED AT £24,748-12-7, WHICH REPRESENTED A SUBSTANTIAL INCREASE IN INVESTMENT OVER THE OUTFIT OF 1799.¹⁰⁶ GEORGE SHARPE AND FRANÇOIS BEAUBIEN WERE NO LONGER PARTNERS, AND TWO NEW PARTNERS REPLACED THEM. THESE WERE DANIEL SUTHERLAND AND PARKER GERRARD AND OGILVY COMPANY. THE NUMBER OF SHARES INCREASED TO FIFTEEN WITH PARKER GERRARD AND OGILVY HOLDING TWO MONEY SHARES.¹⁰⁷ FROM THIS TIME THERE WERE TEN MONEY SHARES IN THE XY COMPANY.

IN 1801 THE COMPANY CHANGED ITS LEGAL NAME TO THE ALEXANDER MACKENZIE AND COMPANY. THE COPARTNERS OF 1800 REMAINED, AND OUT OF A TOTAL OF NINETEEN SHARES [SIR] ALEXANDER

103. IBID.

104. W. S. WALLACE, DOCUMENTS RELATING TO THE NORTH WEST COMPANY, OP. CIT., P. 18.

105. -----, -----, BOOK No. 10, OF THE BOOKS OF ACCOUNT OF THE XY COMPANY, OP. CIT., ENTRY FOR NOVEMBER 30TH, 1801.

106. IBID., ENTRY OF 29TH NOVEMBER 1800.

107. IBID.

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MACKENZIE HELD FOUR.¹⁰⁸ HE WAS THE COPARTNER HAVING THE LARGEST INVESTMENT IN THE XY COMPANY. HE WAS OF COURSE THE SECOND ALEXANDER M(A)CKENZIE TO BE ASSOCIATED WITH THE COMPANY; THIS WAS SIR ALEXANDER, THE EXPLORER.¹⁰⁹ IN 1802 THE FIRM NAME BECAME SIR ALEXANDER MACKENZIE AND COMPANY. TWO NEW WINTERING PARTNERS WERE ADDED, EACH HAVING A ONE TWENTY-FIRST SHARE; THESE WERE JOHN HALDANE AND JOHN WILLS. THE SAME COPARTNERS CONTINUED TO CONSTITUTE OWNERSHIP OF THE XY COMPANY UNTIL ITS UNION WITH THE NORTH WEST COMPANY IN 1804.¹¹⁰ AT THE TIME OF THE UNION, THE TERM XY COMPANY WENT OUT OF USE, AS DID THE SHIPPING BRAND. THE EQUITY REPRESENTED BY THE COMPANY CONTINUED UNDER THE FIRM NAME, SIR ALEXANDER MACKENZIE AND COMPANY, WHICH COMPANY NO LONGER TRADED IN THE NORTH WEST, BUT CONFINED ITS ACTIVITY TO RECEIVING THE PROFITS AND LOSSES OF THE TWENTY-FIVE SHARES OF THE NORTH WEST COMPANY OF 1804.¹¹¹

THE OUTFIT OF 1804 WAS THE LAST OPERATION OF THE XY

108. IBID., ENTRY OF 30TH NOVEMBER, 1801.

109. R. H. FLEMING, "THE ORIGIN OF THE 'SIR ALEXANDER MACKENZIE AND COMPANY'", OP. CIT., P. 145.

110. -----, -----, BOOK No. 10, OF THE BOOKS OF ACCOUNT OF THE XY COMPANY, OP. CIT., ENTRY FOR 30TH NOVEMBER, 1805.

111. -----, -----, BOOK No. 11, OF THE BOOKS OF THE XY COMPANY, OP. CIT., ENTRY FOR 30TH NOVEMBER, 1805.

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COMPANY. THE FOLLOWING IS A SUMMARY OF THE COPARTNERS AND THEIR INTEREST, OR OWNERSHIP IN THE COMPANY. IT WILL BE NOTICED THAT DURING THE SIX YEARS OF OPERATIONS THERE WERE FEW CHANGES IN THE OWNERSHIP OF THE XY COMPANY. ¹¹²

GENERAL RECAPITULATION OF SUNDRY ACCOUNTS
INCLUDING INTEREST CALCULATED TO
30TH NOVEMBER 1805 @ 5 P. CENT

FORSYTH RICHARDSON & Co.	£ 9,526-15-	5
LEITH JAMIESON & Co.	9,526-15-	5
PHYN INGLIS & Co.	6,351- 3-	6
JOHN OGILVY (PARKER GERRARD & OGILVY Co.)	6,048- -	5
SIR ALEXANDER MACKENZIE	10,296-12-	
DANIEL SUTHERLAND	3,084-13-	2
PIERRE ROCHEBLAVE	3,175-11-	6
ALEXANDER MCKENZIE	3,175-11-	6
JOHN WILLS	3,175-16-	4
JOHN HALDANE	3,178-16-	4
JAMES LEITH	3,175-11-	6
JOHN McDONALD	3,175-11-	6
FRANÇOIS BEAUBIEN	90-18-	1
TOTAL INVESTMENT ¹¹²	<u>63,981-16-</u>	8

WHILE THE NUMBER OF OWNERS IN THE XY COMPANY DID NOT INCREASE SIGNIFICANTLY, THE OWNERSHIP INTEREST OF THESE OWNERS INCREASED ROUGHLY FIVE TIMES PER SHARE DURING THE SIX OUTFITS OF THE COMPANY. THE INVESTMENT INVOLVED IN EACH OUTFIT CAN BE SHOWN ON THE BASIS OF THE VALUE ATTACHED TO THE SHARES OF THE RESPECTIVE OUTFITS.

112. -----, -----, Book No. 14, OF THE BOOKS OF ACCOUNT OF THE XY COMPANY, THIS BOOK IS A LEDGER, IN MANUSCRIPT, RANGING FROM 1799 TO 1823, ARCHIVES DU GRAND SÉMINAIRE DE QUÉBEC, THE SUMMARY ABOVE WAS CONSTRUCTED BY TAKING THE BALANCE IN EACH "SUNDRY" OR OWNERSHIP ACCOUNT AS OF 30TH NOVEMBER 1805.

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<u>YEAR</u>	<u>SHARES</u>		<u>AMOUNT</u>
1799	14	£	580- 3- 9
1800	15		1,649-18- 2
1801	19		1,760-17- 1
1802	21		2,031-11- 8
1803	21		2,720-11- 7
1804	21		2,848- - 9 113

THE OUTFIT OF 1805 WAS UNDERTAKEN WITH THE NORTH WEST COMPANY, A ONE-QUARTER SHARE OF WHICH WAS HELD BY THE XY COMPANY, UNDER THE LEGAL NAME SIR ALEXANDER MACKENZIE AND COMPANY. ¹¹⁴

TO SUM UP THE RESEARCH ON THE NAMES, DATES AND OWNERS OF THE XY COMPANY ONE CAN POSIT THE FOLLOWING INFORMATION. THE DATES OF THE COMPANY WERE FROM THE 20TH OCTOBER, 1798 TO THE 30TH NOVEMBER, 1804. THE NAMES OF THE COMPANY IN CHRONOLOGICAL ORDER WERE, THE MONTREAL NORTH

113. -----, -----, Book No. 10, OF THE BOOKS OF ACCOUNT OF THE XY COMPANY, OP. CIT., SUMMARY ENTRIES UNDER THE FOLLOWING DATES.

OUTFIT OF 1799	ENTRY OF 1ST DECEMBER, 1799
OUTFIT OF 1800	ENTRY OF 29TH NOVEMBER, 1800
OUTFIT OF 1801	ENTRY OF 30TH NOVEMBER, 1801
OUTFIT OF 1802	ENTRY OF 30TH NOVEMBER, 1802
OUTFIT OF 1803	ENTRY OF 30TH NOVEMBER, 1803
OUTFIT OF 1804	ENTRY OF 30TH NOVEMBER, 1804, RECORDED IN BOOK No. 11.

114. L. R. MASSON, LES BOURGEOIS...., OP. CIT., VOL. 1, P. 89 ET SEQ., AGREEMENT OF 1804, ALSO VOL. 2, PP. 482-489.

NAMES, DATES AND OWNERS

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WEST COMPANY, ALEXANDER MACKENZIE AND COMPANY, SIR ALEXANDER MACKENZIE AND COMPANY, AND CONCURRENTLY WITH ALL OF THESE, THE NEW NORTH WEST COMPANY. THERE WERE MANY NICK NAMES COINED AND USED BY THE MEN OF THE NORTH WEST COMPANY, AND THE MOST COMMON OF THESE WAS THE XY COMPANY. THE OWNERS OR COPARTNERS OF THE COMPANY HAVE BEEN LISTED IN THE TEXT ABOVE FROM PERHAPS THE MOST RELIABLE EXTANT SOURCE, THE VERY BOOKS OF ACCOUNT OF THE XY COMPANY.

THE FOLLOWING SECTIONS OF THIS RESEARCH WILL INVESTIGATE THE OPERATIONAL LIFE OF THE COMPANY. IN THE SHORT PERIOD OF ITS OPERATIONS, FROM 1798 TO 1804, THE DOMINANT PROBLEM OF THE XY COMPANY WAS ITS COMPETITION WITH THE NORTH WEST COMPANY.

CHAPTER III

THE COMPETITION BETWEEN THE XY AND NORTH WEST COMPANIES

SUMMARY

THE PERIOD OF OPERATIONS OF THE XY COMPANY 1799 TO 1804 WAS NOTED FOR THE INTENSE AND BITTER COMPETITION WITH THE NORTH WEST COMPANY. BECAUSE THESE TWO COMPANIES WERE UNITED IN 1804, THIS PERIOD OF COMPETITION IN THE NORTH WEST FUR TRADE, HAS IN THE MAIN BEEN LEFT UNREPORTED. THE "OPPOSITION" WAS CHARACTERIZED BY SUCH COSTLY PROCEDURES AS, WATCHING RIVAL TRADERS, AN INCREASED USE OF RUM IN THE TRADE, AND BY FREQUENT OUTBREAKS OF PHYSICAL VIOLENCE.

IN THE PREVIOUS CHAPTER THE XY COMPANY WAS IDENTIFIED, ITS PERIOD OF OPERATIONS WAS DETERMINED, AND ITS OWNERS LISTED. IT SHALL BE THE PURPOSE OF THIS CHAPTER TO DISCUSS THE INTENSE COMPETITION THAT MARKED THE OPERATIONS OF THE XY COMPANY. IN THE NORTH WEST THE TERM "COMPETITION" HAD NONE OF THE UTILITY CONNOTATION, SUCH AS HAS BEEN ATTACHED TO THIS TERM BY THE CLASSICAL SCHOOL OF ECONOMISTS. FOR THIS SCHOOL OF ECONOMIC THEORISTS, COMPETITION WAS THE ECONOMIC PROCESS THAT ENSURED THAT THE FACTORS OF PRODUCTION WOULD BE USED IN THEIR MORE PRODUCTIVE USE.¹ COMPETITION

1. G. L. BACH, ECONOMICS, AN INTRODUCTION TO ANALYSIS AND POLICY, NEW YORK, PRENTICE HALL, 1954, P. 299 ET SEQ.

COMPETITION

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WAS THE GUARANTEE THAT THE PRICES SET BY THE EXCHANGES OF BUYERS AND SELLERS WOULD BE FAIR TO BOTH, IN SO FAR AS SUCH PRICES COULD NOT BE SUBJECTED TO THE MANIPULATION OF EITHER GROUP.² THUS ACCORDING TO THIS LINE OF ECONOMIC ANALYSIS THE EXCHANGE PRICES WOULD BE SET IN RELATION TO THE SUPPLY AND DEMAND OF THE GOODS IN QUESTION. THE LOGICAL CONSEQUENCES OF THIS NOTION OF COMPETITION WOULD BE THAT PRICES WOULD BE DETERMINED BY THE MOST EFFICIENT PRODUCERS. BUT FOR THE FUR TRADERS OF THE NORTH WEST, COMPETITION WAS NOT A HAPPY SITUATION; THEY MORE USUALLY USED THE WORD "OPPOSITION" TO DESCRIBE THIS PROCESS. SOME NOTION OF THE OPINION HELD BY THE FUR TRADERS REGARDING COMPETITION HAS BEEN EXPRESSED BY DUNCAN MCGILLIVRAY OF THE NORTH WEST COMPANY.

THE TRADER WHO PASSED ONE WINTER WITH A NEWLY DISCOVERED TRIBE OR IN A FAVOURABLE SITUATION, HEARD THE INDIANS SPEAK OF ONE STILL MORE REMOTE, WHERE PROVISIONS FOR SUBSISTENCE WERE EASILY FOUND, AND TRADE COULD BE CARRIED ON WITH LITTLE DANGER OF COMPETITION THITHER HE REMOVED, AND WHILE HE WAS SUFFERED TO REMAIN ALONE, GENERALLY KEPT THE INDIANS IN GOOD ORDER AND OBTAINED THEIR FURS AT A REASONABLE RATE. BUT AS EVERY INDIVIDUAL HAD A RIGHT TO SELL GOODS AT THE SAME PLACE, AND THE FIRST WHO DISCOVERED AN ELIGIBLE SITUATION FOUND AFTER THE FIRST SEASON, THAT OTHERS WERE READY TO UNDERSELL HIM AND REAP THE HARVEST HE HAD SEWN WITH SO MUCH PERIL AND DIFFICULTY. AS POSSESSION IS THE ORIGIN OF PRIVILEGES AND IMMUNITIES, THE PERSON WHO THUS FOUND HIS TERRITORY INVADDED BY OTHERS, RESORTED TO EVERY MEANS HE COULD DEVISE TO OBTAIN A PREFERENCE FROM THE SAVAGES AND INJURE HIS COM-

2. IBID.

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PETITOR. THIS CONDUCT WHETHER JUSTIFIABLE OR NOT, PROVOKED RETALIATION. THE SAVAGES WERE BRIBED WITH RUM: AND GOODS WERE BARTERED AT A PRICE BELOW THEIR VALUE. THE CONSEQUENCE WAS THEY RUINED ONE ANOTHER; DEBAUCHED THE NATIVES; AND BROUGHT THE ENGLISH CHARACTER INTO DISREPUTE.³

PERHAPS THE MOST CONCISE HISTORY OF THIS PERIOD, AND ITS PROBLEMS HAS BEEN RECORDED BY THE SAME AUTHOR. IT IS THE OPINION OF THE WRITER THAT THESE QUOTATIONS SHOULD IN PART BE CREDITED TO WILLIAM MCGILLIVRAY SINCE IF ONE EXAMINES THE PHOTOSTATS OF DUNCAN MCGILLIVRAY'S MANUSCRIPT, ONE WILL FIND NOTES AND COMMENTS IN WHAT APPEARS TO BE THE HANDWRITING OF WILLIAM MCGILLIVRAY.

FROM 1793 TO 1796 THERE WAS A PARTIAL OPPOSITION SET ON FOOT BY A FEW INCONSIDERABLE PARTIES, WHO BY CORRUPTING THE INDIANS WITH RUM, AND SUCH OTHER MEANS AS WERE FOUND NECESSARY, DIVERTED A PART OF THE TRADE FROM THE PRINCIPAL ESTABLISHMENT. IT WAS HOWEVER FOUND THAT THE MORE POWERFUL PARTY WOULD NOT YIELD AND THEY WERE LEFT MASTERS OF THE FIELD UNTIL 1799 WHEN A MORE FORMIDABLE PARTY, [THE XY COMPANY] WAS ORGANIZED FOR THE PURPOSE OF PARTICIPATING IN THE BENEFITS OF THE NORTH WEST TRADE. WHEN WE CONSIDER BY WHAT MEANS THE AFFECTIONS OF THE SAVAGES ARE ENGAGED, AND BY WHAT INDUCEMENTS ONE MAN CAN OBTAIN, MIDST MANY RIVALS, THE FRUITS OF THEIR LABOURS; IT IS NOT DIFFICULT TO IMAGINE THE DISORDERS THAT WERE CREATED, TENDING NOT ONLY TO THE DESTRUCTION OF THE TRADE BUT TO THE MORALS AND FIDELITY OF THE INDIANS. THIS COMPETITION WAS CONFINED TO TWO HOSTILE PARTIES, [THE NORTH WEST COMPANY AND THE XY COMPANY] POSSESSED OF LARGE CAPITALS AND STIMULATED

3. DUNCAN MCGILLIVRAY, SKETCH OF THE FUR TRADE 1809, SOME ACCOUNT OF THE TRADE CARRIED ON BY THE NORTH WEST COMPANY, P. 5, PHOTOSTATS OF MANUSCRIPT, ORIGINAL IN THE ROYAL COLONIAL INSTITUTE, LONDON, ENGLAND, PUBLIC ARCHIVES OF CANADA.

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BY REVENGE AND INTEREST TO RUIN EACH OTHER. THE DETAIL OF THEIR PROCEEDINGS DURING FIVE YEARS WOULD PROBABLY BE INVIDIOUS AND DISAGREEABLE. INSTEAD OF PROVIDING FOR THEIR WIVES AND CHILDREN THE WRETCHED INDIANS LAY NEAR A POST FOR WEEKS TOGETHER IN A STATE OF INTOXICATION; THE CONTENDING PARTIES AND THEIR SERVANTS WERE CONTINUALLY QUARRELLING, AND MANY ACTS OF VIOLENCE WERE COMMITTED.... THAT A PETITION WAS SENT TO ENGLAND IN 1803 IN COMPLIANCE WITH WHICH AN ACT OF PARLIAMENT PASSED IN 1803, [CANADA JURISDICTION ACT] PUTTING THE WHOLE OF THE BRITISH INDIAN TERRITORY UNDER THE JURISDICTION OF THE COURTS OF JUSTICE IN LOWER CANADA.... IN THE YEAR 1804, THE TWO CONTENDING PARTIES FINDING THAT THE STRUGGLE ONLY EXHAUSTED THEIR CAPITALS AND MADE THE NATIVES IDLE, DEBAUCHED AND INSUBORDINATE, AGREED TO UNITE; THE ANCIENT ESTABLISHMENT [NORTH WEST COMPANY] CONSENTING TO INGRAFT ON THEIR ORIGINAL COMPACT, THE CONCESSIONS MADE TO THE OTHER PARTY. [XY COMPANY]. SINCE THAT TIME NO OTHER PERSONS HAVE CONTENDED WITH THE NORTH WEST COMPANY FOR ANY SHARE OF THE TRADE.⁴

IT IS WITH THIS "MORE FORMIDABLE PARTY" THAT OUR PRESENT INTEREST CENTERS. THIS WAS THE XY COMPANY. THE TECHNIQUES OF COMPETITION AS REPORTED BY CONTEMPORARY WITNESSES WILL BE DELINEATED. THE TECHNIQUES WERE NOT IN EACH CASE INNOVATIONS, BUT THEIR WIDESPREAD APPLICATION, AND THE BITTERNESS THEY GENERATED BECAME THE HALLMARK OF THE PERIOD UNDER CONSIDERATION.

IN CONNECTION WITH THIS PERIOD OF EXTREME COMPETITION OR OPPOSITION BETWEEN THE XY AND THE NORTH WEST COMPANIES, ONE CAN NOTE SOME GENERAL TRENDS. THERE DID NOT SEEM TO BE A TENDENCY FOR THE TRADERS TO RATIONALIZE THEIR OPERATIONS. THAT IS ONE MIGHT EXPECT THAT THEY WOULD

4. IBID., PP. 5, 6.

COMPETITION

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ASSIGN A CERTAIN AREA, OR A CERTAIN INDIAN TRIBE TO A SPECIFIC TRADER, OR TRADING COMPANY; THUS ASSURING THE EXISTENCE OF A MONOPOLY POSITION, IN SO FAR AS THERE WOULD BE NO COMPETITION FROM OTHER TRADERS. SUCH WAS NOT THE CASE AS THE FOLLOWING DISCUSSION WILL ILLUSTRATE. THERE DOES NOT SEEM TO BE ANY EVIDENCE OF THE TRADING COMPANIES OF THIS PERIOD USING A QUOTA SYSTEM, OR GENERAL SHARING IN THE FUR CROP. THE GENERAL PATTERN WAS ONE OF MAXIMISING RETURNS, WITH NO CONSIDERATION FOR CONSERVATION OF FUR BEARING ANIMAL POPULATIONS, AND WITH ACTIVE OPPOSITION TO TRADERS OF THE OTHER COMPANY.

THE TECHNIQUES OF COMPETITION OR OPPOSITION DEVELOPED DURING THE STRUGGLE OF THE XY AND NORTH WEST COMPANIES COULD BE LISTED AS FOLLOWS; THE CONSTANT WATCHING AMONG TRADERS OF THE RIVAL COMPANIES, THE INCREASED USE OF LIQUOR IN THE TRADE, THE USE OF PHYSICAL VIOLENCE, AND THE HIRING OF EXTRA MEN AT HIGHER WAGES. THESE OPERATIONS WERE CHARACTERIZED BY OPENLY MANIFESTED BITTERNESS. THE MEANS USED BY THE RIVAL TRADING COMPANIES TO PURSUE THEIR COMMERCE IN FURS WERE IN THE MAIN, FAMILIAR ONES TO THE NORTH WEST, BUT THE INTENSITY AND EXTENSION OF THESE TECHNIQUES BECAME A FACTOR OF REAL SIGNIFICANCE IN THIS TURBULENT PERIOD. THE FOLLOWING DISCUSSION WILL DELINEATE AND DISCUSS THE TECHNIQUES OF COMPETITION USED BY THE XY AND THE NORTH WEST COMPANIES IN THE PERIOD 1798 TO 1804.

COMPETITION

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WATCHING RIVAL TRADERS

THE TRADERS OF BOTH COMPANIES KEPT EACH OTHER UNDER CONSTANT SURVEILLANCE. THIS TECHNIQUE OF COMPETITION WAS THE LOGICAL OUTCOME OF ONE OF THE STANDARD PRACTICES OF THE NORTH WEST FUR TRADE, THE GIVING OF "DEBITS" OR "DEBTS". THESE "DEBITS" WERE GOODS, LIQUOR, OR TOBACCO, GIVEN TO THE INDIANS ON THE UNDERSTANDING THAT FURS WOULD BE BROUGHT TO THE TRADER LATER IN THE SEASON. THUS THE TRADER MIGHT HAVE GIVEN A SUBSTANTIAL PART OF HIS GOODS TO THE INDIANS WITHOUT RECEIVING FURS IN EXCHANGE.

IT IS THE ESTABLISHED CUSTOM OF THE FUR TRADERS TO SUPPLY THE INDIANS WITH GOODS ON CREDIT, EXACTING FROM THEM A PROMISE TO DELIVER, IN RETURN, A STIPULATED NUMBER OF BEAVER SKINS, OR AN EQUIVALENT IN OTHER FURS.⁵

THE PROBLEM AROSE THAT THE INDIANS, WHEN THEY HAD GATHERED SOME FURS, MIGHT GO TO SOME TRADER OTHER THAN THE ONE WHO HAD ALLOWED THEM DEBITS. THUS THE INDIANS COULD PERHAPS GET ADDITIONAL GOODS, BUT MORE USUALLY ADDITIONAL RUM.

5. THOMAS DOUGLAS, THE FIFTH EARL OF SELKIRK, A SKETCH OF THE BRITISH FUR TRADE IN NORTH AMERICA WITH OBSERVATIONS RELATIVE TO THE NORTH WEST COMPANY OF MONTREAL, SECOND EDITION, LONDON, JAMES RIDGEWAY, 1816, COPY IN PUBLIC ARCHIVES OF CANADA, P. 44.

COMPETITION

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9TH JULY, 1800

THEY [INDIANS] TALK OF GOING TO THE CARRIBOU COUNTRY BECAUSE THEY ARE AFRAID THAT THE ENGLISH [HUDSON'S BAY COMPANY] COME IN THE FALL & THEY HAVE SUCK IN SUCH NUMEROUS CREDITS FROM CHURCHILL THAT ARE TO SEE THEM AT THE SAME TIME THEY ARE OVERLOAD (SIC) WITH CREDITS FROM THE NW COMPY & SOME OF THEM FROM THE LITTLE COMPANIES THAT THEY, [THE INDIANS] ARE QUIT (SIC) DIS-⁶ COURAGED AND SAY THEY WILL NEVER BE ABLE TO PAY ALL.

DURING THIS PERIOD OF COMPETITION, RIVAL TRADERS ENCOURAGED THE INDIANS TO BRING ALREADY PLEDGED FURS FOR GOODS, AND MORE OFTEN FOR LIQUOR.

THUS THE TRADERS BEGAN TO WATCH EACH OTHER, IN ORDER TO INSURE THAT RIVAL TRADERS DID NOT OBTAIN FURS THAT WERE PLEDGED. SOME EXAMPLES OF THE INSTRUCTIONS GIVEN TO THE NORTH WEST COMPANY TRADERS WOULD BE AS FOLLOWS.

ALWAYS TAKING CARE THE OPPOSITION IS PROPERLY WATCHED, FOR TO THAT POINT EVERYTHING MUST GIVE WAY AND MR. GILLIES MUST NOT LOOSE SIGHT OF THEM.⁷

ECONOMY IS TO BE STUDIED THROUGHOUT, BUT NEVERTHELESS PREVENTING THE OPPOSITION FROM MAKING RETURNS IS THE GREAT POINT AND NOTHING MUST STAND IN ITS WAY.⁸

6. J. PORTER, JOURNAL, 18TH FEBRUARY, 1800 TO 14TH FEBRUARY, OP. CIT., PP. 41-2, 1801, AT SLAVE LAKE.

7. (SIR) ALEXANDER MACKENZIE, AND WILLIAM MCGILLIVRAY, LETTERBOOK, KEPT AT GRAND PORTAGE, BY THE AGENTS OF THE NORTH WEST COMPANY, OP. CIT., P. 30.

8. IBID., P. 31.

COMPETITION

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THE WINTERERS OF THE NORTH WEST COMPANY WERE INSTRUCTED TO WATCH THE XY COMPANY TRADERS EVEN DURING THE SPRING, WHEN THE INDIANS MADE A FINAL HUNT FOR FUR BEARING ANIMALS. THIS SPRING HUNT PRODUCED FEWER PRIME FURS SINCE THE HIBERNATING ANIMALS WERE EMACIATED AT THIS TIME OF YEAR.

ON FORMER OCCASIONS OUR PEOPLE HAVE OFTEN BEEN NEGLECTFUL IN THE SPRING AND ALLOWED THE OPPOSITION TO GET THE SPRING HUNTS OF THE INDIANS, BUT ON THIS OCCASION THEY, [THE OPPOSITION] MUST ON NO ACCOUNT BE LEFT BY THEMSELVES BUT EQUALLY WATCH'D IN COMING OUT AS GOING IN.⁹

THE MEN OF THE XY COMPANY RECEIVED SIMILAR INSTRUCTIONS, OF WHICH THE FOLLOWING WOULD BE A CONVENIENT EXAMPLE.

DANIEL SUTHERLAND TO DUNCAN CAMERON
14TH, FEBRUARY, 1804

KEEP ALL YOUR MEN CONSTANTLY RUNNING ABOUT AMONG THE INDIANS, TO PICK UP WHATEVER SKINS THEY CAN, AND WHEREVER YOUR NEIGHBOURS [NORTH WEST COMPANY] SEND TO LET SOME OF YOURS FOLLOW THEM, SO THAT NOTHING MAY BE LOST FOR WANT OF ATTENTION ON YOUR PART.¹⁰

THESE INSTRUCTIONS CAN BE SUMMED UP IN THE FOLLOWING QUOTATION FROM A LETTER OF [SIR] ALEXANDER MACKENZIE, AGENT OF THE NORTH WEST COMPANY AT THE GRAND PORTAGE.

22ND JULY, 1798

NO MEANS NOR EXPENSE MUST BE SPARED TO PREVENT THEIR [THE OPPOSITION] MAKING PACKS.¹¹

9. IBID., p. 29.

10. DANIEL SUTHERLAND, "LETTERBOOK", XY, BOOK NO. 1 OF THE BOOKS OF ACCOUNT OF THE XY COMPANY, LETTER COPIES FROM 10TH AUGUST, 1802 TO 26TH OCTOBER, 1809, IN MANUSCRIPT, ARCHIVES DU GRAND SÉMINAIRE DE QUÉBEC, p. 66.

11. (SIR) ALEXANDER MACKENZIE, TO HUGH MCGILLIES, FOUND IN "LETTERBOOK", KEPT AT GRAND PORTAGE, OP. CIT., p. 32.

COMPETITION

78

THE CUSTOM OF RESPECTING OTHER TRADERS' DEBITS WAS OPENLY VIOLATED. IN THE NEXT QUOTATION THE TERM "CREDIT" WAS USED AS AN ALTERNATE TO THE TERM "DEBIT". IT WAS NOT A SYNONYM, BUT A RECIPROCAL. THE TERMS "DEBIT" AND "CREDIT" BOTH INDICATE THAT GOODS HAVE BEEN GIVEN TO THE INDIANS FOR FURS IN THE FUTURE. THUS "DEBIT" WAS AN "ACCOUNT RECEIVABLE" FOR THE TRADER; IT WAS AN ASSET BELONGING TO THE TRADER. "CREDIT" WAS THE LIABILITY OF THE INDIAN TO PROVIDE FURS IN THE FUTURE FOR GOODS RECEIVED IN THE PRESENT. THIS THEN WAS AN "ACCOUNT PAYABLE" OF THE INDIAN. THUS THE TERMS "DEBIT" AND "CREDIT" ARE OFTEN USED BY THE TRADERS WITHOUT DIFFERENTIATION, SINCE THEY INDICATE DIFFERENT POINTS OF VIEW ABOUT THE SAME PROCESS. IN THIS CONTEXT THE FOLLOWING QUOTATION OF JAMES MCKENZIE INDICATED BITTERNESS AND THE DEPARTURE FROM A CUSTOM OF THE TRADE, THE RESPECTING OF ANOTHER TRADER'S ACCOUNTS WITH THE INDIANS.

24TH MAY, 1800

THIS MORNING MR. FINLAY SET OUT FOR LAC LAPLUIE AND GRAND PORTAGE. LAST NIGHT HE GAVE A LARGE KEG RUM TO THE MONTAGNERS....IN ORDER TO INCITE THEM TO BEHAVE WELL DURING THE SUMMER, BUT AS SOON AS HE WAS OUT OF SIGHT THEY WENT TO THE POTTIES [XY COMPANY] TO TAKE CREDITS. HOWEVER PARTLY BY PERSUASION AND PARTLY BY GIVING THEM A FEW MORE CREDITS I THINK I KEPT THEM FROM TAKING MANY CREDITS. IF I HAVE NOT I SHALL AT ALL EVENTS, TRY TO PREVENT THEM FROM PAYING THEIR CREDITS THERE. 12

12. JAMES MCKENZIE, "JOURNAL AT FORT CHIPPEWEAN", PRINTED IN L. R. MASSON, LES BOURGEOIS DE LA COMPAGNIE DU NORD-OUEST, OP. CIT., VOL. 2, P. 390.

COMPETITION

79

ANOTHER REASON FOR THE CONSTANT MUTUAL WATCHING WAS TO DISCOVER IF POSSIBLE, JUST WHICH INDIANS WERE TRADING WITH THE OPPOSITION. TO PREVENT THE MEN OF THE XY COMPANY FROM LEARNING OF THE WHEREABOUTS OF A CERTAIN GROUP OF INDIANS, ALEXANDER HENRY, THE YOUNGER, HAS RECORDED THIS DESCRIPTION OF HIS DEPARTURE.

I FOUND IT NECESSARY TO VISIT A BAND OF M. LANGOIS INDIANS WHO WERE HUNTING BEAVER AND BEAR IN THE MOUNTAINS TO THE SOUTHWARD, ABOUT THE RESOURCES OF THE SALT RIVER. I SET OFF WITH ONE MAN ON HORSEBACK AT MIDNIGHT - LIGHT RAIN AND VERY DARK, MOST FAVOURABLE WEATHER TO ESCAPE THE XY WHO WAS UPON THE WATCH.¹³

THE EFFECTS OF THIS WATCHING WERE TO INCREASE THE COSTS OF TRADING IN SO FAR AS MORE MEN, GOODS, AND POSTS WERE REQUIRED FOR THE FUR TRADE. THE PRACTICE OF BUILDING POSTS VERY CLOSE TO THE OPPOSITION COMPANY, THE USE OF EXTRA MEN FOR NON-TRADING OPERATIONS, THAT IS THE INCREASED WATCHING, WILL BE OUTLINED IN THE FOLLOWING EVIDENCE OF ALEXANDER HENRY OF THE NORTH WEST COMPANY.

13. ALEXANDER HENRY, THE YOUNGER, "JOURNAL", TO LAKE SUPERIOR, RED RIVER, ASSINIBOINE, ROCKY MOUNTAINS, COLUMBIA AND PACIFIC, 1799-1811, TO ESTABLISH THE FUR TRADE, 2 VOLS., MANUSCRIPT, GEORGE COVENTRY COPY, DATED 20TH FEBRUARY 1824, VOL. 1, P. 351, PUBLIC ARCHIVES OF CANADA.

COMPETITION

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7TH SEPTEMBER, 1801

I WENT BELOW TO MEET THE XY OPPOSITION. FOUND MR. DUFOUT BUILDING AT RIVIERE AUX GRATIAS HE HAD ONE CANOE AND FIVE MEN.¹⁴

21ST SEPTEMBER, 1801

MR. J. CREBASSA [ARRIVED] WITH TWO CANOES AND TEN MEN FOR THE XY - THEY ALSO BUILD BELOW ME.¹⁵

22ND SEPTEMBER, 1801

I HAD A WATCH HOUSE BUILT FRONTING THE XY DOOR, PLACED ST. GERMAIN AND LEDUC TO WATCH THEIR MOTIONS.¹⁶

FURTHER EVIDENCE OF THIS WATCHING CAN BE FOUND IN THE JOURNAL AT LAC LA PLUIE, AGAIN INDICATING EXPENSE AND HOSTILITY.

8TH AUGUST 1804

IN THE AFTERNOON MAILLOUX AND I WENT TO THE PORTAGE IN A CANOE, WE SAW TWO OF THE PINES [INDIANS] LYING DOWN DRUNK, THEY TOLD US THEY HAD 10 BAGS OF OATS [WILD RICE] AND WERE COMING TO THE FORT NORTH WEST COMPANY WITH IT, BUT LACOMBE [XY COMPANY] TOOK IT FROM THEM.¹⁷

21ST AUGUST, 1804

ABOUT 11 O'CLOCK RICHARD AND COUTER SET OFF FOR THE BOTTOM OF THE RIVER TO WATCH LACOMBE'S PROCEEDINGS,

14. ALEXANDER HENRY [THE YOUNGER], NEW LIGHT ON THE EARLY HISTORY OF THE GREAT NORTH WEST, THE MANUSCRIPT JOURNALS OF ALEXANDER HENRY (THE YOUNGER) AND OF DAVID THOMPSON, 1799-1814, 3 VOLS., ELLIOT COUES ED., HARPER, NEW YORK, 1897, VOL. 1, P. 187.

15. IBID., P. 188

16. IBID., P. 190

17. -----, -----, "JOURNAL AT LAC LA PLUIE, 1804-5," DOCUMENT No. 11, IN THE MASSON COLLECTION, MANUSCRIPT, 29TH JULY, 1804 TO 18TH MAY, 1805, HAS BEEN ATTRIBUTED TO HUGH FARIES, P. 18, PUBLIC ARCHIVES OF CANADA.

COMPETITION

81

[XY COMPANY] AS HE IS TO SET OFF TODAY OR TOMORROW. JOURDAIN SENT GOUIN DOWN TO INFORM ME THAT THERE WAS AN XY CANOE SETTING OFF WITH 19 PIECES.¹⁸

THE TERM "PIECES" WOULD HAVE INDICATED TO THE FUR TRADER THE AMOUNT OF TRADE GOODS INVOLVED. IN GENERAL A "PIECE" WAS A PACKAGE OF TRADE GOODS, OR A KEG, OR A BOX, EACH OF WHICH WOULD WEIGH ABOUT NINETY POUNDS. IN THE NEXT QUOTATION FROM THE SAME SOURCE ONE CAN DETECT A SENSE OF URGENCY IN THE OPERATION OF WATCHING A TRADER OF THE RIVAL COMPANY.

23RD SEPTEMBER, 1804

LAGRAVE CAME DOWN TONIGHT TO INFORM US THAT 3 XY MEN WERE GONE OFF WITH 2 SQUAWS TO THE LAKE. MR. MCCLELLAN WITH 4 MEN IMMEDIATELY GOT READY AND SET OFF IN SEARCH OF LACOMBE, I SET OUT FOR LAC DES BOIS IN 2 CANOES.¹⁹

THIS SAME SENSE OF URGENCY HAS ALSO BEEN RECORDED IN THE "JOURNAL OF AN EXPEDITION".

22ND JULY,

I AM ALWAYS IN DOUBT THAT THOSE DAMNED STARVING CATS, THE POTTIES WILL BE HERE BEFORE I CAN HAVE LOADED WHAT THEY [THE INDIANS] HAVE.²⁰

THE NECESSITY OF BUILDING ADDITIONAL POSTS IS REPORTED IN THE TESTIMONY BELOW, AS WELL AS THE TECHNIQUE OF WATCHING THE TRADERS OF THE RIVAL COMPANY.

18. IBID., P. 22.

19. IBID., P. 23.

20. -----, -----, "PART OF A JOURNAL OF AN EXPEDITION," DOCUMENT NO. 15, P. 12, MANUSCRIPT IN MASSON COLLECTION, PUBLIC ARCHIVES OF CANADA.

COMPETITION

82

13TH JUNE,

EARLY THIS MORNING THE POTTIES SET OFF, NOW I WAS BUSY WITH THE INDIANS WHEN THEY SET OFF, HOWEVER WHEN I SAW THEY WERE GONE. I SET OFF WITH AN INDIAN IN A SMALL CANOE AFTER THEM IN ORDER TO MARK OF A FORT FIRST, BUT JUST AS I OVERTOOK THEM THEY....MARKED THEIR FORT. I MARKED ONE BELOW AND ANOTHER ABOVE IN CASE THEY SHOULD BE IN WANT OF WOOD THEY MIGHT RAFT IT FROM ABOVE - ALL THE INDIANS ENCAMPED WITH THEM AS THEY PROMISED TO GIVE THEM DRINK - I REMAIN ALONG SIDE OF THEM WHILE BROSSAULT WILL BRING UP THE GOODS.²¹

THIS WATCHING AND OPPOSITION DID CAUSE ENMITIES, AND SINCE THE COMPETITION WAS CONCENTRATED IN AND AROUND INDIVIDUAL TRADERS; THIS ENMITY CAN BE FOUND IN THEIR WRITINGS.

19TH NOVEMBER, 1804

MR. SERAPHIN WITH 2 MEN WENT TO VISIT THE INDIANS IN ORDER TO GET THEIR BEAR SKINS THE 2 MEN HAVE ORDERS TO REMAIN THERE TO TAKE CARE OF THEIR SKINS BEING APPREHENSIVE THE XY BANDITTI MAY PAY THEM A VISIT.²²

THE WATCHING EXTENDED EVEN TO KNOWING JUST WHAT THE OPPOSITION TRADERS WERE DOING IN THEIR TRANSACTIONS WITH THE INDIANS. THE FOLLOWING ACCOUNT FROM JAMES MCKENZIE'S "JOURNAL" AT CHIPEWYAN ILLUSTRATES THIS CLOSE SCRUTINY.

MONDAY 25TH AUGUST, 1800

PICHÉ AND THE POTTIES ARRIVED. ST. GERMAIN REMAINS ON BUSTARD ISLAND WITH TWO OF THE POTTIES SCALLIONS. THE ROCHE QUI RELUIE'S BOY ARRIVED AND PAID 12 SKINS BR.

21. IBID., P. 1.

22. -----, -----, "JOURNAL OF A WINTERING PARTNER AT LAKE ST. CROIX", AND OTHER PLACES, 1804-5, OP. CIT., P. 29.

COMPETITION

83

[BEAVER] & 13 # [POUNDS] MEAT CREDITS. THE POTTIES MADE HIM DRINK RUM AS MUCH AS HE PLEASED FOR HAVING WITH OUR PERMISSION EXCHANGED HIS CANOE WHICH IS LARGE FOR ONE OF THEIRS WHICH IS MUCH SMALLER.²³

THE MAIN PURPOSE IN WATCHING A RIVAL TRADER WAS TO OPPOSE HIM SHOULD HE GO EN DEROUINE. THAT IS TO GO OUT TO THE INDIANS TO ENTICE THEM TO TRADE, OR TO BRING THEM TO THE TRADING POST, OR SIMPLY TO BRIBE THE INDIANS NOT TO TRADE WITH THE RIVAL COMPANY. THE TESTIMONY OF ALEXANDER HENRY, THE YOUNGER, ILLUSTRATES THIS TECHNIQUE, AND PROVIDES A CLEAR STATEMENT OF TAKING ANOTHER TRADER'S DEBITS.

1st APRIL, 1804

I WENT TO THE UPPER PART OF THE TONGUE RIVER TO MEET A BAND OF INDIANS RETURNING FROM HUNTING BEAVER AND FOUGHT SEVERAL BATTLES WITH THE WOMEN TO GET THEIR FURS FROM THEM. IT WAS THE MOST DISAGREEABLE DEROUINE I EVER MADE; HOWEVER I GOT ALL THEY HAD, ABOUT A PACK [90 POUNDS] OF GOOD FURS, BUT I AM VEXED AT HAVING BEEN OBLIGED TO FIGHT WITH THE WOMEN. IT IS TRUE THAT IT WAS ALL MY NEIGHBOUR'S DEBTS.²⁴

ANOTHER ELEMENT THAT INCREASED THE COSTS OF TRADING AND LOWERED PROFITS IN THE PERIOD OF COMPETITION WAS PRICE CUTTING. THIS PRACTICE MUST HAVE BEEN COMMON, YET THE FACT WAS RARELY ADMITTED IN THE WRITINGS OF THE TRADERS. PERHAPS

23. JAMES MCKENZIE, "JOURNAL" 1799-1800, DOCUMENT NO. 2358 IN THE MASSON COLLECTION, PHOTOSTAT, IN MANUSCRIPT, P. 72, MCGILL UNIVERSITY.

24. ALEXANDER HENRY, THE YOUNGER, NEW LIGHT ON THE EARLIER HISTORY OF THE GREAT NORTH WEST ETC., ELLIOT COUES ED., OP. CIT., VOL. 1, PP. 239-40.

COMPETITION

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THIS WAS DUE TO THE FEAR OF REPERCUSSIONS FROM THE PARTNERS IN MONTREAL. THE FOLLOWING EVIDENCE FROM THE "JOURNAL" OF CHARLES CHABOILLEZ IS SIGNIFICANT IN SO FAR AS IT DESCRIBES A PRACTICE THAT FEW TRADERS WOULD ADMIT.

12TH DECEMBER, 1797

GUASE CIQUISSE & CENIGOB [INDIANS] CAME TO TRADE THE REMAINDER OF THEIR SKINS, BUT THEY WOULD NOT TRADE UNLESS THEY SHOULD HAVE THE GOODS AT THE SAME PRICE AS THE SOUTH TRADER SOLD THEM, IN LIEU OF LEVING (SIC) THEIR FURS GO OUT OF MY SHOP I WAS OBLIGED TO GIVE [IN TO THEM]... I HOPE IN THE MEANTIME NOT TO BE BLAMED FOR SO DOING I AM CONVINCED THAT THE GOODS ARE SOLD AT A LOWER RATE THAN THEY ARE INVOICED, BUT IN THE MEANTIME IT IS VERY HARD TO SEE PELTRIES TAKEN OUT OF ONE'S SHOP TO TRADE AT A NEIGHBOUR'S. THEY HAD SIXTY-FOUR SKINS.²⁵

ANOTHER EXAMPLE OF THE POSSIBILITY OF PRICE CUTTING HAS BEEN RECORDED IN THE "JOURNAL" OF A WINTERING PARTNER AT LAC LA CROIX.

TWARDS EVENING I WAS SURPRISED TO SEE 2 OF THE XY MEN ARRIVE WITH AN INDIAN, LUCKILY ALL MY INDIANS ARE ABSENT YET, I APPREHEND THEY WILL POISON THE MINDS OF THE WOMEN BY OFFERING TO SELL CHEAPER THAN I DO.²⁶

THE EFFECT OF THIS OPPOSITION OR COMPETITION ON THE INDIANS HAS BEEN SUMMED UP BY DUNCAN CAMERON IN 1804 AS FOLLOWS.

25. CHARLES CHABOILLEZ, "JOURNAL 1797-8", DOCUMENT NO. 1, IN THE MASSON COLLECTION, MANUSCRIPT, P. 23.

26. -----, -----, "JOURNAL" OF A WINTERING PARTNER AT LAC LA CROIX, OP. CIT., P. 28.

COMPETITION

85

THE INDIANS HAVE LOST ALL INDUSTRY ARE BECOMING CARELESS ABOUT HUNTING AND PAYING THEIR CREDITS, AS THEY WELL KNOW THAT WHEN ONE [TRADER] WILL REFUSE, ANOTHER MORE EXTRAVAGANT WILL READILY GIVE. THEY NOW GET A QUANTITY OF THINGS SO EASILY THAT THEY HAVE GROWN QUITE EXTRAVAGANT AND PUT NO VALUE ON GOODS AT ALL, SUPPOSING THAT, IF THOSE GOODS WERE SO VALUABLE, WE WOULD NOT SO EASILY PART WITH THEM, AND BEGIN TO THINK THAT THEIR SKINS ARE BECOME SO VALUABLE THAT THERE IS NO POSSIBILITY OF SATISFYING THEM, FOR THEY WILL TELL YOU THAT SUCH A ONE OFFERED THEM SO AND SO, AND THAT THEY EXPECTED YOU TO GIVE THE SAME SINCE YOU WANTED SKINS.²⁷

THE COMPETITIVE NECESSITY FOR THE TRADERS OF THE RIVAL COMPANIES TO WATCH ONE ANOTHER (ALONG WITH THE PRACTICE OF PRICE CUTTING) LED TO A HIGHER COST STRUCTURE IN THE FUR TRADE IN THE NORTH WEST. THIS PROCEDURE DEMANDED MORE MEN AND FORTS TO CARRY ON THE TRADE. ALONG WITH THE WATCHING THE OPPOSITION IN THE NORTH WEST WAS CARRIED ON IN THE USE OF LIQUOR. IT CAN BE ASCERTAINED THAT DURING THE PERIOD OF THE XY COMPANY'S OPERATIONS THE AMOUNTS OF LIQUOR USED IN THE INDIAN TRADE ROSE RAPIDLY. THUS THE NEXT TECHNIQUE OF COMPETITION TO BE DISCUSSED WILL BE THE USE OF LIQUOR IN THE FUR TRADE OF THE NORTH WEST.

INCREASED USE OF LIQUOR IN THE TRADE

THE DEVICE OF TRADING LIQUOR TO THE INDIANS FOR FURS WAS CALCULATED TO MAKE THE INDIANS DEPENDENT ON THE TRADERS. FURTHERMORE LIQUOR WAS AN IDEAL TRADE COMMODITY

27. DUNCAN CAMERON, "EXTRACTS FROM HIS JOURNAL" IN L. R. MASSON, LES BOURGEOIS ETC., OP. CIT., VOL. 2, P.296.

COMPETITION

86

SINCE IT COULD BE SHIPPED TO THE NORTH WEST IN CONCENTRATED FORM, AND TRADED TO THE NATIVES MORE OR LESS DILUTED WITH WATER. "HIGH WINES" WAS A TERM WHICH WAS GENERIC, AND USED TO INCLUDE BRANDY WHISKY OR RUM, BUT IN FACT THE MOST COMMON LIQUOR WAS RUM. THE RUM WAS ESTIMATED BY LORD SELKIRK TO BE 132 PER CENT PROOF, OR 66 PER CENT ALCOHOL BY VOLUME. "HIGH WINES 32% ABOVE DICA'S HYDROMETER PROOF."²⁸ ANOTHER DESCRIPTION OF "HIGH WINES" HAS BEEN PROVIDED BY ISAAC TODD IN WRITING TO JOHN ASKIN IN 1804.

YOU CAN ASSURE ME THAT YOU CAN FURNISH SPIRITS OF A STRENGTH EQUAL TO 50% ABOVE PROOF WHAT IS CALLED HIGH WINES. MR. MCINTOSH (ANGUS-MERCHANT AT SANDWICH) CAN INFORM YOU IT IS I BELIEVE WHAT IS CALLED 21 AS THIS IS THE FRENCH USED BY THE N. WEST.²⁹

THESE "HIGH WINES" WERE PROBABLY MASH WHISKY RUNNING ABOUT 75 PER CENT ALCOHOL BY VOLUME.

THE TRADERS DILUTED THE RUM MORE OR LESS WITH WATER DEPENDING ON THE NEWNESS OF THE INDIANS TO THE TRADE. CHARLES CHABOILLEZ OF THE NORTH WEST COMPANY HAS RECORDED THE FOLLOWING IN HIS "JOURNAL".

28. LORD SELKIRK, "DIARY", IN TRANSCRIPT AMONG THE SELKIRK PAPERS VOL. 76, PART 1, PAGE 19765, PUBLIC ARCHIVES OF CANADA.

29. ISAAC TODD TO JOHN ASKIN, IN ASKIN PAPERS, IN MANUSCRIPT, VOL. 25, PART 2, P. 11326, PUBLIC ARCHIVES OF CANADA.

COMPETITION

87

20TH SEPTEMBER, 1797

PREPARING TO SET OFF I GAVE THEM THREE PINTS MIXED RUM TO ENCOURAGE THEM TO WORK. THEY ARE TO COME AT THE FORT ON THE FIRST ICE.³⁰

THE WORKING PRINCIPLE WAS THIS, THE NEWER THE TRIBE TO THE TRADE THE MORE WATER WAS ADDED TO THE NEAT RUM.

IT IS UNNECESSARY TELLING ALWAYS IN THE JOURNAL THAT EVERY INDIAN WHO ARRIVES, WHETHER GOOD, BAD, OR INDIF- FERENT GETS A BIT OF TOBACCO AND A DRAM,....THAT IS THE CUSTOM OF THE PLACE...THE TOBACCO IS ALWAYS ROTTEN, AND THE RUM MOSTLY WATER.³¹

PERHAPS SOME INDICATION OF THE AMOUNT OF LIQUOR USED IN THE NORTH WEST FUR TRADE AT THE TIME OF THE OPPOSITION BETWEEN THE XY AND NORTH WEST COMPANIES WOULD BE A DEVICE FOR INDICATING THE INCREASED COMPETITION DUE TO THE OPERATIONS OF THE XY COMPANY. THE FOLLOWING DATA PRESENTED IN TABLE 1, WOULD TEND TO BE CONSERVATIVE AND APPROACHING UNDERSTATEMENT BECAUSE IT PROBABLY WAS EDITED BY WILLIAM MCGILLIVRAY OF THE NORTH WEST COMPANY ABOUT 1808. THIS TABLE HAS BEEN RECONSTRUCTED FROM THE SKETCH OF THE FUR TRADE CARRIED ON BY THE NORTH WEST COMPANY, WRITTEN BY DUNCAN MCGILLIVRAY.³²

30. CHARLES CHABOILLET, "JOURNAL", OP. CIT., P. 9.

31. PETER GRANT, "THE SAULTEUX INDIANS", IN L. R. MASSON, LES BOURGEOIS ETC., OP. CIT., VOL. 2, PP. 381-2.

32. DUNCAN MCGILLIVRAY, SKETCH...OF 1809, OP. CIT., P. 7.

COMPETITION

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FROM TABLE 1 THE FOLLOWING OBSERVATIONS MAY BE MADE. THE YEARS 1802, 1803, AND 1804 HAD THE GREATEST CONSUMPTION OF RUM, DURING WHICH TIME THE NORTH WEST COMPANY SENT AN ANNUAL AVERAGE OF 14,439³³ GALLONS. THE XY COMPANY WAS ESTIMATED TO HAVE SENT 5,000 GALLONS ANNUALLY DURING THE SAME YEARS.³³ THUS A TOTAL ESTIMATE WOULD BE 19,439 GALLONS EACH YEAR DURING THE THREE YEARS OF INTENSE COMPETITION BETWEEN THE XY AND THE NORTH WEST COMPANIES.³⁴

THE SIGNIFICANCE OF THIS GREATER USE OF RUM CAN BE ILLUSTRATED IN THE FOLLOWING MANNER. THE AVERAGE SHIPMENTS FOR THE YEARS 1799, 1800, AND 1801, THE THREE YEARS BEFORE THE EXTREME COMPETITION WERE 10,272 GALLONS (TABLE 1). THE AVERAGE SHIPMENTS OF RUM FOR THE FOUR YEARS FOLLOWING THE UNION OF THE XY AND THE NORTH WEST COMPANIES WERE 10,700 GALLONS (TABLE 1). THUS ONE CAN OBSERVE THAT DURING THE PERIOD OF COMPETITION THE AMOUNT OF RUM USED IN THE NORTH WEST COMPANY'S TRADING INCREASED IN THE ORDER OF ALMOST 50 PER CENT, FROM THE AVERAGE AMOUNTS OF RUM USED IN THE PERIODS BEFORE AND AFTER THE COMPETITIVE INTERVAL WITH THE XY COMPANY (TABLE 1). THE FACT THAT THESE FIGURES USED IN TABLE 1 WERE USED IN THE REPORT OF CRAIG TO CASTLEREAGH IN

33. IBID., P. 7.

34. IBID.

RUM

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Table 1. - " Expenditures of Rum and Spirits of All Kinds With the Indians and Servants Employed in the North West Company Trade 1793 to 1808 Inclusive." 35

Year	Amounts in Gallons	Averages
1793	9,600	annual average
1794		
1795		
1796		
1797		
1798		
1799	10,189	10,272 three year average
1800	10,098	
1801	10,539	
1802	14,850	12,340 six year average
1803	16,299	
1804	12,128	
1805	13,500	14,439 three year average
1806	10,800	
1807	9,500	
1808	9,000	
Average Consumption 1793 to 1798		9,600 gallons
Average Consumption 1799 to 1801		10,272 gallons
Average Consumption 1802 to 1804		14,439 gallons
Average Consumption 1805 to 1808		10,700 gallons

35. Duncan McGillivray, Sketch of 1809 ,
op. cit., p. 7.

COMPETITION

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1808 GIVES THEM SOME FURTHER WEIGHT IN THE PRESENT DISCUSSION.³⁶ THE ESTIMATES IN TABLE 1 DO NOT DIFFER IN MAGNITUDE FROM THOSE PRESENTED BY JOHN HENRY IN HIS ORIGIN AND PROGRESS OF THE NORTH WEST COMPANY ETC., BUT THIS MORE PROBABLY MEANS THAT HENRY DID IN FACT USE DUNCAN MCGILLIVRAY'S ESTIMATES IN ARRIVING AT THE FIGURES HE PUBLISHED.³⁷

PERHAPS A MORE GRAPHIC WAY TO ILLUSTRATE THE AMOUNT OF RUM USED IN THE TRADE OF THIS PERIOD WOULD BE TO LIST THE TYPICAL LOAD OF A TRADE CANOE. SUCH A LIST HAS BEEN RECORDED BY ALEXANDER HENRY THE YOUNGER.

19TH JULY, 1800

5	BALES MERCHANDISE	90 POUNDS EACH
1	BALE CARRAT (SIC) TOBACCO	
1	BALE KETTLES	
1	CASE GUNS	
1	CASE IRON WORKS	
2	ROLLS NEW TWIST TOBACCO	
2	BAGS LEADEN BALLS	
1	BAG LEADEN SHOT	
1	BAG FLOUR	
1	KEG SUGAR	
2	KEGS GUNPOWDER	
10	KEGS HIGH WINES OF 9 GALLONS EACH	³⁸

THUS OF THE TWENTY-EIGHT PACKAGES LISTED, THE QUANTITY OF RUM MADE UP MORE THAN ONE-THIRD OF THE STOCK IN TRADE.

³⁶. SIR J. H. CRAIG TO LORD CASTLEREAGH, 3RD OCTOBER, 1808, NO. 43, TRANSCRIPTS OF COLONIAL OFFICE RECORDS, "GOV. CRAIG AND MISC.," SERIES Q, 1808, LOWER CANADA, NO. 108, P. 54, PUBLIC ARCHIVES OF CANADA.

³⁷. [JOHN HENRY], ON THE ORIGIN AND PROGRESS OF THE NORTH WEST COMPANY OF CANADA, LONDON, CAXON AND BAYLES, 1811, IN PHOTOSTAT, P. 9, PUBLIC ARCHIVES OF CANADA.

³⁸. ALEXANDER HENRY, YOUNGER, "JOURNAL", OP. CIT., VOL. 1, PP. 9-10.

COMPETITION

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TO INDICATE THE CONSERVATIVE NATURE OF THE RUM ESTIMATES PRESENTED IN TABLE 1, THE FIGURES PRESENTED BY LORD SELKIRK ON THE CONSUMPTION OF RUM WOULD BE INTERESTING.

AFTER THE COALITION OF 1805 BETWEEN THE TWO RIVAL COMPANIES OF MONTREAL THE WHOLE TRADE CARRIED ON BY THE TWO UNITED WAS FOUND TO REQUIRE ONLY 5,000 GALLONS OF SPIRITS ANNUALLY.... DURING THE PRECEDING CONTEST BETWEEN THE TWO CANADIAN COMPANIES THE ANNUAL CONSUMPTION OF SPIRITS BY THE OLD NORTH WEST COMPANY ALONE AMOUNTED TO 30,000 GALLONS.³⁹

THE READER WOULD BE AWARE THAT LORD SELKIRK'S TESTIMONY MIGHT WELL BE PREJUDICED AGAINST THE NORTH WEST COMPANY DURING THE PERIOD OF OPPOSITION.

THE USE OF RUM IN THE FUR TRADE WAS A TECHNIQUE WHICH ALL ADMITTED WAS HABIT FORMING, AND WHICH MADE THE INDIANS VERY DEPENDENT ON THE TRADERS. IN THIS CONNECTION THE EVIDENCE OF ALEXANDER HENRY, THE YOUNGER, IS ILLUSTRATIVE.

INDIANS ANXIOUSLY AWAITING MY ARRIVAL TO TASTE MY NEW MILK, WHAT THEY GENERALLY [SIC] CALL RUM WHEN SPEAKING IN A CEREMONIOUS STYLE.⁴⁰

DUNCAN CAMERON HAS RECORDED THE ATTITUDE OF SOME OF THE INDIANS REGARDING RUM. HE WAS DESCRIBING HIS MEETING WITH A SICK INDIAN.

³⁹. LORD SELKIRK, "PAPERS", IN TRANSCRIPT, OP. CIT., P. 10222, PUBLIC ARCHIVES OF CANADA.

⁴⁰. ALEXANDER HENRY, THE YOUNGER, JOURNAL, OP. CIT., VOL. 1, P. 286.

COMPETITION

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.... BUT HE [THE SICK INDIAN] ASKED ME FOR LIQUOR TO GET DRUNK, WHICH THEY RECKON THE MOST EFFICACIOUS MEDICINE OF ALL TO CURE EVERY DISEASE.⁴¹

THE USE OF LIQUOR OUTSIDE THE ACTUAL TRADING WAS NOT UNCOMMON, IN USES THAT ONE MIGHT DESIGNATE AS "PUBLIC RELATIONS".

24TH MAY, 1800

THIS MORNING MR. FINLAY SET OUT FOR LACLAPLUIE AND GRAND PORTAGE, LAST NIGHT HE GAVE A LARGE KEG TO THE MONTAGNERS....IN ORDER TO INCITE THEM TO BEHAVE WELL DURING THE SUMMER.⁴²

ANOTHER EXAMPLE OF THE SAME CUSTOM HAS BEEN RECORDED BY THE YOUNGER ALEXANDER HENRY.

16TH SEPTEMBER, 1802

I GAVE THE INDIANS THEIR USUAL PRESENT OF THE AUTUMN, AND ALL HANDS WERE SOON INTOXICATED, AND AS USUAL VERY TROUBLESOME, AND MORE SO NOW THAN ON ANY OTHER OCCATION [SIC] FINDING THEY HAD THE XY WELL ESTABLISHED HERE.⁴³

THE TECHNIQUE OF "DEBAUCHING THE INDIANS WAS NOT UNCOMMON AMONG THE TRADERS AND A STATEMENT OF THE RESULTS OF SUCH A POLICY, AND THE USE OF LIQUOR IN THE FUR TRADE WITH THE INDIANS HAS BEEN RECORDED BY W. F. WENTZEL.

FROM THE COMPETITION [WITH THE XY COMPANY] ARISES A VARIETY OF CIRCUMSTANCES WHICH FOR A MOMENT PROMOTE THE INTEREST OF MANY, IN AUGMENTING WAGES AND UNFURLING

41. DUNCAN CAMERON, "EXTRACTS FROM HIS JOURNAL", IN L. R. MASSON, LES BOURGEOIS, OP. CIT., VOL. 2, P. 275.

42. JAMES MCKENZIE, "JOURNAL AT FORT CHIPPEWEAN", IN L. R. MASSON, LES BOURGEOIS, OP. CIT., VOL. 2, P. 390.

43. ALEXANDER HENRY, THE YOUNGER, JOURNAL, OP. CIT., VOL. 1, P. 287.

COMPETITION

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CAPACITIES....THOUGH IT IS OFTEN PREJUDICIAL TO MORALS, AND EQUALLY INJURIOUS TO THE CHARACTER OF MANY.... ANOTHER BAD EFFECT OF COMPETITION IS DRUNKENNESS, MURDER, THEFT, BESIDES MANY OTHER VICES.....

[IN REGARD TO THE INDIANS]

INDOLENCE, ROBBERY AND MURDER ARE THE CONSEQUENCES OF OPPOSITION IN TRADE; PEOPLE WOULD SUPPOSE IT WOULD ROUSE THEIR [THE INDIANS] ATTENTION TO INDUSTRY HAVING GOODS AT LOWER PRICES, BUT FAR TO THE CONTRARY; DRUNKENNESS IDLENESS AND VICE ARE PREFERRED : THEY ARE INDEED OF A BEGGARLY DISPOSITION.... THUS NO GOOD CAN BE DERIVED FROM THE TURBULENT STRUGGLES OF OPPOSITION IN THIS COUNTRY; IT DESTROYS TRADE, CREATES VICE, AND RENDERS MORE PEOPLE CRAFTY, RUINS GOOD MORALS, AND ALMOST TOTALLY ABOLISHES HUMAN SENTIMENT IN BOTH CHRISTIAN AND INDIAN BREASTS.⁴⁴

THE READER SHOULD BE WARNED THAT THIS ACCOUNT WAS PERHAPS DIPLOMATICALLY EXAGGERATED SINCE WENTZEL WAS WRITING TO RODERICK MCKENZIE, ONE OF THE PARTNERS OF THE NORTH WEST COMPANY.

THE USE OF LIQUOR WAS THE MORE COMMON DEVICE OF COMPETITION IN THE NORTH WEST BECAUSE IT HAD THE EFFECT OF MAKING THE INDIANS DEPENDENT ON THE TRADERS FOR A COMMODITY WHICH WAS HABIT FORMING, AND WHICH WAS NOT AVAILABLE TO THE INDIAN IN THE ORDINARY PATTERNS OF THE ABORIGINAL CULTURE. HOWEVER, NOT ALL THE RUM THAT WENT TO THE NORTH WEST WAS TRADED TO THE INDIANS; DAVID HARMON RECORDED THIS INCIDENT.

⁴⁴. W. F. WENTZEL, "LETTERS TO RODERICK MCKENZIE", IN L. R. MASSON, LES BOURGEOIS, OP. CIT., VOL. 1, P. 96.

COMPETITION

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MAY 27TH MONDAY, 1805

HERE ARE THREE FORTS BELONGING TO THE N.W., XY, & H.B. COMPANIES - LAST EVENING MR. CHABOILLEZ [NORTH WEST COMPANY] INVITED THE PEOPLE OF THE OTHER TWO FORTS TO A DANCE AND WE HAD A REAL OLD WEST BALL, FOR WHEN THREE FOURTH OF THE PEOPLE ARE SO MUCH INTOXICATED AS NOT TO BE ABLE TO WALK STRAIGHT, THE OTHER FOURTH PUT AN END TO THE BALL OR RATHER BRAWL.⁴⁵

OUTBREAKS OF PHYSICAL VIOLENCE

THE COMPETITION BETWEEN THE XY AND THE NORTH WEST COMPANIES GENERATED ANTIPATHY AND VIOLENCE THAT HAS BEEN EXTENSIVELY REPORTED BY EYE WITNESSES. THE VIOLENCE OF THIS PERIOD OF OPPOSITION FAR EXCEEDED THE USUAL RUGGEDNESS THAT ONE MIGHT EXPECT TO FIND IN THE FRONTIER SETTING OF THE NORTH WEST AT THE END OF THE EIGHTEENTH CENTURY. THIS SUMMARY REPORT WAS CONTAINED IN THE OFFICIAL CORRESPONDENCE OF LIEUTENANT GOVERNOR ROBERT SHORE MILNES. THE EXCERPT HAS BEEN TAKEN FROM THE REPORT OF MILNES TO LORD HOBART THE COLONIAL SECRETARY IN LONDON.

30TH OCTOBER, 1802

THE SUCCESS OF THIS COMPANY [THE NORTH WEST COMPANY], AND THE GREAT AND RAPID FORTUNES WHICH MANY OF THEM HAVE AMASSED, OCCAISIONED [SIC] THE ESTABLISHMENT OF A SECOND COMPANY [THE XY COMPANY] IN THE YEAR 1800, WHO HAVE THE COMMAND OF A CAPITAL EQUAL TO THAT OF THE

45. DANIEL HARMON, "A JOURNAL OF VOYAGES AND TRAVELS IN THE INTERIOR OF NORTH AMERICA", GUTHERIE Y. BARBER MANUSCRIPT COPY, IN PHOTOSTAT, P. 112, PUBLIC ARCHIVES OF CANADA.

NORTH WEST, AND AS THEY PURSUE THE SAME LINE OF COMMERCE, BY THE SAME MEANS, AND IN THE SAME PARTS OF THE INTERIOR COUNTRY, MUTUAL JEALOUSIES HAVE ARISEN, COMPLAINTS OF THE CONDUCT OF EACH HAVE BEEN MADE, AND BOTH HAVE PROCEEDED FROM ONE STEP TO ANOTHER UNTIL THE CONTEST FROM A COMMERCIAL COMPETITION HAS GROWN TO OPEN ENMITY AND HOSTILITY.⁴⁶

ALEXANDER HENRY, THE ELDER, HAS PROVIDED THE FOLLOWING REPORT, WHICH INDICATES THAT SUCH VIOLENCE IN OPPOSITION WAS TO BE EXPECTED FROM THE VERY BEGINNINGS OF THE XY COMPANY OPERATIONS.

28TH MAY, 1799

THE N.W. COMPANY ON ACCOUNT OF THE OPPOSITION IT IS SAID INTENDS TO SEND QUANTITIES OF GOODS TO DETROIT & MACKINA [MACKINA - MICHILIMACKINAC] TO SELL AT COST AND CHARGES, BECAUSE FORSYTH & CO [XY COMPANY] INTERFERS WITH THEIR TRADE IN THE NORTH, THE WAR SEEMS TO HAVE COMMENCED BETWEEN THEM, LIKE THE FRENCH DIRECTORY, THEY WILL NOT ALLOW ANY KINGS BUT THEMSELVES.⁴⁷

PERHAPS ONE OF THE BETTER CONTEMPORARY WITNESSES OF THIS VIOLENT STRUGGLE WAS DANIEL HARMON, A MEMBER OF THE NORTH WEST COMPANY. THE FOLLOWING EXTRACT IS FROM HIS "JOURNAL", THE BARBER MANUSCRIPT COPY, WHICH SHOWS THE TACTICS AND OUTLOOK OF THE NORTH WEST COMPANY, AS WELL AS THE NATURE OF THE LAWLESS ENVIRONMENT IN WHICH IT OPERATED.

46. R. S. MILNES, LIEUTENANT GOVERNOR OF LOWER CANADA, TO LORD HOBART, 30TH OCTOBER, 1802, TRANSCRIPTS OF THE COLONIAL OFFICE RECORDS, "LT. GOV. MILNES AND MISC.", 1802, LOWER CANADA VOL. 89, P. 146, PUBLIC ARCHIVES OF CANADA.

47. ALEXANDER HENRY, THE ELDER, TO JOHN ASKIN, 28TH MAY, 1799, "ASKIN CORRESPONDENCE," PRINTED IN WISCONSIN HISTORICAL COLLECTIONS, VOL. 19, P. 285.

COMPETITION

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16TH OCTOBER, 1803

THE NORTH WEST COMPANY LOOK UPON THE XY COMPANY AS ENCROACHERS UPON THEIR TERRITORIES, AND WHILE THE LATTER PEOPLE CONSIDER THAT THE FORMER HAVE NO BETTER RIGHT TO COMMERCE IN THIS PART OF THE WORLD THAN THEMSELVES HAVE, BUT IF THE TRUTH MUST BE TOLD, AS THEY [XY COMPANY] ARE WEAKER, THAT IS HAVE NOT BEEN IN THIS COUNTRY LONG ENOUGH TO GAIN MUCH FOOTING, WE WOULD WISH TO CRUSH THEM AT ONCE, BEFORE THEY HAVE TOO MUCH STRENGTH, WHEN IT WILL BE MORE DIFFICULT, IF NOT IMPOSSIBLE. THE JARRING OF INTERESTS, KEEPS UP CONTINUED MISUNDERSTANDINGS, AND OCCASIONS FREQUENT BROILS BETWEEN THE CONTENDING PARTIES, AND SOMETIMES THE ENMITY BETWEEN THEM RISES TO SUCH AN UNBECOMING HEIGHT AS TO CAUSE BLOODSHED, AND IN SEVERAL INSTANCES LIVES HAVE BEEN SACRIFICED! BUT I AM OF THE OPINION THAT THOSE WHO HAVE COMMITTED MURDER IN THIS SAVAGE COUNTRY WOULD IF A FAVOURABLE OCCASION HAVE OFFERED BEEN GUILTY OF THE SAME HORRID CRIME IN THE CIVILIZED PART OF THE WORLD. YET THERE ARE MANY IN THIS COUNTRY WHO APPEAR TO BE OF A DIFFERENT OPINION. HERE IT IS TRUE THEY HAVE AN ADVANTAGE IF INDEED IT MAY BE THOUGHT ONE; THAT THEY HAVE NOT BELOW, IS; HERE A MURDERER ESCAPES THE GALLOWES AS THERE ARE NOT HUMAN LAWS THAT CAN REACH OR HAVE ANY EFFECT ON THE PEOPLE OF THIS COUNTRY.⁴⁸

THE ABOVE QUOTATION HAS BEEN PRESENTED AT SOME LENGTH SINCE IT IS VERBATIM FROM THE BARBER MANUSCRIPT COPY OF HARMON'S "JOURNAL", AND WILL BE FOUND TO BE CONSIDERABLY ABBREVIATED IN THE PUBLISHED COPIES EDITED BY DANIEL HASKELL.⁴⁹

COMPETITION IN THE NORTH WEST AT THE TIME OF THE XY COMPANY WAS MARKED BY INCREASING USE OF PHYSICAL PERSONAL

48. DANIEL HARMON, "JOURNAL", BARBER MANUSCRIPT COPY, OP. CIT., P. 81, PUBLIC ARCHIVES OF CANADA.

49. DANIEL HARMON, A JOURNAL OF VOYAGES AND TRAVELS IN THE INTERIOR OF NORTH AMERICA, DANIEL HASKELL ED., OP. CIT., P. 79.

COMPETITION

97

VIOLENCE. THE EXAMPLES THAT FOLLOW HAVE BEEN RECORDED IN THE "JOURNAL" AT LAC LAPLUIE.

1ST OCTOBER, 1804

LACOMBE [XY COMPANY] TOLD HIM [MCLELLAN OF THE NORTH WEST COMPANY] THAT HE WOULD THROW DOWN THE HOUSE [BUILT BY THE NORTH WEST COMPANY NEAR THE XY POST 29TH SEPTEMBER, 1804] AS IT WAS BUILT TOO NEAR HIS FORT, THEY DISPUTED SOME TIME THEN A SCUFFLE ENSUED, BUT LAFRANCE [NORTH WEST COMPANY] PARTED THEM.⁵⁰

8TH AUGUST, 1804

IN THE AFTERNOON MAILLOUX AND I WENT UP TO THE PORTAGE IN A CANOE, WE SAW TWO OF THE PINES [INDIANS] LYING DOWN DRUNK, THEY TOLD US THEY HAD 10 BAGS OF OATS [WILD RICE] AND WERE COMING TO THE FORT WITH IT, BUT LACOMBE [XY] TOOK IT FROM THEM.⁵¹

24TH SEPTEMBER, 1804

THE PICOTTE AND HIS WIFE CAME TO THE FORT ABOUT 2 O'CLOCK MR. MCLELLAN ARRIVED SHORTLY AFTER & KICKED BOTH OUT OF THE FORT. THEY HAD GIVEN THEIR OATS TO THE XY.⁵²

25TH SEPTEMBER, 1804

I GAVE THE PICOTTÉ AND HIS WIFE A SECOND DRUBBING.⁵³

DURING THIS PERIOD OF COMPETITION WITH THE XY COMPANY, THE USE OF VIOLENT AND FORCEFUL TACTICS IN THE TRADE WAS CONSIDERED TO BE THE MARK OF A GOOD TRADER.

50. -----, -----, "JOURNAL" AT LAC LAPLUIE, OP. CIT., P. 26.

51. IBID., P. 33.

52. IBID., P. 24.

53. IBID., P. 25.

COMPETITION

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5TH AUGUST, 1800

SENT DUBOIS DOWN FOR THE CANOE - HE RETURNED THEM THEIR 5 SKINS AND TOOK THE CANOE FROM THEM ALMOST BY FORCE, HE IS A RESOLUTE STRONG FELLOW AND MAY BE VERY USEFULL IN OPPOSITION.⁵⁴

THE FOLLOWING WAS RECORDED EN PASSANT BY THE YOUNGER ALEXANDER HENRY.

I QUARRELED WITH LITTLE SHELL [AN INDIAN] AND DRAGGED HIM OUT OF THE FORT BY THE HAIR.⁵⁵

A FURTHER EXTRACT FROM JAMES MCKENZIE'S "JOURNAL" AT FORT CHIPEWYAN ILLUSTRATES THE FRONTIER VIOLENCE THAT CAME TO CHARACTERIZE THE COMPETITION BETWEEN THE XY AND THE NORTH WEST COMPANIES.

MAY, 1800

I SPOKE OF TAKING IT FROM THEM, [KEWIGIWACHE'S CANOE] WHICH I COULD HAVE TAKEN FOR HIS CREDITS, BUT IT WAS NOT WORTH TWO SKINS, WHICH MADE OLD PARRIN, PERRONE'S SUCCESSOR [XY COMPANY] SPEAK TO ME VERY INSOLENTLY; THIS PROVOKED ME AND INDUCED ME TO GIVE HIM A FEW BLOWS ACCROSS THE LIPS, WHICH STOPPED HIS MOUTH, THREW HIM ON HIS BACK AND MADE HIM BLEED.⁵⁶

VIOLENT TACTICS WERE EXTENDED NOT ONLY TO RIVAL TRADERS BUT ALSO TO THE INDIANS. THE MORE COMMON FORM OF VIOLENCE TO THE INDIANS WAS TO "DEBAUCH" THEM WITH RUM. THE FOLLOWING WAS RECORDED BY DUFOUT AN XY COMPANY TRADER.

54. JAMES MCKENZIE, "JOURNAL", IN THE MASSON COLLECTION AT MCGILL UNIVERSITY, OP. CIT., P. 66.

55. ALEXANDER HENRY, THE YOUNGER, "JOURNAL", COVENTRY COPY, OP. CIT., P. 347.

56. JAMES MCKENZIE, "JOURNAL AT FORT CHIPEWYAN" IN L. R. MASSON, LES BOURGEOIS, OP. CIT., VOL. 2, P. 391.

COMPETITION

99

29TH OCTOBER, 1803

UN INTREPRÈTE DE L'AUTRE SOCIÉTÉ [NORTH WEST COMPANY] EST ARRIVÉ À NOTRE FORT AVEC UN SAUVAGE QUI EST.... UN ENGAGÉ, ILS SONT À LA RECHERCHE DE NOS SAUVAGES POUR LES DÉBAUCHÉS ET LES EMMENER À LEUR FORT QUI EST AU PIED DES MONTAGNES.⁵⁷

THE SAME TECHNIQUE WAS USED BY THE XY COMPANY AS HAS BEEN RECORDED IN THE WRITINGS OF DUNCAN CAMERON OF THE NORTH WEST COMPANY.

1804

...FOR IF AN INDIAN IS A GOOD HUNTER, AND HAS THE USUAL LARGE STOCK OF IMPRUDENCE WHICH THEY GENERALLY HAVE, WITH A LITTLE CUNNING, YOU MUST MAKE A CHIEF OF HIM TO SECURE HIS HEART, OTHERWISE YOUR OPPONENTS [XY COMPANY] WILL DEBAUCH HIM FROM YOU, AND YOU ARE SURE TO LOOSE HIM.⁵⁸

THE EFFECTS OF THESE PRACTICES HAVE BEEN GRAPHICALLY SUMMED UP AS FOLLOWS.

23RD JULY, 1804

I WISH OFTEN THAT THOSE POTTIES WOULD PUT THEMSELVES IN OPPOSITION AGAINST THE DEVIL & THEN THEY WOULD NOT HAVE SPOILT THE INDIANS.⁵⁹

THE VIOLENCE GENERATED IN THIS PERIOD REACHED EVEN TO THE TAKING OF LIVES. ALEXANDER HENRY, THE YOUNGER, HAS

57. J. DUFAUT, "JOURNAL OF A WINTERING PARTNER '7 OCT., 1803-17 MAI 1804'", AT FORT DES EPINETTES, DOCUMENT NO. 10, IN THE MASSON COLLECTION, MANUSCRIPT, P. 7, PUBLIC ARCHIVES OF CANADA.

58. DUNCAN CAMERON, "EXTRACTS FROM HIS JOURNAL", IN L. R. MASSON, LES BOURGEOIS, OP. CIT., VOL. 2, P. 278.

59. -----, -----, "JOURNAL OF AN EXPEDITION", DOCUMENT NO. 15, IN MASSON COLLECTION, MANUSCRIPT, P. 13, PUBLIC ARCHIVES OF CANADA.

COMPETITION

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RECORDED THE FOLLOWING IN HIS JOURNAL.

22ND MARCH, 1804

GROSSE GUEUL [AN INDIAN] AND MYSELF HAD A SERIOUS DISPUTE, HE WANTED TO GIVE HIS FURS TO THE XY WHICH I PREVENTED AT THE RISK OF MY LIFE; HE WAS ADVISED BY THEM TO KILL ME....⁶⁰

IN AT LEAST ONE INSTANCE A TRADER WAS VIOLENTLY KILLED. DANIEL SUTHERLAND, THE MONTREAL AGENT OF THE XY COMPANY REPORTED THE INCIDENT TO PHYN, INGLIS AND COMPANY IN LONDON IN THIS WAY.

2ND JULY, 1802

MR. KING ONE OF THEIR CLERKS [NORTH WEST COMPANY] & MR. LAMOTHE ONE OF OURS HAVING BEEN OUT IN JANUARY TRADING WITH INDIANS, A QUARREL ENSUED IN WHICH THE FORMER WAS SHOT AND SURVIVED ONLY SEVEN HOURS; FROM HIS GENERAL CHARACTER WE HAVE LITTLE HESITATION IN SAYING HE MUST HAVE BEEN THE AGGRESSOR, HOWEVER WE SHALL SUSPEND OUR JUDGEMENT UNTILL MORE AMPLE INTELLIGENCE IS RECEIVED.⁶¹

THE SAME INCIDENT WAS REPORTED BY WILLIAM MCGILLIVRAY OF THE NORTH WEST COMPANY.

5TH JUNE, 1802

OUR OPPOSITION CONTINUES AS WILD AS EVER MR. KING AT FORT DES PRAIRIES WAS KILLED BY LAMOTTE [LAMOTHE] OF XY.⁶²

60. ALEXANDER HENRY, THE YOUNGER, JOURNAL...., COUES EDITION, NEW LIGHT ON THE EARLIER HISTORY OF THE GREAT NORTH WEST, OP. CIT., VOL. 1, P. 239.

61. DANIEL SUTHERLAND, "LETTERBOOK", BOOK OF ACCOUNT No. 1 OF THE XY COMPANY, OP. CIT., P. 2.

62. WILLIAM MCGILLIVRAY, TO THE GENTLEMEN PROPRIETORS OF THE NORTH WEST COMPANY, 23RD MAY, 1802, IN THE "LETTERBOOK" KEPT AT GRAND PORTAGE, NORTH WEST CO., OP. CIT., P. 185.

COMPETITION

101

JOHN MACDONALD OF GARTH HAS RECORDED IN HIS MEMOIRS, AN INTERESTING DESCRIPTION OF KING.

...A WM. KING AN OLD SOUTH TRADER & IN HIS PRIME & PRIDE AS THE FIRST AMONGST BULLYS.⁶³

THE KING-LAMOTHE INCIDENT HAS BEEN REPORTED ELSEWHERE, AND NEED NOT BE FURTHER DESCRIBED.⁶⁴ ONE CAN SAY THAT THIS PERIOD OF VIOLENT COMPETITION PROVIDED THE SETTING FOR THE KING-LAMOTHE INCIDENT, WHICH LED TO THE CANADA JURISDICTION ACT OF 1803, REFERRED TO AS 43 GEORGE III, CAP. 138. IT MUST BE REMEMBERED THAT THE REPORTS OF VIOLENCE ARE LESS PROMINENT THAN ONE MIGHT EXPECT, SINCE THE JOINT CONCERN¹⁸⁰⁴ WOULD WANT TO SUPPRESS SUCH REPORTS. AFTER THE UNION BOTH FIRMS WOULD WANT THE VIOLENCE GENERATED IN THEIR TIME OF OPPOSITION TO BE KEPT QUIET, LEST LEGAL ACTIONS AGAINST THE JOINT FIRM, OR SOME TYPE OF GOVERNMENT SUPERVISION SHOULD ARISE. PERHAPS THE REASON WHY THIS PERIOD HAS NOT BEEN MORE FULLY REPORTED IN THE WRITINGS OF THE HISTORIANS OF CANADA, HAS BEEN SUGGESTED BY LORD SELKIRK.

63. JOHN MACDONALD OF GARTH, CORRESPONDENCE IN PHOTOSTAT, MASSON COLLECTION, PP. 61-2, PUBLIC ARCHIVES OF CANADA, ALMOST ILLEGIBLE SCRIPT, PRINTED IN L. R. MASSON, LES BOURGEOIS, OP. CIT., VOL. 2, P. 23.

64. A. S. MORTON, "THE CANADA JURISDICTION ACT AND THE NORTH WEST", TRANSACTIONS OF THE ROYAL SOCIETY OF CANADA, VOL. 32, SEC. II, MAY, 1938, P. 125.

ALSO
D. BRYMNER, REPORT ON THE CANADIAN ARCHIVES 1892, OTTAWA, QUEEN'S PRINTER, 1893, NOTE E, PP. 135-46.

COMPETITION

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IT DOES NOT APPEAR THAT THE XY COMPANY EVER ATTEMPTED TO OBTAIN LEGAL REDRESS FOR ANY OF THE VIOLENT EXPRESSIONS WHICH THEY SUFFERED FROM THEIR MORE NUMEROUS ADVERSARIES. THE PARTICULAR CASES WERE THEREFORE NEVER BROUGHT BEFORE THE PUBLIC BY ANY JURIDICAL PROCEEDING; AND IN CONSEQUENCE OF THE COALITION WHICH HAS SINCE TAKEN PLACE BETWEEN THE TWO COMPANIES, IT IS NOT NOW AN EASY MATTER TO TRACE OUT A DETAIL OF THE FACTS AND CIRCUMSTANCES; THE INJURED PARTY AND THE AGGRESSORS ARE NOW EQUALLY DESIROUS OF THROWING A VEIL OVER THE ATROCITIES WHICH TOOK PLACE DURING THEIR QUARREL.⁶⁵

ANOTHER PERSPECTIVE OF THE PERIOD OF THE XY COMPETITION HAS BEEN RECORDED BY LORD SELKIRK. HE HAD NOTICED THAT THE TENSIONS DEVELOPED ON THE FRONTIER TENDED TO INVADÉ THE SOCIAL MILIEU OF THE ENTREPÔT.

BY FAR THE MAJORITY OF THE MERCANTILE PEOPLE OF MONTREAL ARE SCOTS...MCTAVISH [SIMON] IS PERHAPS AT THE HEAD, BUT THE SOCIETY HAS BEEN MUCH HURT BY THE ANIMOSITIES OF THE OLD AND NEW NORTH WEST COMPANIES IN WHICH [THOSE] WHO HAD NO CONCERN HAVE BEEN BROUGHT TO TAKE A PART - IT WAS LATELY SO HIGH A SPIRIT OF PARTY THAT AN UNCONCERNED INDIVIDUAL COULD SCARCELY BE ON GOOD TERMS WITH BOTH PARTIES.⁶⁶

THE MORE GENERAL AND POLISHED STATEMENTS OF JOHN RICHARDSON, A MONTREAL PARTNER OF THE XY COMPANY, INDICATE THE SERIOUS NATURE OF THE COMPETITIVE VIOLENCE. IN HIS CORRESPONDENCE WITH H. W. RYLAND, THE SECRETARY TO LIEUTENANT GOVERNOR MILNES, HE RECORDED THE FOLLOWING.

65. LORD SELKIRK, "PAPERS", IN TRANSCRIPT, OP. CIT., VOL. 35, P. 10168, PUBLIC ARCHIVES OF CANADA.

66. IBID., "DIARY", VOL. 75, P. 19726.

COMPETITION

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12TH OCTOBER, 1802

THE NEW COMPANY UPON THE COMMENCEMENT OF ITS OPERATIONS WAS VIEWED WITH A JEALOUSY AND RANCOUR IMPROPER TO SUBJECTS OF THE SAME EMPIRE PURSUING A LEGAL OPEN TRADE...⁶⁷

NINE DAYS LATER, TO THE SAME PERSON, RICHARDSON WROTE WHAT WELL MIGHT BE A SUMMARY OF THE VIOLENT COMPETITION IN THE NORTH WEST.

21ST OCTOBER, 1802

...BUT THE NEW COMPANY HAVE TO CONTEND AGAINST THOSE OF THE MOST SERIOUS AND AGGRAVATING NATURE, AMONGST WHICH ARE THE FOLLOWING. THE MOST FALSE AND MALICIOUS IMPRESSIONS HAVE BEEN MADE UPON THE MINDS OF THE INDIANS REGARDING THEM.... THE INDIANS HAVE BEEN STIMULATED TO COMMIT ACTUAL PILLAGE, AND TO FIRE ON CANOES OF THE NEW COMPANY. ATTEMPTS HAVE BEEN MADE TO DEBAUCH AND ENTICE AWAY THEIR CLERKS AND SERVANTS, IN SOME CASES WITH EFFECT.... THE PROPERTY OF THE NEW COMPANY HAS BEEN PILLAGED AND STOLEN IN THE INTERIOR COUNTRY, IN SOME CASES BY THE ASSOCIATES, CLERKS AND SERVANTS OF THE OLD [COMPANY]. THEIR [XY COMPANY] PROPERTY HAS BEEN DESTROYED BY UNDERHAND ACTS.... RETALIATIONS MAY BECOME FREQUENT, FORCE MAY GENERALLY PREVAIL OVER JUSTICE...AND THE FUR TRADE MUST IN THE END BE ANNIHILATED, IF A COMPETENT JURISDICTION IS NOT ESTABLISHED IN THE CANADAS.⁶⁸

SLIGHTLY OVER A YEAR LATER THE REPORT OF RICHARDSON WAS LESS DESCRIPTIVE, BUT DEFINITELY MORE VINDICTIVE.

23RD DECEMBER 1803

BY LAST ADVICES THE GRAND CRISIS WAS CONSIDERED AS NOT BEING FAR DISTANT, WE FERVENTLY PRAY THAT IT MAY TERMINATE IN THE RUIN AND DISGRACE OF OUR UNPRINCIPLED ENEMY.⁶⁹

67. JOHN RICHARDSON TO H. W. RYLAND, TRANSCRIPTS OF COLONIAL OFFICE RECORDS, SERIES Q, VOL. 293, P. 232, PUBLIC ARCHIVES OF CANADA.

68. IBID.69. IBID., VOL. 293, P. 235.

COMPETITION

104

THE COMPETITION BETWEEN THE XY AND THE NORTH WEST COMPANIES WAS IN FACT AN "OPPOSITION" ON EVERY LEVEL. THIS COMPETITION WAS CRYSTALLIZED AROUND THE CAREFUL AND EXPENSIVE WATCHING TECHNIQUES OF THE RIVAL TRADERS, AS WELL AS THE INCREASED USE OF LIQUOR IN THE FUR TRADE. EACH OF THESE COMPETITIVE TECHNIQUES CONTAINED ELEMENTS OF VIOLENCE WHICH TO CHARACTERIZE THE NORTH WEST OF THE XY COMPANY. IN THE NEXT CHAPTER, THE SAME COMPETITIVE TRADING WILL BE DISCUSSED FROM THE POINT OF VIEW OF MANPOWER, AND THE ROLE OF THE HUDSON'S BAY COMPANY.

CHAPTER IV

FURTHER DISCUSSION OF THE PROBLEMS OF COMPETITION

SUMMARY

THE COMPETITION GENERATED BY THE XY COMPANY LED TO INCREASING NUMBERS OF MEN HIRED FOR THE FUR TRADE. THIS INCREASE IN REQUIRED MANPOWER LED TO A COMPETITIVE RAISING OF WAGE RATES. THUS THE OPPOSITION WAS EXTENDED FROM THE NORTH WEST TO THE SAINT LAWRENCE VALLEY. DURING THIS PERIOD THE HUDSON'S BAY COMPANY DID COMPETE IN THE NORTH WEST, BUT IT WAS SEVERELY HANDICAPPED FROM THE LACK OF MANPOWER, BOTH FROM THE POINT OF VIEW OF NUMBERS AND SKILL, DUE TO THE EXTENSIVE DEMANDS OF THE BRITISH ARMED SERVICES.

IN THE PERIOD OF THE COMPETITIVE STRUGGLE BETWEEN THE XY AND THE NORTH WEST COMPANIES, THE EFFORTS TO OBTAIN ADEQUATE MANPOWER, AND AT THE SAME TIME TO HINDER THE RIVAL COMPANY FROM OBTAINING SUFFICIENT MANPOWER BECAME SIGNIFICANT. THE COMPETITION WITH THE HUDSON'S BAY COMPANY WILL BE DISCUSSED IN RELATION TO THE PROBLEM OF OBTAINING ADEQUATE MANPOWER. THUS IN PERIOD OF OPPOSITION GENERATED BY THE XY COMPANY ONE OF THE DOMINANT PROBLEMS THAT FACED THE FUR TRADERS WAS THAT OF HIRING EXTRA MEN. THE CONSTANT WATCHING, WITH ITS CONSEQUENCES OF EXTRA FORTS, DEMANDED THE USE OF MORE MEN IN THE FUR TRADE. THE USE OF MORE MEN RAISED THE COSTS OF TRADING IN TWO WAYS, LARGER STAFFS WERE EMPLOYED,

FURTHER DISCUSSION OF THE PROBLEMS OF COMPETITION 106

AND THE LEVEL OF WAGES BEGAN TO RISE IN THE STRUGGLE TO HIRE MORE MEN. ONE OF THE DISTINGUISHING FEATURES OF THIS COMPETITION WAS THAT (THE XY AND THE NORTH WEST) COMPANIES WERE HIRING MEN IN THE SAME AREA, CANADA, THE SAINT LAWRENCE VALLEY. THIS WAS IN CONTRAST TO THE HUDSON'S BAY COMPANY WHICH HIRED ITS SERVANTS IN ENGLAND, SCOTLAND, AND THE ORKNEY ISLANDS.¹ IT COULD BE NOTED HERE THAT THE DIFFICULTIES FACED BY THE HUDSON'S BAY COMPANY IN HIRING ADEQUATE NUMBERS OF MEN, TENDED TO REMOVE THIS COMPANY FROM THE INTENSIVE OPPOSITION IN THE NORTH WEST.

MANPOWER

IN THE NORTH WEST AT THE END OF THE EIGHTEENTH CENTURY, THE COMPETITION WAS IN THE MAIN, BETWEEN THE TWO CANADIAN COMPANIES THE XY AND THE NORTH WEST. THIS STRUGGLE ENGAGED TWO COMPANIES WHOSE ORIGINS, MODES OF OPERATION, AND SUPPLY ROUTES WERE NEARLY IDENTICAL. BOTH COMPANIES OPERATED OUT OF MONTREAL, BOTH DEPENDED ON CANOE TRANSPORTATION TO THE NORTH WEST, AND BOTH HIRED MEN FROM THE SAME AREAS. THE STRUGGLE FOR MANPOWER WAS A PHASE IN THE VIOLENT OPPOSITION GENERATED WITH THE ADVENT OF THE XY COMPANY.

1. R. GLOVER, "THE DIFFICULTIES OF THE HUDSON'S BAY COMPANY'S PENETRATION OF THE WEST", IN CANADIAN HISTORICAL REVIEW, VOL. 19, NO. 3, SEPT. 1948, PP. 240-54.

FURTHER DISCUSSION OF THE PROBLEMS OF COMPETITION 107

THESE NOTIONS HAVE BEEN RECORDED IN LORD SELKIRK'S SKETCH OF THE BRITISH FUR TRADE IN NORTH AMERICA.

THE ONLY EFFECTUAL COMPETITION, THAT WAS EVER CARRIED ON AGAINST THE NORTH WEST COMPANY WAS THAT OF THE COMPANY ALREADY MENTIONED AS HAVING BEEN ESTABLISHED AT MONTREAL UNDER THE APPELLATION OF THE XY OR NEW NORTH WEST COMPANY. IT IS A MATTER OF NOTORIETY IN CANADA THAT THE CONTEST OF THESE TWO ASSOCIATIONS WAS CARRIED ON WITH A CONTINUED REPETITION OF THE MOST VIOLENT OUTRAGES.... THE NEW COMPANY WAS ORGANIZED AFTER THE MODEL OF THE OLD, AND MANY OF ITS MOST EFFICIENT MEMBERS WERE SECEDERS FROM THE SERVICE OF THE LATTER, TRAINED UP IN THE SAME PRINCIPLES OF CONDUCT AND PROFESSING TO CONTEND WITH THEIR ADVERSARIES AT THEIR OWN WEAPONS..... THOUGH THE NEW COMPANY WAS POWERFULLY SUPPORTED WITH RESPECT TO CAPITAL AND CONDUCTED BY MEN OF SUPERIOR TALENTS TO MOST OF THOSE WHO MANGED THE OLD COMPANY IT WAS NOT AN EASY MATTER FOR THEM AT ONCE TO CREATE AN ESTABLISHMENT, THEY HAD TO CONTEND AGAINST EVERY OBSTRUCTION WHICH THEIR RIVALS COULD THROW IN THEIR WAY. AMONG THE OBSTACLES THE OLD NORTH WEST COMPANY NOT ONLY ENGAGED A LARGER NUMBER OF MEN THAN THEY EVER HAD BEFORE, BUT ALSO PAID PENSIONS TO ALL THE MOST ACTIVE AND EXPERIENCED VOYAGEURS WHO HAD ALREADY RETIRED FROM SERVICE ON CONDITION THAT THEY SHOULD NOT ENTER INTO THE EMPLOYMENT OF THEIR RIVALS. FROM THESE CAUSES THE NEW COMPANY WERE ALWAYS MUCH INFERIOR IN NUMBERS AT THEIR WINTERING POSTS IN THE INDIAN COUNTRY, AND THE DIS-² PROPORTION WAS PERHAPS NEVER LESS THAN AS TWO TO ONE.

THE COMPETITIVE TECHNIQUE OF HIRING EXTRA MEN WAS IMPLEMENTED FROM THE FIRST APPEARANCE OF OPPOSITION IN THE

2. THOMAS DOUGLAS, FIFTH EARL OF SELKIRK, "SELKIRK PAPERS", IN TRANSCRIPT, VOL. 35, P. 10166, PUBLIC ARCHIVES OF CANADA.

FURTHER DISCUSSION OF THE PROBLEMS OF COMPETITION 108

NORTH WEST. THE FOLLOWING EXTRACT IS FROM THE "JOURNAL" OF CHARLES CHABOILLEZ.

26TH AUGUST 1797

MR. SAYER REPORTS THAT MR. OGILVIE MEANS SERIOUSLY TO INTERFERE WITH US....FROM MY KNOWLEDGE OF OGILVIE'S BUSINESS I DON'T THINK IT PROBABLE AT LEAST FOR NEXT YEAR, AT ALL EVENTS IT WILL BE NECESSARY THAT EVERY PROPER PRECAUTION IS TAKEN - SUCH AS HIRING THE MEN.³

THE HIRING OF EXTRA MEN, THAT IS MORE MEN THAN WERE NEEDED IN CURRENT TRADING OPERATIONS, WAS A DEVICE THAT WAS USED SPECIFICALLY TO CRIPPLE THE XY COMPANY. THAT SUCH WAS THE INTENT OF THIS PROCEDURE HAS BEEN RECORDED IN THE FOLLOWING LETTER FROM WILLIAM MCGILLIVRAY TO MURDOCK CAMERON, BOTH OF THE NORTH WEST COMPANY.

10TH MAY, 1799

SHOULD YOU HAVE MORE OF THESE [BOUTS DE CANOT - BOWMEN] THAN YOU WANT, WE SHALL BE GLAD TO TAKE THEM OFF YOUR HANDS - NOT THAT WE HAVE ANY SCARCITY OF MEN, ON THE CONTRARY WE HAVE MORE THAN WE WANT OF WINTERERS, WE WISH TO ENGAGE AS MANY OF THEM AS POSSIBLE TO TAKE THEM AWAY FROM MICHILIMACKINAC AND PREVENT THE PEOPLE IN OPPOSITION [XY COMPANY] FROM GETTING THEM, WHICH OTHERWISE THEY MUST.⁴

3. CHARLES CHABOILLEZ, "JOURNAL", DOCUMENT NO. 1, IN MASSON COLLECTION, MANUSCRIPT, P. 65, PUBLIC ARCHIVES OF CANADA.

4. WILLIAM MCGILLIVRAY, [SIR] ALEXANDER MACKENZIE, ET ALII, "LETTERBOOK", AT GRAND PORTAGE, BELONGED TO THE AGENTS OF THE NORTH WEST COMPANY, MANUSCRIPT, P. 44-5, WILLIAM MCGILLIVRAY TO MURDOCK CAMERON, PUBLIC ARCHIVES OF CANADA.

FURTHER DISCUSSION OF THE PROBLEMS OF COMPETITION 109

THE FURTHER INSTRUCTIONS OF WILLIAM MCGILLIVRAY EMPHASIZE THE NECESSITY OF PREVENTING THE XY COMPANY FROM HIRING ADEQUATE NUMBERS OF MEN, ESPECIALLY THE SERVICES OF SKILLED LABOURERS, SUCH AS GUIDES, INTERPRETERS, AND EXPERT CANOEMEN.

8TH JANUARY, 1800

THE OPPOSITION [XY COMPANY] ARE VERY INDUSTRIOUS PICKING UP MEN [AT MONTREAL] AND PROPOSE TAKING UP A GREAT MANY GOODS NEXT SUMMER; BUT THEY HAVE NOT GOT A MAN THAT SHOW THEM THE WAY INTO THE ENGLISH RIVER; [ATHABASCA] THEY WILL OF COURSE BE AS EARLY AS US AT THE PORTAGE. [GRAND PORTAGE] THEY WILL AGAIN ATTEMPT TO HIRE FRANCOUR, YOU MUST ENDEAVOUR TO SECURE HIM IN SOME WAY; EVEN IF YOU MAKE SOME SACRIFICE TO HIM : THEY CAN GET NO OTHER TO ANSWER TO THEIR PURPOSE, AT LEAST 'TILL THE PEOPLE COME OUT AND I HOPE NOT THEN.... THEY HAVE ARRANGED WITH A PERSON TO GO TO THE PORTAGE ON THE FOOTING WE HAVE WITH FANIEANT AND BOUCHÉ, FOR THE CONVENIENCY OF BEING NEAR OUR CAMP [AT GRAND PORTAGE]; IT IS LIKE THEY WILL TRY TO BUILD SOMEWHERE ON THE POINT WHERE THE MONTREAL CANOES USUALLY PASS THE SUMMER, OR ABOUT THE PREMIER'S SCAFFOLD [SIMON MCTAVISH] - THIS CANNOT BE ALLOWED, AND YOU HAD BETTER KEEP POSSESSION BY ERECTING A COUPLE OF TENTS ON THE PROPER PLACES AND GETTING OUT THE MONTREAL CANOES, THAT REMAIN THERE FROM LAST SUMMER, ON THE POINT. THE FENCES AT THE OTHER SIDE OUGHT TO BE REPAIRED BEFORE MR. OGILVY'S STATION AND THE GROUND PARTLY PLOUGHED UP AND SOWN OR PLANTED, AND ALSO PICKETTING AND FENCES AT THIS END.⁵

ONE OF THE PROCEDURES USED BY THE NORTH WEST COMPANY TO PREVENT THEIR OPPOSITION FROM HIRING MEN HAS BEEN OUTLINED IN A LETTER WRITTEN JOINTLY BY (SIR) ALEXANDER MACKENZIE AND WILLIAM MCGILLIVRAY, AGENTS AT GRAND PORTAGE.

5. IBID., WILLIAM MCGILLIVRAY TO (DR.) HENRY MUNRO, P. 100.

FURTHER DISCUSSION OF THE PROBLEMS OF COMPETITION

110

JUNE, 1798

PAINS MUST BE TAKEN THAT ALL THE MEN ARE HIRED IN THE WINTERING GROUND THERE ARE NOT MARRIED MEN AMONGST THEM AND THERE NEED NO EXCEPTIONS BE MADE; NO MAN THAT IS FREE [WHOSE ENGAGEMENT HAS EXPIRED] OUGHT ON ANY ACCOUNT TO COME OUT UNHIRED, IT WILL BE BETTER IF THAT IS NECESSARY TO MAKE SOME SACRIFICE IN HANDS.⁶

THE FOLLOWING INSTRUCTIONS WERE GIVEN BY WILLIAM MCGILLIVRAY REGARDING A MAN WHOM HE FELT MIGHT BE INDUCED TO JOIN THE XY COMPANY.

29TH JULY, 1799

RE KEEPING ONE DUROCHER BUSY IN THE INTERIOR FOR HE IS A 'SLIPPING CHAP'. DUROCHER IS ONLY HIRED FOR ONE YEAR AND YOU KNOW HE IS A 'SLIPPING CHAP'. HE MIGHT GIVE SOME TROUBLE HERE NEXT YEAR - AS HE KNOWS THE ROAD TO THE ENGLISH RIVER I HAVE NO DOUBT THEY'D MADE A GUIDE OF HIM. HE IS ALSO A PIECE OF TRADER - TO AVOID THIS YOU MUST FALL ON SOME MEANS TO KEEP HIM LATE IN THE COUNTRY.⁷

SOME OF THE EVIDENCE THAT SIR ALEXANDER MACKENZIE WAS INVOLVED IN THE PROCESS OF PROCURING MANPOWER FOR THE NORTH WEST COMPANY WAS THE FOLLOWING EXTRACT WRITTEN WHILE HE WAS ONE OF THE AGENTS FOR THE NORTH WEST COMPANY AT GRAND PORTAGE.

16TH JUNE, 1799

WE MAY DEPEND ON IT THAT ATRAVAGANT [SIC] TERMS WILL BE OFFERED TO EVERY ONE OF OUR PEOPLE WHO CAN SPEAK A LITTLE INDIAN OR WHO KNOW THE ROAD INTO THE COUNTRY.⁸

6. IBID., WILLIAM MCGILLIVRAY AND [SIR] ALEXANDER MACKENZIE TO MESSRS. MCLEOD AND GILLIES, P. 31.

7. IBID., WILLIAM MCGILLIVRAY TO WILLIAM MCKAY, P. 86.

8. IBID., [SIR] ALEXANDER MACKENZIE TO THE PROPRIETORS OF THE NORTH WEST COMPANY, P. 71.

FURTHER DISCUSSION OF THE PROBLEMS OF COMPETITION 111

DURING THE PERIOD OF THE COMPETITION, IT WAS ESTIMATED BY G. C. DAVIDSON THAT THE WAGES OF THE CLERKS AND SERVANTS IN THE NORTH WEST FUR TRADE INCREASED BY TWENTY-FIVE PER CENT.⁹ THUS ONE OF THE DIRECT EFFECTS OF THE COMPETITION BETWEEN THE XY AND NORTH WEST COMPANIES WAS AN INCREASE IN WAGES, AND ALSO A CERTAIN INDEPENDENCE CONFERRED ON THE MEN AS THE HIRING POOL DECREASED. THE FOLLOWING WAS THE REPORT OF ALEXANDER HENRY, THE ELDER, TO JOHN ASKIN.

18TH JANUARY, 1800

I OBSERVE WHAT YOU SAY RESPECTING HIRING YOUNG MEN FOR THREE OR FOUR YEARS, OPPOSITION TO N. WEST HAS RAISED THE PRICE SO VERY HIGH - THAT I DON'T THINK THEY CAN BE GOT WITHOUT MUCH MORE THAN THEY MAY BE GOT FOR AT DETROIT, BOY ASKED ME SEVEN AND EIGHT HUNDRED LIVRES AND WOULD ENGAGE ONLY FOR ONE YEAR THE OLD WEST COMPANY IS ALL IN THE HANDS OF MCTAVISH FROBISHER, AND MCKENSEY [SIR ALEXANDER] IS OUT, THE LATTER WENT OFF IN A PET, THE CAUSE SO FAR AS I CAN LEARN WAS WHO SHOULD BE FIRST MCTAVISH OR MCK. AND AS THERE COULD NOT BE TWO CAESARS IN ROME ONE MUST REMOVE.¹⁰

THIS SAME TREND TO HIGHER WAGES, AND INCREASED COSTS OF TRADING WAS REPORTED TO THE PROPRIETORS OF THE NORTH WEST COMPANY BY WILLIAM MCGILLIVRAY.

9. G. C. DAVIDSON, THE NORTH WEST COMPANY, OP. CIT., P. 86.

10. ALEXANDER HENRY, THE ELDER, TO JOHN ASKIN, PRINTED, IN WISCONSIN HISTORICAL COLLECTIONS, R. G. THWAITES ED., VOL. 19, P. 289.

FURTHER DISCUSSION OF THE PROBLEMS OF COMPETITION 112

5TH JUNE, 1800

THE CANOES OF THE OPPOSITION [XY COMPANY] ARE CLOSE UPON OUR HEELS, THEY HAVE AUGMENTED THEIR NUMBER THIS YEAR TO 16 LARGE CANOES, FORSYTH 9 & O. [OGILVY] 7 NO OVERTURE WAS MADE BY THEM OR US IN THE COURSE OF THE WINTER. WE SUCCEEDED IN PREVENTING THEM FROM GETTING ANYONE WHO COULD GUIDE THEM INTO THE ENGLISH RIVER OR ATHABASCA - BUT THEY HAVE PUT US TO THE EXPENSE OF HIRING SEVERAL MEN WE DID NOT WANT & AT VERY HIGH WAGES.¹¹

IN A SIMILAR REPORT THE SAME AUTHOR NOTES THE CONSTANT WATCHING OF THE XY COMPANY OPERATIONS, AND THE MEASURE OF SUCCESS OF THE POLICY PURSUED BY THE NORTH WEST COMPANY.

19TH JUNE, 1800

OUR OPPONENTS [XY COMPANY] HAVE SENT OFF 24 OR 25 CANOES FROM THE OTHER END [OF THE GRAND PORTAGE] THESE ARE FOR ATHABASCA - ENGLISH RIVER, FORT DAUPHIN DEPARTMENT AND RED RIVER. SOME MORE WILL GO FOR LAC OUINIQUE AND LAC LA PLUIE. THE WHOLE I THINK WILL NOT EXCEED 30. I KNOW NOT WHAT OUTFITS THEY MEAN TO MAKE ON THE LAKE. IF ANY THEY WILL BE STRONG; I MET 20 BALES OF THEIRS COMING OVER THE PORTAGE THE OTHER DAY, BUT THEY HAVE FEW MEN.¹²

THE CORRESPONDENCE BETWEEN DANIEL SUTHERLAND, AGENT AT MONTREAL FOR THE XY COMPANY, AND ST-VALIER MAILLOUX, HIS LABOUR CONTRACTOR, RECORDS SEVERAL INSTANCES OF RISING WAGES. THE FOLLOWING GENERAL INSTRUCTIONS SHOW THE DETERMINATION OF THE XY COMPANY TO HIRE MEN, AND THE COMPETITIVE TECHNIQUE OF GIVING GIFTS, THAT IS TRADE GOODS, OUTSIDE THE

11. WILLIAM MCGILLIVRAY TO THE PROPRIETORS OF THE NORTH WEST COMPANY, IN "LETTERBOOK" AT GRAND PORTAGE, OP. CIT., P. 171.

12. IBID., WILLIAM MCGILLIVRAY TO MCTAVISH, FROBISHER AND COMPANY, P. 146.

FURTHER DISCUSSION OF THE PROBLEMS OF COMPETITION 113

ENGAGEMENT, OR LABOUR CONTRACT. AT THIS TIME EACH MAN WAS HIRED WITH A "GIFT" WHICH VARIED IN VALUE, AS A REWARD FOR SIGNING THE ENGAGEMENT.

29TH NOVEMBER, 1802

MONSIEUR,

J'AI RECU VOTRE DEUX LETTRES DE SOREL, ET PAR LA POSTE VOS NOUVELLES NOUS FONT PLAISIR NOUS SOMMES DIRECTEMENT DE VOTRE AVIS A L'EGARD DE FAIR QUELQUES SACRIFICE POUR AVOIR TOUS LES BONS BOUTS POUR ALLER ET VENIR, AINSI QUE POUR HYVERNER, C'EST POURQUOI IL FAUT FORCER LA DESSUS, AVANT QUE LES AUTRES LES ENGAGENT, ET AVANT QUE LES PRIX SOIENT AUGMENTÉ HORS DE RAISON COMME SES MESSIEURS SERONT OBLIGÉ DE FAIRE, VUE QU'ILS NE PEUVENT REUSSIR QU'A FORCE D'ARGENT, MAIS TACHER DE LES ENGAGER AUX PRIX QUE L'ON VOUS A FIXER, ET S'IL EST ABSOLUMENT NECESSAIRE D'AUGMENTER, IL FAUT MIEUX LES FAIRE PAR DE PETITS PRESENTS, QU'ILS NE PARAITRONT PAS SUR LES ENGAGEMENTS;...¹³

THE RIVAL COMPANIES DID NOT USUALLY HIRE MEN AWAY FROM ONE ANOTHER, BUT DURING THIS PERIOD OF INTENSE COMPETITION, THE PRACTICE HAS BEEN RECORDED.

BEING IN WANT OF GOOD MEN, I WAS REQUESTED TO TAKE A WELL MANNED CANOE OF FOURTEEN HANDS, [FROM KAMINISTIQUIA] AND WITH MR. DONALD MCINTOSH A STOUT STRONG MAN, NOW NO MORE - TO PAY A VISIT TO OLD GRAND PORTAGE, ABOUT FORTY MILES DISTANT, IN ORDER TO TRY AND GET SOME HANDS WHO MIGHT BE INDUCED TO LEAVE FORSYTH, RICHARDSON & CO [XY COMPANY] AND ENTER OUR SERVICE; SIR ALEXANDER MACKENZIE ACTING THEN AS HEAD OF THAT CONCERN. WE STILL HAD A CLERK THERE WITH TWO OR THREE MEN, AS A MERE INDIAN TRADING POST. THEIR CANOES INTO THE COUNTRY ARE MANNED 5 & 6 MEN WITH VERY LIGHT LOADS.¹⁴

13. DANIEL SUTHERLAND, "LETTERBOOK", OF THE XY COMPANY, MANUSCRIPT, P. 19, GRAND SÉMINAIRE DU QUÉBEC.

14. JOHN McDONALD, OF GARTH, "AUTOBIOGRAPHICAL NOTES" IN L. R. MASSON, LES BOURGEOIS, OP. CIT., VOL. 2, PP. 34-5.

FURTHER DISCUSSION OF THE PROBLEMS OF COMPETITION 114

THE XY COMPANY ALSO USED THE SAME TACTIC OF HIRING MEN FROM THEIR OPPOSITION, AS HAS BEEN RECORDED BY DANIEL HARMON.

30TH OCTOBER, 1802

SAMUEL HOLMES, A CLERK, AND INTERPRETER AND A COUNTRY-MAN OF MINE, HAS LEFT US, TO GO AND JOIN OUR OPPONENTS, THE XY PEOPLE.¹⁵

IN THE CASE THAT ONE COMPANY HAD HIRED A SERVANT OR ENGAGÉ OF ANOTHER COMPANY, THE USUAL PRACTICE IN THE FUR TRADE OF THE NORTH WEST WAS THAT DESERTERS WERE TO BE RETURNED TO THE SERVICE OF THE COMPANY THAT HAD FIRST HIRED THEM. THIS CUSTOM WAS REAFFIRMED BY WILLIAM MCGILLIVRAY AS FOLLOWS.

30TH JUNE, 1800

SIR (THOMAS FORSYTH)

YOUR FAVOR OF THIS FORENOON HAS BEEN HANDED TO ME - YOU HAVE BEEN MISINFORMED IN REGARD TO DECARRÉ'S BEING PROTECTED BY US, I AGREE WITH YOU THAT PROTECTING DESERTERS WOULD BE A DANGEROUS PRACTICE AND VERY PERNICIOUS TO THE TRADE AND FULLY SENSIBLE OF THIS WHEN ANY MAN BELONGING TO PEOPLE OPPOSED TO THE NORTH WEST COMPANY HAVE HAPPENED TO COME TO OUR FORTS, WE HAVE TOLD THE MASTER OF SUCH TO COME FOR THEM AND THAT THEY SHOULD NOT BE IN ANYWISE PREVENTED FROM TAKING THEM BACK - I HAVE MADE ENQUIRY AND FOUND THIS TO BE STRICTLY THE CASE IN RESPECT TO DECARRÉ, HIS MASTER WAS TOLD TO TAKE HIM, HE IS NOT HIRED TO US BUT IF HE IS NOT TAKEN AWAY IT CANNOT BE EXPECTED THAT WE SHOULD DELIVER HIM OVER BOUND HAND AND FOOT.¹⁶

15. DANIEL HARMON, A JOURNAL OF VOYAGES AND TRAVELS IN THE INTERIOR OF NORTH AMERICA, OP. CIT., PP. 71-2.

16. WILLIAM MCGILLIVRAY TO THOMAS FORSYTH, "LETTER-BOOK" AT GRAND PORTAGE, OP. CIT., P. 131.

FURTHER DISCUSSION OF THE PROBLEMS OF COMPETITION 115

HOWEVER, DURING THE PERIOD OF COMPETITION ONE CAN FIND EVIDENCES OF THE RIVAL COMPANIES HIRING THE DESERTERS FROM EACH OTHER. THUS THE FOLLOWING NOTATION FROM THE "JOURNAL AT LAC LAPLUIE" IS SIGNIFICANT.

26TH JULY, 1804

IN THE AFTERNOON MAILLOUX & AMMELLE TOOK A WALK UP TO THE XY FORT AND SAW A DESERTER FROM THE ATHAA [ATHABASCA] RIVER BRIGADE NAMED GAYOU.¹⁷

DANIEL SUTHERLAND OF THE XY COMPANY WROTE TO JOHN MURE IN QUEBEC CITY, REQUESTING HIM TO OBTAIN AND EXECUTE A WRIT OF CAPIAS IN ORDER TO HOLD A MAN TO HIS ENGAGEMENT, OR TO HAVE HIM JAILED IN QUEBEC CITY.¹⁸

THE PROBLEMS INVOLVED IN THE COMPETITIVE HIRING OF MEN HAVE BEEN REPORTED BY DANIEL SUTHERLAND IN THE FOLLOWING LETTER TO ST-VALIER MAILLOUX, WHO WAS TRAVELLING THROUGH THE PARISHES HIRING MEN FOR THE XY COMPANY.

8TH NOVEMBER 1802

MONSR.

LA PRESENT EST POUR VOUS APPRENDRE QUE MR. MCTAVISH DOIT ETRE A BERTHIER SAMEDI PROCHAIN, EN CE CAS IL FAUT LES SUIVRE, ET DIRE AUX HOMMES DE NE PAS SE PRESSER ET QUE NOUSE EN FERONS AUTANT COMME EUX; MAIS EN ATTENDANT TACHEZ D'EN ENGAGER AUTANT QUE POSSIBLE AVANT QU'IL ARRIVE DE QUEBEC, IL DOIT PARTIR DE LA JEUDI, ET SERA

17. -----, -----, "JOURNAL AT LACLAPLUIE", 1804-5, DOCUMENT NO. 11, IN THE MASSON COLLECTION, MANUSCRIPT, P. 18, PUBLIC ARCHIVES OF CANADA.

18. DANIEL SUTHERLAND TO JOHN MURE, 3RD MAY, 1804, IN THE "LETTERBOOK" OF THE XY COMPANY, BOOK OF ACCOUNT NO. 1, OP. CIT., P. 68.

FURTHER DISCUSSION OF THE PROBLEMS OF COMPETITION 116

CHEZ VOUS VENDREDI OU SAMEDI. NOUS TACHERONS DE NOTRE COTE, DE NOUS AVERTIR SI MR. MCGILLIVRAY DESCEND OU NON, ETSI PAR CAS IL PARTAIT D'ICI A NOTRE INSCU, ET QUE VOUS TROUVEZ ABSOLUMENT NECESSAIRE QUE QUELQU'UN DE LA SOCIÉTÉ - Y - AILLE, IL FAUT ENVOYER UN EXPRÉS POUR NOUS AVERTIR. C'EST A DIRE, SI VOUS CROYEZ QUE LES HOMMES S'ONT DISPOSÉ A S'ENGAGER A PRESENT, CAR IL NE FAUT PAS LES LAISSER CHOISIR, NI QUE NOUS PERDIIONS NOS ANCIENS, C'EST POURQUOI SI ILS S'ONT DISPOSÉ IL FAUT LES PRESSER AVANT QUE CES MESSIEURS ARRIVENT. MONSR. LE CHEVALIER [SIR ALEXANDER MACKENZIE] VOUS PRIES DE VOUS INFORMER POUR LES CHEVAUX DONT IL VOUS EN A PARTIR EN VILLE.

ET JE SUIS
MONSR. VOTRE TRES HBLE. SERV.T.
D.S. 19

IN THIS LETTER ONE CAN NOTICE THE COMPETITION OF THE RIVAL COMPANIES EXTENDING FROM THE NORTH WEST INTO THE SAINT LAWRENCE VALLEY. THE RIVAL LABOUR CONTRACTORS COMPETED WITH ONE AND OTHER, EACH TRYING TO HIRE AS MANY SUITABLE MEN AS POSSIBLE, BEFORE THE OPPOSITION HIRED THE MEN, OR OFFERED INDUCEMENTS THAT RAISED THE COSTS OF PROCURING MEN.

THE "ENGAGEMENT" OR LABOUR CONTRACT WAS USED BY BOTH THE XY AND THE NORTH WEST COMPANIES IN HIRING MEN. IT WAS A STANDARDIZED LEGAL DOCUMENT, WHICH WOULD BE COMPARED TO AN INDENTURE. THUS THE MAN HIRED, WAS LEGALLY BOUND TO SERVE THE COMPANY FOR THE PERIOD AND WAGES STIPULATED IN THE ENGAGEMENT. DANIEL HARMON DESCRIBED HIS POSITION IN THE NORTH WEST COMPANY AS FOLLOWS.

19. DANIEL SUTHERLAND TO ST-VALIER MAILLOUX, IBID., p. 8.

FURTHER DISCUSSION OF THE PROBLEMS OF COMPETITION 117

FOR THIS SPACE OF TIME SEVEN YEARS I AM UNDER AN ENGAGEMENT TO SERVE AS A CLERK TO THE NORTH WEST COMPANY, OTHERWISE DENOMINATED MCTAVISH FROBISHER & Co.²⁰

THE FOLLOWING IS FROM THE DIARY OF THOMAS VÉRCHÈRES DE BOUCHERVILLE.

IN THE YEAR 1803 I LEFT MY FATHER'S HOUSE FOR LACHINE HAVING ENGAGED FOR A SEVEN YEAR TERM OF SERVICE WITH SIR ALEXANDER MACKENZIE AS A CLERK FOR THE NEW NORTH WEST COMPANY IN THE UPPER COUNTRY.²¹

THE NATURE OF SUCH AN ENGAGEMENT OR LABOUR CONTRACT, SUCH AS USED BY THE XY COMPANY, CAN BE ASCERTAINED FROM THE ENGAGEMENT OF ROBERT MORGIE WITH "ALEXANDER MCKENSIE & Co."

THESE CONTRACTS WERE IN SOME CASES ON PRINTED FORMS, WHILE IN OTHERS THEY WERE IN MANUSCRIPT. THEY WERE USED IN EITHER ENGLISH OR FRENCH. SEVERAL ENGAGEMENTS CAN BE FOUND AMONG THE MANUSCRIPTS OF THE MASSON COLLECTION AT THE PUBLIC ARCHIVES OF CANADA.²²

THE NORTH WEST FUR TRADE REQUIRED A SPECIAL TYPE OF MANPOWER. THUS THE LABOUR CONTRACTS VARIED IN LENGTH OF TIME OF SERVICE. THE TRADERS AND THEIR MEN WERE NOTED FOR

20. DANIEL HARMON, JOURNAL, COUES EDITION, OP. CIT., P. 1.

21. THOMAS VÉRCHÈRES DE BOUCHERVILLE, "JOURNAL", PRINTED IN WAR ON THE DETROIT, MILO QUIAFE ED., CHICAGO, LAKESIDE CLASSICS, 1940, P. 3.

22. "ENGAGEMENT OF ROBERT MORGIE WITH ALEXANDER MCKENSIE & Co.", AS INTERPRETER AND GUIDE, DATED AT LAKE WYNIPIKE 26TH JULY, 1801, TO RUN UNTIL 30TH JUNE, 1802, DOCUMENT No. 30, IN MASSON COLLECTION, IN MANUSCRIPT AND IN ENGLISH, PUBLIC ARCHIVES OF CANADA.

FURTHER DISCUSSION OF THE PROBLEMS OF COMPETITION 118

ENDURANCE AND SKILL. THEY HAD TO BE ABLE TO LIVE AMONG THE INDIANS WITH NO AGENCY OF PROTECTION OTHER THAN THEIR OWN CUNNING AND STRENGTH. THEY HAD TO BE ABLE TO GET THE FURS FROM THE INDIANS IN FACE OF THE COMPETITION OF TRADERS FROM THE RIVAL COMPANY. THE PERSONNEL OF THE FUR TRADE WERE THE PRODUCTS OF A LONG AND RIGOROUS TRAINING. THEY WERE RECRUITED AS YOUNG MEN, AND IT WAS SOME TIME BEFORE THEY COULD ACQUIRE LES COUTUMES DU NORD-OUEST, WHICH THEY WOULD NEED FOR SURVIVAL, BOTH PHYSICALLY AND COMMERCIALY.²³ PERHAPS THE BEST WAY TO ILLUSTRATE THIS POINT WOULD BE TO POINT OUT THE CONTINUITY OF THE FUR TRADERS IN THEIR OCCUPATION. PUT IN ANOTHER WAY, ONE CAN SAY THAT THE FUR TRADERS FORMED A RATHER ~~ON~~ COMPACT GROUP OF MEN WHO PURSUED THEIR TRADING WITH THE INDIANS YEAR AFTER YEAR. THE LISTS OF MEN IN THE VARIOUS RECORDS SHOW RELATIVELY THE SAME NAMES YEAR AFTER YEAR.²⁴

AN INTERESTING POINT OF INFORMATION HAS BEEN RECORDED BY DANIEL SUTHERLAND IN A LETTER TO M. JEAN BTE. McBEAN, IN WHICH WAGE RATES ARE QUOTED. THE FLEXIBILITY

23. H. A. INNIS, FUR TRADE IN CANADA, OP. CIT., p. 39.

24. -----, -----, BOOK OF ACCOUNT OF THE XY COMPANY, BOOKS No. 10 AND 11, IN THE ARCHIVES DU GRAND SÉMINAIRE DE QUÉBEC, MANUSCRIPT, THESE BOOKS KEEP ACCOUNT OF THE EXPENDITURES OF THE VARIOUS OUTFITS, AND THUS THE DRAWINGS OF THE MEN ON THEIR WAGES. THE LISTS OF MEN GROW LONGER, BUT MANY OF THE SAME NAMES APPEAR YEAR AFTER YEAR.

FURTHER DISCUSSION OF THE PROBLEMS OF COMPETITION 119

OF THIS SCALE WAS INDICATED IN THE LAST SENTENCE OF THE QUOTATION BELOW.

9 NOVEMBRE 1802 MONTREAL

GAGES POUR LES HYVERNANTS

MILIEUX QUI ONT DEJA HIVERNER	1,000	[LIVRES]
DITTO NOVICES POUR TROIS ANS	800	

BOUTS DE CANOTS QUI ONT DEJA HIVERNER ET CAPABLE DANS LE GRAND [OTTAWA] RIVIERE	1,600
--	-------

BOUTS DE CANOTS POUR PRENDRE LEURS BOUTS AU GRAND PORTAGE	1,400
--	-------

BOUTS DE CANOTS QUI ONT JAMAIS HIVERNER POUR PRENDRE LEUR BOUTS A LA CHINE	1,600
---	-------

POUR ALLER ET VENIR

BOUTS DE CANOTS POUR ALLER AU LAC LA PLUIE	600
---	-----

SECONDS [DE CANOTS] POUR ALLER AU GRAND PORTAGE	300
--	-----

MILIEUX [DE CANOTS] POUR ALLER AU GRAND PORTAGE	250
--	-----

ET POUR DES BON BOUTS POUR ALLER ET VENIR ON REGARDERA PAS UN BAGATELLE DE PLUS.²⁵

IT HAS BEEN SOMEWHAT DIFFICULT TO DISCOVER RELIABLE RECORDS OF WAGE RATES IN THIS PERIOD OF COMPETITION, AND PERHAPS THE REASON FOR THIS HAS BEEN RECORDED IN THE LETTER WHICH CONTAINED THE ABOVE WAGE RATES.

25. DANIEL SUTHERLAND TO JEAN BTE. McBEAN, "LETTER-BOOK", BOOK No. 1, OF THE BOOKS OF ACCOUNT OF THE XY COMPANY, OP. CIT., P. 16.

FURTHER DISCUSSION OF THE PROBLEMS OF COMPETITION 120

MR. JEAN BTE. McBEAN MONTREAL 9 NOVEMBRE 1802

MONSR.

LE PORTEUR PIERRE ARSINEAU EST ENGAGÉ A NOUS COMME GUIDE DANS LE NORD, ET COMME IL S'EST OFFERT DE NOUS ENGAGER DES HOMMES, JE PRENDS LA LIBERTÉ DE VOUS L'ADDRESSER ET DE VOUS MARQUER LES PRIX POUR LES DIFÉRENTS QUALITÉS. LAQUELLE JE N'AI PAS VOULU LUI DONNER VU QU'IL NE SAIT PAS LIRE, ET QU'IL POUVAIT LE MONTRER A D'AUTRE.²⁶

THE WAGE RATES WERE EXPRESSED IN LIVRES, AND THE RELATIONSHIP BETWEEN THIS UNIT OF MONEY AND THE HALIFAX STERLING CURRENCY WOULD BE DERIVED FROM THE FOLLOWING INFORMATION. IN THE BOOK OF INVOICES OF THE XY COMPANY IT WAS RECORDED THAT 405 LIVRES WERE EQUAL TO £ 16-17- 6 IN HALIFAX CURRENCY.²⁷ THUS ONE MIGHT CALCULATE AS FOLLOWS.

1 <u>LIVRE</u> WOULD BE EQUIVALENT TO	9.996	PENCE
	.833	SHILLINGS
	.041	POUNDS

THUS 1,000 LIVRES WOULD BE APPROXIMATELY EQUIVALENT TO £ 41-13- 4. THIS CALCULATION MAY BE CONFIRMED BY REFERENCE TO OTHER EQUIVALENCIES, FOR EXAMPLE "288 LIVRES EQUAL £ 12 YORK CURRENCY (STERLING)".²⁸ RATES OF EXCHANGE VERY

26. DANIEL SUTHERLAND TO M. JEAN BTE. McBEAN, "LETTERBOOK XY COMPANY", OP. CIT., P. 16.

27. -----, -----, BOOK OF ACCOUNT OF THE XY COMPANY, BOOK NO. 4, MANUSCRIPT, A BOOK OF INVOICES, SEE ENTRY FOR 5TH NOVEMBER, 1800, ARCHIVES DU GRAND SÉMINAIRE DE QUÉBEC.

28. -----, -----, "NORTH WEST 1800-45", SERIES C, VOL. 363, TRANSCRIPTS, P. 76, PUBLIC ARCHIVES OF CANADA.

FURTHER DISCUSSION OF THE PROBLEMS OF COMPETITION 121

CLOSE TO THE ONES ABOVE HAVE BEEN RECORDED BY R. CHALMERS, WHO EQUATES £1 HALIFAX CURRENCY TO 24 LIVRES.²⁹

IN THE ABOVE LETTER TO McBEAN THERE ARE LISTED THE VARIOUS GRADES IN THE LABOUR MARKET OF THE NORTH WESTERS. THE MORE EXPERIENCED MEN WHO HAD WINTERED WERE PREFERRED, BUT "NOVICES" WERE HIRED TO PROVIDE AN ADEQUATE WORKING FORCE. IN THE MANNING OF THE TRADE CANOES THERE WERE VERY DEFINITE QUALIFICATIONS, BASED UPON SKILL AND STRENGTH. THE "BOUT DE CANOT" WAS THE FIRST-CLASS MAN. HIS ROLE WAS TO BE THE STERN PADDLER AND STEERSMAN, IN PASSAGE HE CONTROLLED THE CANOE. THE "SECOND DE CANOT" WAS STATIONED IN THE BOW OF THE CANOE, AND HIS WORK WAS TO PADDLE, EXCEPT IN THE CASE OF LANDING THE CANOE. SINCE PORTAGES WERE FREQUENT, THE PROCESS OF LANDING THE CANOE WAS IMPORTANT, AND THE FUNCTION OF THE SECOND WAS SPECIALIZED. THE TECHNIQUE OF LANDING THE CANOE REQUIRED THE SECOND DE CANOT TO JUMP INTO THE WATER AT JUST THE RIGHT DISTANCE FROM LAND, SO THAT HE COULD HOLD THE BOW OF THE CANOE FROM BEING BROKEN OR DAMAGED AGAINST THE LANDFALL. WHILE THE SECOND DE CANOT ACTED AS THE HUMAN ANCHOR, THE BOUT DE CANOT WOULD STEER THE CANOE BROADSIDE TO THE LANDING PLACE. IN THE PORTAGING THE BOUT AND THE SECOND CARRIED THE CANOE. THE MILLIEUX

29. R. CHALMERS, A HISTORY OF THE CURRENCY IN THE BRITISH COLONIES, [LONDON], HER MAJESTY'S STATIONERY OFFICE, 1893, p. 183.

FURTHER DISCUSSION OF THE PROBLEMS OF COMPETITION 122

DE CANOT OR MIDDLES, WERE MEN WHOSE PADDLING POSITION WAS IN THE MAIN PART OF THE CANOE. THESE MEN WERE NEITHER BOUTS NOR SECONDS, AND THEIR FUNCTION WAS TO PADDLE FAST AND HARD ENOUGH TO GIVE THE CANOE FORWARD STEERAGE SPEED, SO THAT THE BOUT DE CANOT COULD STEER FROM THE STERN. THESE MILIEUX WERE THE LABOURERS OF THE NORTH WEST. IN PASSAGE THEY SUPPLIED THE POWER THAT MOVED THE CANOE, AND AT THE PORTAGES THEY CARRIED THE TRADE GOODS. ONE FURTHER QUALIFICATION REQUIRED OF THE BOUT DE CANOT WAS THAT HE OR HIS SECOND DE CANOT SHOULD BE ABLE TO SING PADDLING SONGS WHICH PROVIDED THE BEAT WHICH KEPT THE PADDLERS WORKING IN UNISON. THUS THE TRADE CANOE USUALLY MOVED ALONG TO THE SINGING OF ALL ABOARD. IN LARGER PARTIES IT WAS NOT UNUSUAL THAT UN CHANTEUR SHOULD RECEIVE AN EXTRA STIPEND FOR HIS ABILITY TO SING THE PADDLING SONGS THAT ALL ENJOYED.³⁰ WITH THESE CONSIDERATIONS ON RECORD THEN, ONE CAN UNDERSTAND WHY SUCH SKILLED LABOURERS WERE SOUGHT FOR, BY FIELD AGENTS AND HIGHER WAGE RATES. THUS THE INSTRUCTIONS FROM DANIEL SUTHERLAND TO ST-VALIER MAILLOUX TAKE ON A REAL SIGNIFICANCE.

30. [SIR] ALEXANDER MACKENZIE, VOYAGES FROM MONTREAL, OP. CIT., INTRODUCTION BY J. W. GARVIN, P. LXXXI. ALSO,

ALEXANDER HENRY, THE YOUNGER, "JOURNAL...1799-1811." COVENTRY COPY, MANUSCRIPT, VOL. 1, P. 340 ET SEQ., PUBLIC ARCHIVES OF CANADA. ALSO,

PETER GRANT, "THE SAULTEUX INDIANS", PRINTED IN L. R. MASSON, LES BOURGEOIS, OP. CIT., VOL. 2, P. 313-4.

FURTHER DISCUSSION OF THE PROBLEMS OF COMPETITION 123

11 NOVEMBRE, 1802

TACHEZ DE VOUS ARRANGER AVEC PIERRE PAUL COMME GUIDE, ET NE REGARDER PAS UNE BAGATELLE AVEC LUI, CAR IL NOUS SERAIT BIEN UTILE A SOREL, MAIS IL FAUT QU'IL SE DECIDE TOUTE DE SUITE, ET QU'IL NOUS AMUSE PAS COMME IL A FAIT CI DEVANT. TACHEZ AUSEI DE VOUS ARRANGER AVEC FELIX, CES DEUX HOMMES, NOUS VAUDRAIENT QUELQUE CHOSE DANS LA PARDISSE, AINSI IL NE FAUT PAS LES MANQUER, QUAND ON DEVRAIT FAIRE QUELQUE SACRIFICE...³¹

WILLIAM MCGILLIVRAY IN WRITING TO THE PROPRIETORS OF THE NORTH WEST COMPANY PROVIDES THE FOLLOWING ACCOUNT OF THE COMPETITION. AS WILL BE NOTICED THE NOMINAL WAGES PAID TO THE MEN WERE OFTEN AUGMENTED IN OTHER WAYS SO THAT THE ACTUAL COST OF LABOUR WAS ABOVE THE WAGES RATES QUOTED BELOW. THIS EVIDENCE, HOWEVER, MUST NOT BE ACCEPTED WITHOUT NOTING THAT IT HAS A CERTAIN RING OF PROPAGANDA, AND MAY IN FACT BE EXAGGERATED.

23RD MAY 1802

YOU WILL NOT BE SURPRISED TO HEAR THAT THE OPPOSITION STILL CONTINUES - THEY HAVE AUGMENTED THEIR OUTFIT OF LAST YEAR BY ABOUT 4 CANOES. DURING THE LAST SEASON THE SACRIFICES THEY HAVE MADE TO PROCURE MEN ARE INCREDIBLE - MANY OF THEIR WINTERING BOUTS HAVE 3,000 LIVRES MIDDLEMEN FROM 2,000 TO 2,500 LIVRES A YEAR, AND WHATEVER THEY CHOSE TO ASK BY WAY OF EQUIPMENT - THEY THROW AWAY THEIR MEANS WITH A PROFUSION THAT ASTONISHES EVEN THE MEN THEMSELVES LIKE THE BATAVIAN WHO 'RUNS A MUCK' OR THE INDIAN WHO 'THROWS AWAY HIS BODY' THEY APPEAR REGARDLESS OF THEIR OWN SAFETY PROVIDED THEY CAN ANNOY THE ENEMY. OUR TERMS ARE NOMINALLY THE SAME AS USUAL BUT TOWARDS THE SPRING WE HAVE BEEN OBLIGED TO MAKE INCONSIDERABLE SACRIFICES UNDERHAND TO COMPLETE OUR NUMBERS OF MEN. THE OPPOSITION

31. DANIEL SUTHERLAND, TO ST-VALIER MAILLOUX, "XY LETTERBOOK", OP. CIT., P. 100.

FURTHER DISCUSSION OF THE PROBLEMS OF COMPETITION 124

HEADED THIS YEAR BY MR. FORSYTH, MR. OGILVIE AND MR. MACKENZIE! IF ANY DOUBT HAD BEFORE EXISTED WITH REGARD TO THE IMPOSSIBILITY OF THE LATTER GENTLEMAN HAVING JOINED A PARTY AGAINST WHOM HE WAS SO FORMERLY EXASPERATED - HIS PRESENT SITUATION WILL REMOVE IT. HIS IS NOW THEIR CHIEF AGENT.³²

THE FOLLOWING SUMMARY WRITTEN BY LORD SELKIRK WAS PROBABLY PREJUDICED AGAINST THE NORTH WEST COMPANY, BUT IT IS USED HERE AS APPLYING TO BOTH COMPANIES. UNDERSTOOD IN THIS WAY SELKIRK'S EVIDENCE DOES CONCISELY RECORD THE TENSIONS GENERATED IN THE COMPETITION FOR MANPOWER IN THE NORTH WEST AT THE TIME OF THE XY COMPANY.

THE OLD NORTH WEST COMPANY WAS SENSIBLE THAT WITHOUT A DECIDED SUPERIORITY OF FORCE THEIR MONOPOLY, OR THEY CALL IT THEIR TRADE, WOULD BE LOST; AND IN ORDER TO MAINTAIN THIS SUPERIORITY, THEY DETERMINED TO SPARE NO EXPENCE IN HIRING VAST NUMBERS OF ADDITIONAL MEN, IN ENCOURAGING THE EXERTIONS OF THEIR RUFFIANS, AND IN EVERY MODE WHATEVER OF COUNTERACTING THEIR ANTAGONISTS. [THE XY COMPANY] THE EXPENCES WHICH THEY INCURRED WERE IN FACT SO GREAT AS FOR SOME YEARS TO LEAVE HARDLY ANY PROFIT TO BE DIVIDED AMONG THE PARTNERS; THEY SUBMITTED TO THIS TEMPORARY SACRIFICE BECAUSE THEY KNEW THEIR COMPETITORS WERE OBLIGED TO INCUR SIMILAR EXPENCES WITHOUT ANY FUNDS TO DEFRAY THEM EXCEPT THEIR CAPITAL.³³

THE EFFECTS OF THE COMPETITION FOR MANPOWER WERE THAT THE NUMBER OF MEN HIRED FOR THE NORTH WEST FUR TRADE GREATLY INCREASED, AT THE SAME TIME THE WAGE SCALE INCREASED, THUS THIS OPPOSITION WAS HATED BY THE FUR TRADERS SINCE IT

32. WILLIAM MCGILLIVRAY TO THE GENTLEMEN PROPRIETORS OF THE NORTH WEST COMPANY, "LETTERBOOK", AT GRAND PORTAGE, OP. CIT., PP. 184-5.

33. LORD SELKIRK, "SELKIRK PAPERS", IN TRANSCRIPT, OP. CIT., VOL. 35, P. 10183, PUBLIC ARCHIVES OF CANADA.

FURTHER DISCUSSION OF THE PROBLEMS OF COMPETITION 125

INCREASED THE COSTS OF THE TRADE, AND IN DOING SO DECREASED THE PROFITS.

COMPETITION AND THE HUDSON'S BAY COMPANY

IN THE DISCUSSION SO FAR THE SPECIFIC CHARACTERISTICS OF THE INTENSE COMPETITION BETWEEN THE XY AND THE NORTH WEST COMPANIES HAVE BEEN CONSIDERED IN REGARD TO THE DEMANDS OF THE POLICY OF WATCHING RIVAL TRADERS, THE MORE EXTENSIVE USE OF LIQUOR, THE PREVALENCE OF PHYSICAL VIOLENCE, AND THE STRUGGLE FOR ADEQUATE MANPOWER. THE QUESTION WOULD THEN ARISE, WHAT OF THE HUDSON'S BAY COMPANY DURING THIS PERIOD OF COMPETITION? THE ROLE OF THE HUDSON'S BAY COMPANY WILL BE DISCUSSED IN ORDER TO ROUND OUT THE HISTORY OF THE ABOVE CONSIDERATIONS OF OPPOSITION.

THE HUDSON'S BAY COMPANY WAS FOUNDED IN ENGLAND ON THE 2ND OF MAY, 1670, BY ROYAL CHARTER, AS "THE GOVERNOR AND COMPANY OF ADVENTURERS OF ENGLAND TRADING INTO HUDSON'S BAY."^{33A} THIS COMPANY OPERATED FROM ITS BAY PORTS WITH THE TRANSPORT ADVANTAGE OF BEING ABLE TO BRING ITS TRADE GOODS FROM ENGLAND TO THE VERY PERIMETER OF THE FUR TRADE IN ONE OPERATION, BY SHIP. THE STRUCTURE OF THIS COMPANY WAS SIMILAR TO OTHER CORPORATE ENTERPRISES IN SO FAR AS

^{33A}. HUDSON'S BAY COMPANY MINUTES, E. E. RICH, ED., TORONTO, PUBLICATIONS OF THE HUDSON'S BAY RECORD SOCIETY, 1942, APPENDIX A.

FURTHER DISCUSSION OF THE PROBLEMS OF COMPETITION 126

ITS SERVANTS WERE FOR THE MOST PART, HIRED ON A SALARY BASIS. THIS WAS IN CONTRAST TO THE TRADERS FROM MONTREAL WHO WORKED ON A COPARTNERSHIP BASIS, AND WHO RETAINED THE INCENTIVE FACTOR OF REWARDING TRADERS ACCORDING TO THEIR EFFICIENCY.

THE WORKING PRINCIPLE OF THE HUDSON'S BAY COMPANY WAS THAT THE INDIANS SHOULD BRING THEIR FURS DOWN TO THE BAY POSTS.^{33^b} SINCE THE TIME OF LAVERENDRYE AND ESPECIALLY IN THE PERIOD OF THE 1780'S AND 90'S, THIS POLICY PROVIDED THE TRADERS FROM MONTREAL WITH THE OPPORTUNITY OF INTERCEPTING THE INDIANS, AND OF TRADING WITH THEM BEFORE THEY REACHED HUDSON'S BAY. THIS TRADING WAS VERY PROFITABLE TO THE MONTREAL TRADERS. THE CLASSIC EXAMPLE WOULD BE JOSEPH FROBISHER AND HIS TRADING AT THE PORTAGE DU TRAITE IN 1776.^{33^c} TRADING WITH THE MONTREAL MEN WAS ACCEPTABLE TO THE INDIANS, SINCE IT OBTIATED FOR THEM, THE LONG JOURNEY TO THE BAY. THE HUDSON'S BAY COMPANY BUILT CUMBERLAND HOUSE TO MEET THIS COMPETITION IN 1774.³⁴ THE TRADERS FROM MONTREAL WERE FACED WITH LONG DISTANCES TRAVERSED BY CANOE. MUCH OF THIS TRADE FOLLOWED THE OTTAWA RIVER ROUTE, NORTH AND WEST TO LAKE SUPERIOR. THESE MEN WERE CALLED

^{33^b}. H. A. INNIS, THE FUR TRADE IN CANADA, OP. CIT., p. 58.

^{33^c}. A. S. MORTON, HISTORY OF THE CANADIAN WEST UP TO 1870-1, OP. CIT., p. 316.

³⁴. A. S. MORTON, THE HISTORY OF THE CANADIAN WEST UP TO 1870-1, OP. CIT., p. 303.

FURTHER DISCUSSION OF THE PROBLEMS OF COMPETITION 127

THE "PEDLARS" SINCE THEY WENT WITH THEIR GOODS TO TRADE FOR FURS IN INDIAN COUNTRY. IN THE JOURNALS OF THE SERVANTS OF THE HUDSON'S BAY COMPANY, ONE CAN FIND THE PHRASE "PEDLARS FROM QUEBEC", WHICH INDICATED CANADIAN TRADERS, USUALLY BASED OUT OF MONTREAL.³⁵ THE "PEDLARS" RENDERED THE DIFFICULT TRIP TO HUDSON'S BAY UNNECESSARY FOR THE INDIANS. THE DIFFICULTY OF THIS TRIP CONSISTED IN THE FACT THAT THE CARGO DOWNSTREAM TO THE BAY WAS LIGHT-FURS, WHILE THE UPSTREAM CARGO IN THE TURBULENT RIVERS FLOWING TO HUDSON'S BAY WAS HEAVY AND AWKWARD TRADE GOODS.

PERHAPS AS AN APPROACH TO THIS QUESTION ONE CAN STATE THAT THE CANADIAN COMPANIES, THE XY AND THE NORTH WEST, COMPETED WITH EACH OTHER SO FIERCELY PRECISELY BECAUSE THEY WERE SO MUCH ALIKE. THEY BOTH HAD THE SAME TYPE OF COPARTNERSHIP STRUCTURE, BOTH WERE BASED OUT OF MONTREAL, BOTH HIRED FROM THE SAME LABOUR POOL, THE SAINT LAWRENCE VALLEY, AND BOTH USED THE SAME TRANSPORT AND TRADING TECHNIQUES. THE XY COMPANY WAS OPPOSED BY THE NORTH WEST COMPANY BECAUSE IT WAS A SIMILAR ORGANIZATION. THE HUDSON'S BAY COMPANY WAS NOT LIKE THE CANADIAN COMPANIES IN ANY OF THE ABOVE MENTIONED CHARACTERISTICS. THIS COMPANY OPERATED FROM ITS

35. W. S. WALLACE, THE PEDLARS FROM QUEBEC, TORONTO, RYERSON, P. 388. THIS BOOK IS A REPRINTING OF ARTICLES THAT HAD FIRST BEEN PUBLISHED IN THE TRANSACTIONS OF THE ROYAL SOCIETY OF CANADA.

FURTHER DISCUSSION OF THE PROBLEMS OF COMPETITION 128

BAY POSTS, AND NOT FROM MONTREAL. ITS TRANSPORT SYSTEM WAS DIFFERENT. THIS MUST NOT BE UNDERSTOOD TO MEAN THAT THERE WAS NO INLAND COMPETITION IN THE NORTH WEST FROM THE HUDSON'S BAY COMPANY. THERE WAS COMPETITION, AS CUMBERLAND HOUSE AND OTHER POSTS BEAR WITNESS.³⁶ IT SHOULD BE NOTICED FURTHER THAT THE POLICY OF THE HUDSON'S BAY COMPANY WAS NOT MERELY ONE OF WAITING FOR THE INDIANS TO COME TO THE BAY. THE PEOPLE OF THE HUDSON'S BAY COMPANY DID OPERATE INLAND.

A TENTATIVE SOLUTION TO THE PROBLEM OF DESCRIBING THE COMPETITION BETWEEN THE HUDSON'S BAY COMPANY AND THE MONTREAL COMPANIES, COULD BE CAST ALONG THE FOLLOWING LINES.³⁷ AFTER 1793 THE HUDSON'S BAY COMPANY WAS CRITICALLY SHORT OF MANPOWER. THIS SHORTAGE OF LABOUR WAS DUE TO THE INTENSIVE RECRUITING IN THE BRITISH ARMED SERVICES. FROM THE WAR OF THE AMERICAN INDEPENDENCE TO THE CONGRESS OF VIENNA IN 1815, BRITAIN WAS INVOLVED IN WAR IN AMERICA, HOLLAND, BELGIUM, IN INDIA THERE WAS THE MAHARATTA REVOLT AND HYDER ALI; THE ENMITY OF FRANCE AND SPAIN DEMANDED LARGE

36. A. S. MORTON, A HISTORY OF THE CANADAIN WEST TO 1870-1, OP. CIT., P. 303.

37. R. GLOVER, "DIFFICULTIES OF HUDSON'S BAY COMPANY'S PENETRATION OF THE WEST", OP. CIT., PP. 240-254.

FURTHER DISCUSSION OF THE PROBLEMS OF COMPETITION 129

LAND AND NAVAL FORCES DURING THIS PERIOD.³⁸ EACH CAMPAIGN TOOK ITS TOLL OF THE MANPOWER OF THE BRITISH ISLES. THUS IN ENGLAND AND SCOTLAND ONE FOUND THE RECRUITING PROCEEDING WITH PRESS GANGS, CRIMPS, AND COMMISSIONS FOR RECRUITS.³⁹ THIS PRESSURE FOR MEN REDUCED THE LABOUR POOL OF THE HUDSON'S BAY COMPANY TO A MINIMUM. DURING THIS PERIOD THE COMPANY WAS DECIDEDLY UNDERSTAFFED. IN COMPARISON THE LABOUR POOL OF THE SAINT LAWRENCE VALLEY WAS VERY SLIGHTLY IF AT ALL CURTAILED BY THE NAPOLEONIC WARS.

THIS MUST NOT BE TAKEN TO MEAN THAT THE WARS OF ENGLAND AT THIS TIME HAD NO EFFECT ON THE CANADIAN TRADERS. THE FOLLOWING IS THE RECORD OF A DEVICE TO PREVENT THE BRITISH PRESS GANGS FROM "KIDNAPPING" THE MATE OF THE FUR SHIP ANN.

30TH SEPTEMBER, 1803

YOU WILL OBSERVE THAT THE BILLS OF LADING OF THE LATTER [THE SHIP ANN UNDER CAPTAIN BOYD] ARE SIGNED BY THE MATE JOHN KERR, IN ORDER TO PROTECT HIM FROM BEING PRESSED, A CIRCUMSTANCE WHICH, IN CASE OF ACCIDENT, IT MAY BE PERHAPS NECESSARY TO ATTEND TO IN THE POLICY OF INSURANCE.⁴⁰

38. CAMBRIDGE HISTORY OF THE BRITISH EMPIRE, VOL. 2, "THE NEW EMPIRE", NEW YORK, MACMILLAN, CHAPTER 3, PP. 85-113, 1940.

39. IBID., P. 39.

40. DANIEL SUTHERLAND TO PHYN, INGLIS AND COMPANY, "XY LETTERBOOK", OP. CIT., P. 54.

FURTHER DISCUSSION OF THE PROBLEMS OF COMPETITION 130

IN STILL ANOTHER WAY THE HUDSON'S BAY COMPANY WAS UNDERSTAFFED, THIS WAS IN THE TYPE AND QUALITY OF THE MEN THAT COULD BE RECRUITED FOR ITS SERVICE. MANY OF THE ORKNEY MEN WHO WERE HIRED WERE REJECTS FROM THE ARMED SERVICES IN BRITAIN, FIVE-FEET-FIVE AND UNDER.

...BUT NOT A SINGLE MAN COULD BE SPARED FROM THE TRADE IN FURRS TO ACCOMPANY ME, AND WITH GREAT DIFFICULTY THE HUDSON'S BAY COMPANY THEN PROCURED MEN TO KEEP UP THE FEW INTERIOR TRADING HOUSES THEY THEN HAD; FOR THE WAR WHICH RAGED BETWEEN ENGLAND AND FRANCE HAD DRAINED THE ORKNEY ISLANDS OF ALL THE MEN THAT WERE FIT FOR THE NAVY OR THE ARMY; AND ONLY THOSE REFUSED WERE OBTAINED FOR THE FURR TRADE; ... VERY FEW MEN CAME OUT FOR THE TRADE, AND THOSE WERE ONLY FIVE FEET FIVE INCHES AND UNDER....⁴¹

THIS FACT HAD ITS REPERCUSSIONS ON THE FUR TRADE. THE BUNDLES OF TRADE GOODS HAD TO BE SMALLER, GENERALLY AROUND SIXTY POUNDS, RATHER THAN THE NINETY POUND PACKAGES USUAL IN THE NORTH WEST.

AT GREAT SLAVE LAKE THE NOR'WESTER HAS 30 GAY STOUT CANADIAN VOYAGEURS WITH 140 PIECES OF 90 LBS. EACH, WHILE THE HUDSON'S BAY BRIGADE NUMBERED THREE WRECKS OF CANOES MANNED BY 12 HALF STARVED, RAGGED MISERABLE WRETCHES WITH 40 PIECES OF 60 LBS. EACH.⁴²

THIS REDUCTION IN THE SIZE OF THE TRADE PACKAGES WAS DUE TO THE FACT THAT THE HUDSON'S BAY MEN WERE SMALLER AND OLDER

⁴¹. DAVID THOMPSON, NARRATIVE OF EXPLORATIONS.... 1794-1812, J. B. TYRRELL ED., TORONTO, CHAMPLAIN SOCIETY, 1916, P. 134.

⁴². GEORGE SIMPSON, JOURNAL OF OCCURENCES IN THE ATHABASCA DEPARTMENT, E. E. RICH ED., TORONTO, CHAMPLAIN SOCIETY, 1936, INTRODUCTION BY CHESTER B. MARTIN, P. XIV.

FURTHER DISCUSSION OF THE PROBLEMS OF COMPETITION 131

THAN THE MEN OF THE CANADIAN COMPANIES IN THE NORTH WEST DURING THE PERIOD OF THE XY COMPANY. A LOGICAL CONCLUSION FROM THESE FACTS WOULD BE THAT THE REDUCED WORK FORCE WAS LESS EFFICIENT THAN THE NUMBER OF MEN WOULD INDICATE. NO SUCH TREND TO LIGHTER BUNDLES HAS BEEN RECORDED AMONG THE TRADERS OF THE XY AND NORTH WEST COMPANIES.

THE ORKNEYMEN BROUGHT OUT BY THE HUDSON'S BAY COMPANY, AND THE "HOME INDIANS" AT THE BAY HAD LITTLE KNOWLEDGE OF CANOE NAVIGATION.

31st JULY, 1792

...WE LEFT YORK FACTORY TO PROCEED TO CHATHAM HOUSE AT 1½ PM I LEFT YORK FACTORY MY OWN CANOE BEING MANED BY HUGH LISK A GOOD STEERSMAN AND EXCELLENT SERVANT - JAMES JOHNSON AN INVALID AS BOWSMAN & PETER BROWN AN ABLE USEFUL GOOD MAN AS MIDDLE MAN...THOUGH MY CANOES SO WEAKLY MANED WE TOOK ABOVE FOUR HUNDRED WEIGHT MORE THAN THE OTHER CANOE - EACH CANOE HAD AN INDIAN LAD BUT UNACQUAINTED WITH LARGE CANOES.⁴³

THIS POINT WAS VERY IMPORTANT WHEN IT IS REMEMBERED THAT THE MOST CONVENIENT METHOD OF TRANSPORTATION IN THE NORTH WEST WAS BY CANOE. THE CANADIAN COMPANIES DID NOT FACE THESE PROBLEMS. THEY COULD RECRUIT ABLE BODIED MEN IN THE AREA BETWEEN MONTREAL AND QUEBEC, WHO WERE SKILLED IN CANOE NAVIGATION, OR AT LEAST FAMILIAR WITH CANOES. THUS THE HUDSON'S BAY COMPANY DURING THIS PERIOD OF COMPETITION AMONG

43. PHILIP TURNOR, "JOURNAL" IN JOURNALS OF SAMUEL HEARNE AND PHILIP TURNOR, J. B. TYRRELL ED., TORONTO, CHAMPLAIN SOCIETY, 1934, P. 560.

FURTHER DISCUSSION OF THE PROBLEMS OF COMPETITION 132

THE CANADIAN COMPANIES HAD NEITHER ADEQUATE MANPOWER NOR THE MEN SKILLED IN THE TECHNIQUES OF INLAND TRANSPORTATION.

ONE FURTHER PROBLEM FACED THE MEN FROM THE BAY, THEY HAD NO MEANS OF OBTAINING CANOES AT THE BAY. THEY DID NOT KNOW HOW TO BUILD THEM, SINCE THE LARGE BIRCH-BARK CANOE WAS AN ARTIFACT OF CANADA. THE WHITE BIRCH, BETULA PAPIYIFERA, DOES NOT ORDINARILY GROW AS FAR NORTH AS HUDSON'S BAY.⁴⁴ THE INDIANS OF THAT AREA HAD NEITHER THE SKILL NOR THE MATERIALS TO BUILD UN CANOT DE MAÎTRE.

23RD JUNE, 1775

...THE GREATEST OBSTICAL [SIC] THAT IS LIKELY TO PREVENT THE COMPY [HUDSON'S BAY] FROM GETTING GOODS INLAND IS THE WANT OF PROPER CANNOES, TO PROCURE WHICH I AM MUCH AT A LOSS WHAT MEASURES TO TAKE, AS I FIND THAT NO PAYMENT OR PROMOUSES CAN ENDUCE THE NATIVES TO MAKE A SUFFICIENT QUANTITY; FOR SUCH IS THE INDOLENCE OF THE INDIANS IN GENERAL THAT ANY OF THEM WHO HAS WERE WITHALL, WILL PAY AN OLD MAN, WHO IS WORN OUT AND UNFIT FOR HUNTING, FOR BUILDING THEIR CANNOE RATHER THAN HAVE THE TROUBLE OF IT THEMSELVES; WHEREAS ALL THE CANADIENS WHO TRADE INTO THESE PARTS HAVE PARTNORS OR SOME OTHERS WHOME THEY COMMISSHON TO GET SUCH A NUMBER OF CANNOES MADE IN THEIR ABSSENSE AND ARE ALWAYS READY AT THE GRAND PORTAGE AGAINST THEIR ARIVAL EVERY YEAR.⁴⁵

44. ROBERT BELL, "REPORT...ON THE CHURCHILL AND NELSON RIVERS", IN GEOLOGICAL SURVEY OF CANADA, REPORTS OF EXPLORATIONS AND SURVEYS 1878-9, OTTAWA, 1880, P. 32.

45. SAMUEL HEARNE, "JOURNAL", IN JOURNALS OF SAMUEL HEARNE AND PHILIP TURNOR, OP. CIT., P. 157.

FURTHER DISCUSSION OF THE PROBLEMS OF COMPETITION 133

THE CANADIAN COMPANIES COULD PROCURE THE LARGE BIRCH-BARK CANOES MADE IN THE SAINT LAWRENCE VALLEY WITH NO GREAT DIFFICULTY. THE XY COMPANY PURCHASED ITS "NORTH CANOES" FOR 150 LIVRES EACH.⁴⁶

IT SHOULD BE NOTED HERE THAT THE BIRCH-BARK CANOE COULD BE READILY REPAIRED WITHOUT REQUIRING SPECIAL SKILLS. IT COULD BE PATCHED WITH MORE BIRCH-BARK, SEWN INTO PLACE WITH "WATAPE", THE LONG STRINGY ROOTS OF SWAMP WILLOW, OR SIMPLY "GLUED" WITH BALSAM GUM. ALL THESE MATERIALS COULD BE FOUND AMONG THE DOMESTIC FLORA OF MOST OF THE NORTH WEST TRADING AREAS. THE BOAT, SUCH AS LATER USED BY THE HUDSON'S BAY PEOPLE COULD HAVE NO SUCH SIMPLE TECHNIQUE FOR REPAIR. TO REPAIR A BOAT ONE NEEDED A SKILLED CARPENTER, DRESSED LUMBER, NAILS, AND TIME. AN ILLUSTRATION OF THE RELATIVE EASE IN PROCURING A BIRCH-BARK CANOE HAS BEEN RECORDED BY [SIR] ALEXANDER MACKENZIE.

20TH JUNE, 1793

OUR CANOE WAS NOW BECOME SO CRAZY THAT IT WAS A MATTER OF ABSOLUTE NECESSITY TO CONSTRUCT ANOTHER; AND AS FROM THE APPEARANCE OF THE COUNTRY THERE WAS REASON TO EXPECT THAT BARK WAS TO BE FOUND, WE LANDED AT EIGHT, WITH HOPE OF PROCURING IT. I ACCORDINGLY DISPATCHED FOUR MEN WITH THAT COMMISSION, AND AT TWELVE THEY RETURNED WITH A SUFFICIENT QUANTITY TO MAKE THE BOTTOM OF

46. -----, -----, BOOK OF ACCOUNT OF THE XY COMPANY, BOOK No. 10, A BOOK OF DISBURSEMENTS, MANUSCRIPT, ENTRY FOR OUTFIT OF 1800, GRAND SÉMINAIRE DE QUÉBEC.

FURTHER DISCUSSION OF THE PROBLEMS OF COMPETITION 134

A CANOE OF FIVE FATHOMS IN LENGTH AND FOUR FEET AND A HALF IN HEIGHT. AT NOON I HAD AN OBSERVATION THAT GAVE ME 53.17.28 NORTH LATITUDE.⁴⁷

THUS ONE COULD CONCLUDE THAT AT THAT TIME THE HUDSON'S BAY COMPANY DID COMPETE IN THE NORTH WEST, BUT THAT IT WAS SEVERELY CRIPPLED IN ITS EFFORTS BY THE LACK OF ADEQUATE MANPOWER, THE LACK OF SKILLED MANPOWER, AND THE DIFFICULTY OF PROCURING THE CANOES SO FUNDAMENTAL TO THE TRANSPORTATION OF THE NORTH WEST FUR TRADE. WITH THIS BACKGROUND, ONE CAN UNDERSTAND HOW WILLIAM MCGILLIVRAY WOULD WRITE THE FOLLOWING LETTER TO GOVERNOR THOMAS AT MOOSE FACTORY,

1ST SEPTEMBER, 1799

...AS THE SITUATION OF THE INDIAN TRADE FROM YOUR DEPARTMENT OF HUDSON'S BAY AND THAT OF OURS COME IN CONTACT WITH, IS AT PRESENT IN A STATE THAT IN MY OPINION STANDS IN NEED OF SOME REFORM, OR AT LEAST A PROPER UNDERSTANDING BETWEEN YOUR COMPY. & THE NORTH WEST CO. AS TO THE FIXING OR ADVANCING OF POSTS FOR THE PRESENT MODE SEEMS TO PAY NO REGARD FOR THE CHIEF OBJECT OF ESTABLISHING THOSE POSTS, PROFIT, BUT MERELY FOR THE SAKE OF OPPOSITION, & A VAIN ATTEMPT TO TIRE EACH OTHER OF THE COUNTRY.... THIS LEAD US SOMETIME SINCE TO WISH THE ARRANGEMENTS SHOULD BE MADE FOR WITHDRAWING POSTS ON BOTH SIDES ALONG THE CHAIN THAT DIVIDES MOOSE AND ALBANY DEPARTMENT FROM US.... WE WILL WITHDRAW OUR POSTS FROM MICABANISH, FREDERICK HOUSE & MATAWACAMINGUE AND YOU WILL WITHDRAW YOURS FROM MICHIPICOTEN ABITIBI & KENOW-CAMISING, LOCAL ARRANGEMENTS TO BE MADE AT THE SAME TIME TO PREVENT THE INDIANS FROM BEING ENTICED AWAY FROM THE POSTS THAT MAY THEREAFTER BE CONTIGUOUS TO EACH OTHER....⁴⁸

⁴⁷. [SIR] ALEXANDER MACKENZIE, VOYAGES..., OP. CIT., PP. 342-3.

⁴⁸. WILLIAM MCGILLIVRAY TO GOVERNOR THOMAS, "LETTER-BOOK" AT GRAND PORTAGE, OP. CIT., PP. 95-6.

FURTHER DISCUSSION OF THE PROBLEMS OF COMPETITION 135

THIS LETTER ILLUSTRATED HOW THE NORTH WEST COMPANY COULD BARGAIN WITH THE HUDSON'S BAY COMPANY. THE PATTERN HERE WAS ONE OF RAPPROCHEMENT RATHER THAN OPPOSITION AND FORCE. THE POLICY OF ELIMINATING THE HUDSON'S BAY COMPANY COMPETITION IN A CERTAIN AREA BY AGREEMENT WAS NONETHELESS AN INTEGRAL PART OF THE ACTIVE COMPETITION AGAINST THE XY COMPANY. THE FOLLOWING POST SCRIPT TO A LETTER SENT TO MCTAVISH, FROBISHER AND COMPANY FROM WILLIAM MCGILLIVRAY WOULD BEAR WITNESS TO THIS TWOFOLD POLICY OF THE NORTH WEST COMPANY AGAINST THE XY COMPANY.

27TH MAY, 1800

P.S. IT IS PLEASING TO SEE THE GOOD UNDERSTANDING THAT SUBSISTS BETWEEN OUR PEOPLE & THE H. BAY COMPY. I AM GLAD THEY FEEL THE VALUE OF IT, IT WILL BE PRODUCTIVE OF MANY BENEFITS-TO THE CONCERN-& DESTRUCTIVE TO THE OPPOSITION-NO OPPORTUNITY OUGHT TO BE LOST IN THOSE DEPARTMENTS OF CULTIVATING IT IN THESE TIMES.⁴⁹

THE MOST SIGNIFICANT FACT CONCERNING THE OPERATIONAL LIFE OF THE XY COMPANY WAS THE COMPETITION WITH THE NORTH WEST COMPANY. THIS OPPOSITION LASTED THROUGH THE SIX OUTFITS AND MANIFESTED ITSELF IN THE COSTLY PROCESSES OF WATCHING RIVAL TRADERS, INCREASED USE OF LIQUOR IN THE TRADE, OUTBREAKS OF PHYSICAL VIOLENCE, AND A NEW INTENSITY IN THE SEARCH FOR ADEQUATE MANPOWER. THE HUDSON'S BAY COMPANY PLAYED A MINOR ROLE IN THIS NORTH WEST COMPETITION SINCE

⁴⁹. WILLIAM MCGILLIVRAY, TO MCTAVISH, FROBISHER AND COMPANY, "LETTERBOOK" AT GRAND PORTAGE, OP. CIT., P. 120.

FURTHER DISCUSSION OF THE PROBLEMS OF COMPETITION 136

IT WAS HAMPERED BY INSUFFICIENT STAFF, BOTH IN NUMBERS AND IN SKILLS. IT REMAINS NOW TO INVESTIGATE THE HISTORY OF THE EVENTS THAT LED TO END OF THIS INTENSE COMPETITION, THAT IS THE UNION OF THE XY AND NORTH WEST COMPANIES IN 1804.

CHAPTER V

RESULTS OF COMPETITION - UNION

SUMMARY

THE COMPETITION BETWEEN THE XY AND THE NORTH WEST COMPANIES WAS ENDED IN THEIR UNION OF 1804. THE PERIOD PRIOR TO THE UNION WAS REPORTED BY THE FUR TRADERS IN A MANNER FAVOURABLE TO THE COMPANY THEY BELONGED TO. FROM THE INVENTORY DATA OF THE XY COMPANY A MORE OBJECTIVE DELINEATION OF THE COMMERCIAL SCALE OF OPERATIONS, AND THE GEOGRAPHICAL SCOPE OF ITS TRADING IS PRESENTED. CONSIDERATIONS REGARDING THE PRICING POLICY OF THE XY COMPANY, SHOW IT TO HAVE FOLLOWED A SIMPLE AND CONSISTENT "MARK UP" RULE. THE RISING PRICES FOR FURS IN THE LONDON AUCTIONS TENDED TO OBSCURE THE INCREASED COSTS OF COMPETITION, AND TO DEVELOPE AN UNWARRANTED OPTIMISM AMONG THE TRADERS. THE PERSONAL ANIMOSITY BETWEEN SIMON MCTAVISH OF THE NORTH WEST COMPANY, AND SIR ALEXANDER MACKENZIE OF THE XY COMPANY WAS A REAL OBSTACLE TO UNION. THE PROBABILITY OF SUPERVISION AND CONTROL OF THE FUR TRADE BY THE COLONIAL OFFICE, DUE TO SUCH INCIDENTS AS THE MURDER OF JAMES KING BY JOSEPH MAURICE LAMOTHE, AND THE DIFFICULTIES AT SAULT STE. MARIE, LEAD THE TRADERS TO WORK OUT THEIR OWN SOLUTION TO THE OPPOSITION. THE AGREEMENT OF UNION CONTAINED THE NOTION OF REMOVING COMPETITION BY CONTRACT, AND THIS IDEA WAS PROJECTED INTO THE AGREEMENTS OF THE NORTH WEST COMPANY IN ITS DEALINGS WITH THE MICHILIMACKINAC COMPANY IN 1808, AND WITH JOHN JACOB ASTOR'S AMERICAN FUR COMPANY IN 1811.

THE RESULTS OF THE OPERATIONS OF THE XY COMPANY CAN BE DISCUSSED FROM TWO MAJOR SOURCES OF EVIDENCE. THE FIRST SOURCE WOULD CONSIST IN THE TESTIMONIES OF CONTEMPORARY WIT-

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NESSSES. THIS EVIDENCE MAY WELL BE COLOURED WITH HEARSAY AND PREJUDICE, AND WOULD DESCRIBE THE RESULTS OF THE COMPETITION, IN SO FAR AS THIS COMPETITION WAS ENDED IN THE UNION OF 1804. THE SECOND MAJOR SOURCE OF EVIDENCE CONCERNING THE RESULTS OF OPERATIONS OF THE XY COMPANY DURING ITS OPERATIONAL LIFE, WOULD BE THE BOOKS OF ACCOUNT OF THE COMPANY. THIS EVIDENCE IS MORE FACTUAL, AND IS CONCERNED WITH THE GROWTH, AND CAPITAL STRUCTURE OF THE XY COMPANY. THE ANALYSIS OF THE CAPITAL STRUCTURE OF THE COMPANY WILL BE DELINEATED IN A LATER CHAPTER.

IN PRESENTING THE EVIDENCE OF CONTEMPORARY WITNESSES, ONE FINDS THAT THE RESULTS OF OPERATIONS OF BOTH COMPANIES, THE XY, AND THE NORTH WEST, DURING THE PERIOD OF THEIR OPPOSITION, HAVE BEEN RECORDED BY DUNCAN CAMERON OF THE NORTH WEST COMPANY.

WE STILL GET THREE FOURTHS OF THE TRADE. BUT I AM SORRY TO SAY THAT EVEN IF THERE WERE NO OPPOSITION AT ALL IN THE COUNTRY TO SPOIL THE TRADE, IT IS NOW GETTING SO BARREN & POOR THAT IN A DOZEN YEARS HENCE, THE RETURNS FROM IT WILL BE SO TRIFLING THAT, EVEN IF ONE COMPANY HAD THE WHOLE, ON THE CHEAPEST TERMS IT WILL BE LITTLE ENOUGH TO PAY FOR THE EXPENSES OF CARRYING ON THE BUSINESS, FOR THE HUNT IS DECLINING VERY FAST, AND WE ARE OBLIGED EVERY YEAR TO MAKE NEW DISCOVERIES AND SETTLE NEW POSTS.¹

1. DUNCAN CAMERON, "EXTRACTS FROM HIS JOURNAL", IN L. R. MASSON, LES BOURGEOIS DE LA COMPAGNIE DU NORD-OUEST, OP. CIT., VOL. 2, P. 296.

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THIS EVIDENCE DOES CLEARLY DELINEATE THE RISING COSTS DUE TO THE EXPLOITATIVE SLAUGHTER OF THE FUR BEARING ANIMALS, AS WELL AS THE NECESSITY OF INCREASED COSTS BASED ON FURTHER PENETRATION AND EXPLORATION OF THE HINTERLAND. ONE CAN FURTHER NOTICE THE PROPHETIC CHARACTER OF CAMERON'S STATEMENT, CONCERNING THE PESSIMISTIC FUTURE OF THE NORTH WEST FUR TRADE IN GENERAL.

THE TESTIMONY OF ALEXANDER HENRY, THE YOUNGER, PROVIDES A FURTHER STATEMENT REGARDING THE OUTCOME OF THE INTENSE COMPETITION, AND THE FAVOURABLE REACTION OF THE FUR TRADERS TO THE END OF THE COMPETITION.

1ST JANUARY, 1805

AN EXPRESS ARRIVED HERE WITH A PACKET FROM MONTREAL CONTAINING SUNDRY CIRCULARS [sic] LETTERS INFORMING US OF THE COALITION HAVEN TAKEN PLACE. IT CERTAINLY WAS HIGH TIME A CHANGE SHOULD TAKE PLACE IN THIS RIVER. THE COUNTRY WAS ALMOST DESTITUTE OF BEAVER AND OTHER FURS AND THE INDIANS INCREASING IN NUMBERS DAILY FROM THE RED LAKE AND FOND DU LAC COUNTRY. THE XY HAD ALWAYS BEEN LAVISH OF THEIR PROPERTY, SELLING VERY CHEAP, AND WE HAD ON OUR PART TO KEEP THE TRADE IN OUR OWN HANDS WE WERE UNDER THE NECESSITY OF FOLLOWING THEIR EXAMPLE.... WE SPOILT THE INDIANS.... EVERY MAN WHO KILLED A FEW SKINS WAS CONSIDERED AS A CHIEF AND TREATED ACCORDINGLY THERE WAS SCARCELY A COMMON [INDIAN] TO BE SEEN ALL WORE SCARLET COATS.... THERE WAS NO BEARING WITH THEIR INSOLENCE, IF THEY MISBEHAVED AT OUR HOUSE AND CHECKED FOR IT THE NEIGHBOUR [CRÉBASSA OF THE XY COMPANY] WAS ALWAYS READY TO APPROVE OF THE SCOUNDRELS' BEHAVIOUR AND ENCOURAGE THEM TO ROGUERY AND MISCHIEF OFFERING THEM HIS PROTECTION IF THEY WERE IN WANT, BY THIS MOST NOTORIOUS VILLAINS WERE ALWAYS SURE OF A REFUGE AND SUPPLY. OUR SERVANTS WERE GETTING TROUBLESOME, EXTRAVAGANT IN THEIR DEMANDS, LAZY INDOLENT DISINTERESTED FOR THEIR EMPLOYERS AND LAVISH

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WITH THE PROPERTY COMMITTED TO THEIR CHARGE. I AM FULLY CONFIDENT THAT ANOTHER YEAR COULD NOT HAVE BEEN PASSED WITHOUT BLOOD SHED BETWEEN US AND THE SOULTEUX. [sic]²

THE SAME NOTE OF RELIEF AND APPROVAL OF THE END OF THE PERIOD OF COMPETITION CAN BE FOUND IN THE WRITINGS OF CHARLES MCKENZIE, WHO WAS AMONG THE MISSISSOURI INDIANS IN 1804.

REPORT WAS IN CIRCULATION THAT THE COMPANY OF SIR ALEXANDER MACKENZIE HAD COALESCED WITH THE NORTH WEST CO. BOTH FORMING BUT ONE CONCERN. THIS WAS GOOD NEWS, FOR THE OPPOSITION OF INTEREST CREATES DREADFUL DISTURBANCES BOTH IN MEANS AND MORALS AMONG THESE SAVAGE COUNTRIES.³

THESE TESTIMONIES INDICATED THE STRONG ELEMENT OF DISORGANIZATION ENGENDERED IN THE FUR TRADE BY THE COMPETITION OF THE XY AND THE NORTH WEST COMPANIES. THIS DISORGANIZATION TENDED IN EACH CASE, TO EITHER RAISE THE COSTS OF THE FUR TRADE, OR TO LOWER THE RETURNS FROM THE TRADE, OR BOTH. THESE RESULTS OF COMPETITION MADE THE FUR TRADERS DISSATISFIED WITH THE OPPOSITION OF THE TWO COMPANIES.

FROM THE VERY BEGINNING OF THE PERIOD OF COMPETITION, LOSSES WERE REPORTED. THIS EVIDENCE MAY WELL BE EXAGGERATED, SINCE MANY OF THE INSTANCES CITED INVOLVE SOME ELEMENT OF BOASTING. THE FOUNDATION OF THESE QUOTATIONS WAS PROBABLY THAT BOTH COMPANIES WERE NOTICING THE LOSSES DUE TO

3. CHARLES MACKENZIE, "THE MISSISSOURI INDIANS", IN L. R. MASSON, LES BOURGEOIS, OP. CIT., VOL. 1, P. 336.

2. ALEXANDER HENRY, THE YOUNGER, JOURNAL 1799-1811", COVENTRY COPY, MANUSCRIPT, VOL. 1, PP. 345-6, PUBLIC ARCHIVES OF CANADA.

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COMPETITION. WILLIAM MCGILLIVRAY IN WRITING TO DUNCAN CAMERON, RECORDED THE FOLLOWING SUMMARY OF OPERATIONS IN THE FIRST OUTFIT OF COMPETITION.

5TH MAY, 1800

OUR OPPOSITIONS STILL CONTINUE - FORSYTH HAS 9 CANOES & OGILVY 7 FROM MONTREAL. THEY WILL BE SADLY DISAPPOINTED I BELIEVE IN THEIR RETURNS - THEIR PEOPLE FROM FOND DU LAC HAVE ONLY MADE 18 PACKS & MR. SAYER'S DEPARTMENT [NORTH WEST COMPANY] 150 [PACKS]. THEY [THE OPPOSITION] HAVE FARED STILL WORSE IN THE NWEST FOR IN THE WHOLE COUNTRY THEY WILL NOT HAVE 90 PACKS OF GOOD FURS.

.....OUR OPPONENTS COULD NOT GET TO THE ENGLISH RIVER⁴ OR ATHABASCA, BUT I SUPPOSE THEY WILL TRY IT THIS YEAR.

THE ABOVE STATEMENT CAN BE CONTROVERTED BY THE FACT THAT THE XY COMPANY RECORDED AN INVENTORY AT ATHABASCA OF £ 1,520-15-4,⁴ LEFT OVER FROM THE TRADING OF THE OUTFIT OF 1799.⁵ THE XY COMPANY TRADERS WERE IN THE ENGLISH RIVER COUNTRY IN THE SUMMER OF 1800 AND HAD LEFT OVER £ 488- -10 WORTH OF GOODS FROM THE OUTFIT OF 1800.⁶

WILLIAM MCGILLIVRAY WROTE TO ANGUS MCINTOSH AT SANDWICH AS FOLLOWS.

13TH JULY, 1800

I HAVE NOTHING BUT GOOD NEWS TO COMMUNICATE FROM HERE. WE HAVE VERY HANDSOME RETURNS & OUR OPPONENTS HAVE MADE

4. WILLIAM MCGILLIVRAY TO DUNCAN CAMERON, IN "LETTERBOOK", KEPT AT GRAND PORTAGE, BELONGED TO THE NORTH WEST COMPANY, MANUSCRIPT, PP. 125-6, PUBLIC ARCHIVES OF CANADA.

5. -----, -----, BOOK No. 10, OF THE BOOKS OF ACCOUNT OF THE XY COMPANY, MANUSCRIPT, ENTRY OF 30TH NOVEMBER 1800, ARCHIVES DU GRAND SÉMINAIRE DE QUÉBEC.

6. IBID., ENTRY OF 30TH NOVEMBER 1801, SEE BELOW, TABLE 2, P. 146.

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BUT LITTLE. MR. FORSYTH IS TIRED ~~ON~~ IT & HAS PROPOSED TO COME TO AN ARRANGEMENT BUT WE COU'D NOT AGREE ON THE PRELIMINARIES.⁷

WRITING ON THE SAME DAY TO TOUSSAINT POTHIER, MCGILLIVRAY RECORDED ONE OF THE EFFECTS OF COMPETITION ON THE XY COMPANY, CONSOLIDATION, THE TAKING IN OF ANOTHER TRADING INTEREST.

13TH JULY 1800

WE HAVE COMPLETELY PREVENTED OUR OPPONENTS FROM MAKING PACKS. OGILVY HAS FROM 80 TO 90 & FORSYTH ABOUT 80, BUT ALL ARE OF A POOR QUALITY. I DO NOT BELIEVE THEY WILL MAKE MANY MORE THIS YEAR.... THEY HAVE MADE A TEMPORARY ARRANGEMENT & SEND IN THEIR CANOES TOGETHER - OGILVY'S HAUGHTY & IMPERIOUS CONDUCT HAS DEPRIVED HIM OF ALL HIS CLERKS. MR. ERMATINGER HAS JOINED US & MR. WELLS & HOLDEN HAVE ENGAGED THEMSELVES TO FORSYTH YOU MAY SUPPOSE HE IS IN A FINE STEW- I BELIEVE REALLY THEIR LOSS HAS BEEN THE CAUSE THAT HE JOINED FORSYTH FOR HE CONCEIVED HE HAD AN ADVANTAGE OVER THE OTHER IN THE COUNTRY - WE HAVE HAD A GREAT DEAL OF SQUABBLING AT THIS PLACE, BUT NO BLOODSHED. MR. FORSYTH THREATENS TO GET THE MILITARY HERE TO KEEP US IN ORDER - OUR PEOPLE ARE IN GREAT SPIRITS IN THE HOPES OF CLEARING THE COUNTRY SOON OF THE OPPOSITION.⁸

THE FOLLOWING LETTER WAS WRITTEN BY JOHN FRASER, ONE OF THE LONDON CORRESPONDENTS, OR MEMBERS OF THE NORTH WEST COMPANY, TO SIMON MCTAVISH.

29TH AUGUST, 1800

I AM HAPPY TO HAVE SUCH FAVOURABLE ACCOUNTS OF YOUR RETURNS, TO FIND YOU HAVE SO MUCH THE ADVANTAGE OVER YOUR

7. WILLIAM MCGILLIVRAY TO ANGUS MCINTOSH, "LETTER-BOOK" AT GRAND PORTAGE, OP. CIT., P. 136.

8. WILLIAM MCGILLIVRAY TO TOUSSAINT POTHIER, "LETTERBOOK" AT GRAND PORTAGE, OP. CIT., P. 133-4.

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OPPONENTS, & THAT YOU STAND ON SUCH SECURE GROUND AS TO TREAT WITH MR. MCKENZIE [SIR ALEXANDER] IN THE MANNER YOU HAVE, SUCH IDEAS OF HIS INSIGNIFICANCE HE MUST FEEL SENSIBLY.⁹

IN THE ABOVE QUOTATIONS REGARDING THE FIRST OUTFITS OF THE XY COMPANY IN 1799 AND 1800, ONE CAN NOTICE THE TONE OF BRAVADO, AND EXAGGERATION IN THE WRITINGS OF THE MEN OF THE NORTH WEST COMPANY. THESE WITNESSES HAVE BEEN PRESENTED AS PREJUDICED, AND THEIR TESTIMONY MUST BE CONSIDERED AS BIASED. IF THESE TESTIMONIES, WERE THE SIMPLE TRUTH, THEN HOW COULD THE FACT OF FIVE YEARS OF INTENSE COMPETITION BE ACCOUNTED FOR? WITH THIS CONSIDERATION IN MIND THE READER WOULD HAVE TO BE WARNED AGAINST ACCEPTING SUCH CONTEMPORARY ACCOUNTS OF THE NORTH WEST COMPANY'S SUCCESS-ES IN COMPETITION AT THEIR FACE VALUE. IN ORDER TO PROVIDE ANOTHER PERSPECTIVE ON THIS PERIOD, ONE COULD QUOTE FROM THE EVIDENCE OF THE HONOURABLE MR. EDWARD ELLICE, BEFORE THE SELECT COMMITTEE ON THE HUDSON'S BAY COMPANY. THIS EVIDENCE IS CERTAINLY MORE GENERAL THAN THAT PRESENTED ABOVE; IT WAS RECORDED LONG AFTER THE EVENT, AND TO THIS EXTENT, PROBABLY LESS PREJUDICED.

9. JOHN FRASER TO SIMON MCTAVISH, "MCTAVISH FROBISHER PAPERS", FOUND AMONG THE PAPERS OF THE STRATHCONA COLLECTION, PHOTOSTATS OF MANUSCRIPTS, PUBLIC ARCHIVES OF CANADA. THESE PHOTOSTATS WERE NOT ENTIRELY ORGANIZED, THUS REFERENCE MUST BE MADE ONLY BY AUTHOR AND DATE.

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QUESTION ASKED BY MR. CHRISTY

'DID NOT THE NORTH WEST COMPANY PRACTICALLY ENJOY A MONOPOLY OF THE FUR TRADE ALTHOUGH NO EXCLUSIVE RIGHTS WERE GRANTED THEM?'

ANSWER MR. E. ELLICE

'No; THE ORIGINAL NORTH WEST COMPANY SOON SPLIT IN TWO, IN CONSEQUENCE OF A DIFFERENCE ABOUT INTERESTS, THEN THE TWO COMPANIES WERE ACTIVE IN COMPETITION AGAINST THE HUDSON'S BAY COMPANY, AND IT WAS VERY UNCERTAIN WHICH OF THEM LOST THE MOST MONEY; NONE OF THEM GAINED MONEY.... IF YOU WERE TO ALLOW COMPETITION TO TAKE PLACE AGAIN IN THE TRADE OF THE NORTH-WEST TERRITORIES, THAT COMPETITION MIGHT LAST EIGHT OR TEN YEARS, AND THE TRADE WOULD BE UTTERLY DESTROYED; AND THE INDIANS WOULD BE REDUCED TO A STATE OF WANT AND STARVATION OF WHICH ONE CAN GIVE NO DESCRIPTION.'¹⁰

IT WOULD SEEM FROM THIS LATTER TESTIMONY THAT THE KEY TO THE RESULTS OF THE COMPETITION WOULD BE IN THE WORDS "IT WAS UNCERTAIN WHICH OF THEM LOST THE MOST MONEY; NONE OF THEM GAINED MONEY."

ANOTHER DEVICE TO ILLUSTRATE THE EFFECTIVENESS OF THE XY COMPANY IN THE COMPETITION, AND TO FURTHER INDICATE THE SCALE OF THE COMPETITION WOULD BE TO LIST THE POSTS AT WHICH INVENTORIES WERE KEPT AT THE END OF THE RESPECTIVE OUTFITS. THIS LISTING WOULD NOT INCLUDE ALL THE TRADING POSTS OF THE XY COMPANY, BUT ONLY THOSE POSTS HAVING INVENTORIES OF GOODS AT THE END OF AN OUTFIT. SIMILARLY THE AMOUNT OF GOODS ON HAND AT THE END OF ANY OUTFIT, WOULD

10. SELECT COMMITTEE ON HUDSON'S BAY COMPANY, REPORT OF HEARINGS FROM 31ST JULY, TO 11TH AUGUST, 1857, PRINTED BY ORDER OF THE HOUSE OF COMMONS, LONDON, ENGLAND, 1858, P. 342, PARAGRAPH 5937, AND PP. 348-9, PARAGRAPH 6019.

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NOT NECESSARILY INDICATE THE TOTAL AMOUNT OF GOODS TRADED FROM ANY PARTICULAR POST, BUT SIMPLY WHAT WAS LEFT AT THE END OF EACH OUTFIT. SUCH A LIST HAS BEEN PRESENTED IN TABLE II. FROM THIS TABLE, TWO CONCLUSIONS MIGHT BE DRAWN. THE XY COMPANY EXPANDED ITS OPERATIONS EVERY YEAR DURING THE PERIOD OF OPPOSITION, BY INCREASING THE NUMBER OF POSTS. THE INVENTORIES RECORDED AT YEAR END IN THE POSTS LISTED SUPPORT THE SECOND CONCLUSION THAT THE XY COMPANY INCREASED THE VOLUME OF BUSINESS AT THE POSTS AND THEIR ENVIRONS. THUS DURING THE PERIOD OF ITS OPERATIONS, THE XY COMPANY INCREASED BOTH THE NUMBER OF POSTS IT OPERATED, AS WELL AS THE AMOUNT OF TRADE GOODS TRADED TO THE NORTH WEST.

THE INFORMATION PRESENTED IN TABLE II HAS BEEN RECONSTRUCTED FROM THE YEAR END ENTRIES FOR EACH OUTFIT OF THE XY COMPANY. THESE ENTRIES WERE MADE IN THE BOOKS OF ACCOUNT OF THE XY COMPANY, BOOKS NO. 10 AND 11. THE RESIDUAL OR FINAL FIGURE AT THE BOTTOM OF EACH COLUMN IS THE AMOUNT OF INVENTORY WHICH WAS CHARGED TO THE OPERATING COSTS OF THE NEXT OUTFIT. THE OUTFIT OF 1800 WAS CHARGED WITH £ 4,944-19- 1, WHICH WAS ESTIMATED TO BE THE VALUE OF THE GOODS LEFT OVER AFTER THE OUTFIT OF 1799. SIMILARLY THE SUCCEEDING OUTFITS WERE CHARGED WITH THE CLOSING INVENTORY OF THE PRECEDING OUTFIT, WHICH WOULD REPRESENT THE VALUE OF THE GOODS IN THE NORTH WEST AVAILABLE FOR TRADE AT THE END OF AN OUTFIT. THESE INVENTORIES

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Table 11. - Closing Inventories Held by the XY Company
In the North West 9a

Location	1804	1803	1802	1801	1800
Grand Portage	£ 7,711- 8- 7	£ 11,008- 6- 2	£ 7,102- 2- 6	£ 3,790-15- 8	£ 4,116-12-
Lake LaPluye	2,154-14- 4	3,111-12-11	2,881- 5- 5	558- - 7	568-19-
Red River	1,368- 8-11	1,683- 6- 1	2,582- 2- 2	1,559- 3- 8	1,767- 7-
Forts Des Prairies	1,701-11- 3	1,605-10- 1	2,589-12-11	2,014- 7- 9	2,262- 1-
Athabasca	1,335- 8	2,998- 9-10	2,512-16-	2,086-16- 7	1,042-15-
Michilimackinac					
Sault St. Mary's	647-10- 3	263- 8- 1	40- 5- 6	381-18- 8	858- 2-
Fond du Lac	436- 2- 5	853- - 3	270- -	95- - 9	130- 9-
Fort Dauphin	684-19- 9	937-17- 9	892-10- 3	537- - 8	617-13-
River LaBiche				314- 6- 6	391- 9-
Portage de L'Isle				134-13-11	57- 6-
Bottom River Quinipique	93- 8- 4	66-18-			35-11-
Lac Quinipic	191-13- 9	304-16-11	591- 3- 1	543-14- 6	
River Quinipique	83-10- 8				
The Chats	98- 2-	174- 1- 2	180- 6-	418-11- 3	
The Barriere			41-17- 8	47-18-11	
Keministiquia		595- 4- 5	1,022- 7- 4		
River Pic	217- 4- 2	213-18-11	284- 3- 5		
Schooner Perseverence (cargo)	313-16- 1	2,737-15- 6	2,737-15- 6		
Black River		27- 2-10			
English River	3,571-13- 2	2,918- - 3	2,283- 4- 5	1,181-10- 7	488-
Mailloux's Inventory	177- 1	347- 6- 8	176-17-11	52-16- 3	206-13-
Men's Equipment at Athabasca	1,768- 6- 2			323-11- 1	
Monataille		424- 3-10			
Fort Charlotte	1,970- 4- 9				
Lake Nipigon	207-19- 9				
Lac Salle	298-18- 9				
Leech Lake	309- 5- 2				
Sandy Lake	173- 4-10				
Rat River	164-19-11				
Athabasca River	269-19-10				
Peace River	1,187- 3- 2				
Slave Lake	904- 4- 1				
Milles Lacs	191-10- 6				
Lac Des Flambeaux	91- 7- 1				
Sundry Indian Credits	1,002- 1- 7				
Forts and Buildings valued at	2,221-17- 6				
Schooner Perseverence valued at	2,300- -				
TOTAL INVENTORY OF GOODS	£ 33,847- 8- 5	£ 30,270-19- 8	£ 26,188- 4- 6	£ 14,040- 7- 4	£ 12,543- 4-
Debts due by Sundry Men	7,162- 7- 3	4,103- 2-10	2,709- 3- 7	1,839-11-	1,192- -
	41,010- 3- 8	34,374- 2- 6	28,897- 8- 1	15,879-18- 4	13,735- 4-
Debts due to Sundry Men	4,543-16- 8	14,500-19-	13,330- 1- 6	10,776- 9- 8	6,284-16-
NET INVENTORY	36,466- 7-	19,873- 3- 6	15,567- 6- 7	5,103- 8- 8	7,450- 8-

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- 9A. THE INFORMATION IN TABLE II WAS ASSEMBLED FROM BOOKS 10 AND 11 OF THE BOOKS OF ACCOUNT OF THE XY COMPANY.
- | | |
|---------------------------------|--|
| REGARDING THE INVENTORY OF 1804 | SEE ENTRIES IN BOOK 11, DATED NOVEMBER 30TH, 1805. |
| REGARDING THE INVENTORY OF 1803 | SEE ENTRIES IN BOOK 10, DATED NOVEMBER 30TH, 1804. |
| REGARDING THE INVENTORY OF 1802 | SEE ENTRIES IN BOOK 10, DATED NOVEMBER 30TH, 1803. |
| REGARDING THE INVENTORY OF 1801 | SEE ENTRIES IN BOOK 10, DATED NOVEMBER 30TH, 1802. |
| REGARDING THE INVENTORY OF 1800 | SEE ENTRIES IN BOOK 10, DATED NOVEMBER 30TH, 1801. |
| REGARDING THE INVENTORY OF 1799 | SEE ENTRIES IN BOOK 10, DATED NOVEMBER 30TH, 1800. |

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WERE NOT PRICED AT COST, BUT AT 100 PER CENT ADVANCE ON THE COST PRICE. ATTENTION MUST BE CALLED TO THE FACT THAT £ 4,944-19- 1 WAS NOT THE ESTIMATED VALUE OF THE GOODS IN THE NORTH WEST AFTER THE OUTFIT OF 1799, BUT RATHER THE RESULTANT VALUE AFTER AN ALLOWANCE HAD BEEN MADE FOR DEBTS DUE FROM THE MEN, AND WAGES DUE TO THE MEN. THE ACTUAL INVENTORY VALUATION FOR THE GOODS LEFT OVER AFTER THE OUTFIT OF 1799 WOULD BE £ 5,491- 1- 6.

THE FOLLOWING SUMMARY HAS BEEN DIGESTED FROM TABLE II.

OUTFIT OF	NUMBER OF POSTS REPORTING A CLOSING INVENTORY
1799	6
1800	12
1801	15
1802	15
1803	18
1804	27

FROM THE SUMMARY OF POSTS REPORTING CLOSING INVENTORIES ABOVE, ONE CAN OBSERVE THAT THE NUMBER OF POSTS INCREASED STEADILY DURING THE PERIOD OF OPPOSITION. THE LARGEST INCREASES TOOK PLACE AFTER THE OUTFITS OF 1799 AND 1803. THESE FACTS WOULD LEAD ONE TO EXPECT THAT THE XY COMPANY PROVIDED STRONG OPPOSITION IN THE NORTH WEST FUR

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TRADE, SINCE ITS OPERATIONS WERE CONSTANTLY EXPANDING. THE FACT WAS THAT INCREASED NUMBERS OF POSTS WERE BEING USED TO STORE THE GOODS LEFT OVER AFTER EACH SUCCESSIVE OUTFIT. THE OUTFITS OF 1799 AND 1800 INDICATE THE SETTING OF THE SCALE OF OPERATIONS FOR THE XY COMPANY. THIS SCALE OF OPERATIONS DEMANDED THE USE OF A DOZEN INVENTORY POSTS. IN THE OUTFITS OF 1801, 1802, AND 1803, THE SCALE OF OPERATIONS WAS MAINTAINED, AND SLIGHTLY INCREASED. IN THE OUTFIT OF 1804, THE SCALE OF OPERATIONS WAS SIGNIFICANTLY EXPANDED. THESE TRENDS TAKEN TOGETHER SHOW THAT TRADING STRENGTH OF THE XY COMPANY IN THE COMPETITION WITH THE NORTH WEST COMPANY. SUCH CONSIDERATIONS LEAD ONE TO DISCOUNT SOME OF THE REPORTS OF SUCH WITNESSES OF THE OPPOSITION AS WILLIAM MCGILLIVRAY OF THE NORTH WEST COMPANY. AS COULD REASONABLY BE EXPECTED HIS REPORTS WERE WELL LARDED WITH PROPAGANDA, IN AN EFFORT TO MINIMIZE THE ACTUAL SCALE OF OPERATIONS OF THE XY COMPANY.

THE SUMMARY WHICH FOLLOWS HAS BEEN DERIVED FROM TABLE II. FROM THIS SUMMARY OF THE VALUE OF CLOSING INVENTORIES ONE CAN NOTICE THE FOLLOWING TRENDS. THE INCREASE

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SUMMARY OF THE AMOUNT OF GOODS AVAILABLE
IN THE NORTH WEST AT THE END OF EACH OUTFIT
OF THE XY COMPANY

OUTFIT OF	VALUE OF GOODS	PERCENTAGE INCREASE OVER OUTFIT OF 1799	PERCENTAGE INCREASE OVER PRIOR OUTFIT
1799	£ 5,491- 1- 6	NONE	NONE
1800	12,543- 4- 7	228%	228%
1801	14,040- 7- 4	256%	28%
1802	26,188- 4- 6	477%	221%
1803	30,270-19- 8	551%	74%
1804	33,847- 8- 5	616%	65%

IN THE VALUE OF THE CLOSING INVENTORIES FROM OUTFIT TO OUTFIT IS EVIDENT. THE COLUMN WHICH SHOWS THE INCREASE IN SUCCESSIVE INVENTORIES EXPRESSED AS A PERCENTAGE OF THE CLOSING INVENTORY OF THE OUTFIT OF 1799, INDICATES SOME NOTION OF THE MAGNITUDE OF THE EXPANSION IN THE SCALE OF OPERATIONS OF THE OUTFITS AFTER 1799. THE READER IS WARNED THAT THESE REASONINGS ARE INTENDED TO REMAIN TENTATIVE, IN SO FAR AS CLOSING INVENTORIES ARE NOT AN INFALLIBLE MEASURE OF THE VOLUME OF TRADE. HOWEVER THERE ARE REASONS TO BELIEVE THAT IN THE FUR TRADE OF THE NORTH WEST, CLOSING INVENTORIES WOULD BE RELATED TO THE VOLUME OF TRADE, SINCE IT WAS NOT THE CUSTOM OF THE TRADERS TO LEAVE GOODS AT INACTIVE POSTS, NOR TO SEND MORE GOODS TO A POST THAT

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DID NOT TRADE THEM TO ADVANTAGE. WITH THESE LIMITATIONS IN MIND, ONE COULD EXPECT THAT THERE WAS A TREND TO RAPIDLY EXPANDING SCALE OF OPERATIONS BY THE XY COMPANY. THIS SCALE OF OPERATIONS INCREASED IN EACH OUTFIT. FROM THE COLUMN LABELLED "PERCENTAGE INCREASE OVER PRIOR OUTFIT", THESE CONCLUSIONS SEEM IN ORDER. THE MORE NOTABLE EXPANSIONS, FROM THIS POINT OF VIEW, WOULD HAVE TAKEN PLACE IN THE OUTFITS OF 1800-1801, AND 1802-1803. THE REASON FOR DESIGNATING TWO OUTFITS, 1800-1801, IS THAT THE 228 PER CENT INCREASE IN CLOSING INVENTORY OF THIS YEAR WOULD INDICATE THAT MORE TRADE GOODS WERE ON HAND AT THE END OF THE OUTFIT OF 1800, AND THUS AVAILABLE IN THE NORTH WEST FOR TRADE IN THE OUTFIT OF 1801. A SIMILAR EXPLANATION COULD BE ATTACHED TO THE 221 PER CENT INCREASE IN THE CLOSING INVENTORY OF THE OUTFIT OF 1802.

IN THE SUMMARY OF CLOSING INVENTORIES PRESENTED ABOVE, IT SHOULD BE NOTICED THAT THE FIGURES PRESENTED WERE THE VALUE OF THE GOODS LEFT ON HAND. THE ADJUSTMENTS CONCERNING "DEBTS DUE BY SUNDRY MEN" AND "DEBTS DUE TO SUNDRY MEN", HAVE BEEN EXCLUDED, SINCE THESE FIGURES WOULD CAUSE A DISTORTION IN THE CALCULATIONS OF THE NET VALUE OF THE GOODS LEFT IN THE NORTH WEST AT THE END OF THE RESPECTIVE OUTFITS. SUCH A DISTORTION WOULD BE RELATED SIMPLY TO THE PAYROLL POSITION OF THE COMPANY, AND WOULD HAVE NO RELATION TO THE VALUE OF THE CLOSING INVENTORIES. ONE CAN READILY

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OBSERVE FROM TABLE II THAT THE WAGE FIGURES RELATING TO EACH OUTFIT VARY WIDELY, THUS THEY HAVE BEEN EXCLUDED FROM THE ABOVE SUMMARY.

AN INSPECTION OF TABLE II COULD LEAD TO INTERESTING SPECULATION REGARDING THE VOLUME OF TRADE CARRIED ON AT THE VARIOUS POSTS, AND TRADING AREAS BY THE XY COMPANY. THUS IT MUST BE POINTED OUT THAT CLOSING INVENTORIES ARE NOT DIRECTLY RELATED TO VOLUME OF TRADE. AN ILLUSTRATIVE EXAMPLE MIGHT BE PRESENTED IN THIS PLACE TO WARN AGAINST A FALLACY. SUPPOSE THAT A CERTAIN POST RECEIVED GOODS IN EACH OUTFIT, AND IN FACT DID NO TRADING AT ALL. THEN THE CLOSING INVENTORY OF THIS POST WOULD INCREASE AT THE END OF EACH OUTFIT, WHILE BY DEFINITION NO TRADE WAS CARRIED ON.

WITH THIS PRECAUTION IN MIND, THE READER MAY EXAMINE TABLE II. IN THE CASE OF THE FUR TRADE IN THE NORTH WEST, ONE COULD EXPECT TO FIND SOME RELATIONSHIP BETWEEN THE CLOSING INVENTORY OF A POST, AND ITS VOLUME OF TRADE. IT WAS NOT THE CUSTOM OF THE TRADERS TO SEND GOODS TO POSTS WHICH WERE NOT ACTIVELY TRADING. FROM TABLE II ONE CAN NOTICE THAT CERTAIN POSTS WERE NO LONGER LISTED AS HAVING CLOSING INVENTORIES. AFTER THE OUTFIT OF 1799 MICHILIMACKINAC CEASED TO HAVE A CLOSING INVENTORY. THIS MIGHT BE EXPLAINED EITHER THAT THE POST WAS ABANDONED AS A TRADING VENTURE, OR THAT ITS TRADE WAS TOO SMALL TO JUSTIFY KEEPING GOODS THERE OVER THE WINTER. OTHER POSTS CEASED TO HAVE

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CLOSING INVENTORIES, RIVER LA BICHE, THE BARRIERE, PORTAGE DE L'ISLE AFTER THE OUTFIT OF 1802; BLACK RIVER AND MONA-TAILLE AFTER THE OUTFIT OF 1803.¹¹ IT MIGHT BE CONCLUDED THAT SUCH POSTS WERE NO LONGER USED FOR CLOSING INVENTORIES SINCE THEIR IMPORTANCE TO THE TRADE HAD DECLINED.

THE INFORMATION LISTED IN TABLE II MIGHT BE USED TO INDICATE ROUGHLY THE EXTENT OF THE OPERATIONS OF THE XY COMPANY, IN THE SPECIFIC PARTS OF THE NORTH WEST, AS IT WERE THE GEOGRAPHICAL AREAS OF OPERATIONS OF THE COMPANY. IT MUST BE NOTED THAT THE POSTS LISTED IN TABLE II MIGHT WELL BE FEWER THAN THE NUMBER OF POSTS ACTUALLY OPERATED BY THE COMPANY, SINCE NOT ALL THE TRADING POSTS COULD BE EXPECTED TO HAVE A CLOSING INVENTORY. SOME POSTS MIGHT HAVE TRADED MOST OR ALL OF THE TRADE GOODS SENT TO THEM, WHILE OTHER AND PERHAPS SMALLER POSTS WOULD HAVE THEIR CLOSING INVENTORIES LISTED WITH THE GOODS OF THE CHIEF POST IN THE RESPECTIVE TRADING AREA. FROM THIS POINT OF VIEW, ONE CAN STATE THAT THE XY COMPANY DID CERTAINLY EXPAND ITS OPERATIONS IN THE PERIOD OF COMPETITION WITH THE NORTH WEST COMPANY. MORE SIGNIFICANTLY, ONE CAN STATE THAT THE GREATEST EXPANSION TOOK PLACE TOWARDS THE END OF THE PERIOD OF COMPETITION,

11. BOTTOM OF THE RIVER OUI-~~NIPIQUE~~ NIPIQUE HAD NO CLOSING INVENTORIES FOR THE OUTFITS OF 1801 AND 1802.

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AS IS INDICATED BY THE CLOSING INVENTORIES FOR THE OUTFITS OF 1803 AND 1804. THUS THE UNION IN 1804 MAY HAVE APPEARED TO THE NORTH WEST COMPANY AS A DEVICE FOR CONTROLLING A RAPIDLY EXPANDING COMPETITOR.

IT SHOULD BE NOTICED FROM TABLE II THAT SOME OF THE POSTS WERE MORE IMPORTANT THAN OTHERS. SOME POSTS WERE THE ENTREPÔTS OF A TRADING AREA. THUS THE CONSISTENTLY LARGE CLOSING INVENTORIES AT GRAND PORTAGE, COULD BE EXPLAINED AS STORES AVAILABLE FOR TRADING PARTIES WHICH WOULD BE GOING INTO THE NORTH WEST EARLY IN THE SPRING BEFORE THE ARRIVAL OF THE FREIGHT CANOES FROM MONTREAL. THE LARGE INVENTORIES HELD AT 'LAKE LAPLUYE", RED RIVER, FORTS DES PRAIRIES, ATHABASCA AND ENGLISH RIVER, WOULD SUGGEST THAT THESE WERE CENTRAL WAREHOUSE POSTS. THEIR FUNCTION WOULD BE TO HAVE AVAILABLE TO THE COMPANY TRADERS IN THEIR AREAS, A SUPPLY OF TRADE GOODS AVAILABLE THE YEAR AROUND, AND NOT DEPENDENT ON THE ARRIVAL OF THE NORTH CANOES FROM GRAND PORTAGE, FOR THE GOODS REQUIRED IN THE CURRENT TRADING YEAR. THUS THE GOODS BROUGHT TO THESE POSTS IN THE LATE SUMMER AND EARLY AUTUMN WERE NOT IMMEDIATELY REQUIRED, AND WERE TO BE WAREHOUSED IN THESE POSTS UNTIL NEEDED.

A FURTHER OBSERVATION BASED ON TABLE II WOULD BE SIGNIFICANT IN REGARD TO THE AMOUNT THAT THE MEN WORKING FOR THE FUR TRADERS WOULD REALIZE IN GOODS. THE FOLLOWING IS A PRESENTATION OF THAT PART OF TABLE II WHICH DEALS WITH

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DEBTS DUE TO AND FROM THE MEN.

OUTFIT OF	DUE FROM SUNDRY MEN	DUE TO SUNDRY MEN
1799	£ 395- 2- 8	£ 941- 5-11
1800	1,192- - -	6,284-16- 5
1801	1,839-11- -	10,776- 9- 8
1802	2,709- 3- 7	13,330- 1- 6
1803	4,103- 2-10	14,500-19- -
1804	7,162- 7- 3	4,543-16- 8

THE FACT THAT THESE ITEMS ARE CONSIDERED IN RELATION TO THE VALUE OF CLOSING INVENTORIES IS AN INDICATION OF THE POLICY OF PAYING THE MEN IN GOODS. ONLY IN THE OUTFIT OF 1804 DID THE COMPANY ALLOW THE AMOUNT OWED BY THE MEN TO BECOME GREATER THAN, THE AMOUNT OWED TO THE MEN; THAT IS THE MEN WERE NOT ALLOWED TO BECOME INDEBTED TO THE COMPANY. THESE FIGURES ARE TOTALS AND THEREFORE GENERALIZED, YET THEY DO INDICATE THE POLICY OF NOT ALLOWING THE MEN EMPLOYED IN THE TRADE TO CONSUME MORE TRADE GOODS THAN THE VALUE OF THEIR WAGES.

THE ITEM "SUNDRY INDIAN CREDITS" APPEARS ONLY IN THE OUTFIT OF 1804. ONE WOULD EXPECT THAT THIS ITEM WOULD BE PERTINENT IN EACH OF THE PRECEDING OUTFITS. THUS THE OMISSION OF THIS ITEM WOULD TEND TO UNDERVALUE THE INVENTORIES HELD IN THE NORTH WEST. ON THE OTHER HAND THE

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EXCLUSION OF THIS ITEM MIGHT INDICATE A STRINGENT CREDIT POLICY ON THE PART OF THE XY COMPANY, IN SO FAR AS IT APPARENTLY COLLECTED ALL ITS CREDITS FROM THE INDIANS AT THE END OF EACH OUTFIT. THIS LAST POINT CANNOT BE CONFIRMED FROM AVAILABLE INFORMATION IN TABLE II.

ONE MIGHT CONCLUDE THAT FROM TABLE II, AND EXHIBITS DERIVED FROM IT, THAT THE XY COMPANY DID INCREASE ITS SCALE OF OPERATIONS DURING THE PERIOD OF COMPETITION AGAINST THE NORTH WEST COMPANY. THIS CONCLUSION MUST REMAIN MODIFIED BY THE RESTRICTIONS TO IT OUTLINED ABOVE. FURTHER IT MUST NOT BE CONCLUDED THAT AN EXPANDING SCALE OF OPERATIONS NECESSARILY INDICATED MORE PROFITABLE OPERATIONS. THIS POINT WILL BE DEALT WITH MORE FULLY IN THE FOLLOWING CHAPTER ON CAPITAL STRUCTURE OF THE XY COMPANY.

THE VIOLENT COMPETITION BETWEEN THE XY AND THE NORTH WEST COMPANIES LED TO A TIGHTENING OF THE ORGANIZATIONAL STRUCTURE OF BOTH COMPANIES, AND THIS IN TURN WAS A STEP ON THE PATH TO UNION. IN CHAPTER II ABOVE, THE INCREASED INVESTMENT, ADDED PARTNERS, AND THE VALUE OF THE SUCCESSIVE OUTFITS HAS BEEN RECORDED FOR THE XY COMPANY. THIS SAME PROCESS HAS BEEN ADEQUATELY DESCRIBED ELSEWHERE FOR THE NORTH WEST COMPANY, BY A. S. MORTON.

...THE 'NEW NORTH WEST COMPANY' COMMONLY KNOWN AS THE XY COMPANY, SUBJECTED THE OLD NORTH WEST COMPANY TO A COMPETITION SUCH AS IT HAD NOT YET EXPERIENCED. THE NECESSITY OF RENEWING ITS PARTNERSHIP [THE 'OLD' COMPANY] FROM TIME TO TIME PROVED THE ACHILLES HEEL, THE VUL-

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NERABLE POINT, IN THE OTHERWISE PERFECT ARMOUR OF THE NORTH WEST COMPANY.¹²

IN 1802 THE NORTH WEST COMPANY REORGANIZED ITS COPARTNERSHIP FOR AN ADDITIONAL TWENTY YEARS, AND AT THE SAME TIME THE KING'S POSTS WERE RENTED FOR THE SAME PERIOD.¹³ THIS REORGANIZATION WAS NOT ENTIRELY DUE TO THE PERIOD OF COMPETITION, BUT THE RESULTING AGREEMENT OF COPARTNERSHIP WAS DEFINITELY CONDITIONED BY THE OPPOSITION, AS WAS INDICATED IN THE TESTIMONY OF JOHN FRASER.

27TH OCTOBER, 1802

YOUR COMPLETE UNION MUST ULTIMATELY BAFFLE THE ATTEMPTS OF YOUR ADVERSARIES & YOUR SUCCESS, WHICH IS REALLY EXTRA ORDINARY UNDER SUCH CIRCUMSTANCES, WILL ENABLE YOU TO COMBAT THEM WITH ADVANTAGE.¹⁴

THE PERIOD OF COMPETITION LASTED FROM 1799 TO 1804, AND PERHAPS ONE OF THE REASONS THAT IT DID NOT END IN UNION BEFORE 1804, WAS THE TREND OF RISING PRICES OBTAINED FROM THE SALE OF FURS. THESE RISING PRICES FOR FURS TENDED TO OFFSET THE INCREASED COSTS DUE TO THE COMPETITION, AND FURTHER TO PROVIDE A FAVOURABLE PSYCHOLOGICAL CLIMATE OF OPIN-

12. A. S. MORTON, HISTORY OF THE CANADIAN WEST TO 1870-1, OP. CIT., P. 344.

13. L. R. MASSON, LES BOURGEOIS, OP. CIT., VOL. 1, P. 77.

14. JOHN FRASER TO SIMON MCTAVISH, MCTAVISH FROBISHER PAPERS, IN THE STRATHCONA COLLECTION AT THE PUBLIC ARCHIVES OF CANADA, OP. CIT., UNDER THE DATE AS ABOVE.

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ION FOR THE PURSUIT OF THE TRADE. THE FOLLOWING LETTER FROM JOHN FRASER IN LONDON TO SIMON MCTAVISH OF THE NORTH WEST COMPANY RECORDED THIS TREND.

12TH MAY, 1800

FURS ARE COMING MUCH INTO FASHION HERE, FOR OUR LUXURY IN EVERY SHAPE...& THE BEST [FURS] WILL PROBABLY CONTINUE TO SUPPORT GOOD PRICES.¹⁵

LORD SELKIRK NOTED THIS SAME TREND TO RISING PRICES FOR FURS IN HIS DIARY, AND HE FURTHER IMPLIED THAT THESE HIGHER PRICES WERE THE MAIN CAUSE OF PREVENTING THE INCREASED COSTS OF COMPETITION FROM PRODUCING NET LOSSES AMONG THE FUR TRADERS.

MCT HIMSELF [SIMON MCTAVISH, NORTH WEST COMPANY] SAID THAT IT WAS ONLY THE UNEXPECTED HIGH PRICES [FOR FURS] THAT KEPT THEM FROM LOSS - THAT IN 1792 150,000 LBS. OF BEAVER WAS GOT AT 1/3 THE EXPENSE THAT IN 1802 IT HAS COST THE TWO COMPANIES TO GET 100,000 LBS. [OF BEAVER FURS].¹⁶

THIS STATEMENT WOULD DEFINITELY INDICATE THAT THE INCREASE IN THE COSTS OF PROCURING BEAVER PELTS WAS GREATER BECAUSE OF THE COMPETITION OF THE XY COMPANY.

THE GENERAL RISE IN THE SELLING PRICES FOR FURS WAS NOTICED BY THE XY COMPANY AT THE TIME. DANIEL SUTHERLAND,

15. IBID.

16. THOMAS DOUGLAS FIFTH EARL OF SELKIRK, "DIARY", IN TRANSCRIPT, AMONG THE SELKIRK PAPERS, VOL. 75, P. 19726, PUBLIC ARCHIVES OF CANADA.

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WRITING TO PHYN, INGLIS AND COMPANY RECORDED THE FOLLOWING.

20TH AUGUST, 1802

A/C [ACCOUNT] OF SALES OF FURS XY AMOUNTING TO
£ 7,479-5-5, WHICH HAVE GREATLY EXCEEDED OUR EXPECTA-
TIONS...17

THE ABOVE EVIDENCE REFLECTED BOTH THE HIGHER PRICES FOR FURS IN LONDON AND THE HIGHER COSTS DUE TO COMPETITION. THUS ONE MIGHT REASON AS FOLLOWS; GIVEN THE CASE THAT THERE WAS NO RISE IN PRICE AT THE LONDON FUR AUCTIONS, THEN THE INCREASED COSTS OF COMPETITION WOULD HAVE BEEN MORE DEMANDING ON THE COMPANIES, AND PERHAPS FORCED SOME IMMEDIATE SOLUTION TO THE COMPETITION. THIS RISE IN FUR SELLING PRICES WAS A FACTOR THAT KEPT THE RISING COST PRICES DUE TO THE OPPOSITION FROM BEING FULLY EVIDENT, AND FROM HASTENING THE SOLUTION TO THIS OPPOSITION.

THE OPTIMISM OF THIS PERIOD HAS BEEN RECORDED BY WILLIAM MCGILLIVRAY IN WRITING TO THE GENTLEMEN PROPRIETORS OF THE NORTH WEST COMPANY. HIS LETTER RECORDS THE SUCCESSES OF THE BRITISH FORCES IN EUROPE AND THE RISING SELLING PRICES FOR FURS.

23RD MAY, 1802

...AND FIRST AS AN EVENT HIGHLY INTERESTING TO US AND TO ALL THE COMMERCIAL WORLD, I MUST MENTION THE GENERAL PEACE IN EUROPE - THE PRELIMINARIES WERE SIGNED IN LONDON ON THE 1ST OF OCTOBER 1801 AND LORD CORNWALLIS

17. DANIEL SUTHERLAND TO PHYN, INGLIS AND COMPANY, "XY LETTERBOOK", MANUSCRIPT, P. 4, ARCHIVES DU GRAND SEMINAIRE DE QUEBEC.

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HAS BEEN SINCE TO A CONGRESS AT AMIENS NEGOCIATING [SIC] THE DEFINITIVE TREATY WHICH IS NOT YET SIGNED - THIS EVENT WAS ACCELERATED BY THE GLORIOUS SUCCESS OF OUR ARMS IN ALL QUARTERS - OUR FLEET HAD THROUGHOUT SUPPORTED THEIR FORMER CHARACTER - IT WAS IMPOSSIBLE TO EXCEED IT - AND OUR ARMY OF EGYPT HAS EXPLOITS WHICH HAVE RAISED OUR NATIONAL CHARACTER BY LAND SO HIGH AS IT WAS ALREADY BY SEA. THE PEACE HAS BENEFITED OUR SALES FAR BEYOND OUR MOST SANGUINE EXPECTATIONS - WE HAVE EVERY REASON TO HOPE THAT THE NET PROCEEDS WILL EXCEED OUR INVOICE VALUATION, TEN OR TWELVE THOUSAND POUNDS! THUS UNEXPECTED AUGMENTATION WILL MAKE THE PROFITS OF THE OUTFIT OF 1800 EQUAL AT LEAST TO THOSE OF 1799, ON WHICH ALLOW ME TO CONGRATULATE YOU - SUCH UNEXAMPLED PROSPERITY IS INDEED SURPRISING IN TIME OF OPPOSITION.¹⁸

IT MAY BE NOTED HERE THAT THROUGHOUT THIS PERIOD THE NORTHWESTERS HAD A KEEN INTEREST IN EUROPEAN EVENTS. THIS WAS PERHAPS DUE TO THE FACT THAT A STATE OF WAR OR PEACE HAD A SIGNIFICANT EFFECT ON THEIR OBTAINING TRADE GOODS FROM ENGLAND, AND THE RESULTANT FUR SALES IN THE LONDON FUR AUCTIONS. A FURTHER REASON FOR THIS INTEREST WAS THAT THEIR CREDIT RATINGS WOULD IMPROVE IN PEACE TIME AND DEPRECIATE IN TIME OF WAR.

THE MOVEMENT OF SELLING PRICES FOR FURS HAS BEEN OUTLINED FROM REPORTS OF THE TRADERS. THE MOVEMENT OF COST PRICES CAN BE SUBJECTED TO A MORE THOROUGH ANALYSIS, SINCE THE BOOKS OF ACCOUNT OF THE XY COMPANY HAVE RECORDED MANY INTERESTING TYPES OF INFORMATION ON THIS TOPIC. THE PROCESS OF PRICING THE TRADE GOODS WAS QUITE PRIMITIVE DURING

18. WILLIAM MCGILLIVRAY, TO THE GENTLEMEN PROPRIETORS OF THE NORTH WEST COMPANY, "LETTERBOOK" KEPT AT GRAND PORTAGE, OP. CIT., PP. 183-4.

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THE PERIOD OF OPERATIONS OF THE XY COMPANY. A UNIFORM "MARK UP" OR INCREASE OVER COST PRICE WAS USED TO DETERMINE SELLING PRICES IN THE FUR TRADE. THE TRADE GOODS SOLD BY THE TRADERS TO THE INDIANS WERE SIMPLY PRICED AT DOUBLE THEIR COST, THE "MARK UP" WAS 100 PER CENT. THE PRIMITIVE NATURE OF THIS PRICING TECHNIQUE IS BEST ILLUSTRATED BY POINTING OUT THAT NO SPECIAL PROVISION WAS MADE FOR FREIGHT. GOODS WERE SOLD AT THE SAME PRICE AT GRAND PORTAGE, LAKE WINNIPEG, RED RIVER AND SLAVE LAKE. THESE TRADE AREAS HAVE BEEN SELECTED AS CONVENIENT EXAMPLES TO DEMONSTRATE THAT GOODS WERE PRICED FOR SALE IN THE NORTH WEST WITHOUT SPECIAL PRICE INCREMENTS FOR DIFFERENT POSTS, AT LONGER DISTANCES FROM THE ENTREPÔT AT GRAND PORTAGE. THIS POLICY CAN BE OBSERVED BY INSPECTION OF TABLE III.

TABLE III HAS BEEN CONSTRUCTED FROM INVOICES OF PHYN, INGLIS AND COMPANY, FOR TRADE GOODS RECEIVED IN 1804. THESE INVOICES WERE COPIED INTO BOOK NO. 4 OF THE BOOKS OF ACCOUNT OF THE XY COMPANY. USUALLY THERE WERE TWO INVOICES A YEAR, SINCE THE BRITISH MERCHANT SENT THE TRADE GOODS TO MONTREAL IN TWO DIFFERENT SHIPS IN ORDER TO DECREASE THE RISK OF LOSSES DUE TO SHIPWRECK. THE SELLING PRICES SHOWN IN TABLE III FOR THE VARIOUS POSTS LISTED, WERE TAKEN FROM BOOK NO. 5 OF THE BOOKS OF ACCOUNT OF THE XY COMPANY. THIS DOCUMENT CONTAINS THE RECORD OF THE TRADE GOODS SENT TO EACH

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Table 111. - Cost and Selling Prices of the Trade of the XY Company in 1804.

ITEM	COST PRICE		SH
	Montreal		
Recorded in the Phyn, Inglis and Company Invoice dated 20th March, 1804. 1	1		Cx
	£ -s -d		
Hudson's Bay Blankets 3½ point	- 27 -		
Hudson's Bay Blankets 3 point	- 20 - 6		
Hudson's Bay Blankets 2½ point	- 15 - 6		
Common Blankets 3 point	- 19 -		
Common Blankets 2½ point	- 15 -		
Carrot Tobacco per pound	- 12 -		
Coloured Thread per pound	7 - 7½		
Coloured Calico per yard	6 -		
London Scot's Garters per gross	- 15 -		
Neddles per 1000	6 - 8		
Scalping Knives per doz.	2 - 7		
Indian Awls per gross	3 - 8		
Codlines	3 - 4		
Small Looking Glasses per doz.	2 - 6		
Circle Feathers, Peacock, each	9 -		
Turlington's Balsam per doz.	- 12 -		
Essence of Peppermint per doz.	9 -		
Essence of Lemon per doz.	8 - 6		
Essence of Lavender per doz.	8 - 6		
Essence of Bergamot per doz.	8 - 6		
Fistols, 12 inch barrels, per pair	- 30 -		
Jew's Harps per doz.	1 - 10		
Hawk's Bells per gross	3 - 6		
Vermillion per pound	3 - 6		
Hyson Tea per pound	5 -		
Black Pepper per pound	1 - 5		
North West Gums each	- 24 -		
Gun Powder per pound	1 - 3		
Claw Hammers per doz.	- 16 -		
White Beads, round, per pound	- 14½ -		
Tommyhawks per doz.	- 11 - 9		
No. 32 Ball, bullets, per pound	- 5 -		

1. Book No. 4, of the Books of Account of the XY op.cit., entry of 20th March, 1804.

2. Book No. 5, of the Books of Account of the XY op.cit., p. 91 et seq. .

3. Ibid., p. 52 et seq. .

4. Ibid., p. 58 et

5. Ibid., p. 1 et seq. .

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SELLING PRICE Red River 2	SELLING PRICE Lac Quinipique 4	SELLING P Slave La 5
£ -s -d	£ -s -d	£ -s -
- 40 -	- 50 -	- 50 -
	- 40 -	- 40 -
	- 30 -	- 30 -
	- 38 -	- 38 -
	- 30 -	- 30 -
1 - 3	1 - 3	1 -
5 -	5 -	5 -
- 11 -	- 11 -	- 11 -
	- 30 -	- 30 -
	- 10 -	- 10 -
6 -	6 -	6 -
7 -	7 -	7 -
6 - 4	6 - 4	6 -
6 - 6	5 - 6	5 -
	- 15 -	- 15 -
- 24 -	- 24 -	- 24 -
	- 18 -	- 18 -
	- 18 -	- 18 -
	- 18 -	- 18 -
	- 18 -	- 18 -
	- 18 -	- 18 -
	- 60 -	- 60 -
	2 - 10	2 -
7 -	7 -	7 -
	7 -	7 -
- 12 - 6	- 12 - 6	- 12 -
2 - 6		2 -
	2 - 8	

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OF THE POSTS OF THE XY COMPANY IN 1804. BOOK NO. 5 IS ALSO CALLED AN INVOICE BOOK, AND THESE ARE THE INVOICES RECORDING THE TRADE GOODS AT SELLING PRICES. FROM AN INSPECTION OF TABLE III, ONE CAN CONCLUDE THAT THE ONLY POLICY EVIDENT IN THE DETERMINATION OF SELLING PRICES FOR TRADE GOODS WAS THE 100 PER CENT "MARK UP". THAT SUCH A PRICING POLICY WAS PRIMITIVE IS EVIDENT FROM ITS RULE-OF-THUMB SIMPLICITY. ONE MIGHT EXPECT TO FIND HIGHER SELLING PRICES ON CERTAIN ITEMS, SUCH AS GUNS, "ESSENCES" FOR CONVENIENT EXAMPLES, AND LOWER PROFIT MARGINS ON BLANKETS AND TOBACCO WHICH COULD HAVE BEEN CONSIDERED AS "LOSS LEADERS", OR INDUCEMENTS TO KEEP THE INDIANS INTERESTED IN THE FUR TRADE. OTHER PRICE DIFFERENTIALS COULD BE SUGGESTED, BUT APPARENTLY NONE WERE USED; THERE WERE NO "BARGAINS" IN THE PRICING POLICY OF THE XY COMPANY.

THE NORTH WEST COMPANY IN 1804 DEVELOPED A MORE REALISTIC PRICING POLICY, AT LEAST FROM THE POINT OF VIEW OF FREIGHT AND DISTANCE. A FACSIMILE OF THEIR "TARIFF" HAS BEEN PRESENTED IN TABLE IV. FROM THIS TABLE ONE CAN NOTICE PRICE DIFFERENTIALS BASED ON DISTANCE AND FREIGHT. FURTHER PRICE DIFFERENTIALS ARE INCLUDED ON SPECIAL ITEMS SUCH AS "HIGH WINES" AND "SHOT & BALL". THIS DEVELOPMENT REPRESENTS A MATURATION IN PRICE POLICY DUE TO COMPETITION. THERE WAS NO EVIDENCE OF SUCH MATURATION IN THE BOOKS OF THE XY COMPANY.

Table IV. - Tariff of the North West Company, 10th July, 1804.¹

" Tariff or Schedule referred to in the annexed Resolve of the North West Company at Batchwina-Michipicoten and the Pic, Twenty percent advance on the Cost at Montreal of all goods as imported without distinction of Pieces. At Kaministiquia, twenty three percent advance on Montreal Cost of all Goods without reserve.

Percent advance of the cost and advance to Kaministiquia of the different classes of Goods as per margin below						
	To the Fond du Lac Department and Dependencies	To Lac LaPluie, Lac Ouinibique, Upper and Lower Red River, Fort Dauphin Departments, & Riviere Opas Departments	To the English River and Dependencies	To the Upper Athabasca River	To Athabasca and Dependencies	
On Dry Goods Comprehending Bales, Cassettes, Cases, Knives, Hats, and Baskets of Kettles	26	45	60	65	70	80
On Tobacco	65	105	150	155	175	210
On Gunpowder	53	90	125	130	140	170
On High Wines	130	210	305	310	350	420
On Shot & Ball	167	375	350	360	400	490
On Iron Works	105	130	165	170	190	230
N.B. The foregoing Goods Assorted Average	55	87	112	113	123	130
The Average Freight for each Piece Indiscriminately in Halifax Currency	£4-10	£7-10	£10-15	£11-	£12-5	£14-16

1. Minute Book of the North West Company, 1801-1811, photostat in the Public Archives of Canada, dated as above, this is an approximate facsimile of the entry in the Minute Book, p.29.

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FROM TABLE III ONE CAN NOTICE SOME OF THE STANDARD AND SOME OF THE UNUSUAL ITEMS CARRIED TO THE NORTH WEST BY THE TRADERS OF THE XY COMPANY. THE ITEMS THAT WERE MORE COMMONLY USED IN THE TRADING WERE BLANKETS, GUNPOWDER AND GUNS, TOBACCO, BEADS, SCALPING KNIVES, AND OTHERS LISTED IN TABLE III. MORE UNUSUAL ITEMS WOULD BE THE VARIOUS "ESSENCES", PEPPERMINT, LEMON, LAVENDER; JEW'S HARPS, AND OTHERS. THIS LIST IN TABLE III HAS BEEN DRASTICALLY TRUNCATED, SINCE AN INVOICE FROM PHYN, INGLIS AND COMPANY WOULD EXTEND OVER A DOZEN LARGE FOLIO PAGES IN BOOK NO. 4, WITH ONE LINE FOR EACH DIFFERENT ITEM SENT TO THE XY COMPANY. A SURVEY OF THE DIVERSITY OF SUCH TRADE GOODS CAN BE PRESENTED IN TERMS OF PACKAGING. THUS IF ONE EXAMINES AN INVOICE FROM PHYN, INGLIS AND COMPANY AS RECORDED IN BOOK NO. 4, ONE WOULD FIND THE GOODS IN TABLE III PACKAGED IN THE FOLLOWING MANNER.

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SURVEY OF TRADE GOODS BY PACKAGES

<u>PACKAGE</u>	<u>TYPE OF GOODS</u>
CASK	BALL AND SHOT, BEAVER SHOT, THIMBLES, BURNING GLASSES, AWLS, NEEDLES
HOGSHEAD	CARROT TOBACCO
SERON	ROLL TOBACCO
BALE	BLANKETS, COATS, CALICO
CHEST	HYSON TEA
BOX	CHIEF'S FEATHERS
CASE	TURLINGTON'S BALSAM, MEDICINES, "ESSENCES", SPONGES, GUNS, BOOKS, PAPER.
CASK	NESTS OF KETTLES, POWDER HORNS, SPICES
BAG	COTTON WICK
TRUNK	LACE, THREAD, COMBS, SWAN'S DOWN, RED, BLUE AND GREEN "PRETTIES"
BARREL	GUNPOWDER, RUM.

THE INVOICE ACCOUNTED FOR 171 PACKAGES, OF WHICH THE ABOVE SURVEY REPRESENTS A RANDOM SAMPLE OF THE GOODS SENT IN THE DIFFERENT TYPES OF PACKAGES.¹⁹

THERE WERE MANY ITEMS TRADED IN THE NORTH WEST THAT WERE NOT MADE IN ENGLAND. THE FOLLOWING ENTRY RECORDED THE COST OF HAVING CERTAIN GARMENTS MADE FOR USE IN THE TRADE.²⁰

19. -----, -----, BOOK No. 4, OF THE BOOKS OF ACCOUNT OF THE XY COMPANY, OP. CIT., ENTRY FOR 15TH MAR. 1799.

20. -----, -----, BOOK No. 10, OF THE BOOKS OF ACCOUNT OF THE XY COMPANY, OP. CIT., ENTRY FOR 10TH FEBRUARY 1800.

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TO THE SEURS GRISES FOR MAKING THE FOLLOWING

12,7/12	DN.	MANTLETS	6" [LIVRES]	75.10
26	DN.	MOLTON CAPOTS		156.
19,8/12	DN.	CHILDS ROBES	3"	59
1,8/12	DN.	BLANKET CAPOTS	9"	15
20,10/12	DN.	SLEEVES	2"	41.15
20,9/12	DN.	PAIRS LEGGINS	30"	31.
				[LIVRES] 378.5 OR
				£15-15-3.

IN THE EXAMPLE ABOVE, THE CLOTH AND THE THREAD WERE PROVIDED FOR THE SISTERS, WHO MADE THE GARMENTS AS ORDERED. SIMILAR EXAMPLES COULD BE NOTED OF GOODS MADE IN CANADA FOR THE FUR TRADE, AND PERHAPS ONE OF THE MORE SIGNIFICANT EXAMPLES WOULD BE THE PROCURING OF THE TRADE CANOES. THESE CANOES VARIED IN PRICE FROM 150 TO 140 LIVRES DURING THE PERIOD OF OPERATIONS OF THE XY COMPANY.²¹

DURING THE PERIOD 1799 TO 1804, THE COST PRICES OF THE TRADE GOODS FROM ENGLAND DID VARY, BUT THE 100 PER CENT "MARK UP" RULE SEEMED TO PREVAIL FOR DETERMINING SELLING PRICES. THE VARIANCE OF THE COST PRICES OF TRADE GOODS FROM PHYN, INGLIS AND COMPANY CAN BE ASCERTAINED FROM TABLE V, WHICH RECORDS SOME OF THE TRADING ITEMS AND THEIR COST PRICES IN 1799 AND IN 1804. THE PROBLEM ARISES THAT NOT ALL THE INVOICES FOR GOODS SENT FROM MONTREAL TO GRAND PORTAGE BY THE XY COMPANY HAVE BEEN PRESERVED. THUS THE CONCLUSION IS

21. -----, -----, BOOK 10, OF THE BOOKS OF ACCOUNT OF THE XY COMPANY, OP. CIT., ENTRIES PERTAINING TO THE VARIOUS OUTFITS.

Table V. - Variance in Cost Prices of the Trade Goods Sold
by the XY Company from 1799 to 1804

ITEM	COST PRICE		COST PRICE			
	1799 (1)		1804 (2)			
	£	s	d	£	s	d
Pistols, 12 inch barrels, per pair	40	-		30	-	
Hudson's Bay Blankets 3 point	13	-	3	20	-	6
Hudson's Bay Blankets 2½ point	10	-	6	15	-	6
Common Blankets 3 point	13	-	9	19	-	
Common Blankets 2½ point	10	-	6	15	-	
London Scot's Garters per gross	10	-	6	15	-	
Scalping Knives per doz.	3	-		2	-	7
Carrot Tobacco per pound	1	-	6			12
Coloured Thread per pound	2	-	4	2	-	7½
Small Looking Glasses per doz.	2	-	9	2	-	6
Circle Feathers, peacock, each	7	-		9	-	
Turlington's Balsam per doz.	9	-		9	-	
Essence of Peppermint per doz.	9	-		9	-	
Essence of Lemon per doz.	9	-		8	-	6
Essence of Lavender per doz.	9	-		8	-	6
Essence of Bergamot per doz.	9	-		8	-	6
Hawk's Bells per gross	3	-	6	3	-	6
Vermillion per pound	3	-	6	3	-	6
Hyson Tea per pound	5	-	1	5	-	
Black Pepper per pound	1	-	5	1	-	5
North West Guns each	24	-		24	-	
Gunpowder per pound	3	-	11	1	-	3
No. 32 Ball, bullets, per pound		-	3		-	5
Tommyhawks per doz.	11	-	9	11	-	9

1. Book No. 4, of the Books of Account of the XY Company, op.cit., invoice from Phyn, Inglis and Company, dated 15th March, 1799.
2. Ibid., invoice from Phyn, Inglis and Company, dated 20th March, 1804.

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PRESENTED AS TENTATIVE SINCE IT CANNOT BE CERTAINLY PROVED FROM THE EXTANT BOOKS OF ACCOUNT OF THE XY COMPANY. HOWEVER FROM SEVERAL SCATTERED REFERENCES FOUND IN THE XY BOOKS OF ACCOUNT, ONE CAN ATTEST THE PROBABILITY OF THE 100 PER CENT "MARK UP" IN 1799.

THE OPPOSITION OF THE XY AND THE NORTH WEST COMPANIES DID DEVELOPE THE PRICING POLICY IN THE NORTH WEST FUR TRADE, IN SO FAR AS ADDITIONAL PRICE INCREASES WERE SET UP IN RELATION TO THE DISTANCES THAT THE TRADE GOODS WERE FREIGHTED. THIS MATURATION IN THE PRICING POLICY CAME INTO EFFECT AFTER THE UNION IN 1804. THE READER IS REFERRED TO TABLE IV WHICH HAS BEEN COPIED FROM THE MINUTE BOOK OF THE NORTH WEST COMPANY. DURING THE PERIOD OF COMPETITION THERE DOES NOT SEEM TO BE SUBSTANTIAL EVIDENCE IN THE BOOKS OF ACCOUNT OF THE XY COMPANY TO SUGGEST ANYTHING BUT A PRIMITIVE PRICING POLICY, NAMELY THE 100 PER CENT "MARK UP" ON ALL ITEMS TRADED.

ANOTHER REASON FOR THE EXTENDED PERIOD OF COMPETITION BETWEEN THE XY AND THE NORTH WEST COMPANIES HAS BEEN RECORDED BY SEVERAL AUTHORS, SUCH AS C. MARTIN,²²

22. GEORGE SIMPSON, JOURNAL OF OCCURENCES IN THE ATHABASCA DEPARTMENT, E. E. RICH, EDITOR, TORONTO, CHAMPLAIN SOCIETY, 1938, INTRODUCTION BY CHESTER MARTIN, TO WHICH REFERENCE IS MADE, P. XVI.

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L. LEJEUNE,²³ L. R. MASSON,²⁴ AND B. WILLSON.²⁵ THERE IS LITTLE DOUBT THAT THIS REASON WAS FIRST AND MOST FORCEFULLY STATED BY MASSON AS FOLLOWS.

LA MORT DE M. MCTAVISH AVAIT ENLEVÉ TOUT OBSTACLE À LA RÉUNION...DANS LE NORD-OUEST. DES OVERTURES FURENT IMMÉDIATEMENT FAITES À SIR ALEXANDER MACKENZIE ET A SES AMIS, ET LE 5 NOVEMBRE 1804, ON SIGNAIT A MONTRÉAL, UNE CONVENTION OU 'AGREEMENT' QUI MIT UN TERME À TOUTES LES DIFFICULTÉS.....²⁶

THE PERSONAL ANIMOSITY BETWEEN SIR ALEXANDER MACKENZIE OF THE XY COMPANY, AND SIMON MCTAVISH OF THE NORTH WEST COMPANY, ENDED WITH THE DEATH OF MCTAVISH AT TERREBONNE ON THE 6TH JULY, 1804.²⁷ PERHAPS THE BEST VINDICATION FOR THE POINT OF VIEW, THAT CONSIDERED THE PERSONAL ANIMOSITY OF THESE TWO MEN AS THE MAJOR OBSTACLE TO UNION COULD BE SET FORTH AS FOLLOWS; THE AGREEMENT OF UNION BETWEEN THE XY AND THE NORTH WEST COMPANIES WAS ORGANIZED, AND ACCEPTED IN JUST ONE HUNDRED AND ^{TWENTY-}~~TWO~~ DAYS AFTER THE DEATH OF SIMON MCTAVISH.

THE REASONS FOR CONTINUING THE COMPETITION SEEM TO

23. L. LEJEUNE, [O.M.I.], DICTIONNAIRE GÉNÉRAL DU CANADA, 1931, UNIVERSITÉ D'OTTAWA, VOL. 1, P. 419.

24. L. R. MASSON, LES BOURGEOIS, OP. CIT., VOL. 1, P. 88.

25. B. WILLSON, THE GREAT COMPANY, BEING A HISTORY OF THE HONOURABLE COMPANY OF MERCHANTS-ADVENTURERS TRADING INTO HUDSON'S BAY, TORONTO, COPP-CLARK, 1899, P. 349.

26. L. R. MASSON, LES BOURGEOIS, OP. CIT., UT SUPRA.

27. A. S. MORTON, HISTORY OF THE CANADIAN WEST 1870-1, OP. CIT., P. 513.

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HAVE BEEN MAINLY TWO, THE HIGHER PRICES FOR FURS, WHICH GENERATED A SPIRIT OF OPTIMISM AND AGGRESSIVENESS AMONG THE TRADERS, AND WHICH TENDED TO CONCEAL THE RISING COSTS OF THE TRADE DUE TO COMPETITION; AND THE PERSONAL ENMITY BETWEEN SIMON MCTAVISH "LE MARQUIS", OF THE NORTH WEST COMPANY, AND SIR ALEXANDER MACKENZIE, "LE CHEVALIER", OF THE XY COMPANY.

THE FOLLOWING DISCUSSION SHALL BE CONCERNED WITH OTHER REASONS THAT WERE OPERATIVE IN BRINGING ABOUT THE UNION OF 1804, OR WHICH AT LEAST WERE OPPOSED TO THE STATE OF COMPETITION BETWEEN THE COMPANIES. THE WINTERING PARTNERS WERE UNDER NO ILLUSIONS REGARDING COMPETITION; THEY HATED IT, AS HAS BEEN RECORDED ABOVE. ONE OF THE EVENTS OF THE PERIOD THAT CAST FURTHER DOUBT ON THE VALUE OF COMPETITION IN THIS PERIOD WAS THE KING-LAMOTHE INCIDENT. JAMES KING OF THE NORTH WEST COMPANY WAS KILLED BY JOSEPH (MAURICE) LAMOTHE OF THE XY COMPANY, IN THE TRADING AREA OF THE NORTH SASKATCHEWAN RIVER DURING THE WINTER OF 1802. THE ACCOUNT OF THIS INCIDENT SENT BY LIEUTENANT GOVERNOR R. S. MILNES TO THE COLONIAL SECRETARY, LORD HOBART, RECORDED THE FACTS AND THE JURISDICTIONAL PROBLEM.

9. BUT VERY LATELY A CLERK OF THE NORTH WEST COMPANY AT ONE OF THEIR POSTS UPON THE CONFINES OF THE COUNTRY COMMONLY KNOWN BY THE NAME OF THE HUDSON'S BAY LIMITS, HAD A DISPUTE WITH A CLERK OF THE NEW COMPANY [XY COMPANY] RESPECTING A QUANTITY OF FURS COLLECTED BY AN INDIAN WHO WAS IN DEBT TO BOTH THE COMPANIES. THE NORTH WEST CLERK CONTENDED THE FURS WERE HIS, BECAUSE HIS DEBT WAS THE OLDEST, AND THE CLERK OF THE NEW COMPANY DECLARED THAT HE WAS IN POSSESSION AND

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WOULD RETAIN THEM; THE FORMER HOWEVER PERSISTED IN HIS RIGHT AND ADVANCED A DECLARING HE WOULD TAKE THEM; WHEN THE LATTER DREW A PISTOL FROM HIS POCKET AND SHOT HIM UPON THE SPOT.

9. THE YOUNG MAN WHO WAS THUS THE CAUSE OF THE OTHER'S DEATH CAME DOWN TO THIS PROVINCE IN SEPTEMBER LAST, AND THROUGH THE MEDIUM OF FRIENDS OFFERED TO SURRENDER HIMSELF FOR TRIAL; BUT A TRIAL COULD NOT BE HAD, BECAUSE THE OFFENCE HAD HAPPENED WITHOUT THE LIMITS OF THE PROVINCE, AND THEREFORE THE ORDINARY COURTS OF JUSTICE HAD NO JURISDICTION OVER IT; AND IT APPEARS THAT THE GOVERNOR IS NOT EMPOWERED TO ISSUE A SPECIAL COMMISSION FOR THE TRIAL OF OFFENCES COMMITTED WITHOUT THE PROVINCE.²⁸

IN EVALUATING THE IMPACT OF THE KING-LAMOTHE INCIDENT ON THE COMPETING COMPANIES, ONE COULD SUGGEST AN ARGUMENT PARALLEL TO THAT PRESENTED BY W. S. WALLACE REGARDING THE MURDER OF JOHN ROSS DURING THE WINTER OF 1786-7. WALLACE WAS OF THE OPINION THAT ROSS'S MURDER WAS A CRITICAL FACTOR IN BRINGING ABOUT THE UNION OF TRADERS, THAT CAME TO BE KNOWN AS THE NORTH WEST COMPANY IN 1787.

THE NEWS OF ROSS'S DEATH WAS BROUGHT DOWN TO THE GRAND PORTAGE IN THE SUMMER OF 1787...AND IT PRODUCED SUCH AN EFFECT THAT IT WAS DECIDED ON THE SPOT TO UNITE THE INTERESTS OF THE RIVAL COMPANIES, LEST THE DEATH OF ROSS MIGHT LEAD TO REPRISALS.²⁹

28. LIEUTENANT GOVERNOR R. S. MILNES TO LORD HOBART, TRANSCRIPTS OF COLONIAL OFFICE RECORDS, SERIES Q, VOL. 89, P. 144, PUBLIC ARCHIVES OF CANADA.

29. W. S. WALLACE, DOCUMENTS RELATING TO THE NORTH WEST COMPANY, TORONTO, CHAMPLAIN SOCIETY, 1934, P. 12, ITALICS ADDED.

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SIMILARLY ONE COULD ARGUE THAT THE VIOLENT DEATH OF JAMES KING AT THE HANDS OF JOSEPH LAMOTHE HELPED TO PREPARE THE WAY FOR THE UNION IN 1804. FURTHER DETAILS OF THE KING-LAMOTHE INCIDENT MAY BE FOUND ELSEWHERE.³⁰

THE IMPACT OF THIS EXTERNAL VIOLENCE ON THE MONTREAL MERCHANTS INVOLVED IN THE FUR TRADE OF THE NORTH WEST, WAS TO MAKE THEM FEARFUL LEST THE TRADE BE CURTAILED, CONTROLLED OR SUPERVISED, BY SOME GOVERNMENTAL AGENCY. THE FOLLOWING WAS RECORDED IN A DESPATCH FROM LORD HOBART TO LIEUTENANT GOVERNOR MILNES.

15TH DECEMBER, 1802 FROM LONDON

...FROM THE NATURE OF THE [FUR] TRADE AND THE CAPITAL NECESSARY TO GIVE IT THE EXTENSION IT SEEMS TO BE SUSCEPTIBLE OF, A MORE ENLARGED VIEW SHOULD BE TAKEN OF THE SUBJECT; IT APPEARS TO ME TO BE DESERVING OF CONSIDERATION, WHETHER IT MIGHT NOT BE ADVISEABLE TO ESTABLISH A CHARTERED COMPANY, FOR THE MORE SYSTEMATIC CONDUCT OF THE TRADE, GIVING TO IT SUCH FACILITIES OF ADMISSION AS MIGHT UNITE THE ADVANTAGES OF THE FREE TRADE WITH REGULATIONS OF CONTROUL (SIC).³¹

THIS NOTION OF THE "CHARTERED COMPANY" SUGGESTED FROM LONDON, WOULD INDICATE A DRASTIC CHANGE IN THE FUTURE OPERATIONS OF THE FUR TRADE. THE PROSPECT OF "REGULATIONS OF

30. A. S. MORTON, "THE CANADA JURISDICTION ACT AND THE NORTH WEST", TRANSACTIONS OF THE ROYAL SOCIETY OF CANADA, VOL. 32, SEC. 11, MAY 1938, P. 121, ET SEQ., ALSO A. S. MORTON, HISTORY OF THE CANADIAN NORTH WEST TO 1871, OP. CIT., P. 513 ET SEQ.

31. LORD HOBART TO LIEUTENANT GOVERNOR R. S. MILNES, TRANSCRIPTS OF COLONIAL OFFICE RECORDS, SERIES Q, "LT. GOV. MILNES & MISC. 1802", VOL. 89, P. 179, PUBLIC ARCHIVES OF CANADA.

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CONTRÔLE", NO DOUBT, LEAD THE RIVAL COMPANIES TO CONSIDER SOME SELF-ENGENDERED SOLUTION TO THE GROWING VIOLENCE OF THE NORTH WEST OPPOSITION.

JOHN RICHARDSON, A LEADING MONTREAL PARTNER IN THE XY COMPANY, IN WRITING TO H. W. RYLAND, SECRETARY TO THE LIEUTENANT GOVERNOR, HAD SUGGESTED THREE REMEDIAL MEASURES. THESE WERE, THE ESTABLISHMENT OF A MILITARY POST ON THUNDER BAY ON LAKE SUPERIOR, NEAR KAMINISTQUIA; A RESIDENT CIVIL MAGISTRATE AT KAMINISTQUIA, AND BONDS TO BE POSTED BY THE TRADERS TO MAKE THEM RESPONSIBLE FOR THE GOOD CONDUCT OF THEIR MEN.³² IT WILL BE NOTICED THAT RICHARDSON'S SUGGESTIONS PLACE THE AGENTS OF CONTROL AT THE NORTH WEST COMPANY'S POST, KAMINISTQUIA. AT THIS TIME THE XY COMPANY WAS STILL USING THE OLD GRAND PORTAGE DEPOT, WHICH WAS IN AMERICAN TERRITORY, ABOUT FORTY MILES SOUTH AND WEST OF KAMINISTQUIA, ALONG THE SHORE OF LAKE SUPERIOR. THE STRINGENT NATURE OF LORD HOBART'S SUGGESTIONS, ALONG WITH THE ACTIVE LOBBYING OF RICHARDSON, MAY WELL HAVE LED THE TRADERS OF BOTH COMPANIES TO INVESTIGATE THE IDEA OF UNION AT LEAST TWO YEARS PRIOR TO 1804.

THE XY COMPANY HAD STILL ANOTHER PROBLEM, WHOSE SOLUTION SEEMED TO LIE IN UNION. THIS WAS THE PROBLEM

32. JOHN RICHARDSON TO H. W. RYLAND, TRANSCRIPTS OF COLONIAL OFFICE RECORDS, SERIES Q, "LT. GOV. HUNTER & MISC.", VOL. 293, P. 235, PUBLIC ARCHIVES OF CANADA.

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CENTERING AROUND THE PORTAGE AT SAULT STE. MARIE. THE NORTH WEST COMPANY HAD BUILT A CANAL OVER THE PORTAGE. A DESCRIPTION OF THIS CANAL HAS BEEN RECORDED BY SIR ALEXANDER MACKENZIE AS FOLLOWS.

4TH JUNE, 1799

I THINK OUR LOADED CANOES WILL PASS THROUGH IT, IN THE FALL, WE SHALL NOT BE ABLE TO MAKE IT STILL WATER THROUGHOUT THERE MAY BE ABOUT 1/4 OF THE DISTANCE A STRONG STUDDY [SIC] CURRENT, THE DEPTH OF THE WATER WILL BE ABOUT 18 INCHES.³³

IN THEIR "PETITION TO HIS EXCELLENCY PETER HUNTER, LIEUTENANT GOVERNOR OF UPPER CANADA", OF APRIL 1802, THE NORTH WEST COMPANY TRADERS INCLUDED FURTHER DETAILS CONCERNING THEIR IMPROVEMENT OF THE PORTAGE AT SAULT STE. MARIE. THEY CLAIMED,

TO HAVE BUILT A ROAD 45' (FEET) WIDE ACROSS THE PORTAGE, AND A CANAL 3,000' LONG WITH A LOCK THAT RAISES THE WATER 9'.³⁴

PERHAPS ONE OF THE clearest DESCRIPTIONS OF THE CANAL AND OTHER IMPROVEMENTS HAS BEEN RECORDED BY CAPTAIN BRUYÈRES IN 1802.

THE LANDING IS IN A BAY IMMEDIATELY AT THE BOTTOM OF THE FALL ON THE NEAREST CHANNEL TO THE LAND OF THE NORTH SHORE. A GOOD WHARF FOR BOATS IS BUILT AT THE

33. [SIR] ALEXANDER MACKENZIE TO MCTAVISH FROBISHER AND COMPANY, "LETTERBOOK" KEPT AT GRAND PORTAGE, OP. CIT., P. 59.

34. "PETITION OF THE NORTH WEST COMPANY TO HIS EXCELLENCY PETER HUNTER LIEUTENANT GOVERNOR" APRIL 1802, SERIES C, VOL. 363, "NORTHWEST 1800-45", P. 8, PUBLIC ARCHIVES OF CANADA.

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LANDING, ON WHICH A STORE HOUSE, 60 FEET LONG AND 30 FEET WIDE IS ERECTED. THE WHARF IS PLANKED, AND PATHWAYS MADE AND PLANKED ALL AROUND IT. CLOSE TO THE STORE A LOCK IS CONSTRUCTED FOR BOATS AND CANOES, BEING 38 FEET LONG, 8 FEET 9 INCHES WIDE. THE LOWER GATE LETS DOWN BY A WINDLASS; THE UPPER HAS TWO FOLDING GATES WITH A SLUICE. THE WATER RISES 9 FEET IN THE LOCK. A LEADING TROUGH OF TIMBER, FRAMED AND PLANKED 300 FEET IN LENGTH, 8 FEET 9 INCHES WIDE, AND 6 FEET HIGH, SUPPORTED AND LEVELLED ON BEAMS OF CEDAR THROUGH THE SWAMP IS CONSTRUCTED TO CONDUCT THE WATER FROM THE CANAL TO THE LOCK. A ROAD RAISED AND PLANKED 12 FEET WIDE FOR CATTLE EXTENDS THE WHOLE LENGTH OF THE TROUGH. THE CANAL BEGINS AT THE HEAD OF IT WHICH IS A CHANNEL CLEARED OF ROCKS AND PROJECTING POINTS EXCAVATED TO ADMIT THE PASSAGE OF CANOES AND BOATS. THIS CANAL IS 2580 FEET IN LENGTH, WITH A RAISED BRIDGE OR PATHWAY OF ROUND LOGS AT THE SIDE OF IT 12 FEET WIDE FOR OXEN TO TRACK THE BOATS. ABOUT 170 FEET FROM THE UPPER PART OF THE CANAL A STOREHOUSE IS BUILT 36 FEET LONG, 23 FEET WIDE. AN EXCELLENT SAW MILL FOR TWO SAWS IS CONSTRUCTED AND PLACED IN A LINE WITH THE LOCK PARALLEL TO IT.³⁵

BECAUSE THEY HAD IMPROVED THE FACILITIES AT SAULT STE. MARIE, THE NORTH WEST COMPANY LOOKED UPON THE PORTAGE AS COMPANY PROPERTY. THIS ATTITUDE CAUSED BITTERNESS AMONG THE XY TRADERS, AND LED TO THE OFFICIAL INVESTIGATIONS AS REPORTED ABOVE.³⁶ A FURTHER COMPLICATION WAS THAT AT THIS TIME THE USE OF THE AMERICAN SIDE OF SAULT STE. MARIE, WAS NO LONGER AVAILABLE FOR THE CONVENIENT USE OF THE XY COMPANY. THIS HAS BEEN REPORTED BY JOHN RICHARDSON.

³⁵. D. B. BRYMNER, REPORT ON THE PUBLIC ARCHIVES OF CANADA 1886, OTTAWA, MACLEAN ROGER, 1887, P. XXIX.

³⁶. "FORSYTH, RICHARDSON AND COMPANY TO MAJOR GREEN", 18TH APRIL 1803, SERIES C, "NORTHWEST 1800-45", VOL. 363, P. 29, PUBLIC ARCHIVES OF CANADA.

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WE ARE IN THE MOST CRUEL SITUATION IMAGINABLE ROBBED ON THE AMERICAN SIDE, AND LIABLE TO A REPITITION [SIC] IF WE GET MORE GOODS ASHORE - ON THE BRITISH SIDE IN SUSPENSE WITHOUT THE MEANS OF KNOWING WHERE TO BUILD, AND EXCLUDED FROM EVERY POSSIBILITY OF A CONVEYANCE ON THAT SIDE, AS THE ROAD IS NOT YET SUFFICIENTLY MADE TO BEAR CARRIAGES, BY OPPONENTS ENROSSING TO THEMSELVES THE ONLY PRACTICABLE HIGH WAY VIZ, THE PART OF THE WATER COMMUNICATION WHICH THEY PRETEND TO ASSUME SOLELY AS THEIRS, BECAUSE [THEY] HAVE BEEN AT EXPENSE IN BETTERING IT.³⁷

THE PHRASE "ROBBED ON THE AMERICAN SIDE", REFERS TO THE ACTION OF AMERICAN CUSTOMS OFFICERS IMPOUNDING THE GOODS OF THE XY COMPANY STORED THERE.³⁸

THE CHIEF RESULT OF THE FIERCE COMPETITION OF THE XY AND THE NORTH WEST COMPANIES WAS THE UNION OF BOTH COMPANIES IN 1804. THIS UNION WAS MADE ACCEPTABLE TO BOTH COMPANIES AFTER SIX OUTFITS OF OPPOSITION, WHEN THEY CAME TO RECOGNIZE THAT COMPETITION LOWERED PROFITS, BY INCREASING OPERATING COSTS. THE KING-LAMOTHE AFFAIR INVITED GOVERNMENT INTERVENTION IN THE FUR TRADE, AND THE SENIOR PARTNERS OF BOTH COMPANIES WERE AWARE OF THIS. THE PATTERN OF GOVERNMENT INTERVENTION HAD ALREADY BEEN DELINEATED BY LORD HOBART, AS PERHAPS A CHARTERED COMPANY, OR A CROWN MONOPOLY. THE FRICTION DEVELOPED AT THE PORTAGE SAULT STE. MARIE INDICATED THAT SOME MORE EFFICIENT SOLUTION WAS REQUIRED,

37. IBID., P. 21.

38. IBID., P. 11 ET SEQ.

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LEST MORE VIOLENCE BREAK OUT OVER THE USE OF THE NORTH WEST COMPANY "CANAL". THESE EVENTS TAKEN WITH THE HIGH DEGREE OF TENSION IN THE NORTH WEST GENERATED IN THE COMPETITIVE TRADING SEEMED TO DEMAND SOME WAY OF ENDING THE OPPOSITION. WHEN SIMON MCTAVISH DIED IN JULY 1804, A FURTHER OBSTACLE TO UNION WAS REMOVED. THE FACTOR OF PERSONAL ANIMOSITY BETWEEN MCTAVISH AND SIR ALEXANDER MACKENZIE WAS AT AN END. THE UNION WAS ORGANIZED IN THE SUMMER AND EARLY FALL OF 1804, AND IT WAS FORMALLY RATIFIED ON THE 20TH OF OCTOBER BY BOTH COMPANIES IN MONTREAL.³⁹

THE AGREEMENT OF UNION FOR THE XY AND NORTH WEST COMPANIES, WAS A COPARTNERSHIP CONTRACT IN WHICH EACH OF THE COPARTNERS RATIFIED THE "JOINT COMPANY" OF 1804.⁴⁰ ONE CAN FIND IN THIS DOCUMENT OF UNION SEVERAL PROVISIONS AIMED AT PREVENTING ANOTHER ERA OF COMPETITION IN THE NORTH WEST FUR TRADE. THE FIRST SUCH PROVISION WOULD BE THE LENGTH OF TIME THAT THE PARTIES TO THE AGREEMENT WERE BOUND BY IT. THIS WAS FOR EIGHTEEN YEARS, OR UNTIL THE OUTFIT OF 1823.⁴¹ THE PREAMBLE TO THIS AGREEMENT LEAVES NO DOUBT AS TO ITS PURPOSE.

39. W. S. WALLACE, DOCUMENTS RELATING TO THE NORTH WEST COMPANY, OP. CIT., P. 147.

40. L. R. MASSON, LES BOURGEOIS..., OP. CIT., VOL. 2, PP. 482-499, THE AGREEMENT OF UNION IS PRINTED IN FULL.

41. IBID., ARTICLE 1, P. 483.

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ARTICLE 1

THAT THE SAID PARTIES [XY AND NORTH WEST COMPANIES] TO THESE PRESENTS NOW AND HERETOFORE TRADING TO THE SAID NORTH-WEST COUNTRY IN OPPOSITION TO EACH OTHER BEING DESIROUS TO PUT AN END TO THE SAID OPPOSITION AND TO AVOID THE WASTE OF PROPERTY ATTENDING THEREON AND TO CARRY ON THE SAID TRADE IN A MORE ADVANTAGEOUS MANNER DO FOR THIS PURPOSE COALESCE AND JOIN THEIR RESPECTIVE INTERESTS AND TO MAKE THE FOLLOWING STIPULATIONS AND AGREEMENTS IN THAT BEHALF.⁴²

THE NORTH WEST COMPANY OF 1804, THE JOINT CONCERN OF THE XY AND NORTH WEST COMPANIES, WAS TO BE OWNED IN THE FOLLOWING PROPORTIONS; ONE QUARTER BY THE SIR ALEXANDER MACKENZIE AND COMPANY, THE XY COMPANY, AND THREE QUARTERS BY THE NORTH WEST COMPANY.⁴³ TO ACHIEVE THIS DIVISION THE SHARES IN THE JOINT CONCERN WERE TO BE INCREASED TO ONE HUNDRED.⁴⁴ ARRANGEMENTS WERE MADE SO THAT ONE QUARTER OF THE JOINT BUSINESS WOULD BE ALLOTTED TO THE SUPPLIERS OF THE XY COMPANY.⁴⁵ THIS WAS TO ENSURE THAT THE CORRESPONDENT FIRMS OF SUPPLIERS IN ENGLAND WOULD BE RECONCILED TO THE UNION, AND WOULD NOT BE TEMPTED TO ORGANISE ANY TRADING COMPETITION TO THE JOINT CONCERN. THE PROHIBITION ON THE COPARTNERS REGARDING THE CARRYING ON OF ANY FUR TRADING

42. IBID., p. 484.

43. IBID., ARTICLE 2, p. 485.

44. IBID.

45. IBID., ARTICLE 7, p. 489.

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OUTSIDE THE JOINT CONCERN WAS CAREFULLY SPELLED OUT AT SOME LENGTH IN ARTICLE 21.⁴⁶ WITH THE UNION OF THE TWO COMPANIES ARTICLES 12 AND 19 PROVIDED FOR THE INVESTMENT INTEREST IN THE JOINT CONCERN.⁴⁷ THESE ARTICLES LAST MENTIONED, DID NOT REQUIRE A "WINDING-UP" OF EITHER COMPANY, BUT ACCEPTED THEM AS GOING CONCERNS. THE GENERAL TENOR OF THE AGREEMENT WAS THAT OF ELIMINATING OPPOSITION FOR MANY YEARS TO COME.

THIS IDEA OF ELIMINATING COMPETITION BY NEGOTIATION WAS ONE OF THE LESSONS LEARNED AND PRACTICED BY THE FUR TRADERS AS A RESULT OF THE VIOLENT COMPETITION BETWEEN THE XY AND THE NORTH WEST COMPANIES. IN 1808 AN AGREEMENT WAS RECORDED BETWEEN THE NORTH WEST COMPANY AND THE MICHILIMACKINAC COMPANY; IT WAS DATED 31ST DECEMBER, 1808.⁴⁸ THE SIGNIFICANCE OF THIS AGREEMENT WAS THAT THE COMPANIES FIXED A BOUNDARY LINE BETWEEN THEIR RESPECTIVE TRADE AREAS. IN ORDER TO IMPLEMENT THE AGREEMENT, THE NORTH WEST COMPANY RELINQUISHED ITS POSTS AT LAC DES FLAMBEAUX, RIVIÈRE DES SAULTEUX, AND IN THE FOLLE AVOINE COUNTRY.⁴⁹ THE MICHILIMACKINAC COMPANY PLEDGED ITSELF NOT TO TRADE ON THE NORTH

46. IBID., ARTICLE 21, P. 496.

47. IBID., ARTICLE 12, P. 492, ARTICLE 19, P. 495.

48. -----, -----, "MINUTE BOOK OF THE NORTH WEST COMPANY", 30TH JUNE, 1801 TO 8TH JANUARY, 1811, PHOTO-STATS, MANUSCRIPT, P. 63, PUBLIC ARCHIVES OF CANADA.

49. IBID., P. 62.

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SIDE OF LAKE SUPERIOR, LAKE HURON, NOR IN THE OTTAWA RIVER SYSTEM.⁵⁰ COMPETITION WAS PRECLUDED IN CAREFULLY PHRASED FORMULAS LIKE THE FOLLOWING, WHICH COMPARES VERY CLOSELY TO THE LANGUAGE FOUND IN ARTICLE 21 OF THE NORTH WEST AGREEMENT OF 1804.

NO INTERFERENCE DIRECTLY OR INDIRECTLY WITH THE TRADING ESTABLISHMENTS OF EACH OTHER, WHENEVER THEY COME IN CONTACT, NOR SHALL THE ONE GIVE AID OR ASSISTANCE TO AN OPPONENT OF THE OTHER. AND IT IS ALSO UNDERSTOOD AND AGREED THAT IN ORDER TO MAINTAIN PROPER SUBORDINATION AMONG THE SERVANTS AND MEN, NEITHER PARTY SHALL ENCOURAGE RECEIVE OR HARBOUR DESERTERS FROM THE SERVICE OF THE OTHER AND THAT MUTUAL AND RECIPROCAL AID AND ASSISTANCE BE GIVEN BY THE ONE COMPANY TO THE OTHER IN CASE OF SUCH DESERTION AND FOR ALL NECESSARY PURPOSES.⁵¹

THIS AGREEMENT WITH THE MICHILIMACKINAC COMPANY WENT FURTHER THAN THE AGREEMENT OF 1804, IN SO FAR AS IT PROVIDED FOR THE SETTING UP OF AN ARBITRATION TECHNIQUE IN ORDER TO SETTLE FUTURE DIFFICULTIES REGARDING THE AGREED UPON BOUNDARY LINES.⁵²

IN THE AGREEMENT OF THE "JOINT CONCERN OF 1804", OR THE NORTH WEST COMPANY, WITH JOHN JACOB ASTOR'S AMERICAN FUR COMPANY IN 1811, ONE FINDS SIMILAR PROVISIONS AIMED AT ELIMINATING COMPETITION IN THE FUR TRADE.

50. IBID.

51. IBID., P. 63.

52. IBID., P. 65.

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AND WHEREAS EXPERIENCE HAS PROVED THAT THE PEOPLE, SUPPLIES, MATERIALS FOR CARRYING ON THAT TRADE ARE BEST PROCURED IN PART FROM AND THROUGH CANADA, AND IN PART FROM AND THROUGH THE STATE OF NEW YORK, CONSEQUENTLY AN OPPOSITION BETWEEN COMPANIES AS CIRCUMSTANCED, WOULD BE PRODUCTIVE OF LOSS TO BOTH, WHILST A RECIPROCAL COMMUNICATION OF THE ADVANTAGES ARISING OUT OF THE LOCALITIES WOULD ASSUME A MATERIAL BENEFIT TO EACH.^{53A}

THE EXTENT OF THIS NON-INTERFERENCE WAS OUTLINED IN ARTICLE 11 OF THIS AGREEMENT.⁵⁴ ARTICLE 14 PROVIDED THAT THE NORTH WEST COMPANY SHOULD GIVE UP THE FOLLOWING.

ALL AND EVERY POST OF THE TRADE, OR TRADING HOUSE WHICH THEY AT PRESENT OCCUPY WITHIN THE TERRITORIES OR LIMITS OF THE UNITED STATES OF AMERICA.⁵⁵

THUS IT CAN BE CONCLUDED FROM TWO OF THE MORE SIGNIFICANT AGREEMENTS MADE BY THE NORTH WEST COMPANY, AFTER THE UNION OF 1804, THAT COMPETITION WAS RULED OUT BY CONTRACT. THE COMPETITION BETWEEN THE XY AND THE NORTH WEST COMPANIES HAD BEEN TOO LONG AND COSTLY FOR THE TRADERS TO RISK ITS RE- OCCURENCE. TO SECURE SUCH A GOAL THE NORTH WEST COMPANY NEGOTIATED A BOUNDARY LINE WITH THE MICHILIMACKINAC COMPANY IN 1808, AND SHARED ITS OPERATIONS WITH THE AMERICAN FUR COMPANY IN 1811.

THE PERIOD FROM 1804 TO 1814 HAS BEEN CALLED BY W. S. WALLACE, THE PERIOD OF THE GREATEST SUCCESS IN THE FUR TRADE OF THE NORTH WEST COMPANY.

53A. IBID., P. 78.

54. IBID., P. 80.

55. IBID., P. 83.

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THE DECADE THAT FOLLOWED THE UNION OF THE XY COMPANY WITH THE NORTH WEST COMPANY, SAW THE NORTH WEST COMPANY'S GREATEST PERIOD OF EXPANSION AND SUCCESS.⁵⁶

THE RESULTS OF THE UNION IN 1804 WERE A REORGANIZATION WITHIN THE JOINT CONCERN, THE SUPPRESSION OF COMPETITION AND ITS VIOLENCE, AS WELL AS THE RISING COSTS OF TRADING DUE TO OPPOSITION. THIS HAS BEEN REPORTED BY L. R. MASSON AS FOLLOWS.

AU MOYEN DE CETTE PUISSANTE ORGANISATION, LA COMPAGNIE DU NORD-OUEST PUT SE MAINTENIR SANS ÉPROUVER LES TRIAILLEMENTS QUI L'AVAIENT JUSQU'ALORS AFFAIBLIE. LES SCÈNES DE VIOLENCE CESSÈRENT À L'INTERIEUR; LA VENTE DES SPIRITUEUX FUT CONSIDÉRABLEMENT DIMINUÉE, ET LE COMMERCE SE FIT D'UNE MANIÈRE PLUS RÉGULIÈRE ET PLUS PROFITABLE. LES COMMIS ET LES EMPLOYÉS EURENT SEULE À SOUFFRIR DE LA COALITION, CAR LEURS SALAIRES, QUI AVAIENT ÉTÉ ÉLEVÉS DE VINGT-CINQ PAR CENT PENDANT LA COMPÉTITION, FURENT REDUITS À LEUR TAUX ORDINAIRE PLUS QUE MODESTE; ET ENCORE ÉTAIENT-ILS LE PLUS SOUVENT ENGAGÉS D'AVANCE POUR FAIRE FACE AUX EXTRAVAGANCES DE SÉJOUR DE MONTRÉAL ET DE FORT WILLIAM.⁵⁷

THE MINUTE BOOK OF THE NORTH WEST COMPANY CONTAINS MANY EVIDENCES OF THIS PROCESS OF INTEGRATION IN THE COMPANY AFTER 1804. THE WAGES OF THE MEN WERE LOWERED CONSIDERABLY, FROM THE LEVELS OF THE PERIOD OF COMPETITION WITH THE XY COMPANY. THE NEW RATES HAVE BEEN GATHERED INTO ONE PLACE AND PRESENTED IN TABLE VI. THE COMPANY BEGAN TO ENFORCE A MORE ECONOMICAL PATTERN OF OPERATIONS. THE MEN WERE NO LONGER ALLOWED

56. W. S. WALLACE, DOCUMENTS RELATING TO THE NORTH WEST COMPANY, OP. CIT., P. 21.

57. L. R. MASSON, LES BOURGEOIS...., OP. CIT., VOL. 1, PP. 91-2.

Table VI. - Wages and Equipments in the North West Company after the Union in 1804 53

DEPARTMENT OR AREA	WAGES IN LIVRES		
	<u>BOUTS</u>	<u>MILIEUX</u>	<u>EQUIPMENT</u>
Athabasca River	700	500	English River Type(a)
English River	600	400	same
Rocky Mountains	600	450	same
Upper Fort des Prairies	500	400	same
Fort Dauphin	400	350	Common Type (b)
Upper Red River	400 - 500	300 - 350	same
Lower Red River	400 - 450	300	same
Lake Ouinipique	450 - 500	350 - 400	same
Lake LaPluie	450	300 - 350	same
Lake Nipigon	400	300 - 350	same

a Contents of the Equipment for the English RiverFOR BOUTS

1 Pair of Leggins (sic)
 $\frac{1}{2}$ Pound of Beads
 $\frac{1}{4}$ Pound of Vermillion
 1 Blanket 3 point
 1 Blanket 2 $\frac{1}{2}$ point
 3 Bracelettes
 2 Shirts
 2 Handkerchiefs
 4 Carrots Tobacco
 3 Large Knives
 3 Small Knives

FOR MILIEUX

2 Pair of Leggins
 1 Blanket 3 point
 1 Blanket 2 $\frac{1}{2}$ point
 2 Shirts
 2 Bracelettes
 2 Handkerchiefs
 3 Carrots Tobacco
 2 Large Knives
 2 Small Knives

b Contents of the Common EquipmentFOR BOTH BOUTS AND MILIEUX

2 Pair of Leggins
 1 Blanket 2 $\frac{1}{2}$ point
 2 Shirts
 1 Blanket 3 point
 2 Bracelettes
 4 Carrots Tobacco

53. "Minute Book of the North West Company", op. cit.,
 pp. 46 - 7.

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TO SEND PAQUETTONS FROM THE INTERIOR,⁵⁸ TRANSFERS WERE REGULATED, AND THE NUMBER OF CANOES AVAILABLE FOR ANY OUTFIT WAS LIMITED.⁵⁹ THE EQUIPMENT GIVEN TO THE MEN WAS STANDARDIZED, SEE TABLE VI. FROM THE WAGES QUOTED IN TABLE VI, ONE CAN CONCLUDE THAT MASSON WAS EXPRESSING A CONSERVATIVE ESTIMATE WHEN HE WROTE THAT WAGES HAD DECLINED BY TWENTY FIVE PER CENT.⁶⁰ IF ONE WERE TO COMPARE THESE WAGES WITH THOSE OFFERED DURING THE PERIOD OF COMPETITION WITH THE XY COMPANY, ONE WOULD NOTE THAT THE DECLINE IN WAGES WOULD BE IN THE ORDER OF FIFTY PER CENT.⁶¹ THUS ONE CAN CONCLUDE THAT THE NORTH WEST COMPANY AFTER 1804, FOLLOWED A PATTERN OF CONSOLIDATION, PRUNING AWAY THE COSTLY EXPEDIENTS DEVELOPED DURING THE SIX OUTFITS OF VIOLENT COMPETITION WITH THE XY COMPANY.

THE FURTHER DISCUSSION OF THE XY COMPANY WILL BE CAST ALONG THE LINES OF AN ANALYSIS OF ITS FINANCIAL STRUCTURE. THE NOTIONS OF "INVESTMENT" AND "LOSS" WILL BE CLARIFIED BY EVIDENCE FROM THE BOOKS OF ACCOUNT OF THE XY COMPANY. PERHAPS SOME OF THE DEEP-ROOTED CAUSES OF THE SWIFT DECLINE OF THE NORTH WEST FUR TRADE IN THE TWO DECADES FOLLOWING THE UNION OF 1804 CAN BE DELINEATED.

58. -----, -----, "MINUTE BOOK OF THE NORTH WEST COMPANY", OP. CIT., PP. 46-7.

59. IBID., P. 50.

60. L. R. MASSON, LES BOURGEOIS, OP. CIT., VOL. 1, P. 92.

61. DANIEL SUTHERLAND TO JEAN BTE. McBEAN, "LETTER-BOOK", XY COMPANY, P. 16, ARCHIVES DU GRAND SÉMIN. DE QUÉBEC.

CHAPTER VI

THE RESULTS OF OPERATIONS AND THE FINANCIAL STRUCTURE
OF THE XY COMPANY

SUMMARY

THE OPERATIONS OF THE XY COMPANY FROM 1799 TO 1804 ARE RECORDED IN THE BOOKS OF ACCOUNT OF THAT COMPANY. THE NOTION OF INVESTMENT OR OWNERSHIP WAS UNUSUAL IN THAT THE COPARTNERS INVESTED MAINLY THEIR LIABILITY TO UNDERTAKE THE COMPANY'S EXPENSES. THIS NOTION OF INVESTMENT REFLECTED THE FACT THAT THE FINANCIAL STRUCTURE OF THE NORTH WEST FUR TRADE WAS PRIMARILY ON THE BASIS OF PRESENT GOODS FOR FUTURE FURS. THIS BASIS WAS FOUND IN THE RELATIONS BETWEEN MONTREAL AND LONDON, AS WELL AS BETWEEN INDIVIDUAL TRADERS AND INDIANS. THIS NOTION OF INVESTMENT, ALONG WITH PRIMITIVE ACCOUNTING DEVICES, OCCLUDED FROM CONTEMPORARIES AN ACCURATE ESTIMATE OF THE RESULTS OF THE FUR TRADE. THUS IN THE PERIOD AFTER 1804, THE FUR TRADE SEEMED TO BOOM, WHILE A DECADE LATER IT WAS IN A PERMANENT DECLINE. THE RESULTS OF OPERATIONS OF THE XY COMPANY WERE PROBABLY TRADING LOSSES UP TO 1804, BUT DUE TO THE FACT THAT THIS COMPANY WAS UNITED TO THE NORTH WEST COMPANY WITHOUT BEING "WOUND UP", THE TRADING LOSSES WERE OVERLOOKED IN THE PERIOD OF OPTIMISM FOLLOWING THE UNION, AND THE END OF OPPOSITION IN THE NORTH WEST.

THE XY COMPANY TRADED IN ITS OWN RIGHT FOR SIX YEARS, DURING WHICH TIME IT OPERATED OUTFITS FROM 1799 TO 1804 IN COMPETITION TO THE NORTH WEST COMPANY. THE OUTFIT OF 1805 WAS THE FIRST OUTFIT OF THE UNITED XY AND NORTH WEST COMPANIES. THE XY COMPANY HELD A ONE-QUARTER SHARE IN THE

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NORTH WEST COMPANY.¹ THE PROBLEM OF EVALUATING THE OPERATIONS OF THE XY COMPANY DURING THIS PERIOD OF OPERATIONS IS COMPLEX. IF IT CAN BE UNDERSTOOD FROM THE OUTSET, THAT CERTAIN ESTIMATES CAN BE MADE, FROM THE INFORMATION RECORDED IN THE BOOKS OF ACCOUNT OF THE XY COMPANY, AND THAT THESE MUST REMAIN ESTIMATES; THEN THE FOLLOWING DISCUSSION MAY PROVE INTERESTING.

ONE MUST DISTINGUISH THE TERM "LOSS" IN THIS CONTEXT. FOR THE FUR TRADERS OF THE NORTH WEST, "LOSS" WAS THE ESTIMATED VALUE OF THEIR UNREALIZED INVESTMENTS. THAT IS THEY WOULD SUBTRACT THE VALUE OF THEIR RETURNS FROM FURS, FROM THE COSTS, OR INVESTMENT IN A GIVEN OUTFIT. IF THE RETURNS WERE GREATER THAN THEIR COSTS, THEN CLEARLY THEY HAD A PROFIT. IF THEIR RETURNS WERE LESS THAN THE COSTS, OR INVESTMENT, THEN THEY CONSIDERED THIS A LOSS.

THE PHRASEOLOGY THEY USED TO EXPRESS THIS IDEA HAS BEEN FOUND IN A COPARTNERSHIP AGREEMENT OF THE TIME.

[NAMES OF EIGHT PARTNERS)...SHALL EACH HAVE RECEIVE AND BE ENTITLED TO ONE EQUAL AND FULL EIGHTH PART OR SHARE OF ALL THE GAINS AND PROFITS ARISING FROM ALL THE SAID JOINT TRADE OR BUSINESS SO INTENDED TO BE CARRIED ON AND EACH OF THEM SHALL IN LIKE MANNER BEAR, PAY AND DEFRAY ONE EQUAL EIGHTH PART OR SHARE OF ALL THE LOSSES THAT MAY HAPPEN DURING THE TERM OF THEIR SAID JOINT

1. L. R. MASSON, LES BOURGEOIS DE LA COMPAGNIE DU NORD-OUEST, OP. CIT., ARTICLE 1, OF THE AGREEMENT OF UNION, DATED 5TH NOVEMBER, 1804, VOL. 2, P. 485.

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TRADE OR BUSINESS, AS WELL AS ONE EIGHTH PART OR SHARE OF ALL CHARGES AND EXPENCES THAT SHALL OR MAY ARISE OR BE INCURRED ON ACCOUNT OF THE SAID TRADE OR BUSINESS DURING THE SAID TERM. [THREE YEARS]²

THE PROBLEM OF DETERMINING A PROFIT OR LOSS FOR A GIVEN OUTFIT HINGED ON THE FACT THAT THE RETURNS FOR AN OUTFIT WERE RARELY COMPLETE IN LESS THAN THREE OR FOUR YEARS FOLLOWING THE TERMINATION OF THE OUTFIT. THE TRADERS KNEW THAT FURTHER EXPENSES, DEBITS, AND INCOME-CREDITS, WOULD ACCRUE TO THE OUTFIT. THUS THEY DEVISED THE FOLLOWING FORMULA TO DESCRIBE THIS SITUATION WHENEVER THEY RENDERED A STATEMENT OF ACCOUNTS.

E & O E [ERRORS AND OMISSIONS EXCEPTED]

THE PARTIES HERETO BEING LIABLE TO BE FURTHER DEBITED OR CREDITED AS THE FURS ARE SENT TO ENGLAND & THE UNITED STATES MAY NET LESS OR MORE THAN THEIR INVOICE VALUATION AT CREDIT OF THE ABOVE ACCOUNT WITH INTEREST ON THE AMOUNT THEREOF FROM THIS DAY UNTILL [SIC] THEY ARE VALUED....³

TO ILLUSTRATE THIS NOTION TABLES VII, VIII, IX, X, XI AND XII ARE PRESENTED. THESE TABLES ARE FACSIMILES OF RECAPITULATIONS FOUND IN BOOK NO. 14, OF THE BOOKS OF ACCOUNT OF THE XY COMPANY.

THE NOTION OF "INVESTMENT" THAT WAS CURRENT AMONG THE FUR TRADERS OF THE NORTH WEST WAS RELATED TO THEIR

2. R. H. FLEMING, "THE ORIGIN OF 'SIR ALEXANDER MACKENZIE AND COMPANY'", OP. CIT., P. 148.

3. -----, -----, BOOK NO. 3, OF THE BOOKS OF ACCOUNT OF THE XY COMPANY, MANUSCRIPT, P. 52, ARCHIVES DU GRAND SÉMINAIRE DE QUÉBEC.

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NOTION OF LOSS. INVESTMENT INCLUDED CASH GOODS AND LABOUR INVESTED IN THE BUSINESS, AND ALSO ALL EXPENSES INCURRED IN THE OPERATING OF THE FUR TRADE. THUS THE INVESTMENT OF A COPARTNER IN THE FUR TRADE MIGHT WELL BE CONSIDERED THE EQUITY THAT THE COMPANY HAD A RIGHT TO EXPECT FROM HIS RESOURCES. A DESCRIPTION OF THE TYPICAL PATTERN OF INVESTMENT IN A COPARTNERSHIP, SIMILAR IN TIME AND STRUCTURE TO THE XY COMPANY WAS DELINEATED IN THE FOLLOWING MANNER.

...THEY [THE COPARTNERS] HAVE A CERTAIN STOCK OF GOODS ON HAND AS ALSO SUNDRY OUTSTANDING DEBTS AND SUMS OF MONEY DUE THEM IN THOSE PLACES [NAMED ABOVE, QUEBEC, MONTREAL, MICHILIMACKINAC, AND UPPER CANADA,]: NOW THE PARTIES HERETO DO HEREBY AGREE TO TAKE FOR THEIR JOINT ACCOUNT SUCH GOODS SO REMAINING ON HAND AT THE COMMENCEMENT OF THE PRESENT COPARTNERSHIP AT THE RATE OF SIXTEEN PERCENT ADVANCE ON THE STERLING COST...AND IT IS FURTHER AGREED THAT THE SAME OUTSTANDING DEBTS AND SUMS OF MONEY SHALL BE BROUGHT INTO THIS JOINT CONCERN, AND TO BE BY THEM ASSUMED ON DEDUCTING THEREFROM TEN THOUSAND POUNDS CURRENCY, AS AN INDEMNITY, FOR THE LOSS THAT MAY ACCRUE BY DUBIOUS AND BAD DEBTS.⁴

THE NOTION OF INVESTMENT AND LOSS WERE THAT THE PARTNER HAD AN OBLIGATION TO THE CONCERN IN THE CASE THAT THE OPERATIONS DID NOT COVER THE COST OF THE GOODS PURCHASED, AND THE EXPENSES OF CARRYING ON THE TRADE. THIS NOTION WILL BE FURTHER EXAMINED BELOW.

4. R. H. FLEMING, "THE ORIGIN OF THE 'SIR ALEXANDER MACKENZIE AND COMPANY'", OP. CIT., PP. 149-50.

IN THE FOLLOWING PAGES TABLES VII THROUGH XII ARE PRESENTED. THESE TABLES PRESENT AN ANALYSIS OF THE RESULTS OF THE OPERATIONS OF EACH OF THE OUTFITS OF THE XY COMPANY. THE INFORMATION CONTAINED IN THESE TABLES WAS RECORDED IN BOOK 14 OF THE BOOKS OF ACCOUNT OF THE XY COMPANY. THE TABLES ARE CONSTRUCTED IN A FORMAT DESIGNED TO ILLUSTRATE THE CONTINUING OWNERSHIP INTEREST OR INVESTMENT OF THE CO-PARTNERS AS A GROUP IN THE OUTFITS OF 1799 THROUGH 1804. THUS EACH TABLE BEGINS WITH THE TOTAL COST OF THE OUTFIT AT THE END OF THE "OUTFIT-YEAR", FROM WHICH IS SUBTRACTED THE VALUE OF THE RETURNS FROM THE SALE OF FURS, AND TO WHICH IS ADDED THE INTEREST CHARGES IN SUCCESSIVE YEARS. EACH TABLE PRESENTS THE FACT THAT NO ONE OUTFIT WAS SOLVENT IN SO FAR AS THE RETURNS NEVER EXCEEDED THE ORIGINAL INVESTMENT PLUS THE INTEREST CHARGES.

FURTHER IT MAY BE DEMONSTRATED FROM THESE TABLES THAT THE BOOKKEEPING FOR EACH OUTFIT DID NOT CEASE WITH THE CALENDAR YEAR OF THE OUTFIT, BUT RATHER CONTINUED AS FURTHER INCOME, OR MORE USUALLY EXPENSE WAS APPLIED TO EACH OUTFIT IN SUCCESSIVE YEARS. THE MORE COMMON SUBSEQUENT EXPENSE WAS THE ITEM OF INTEREST CHARGED TO THE OUTFIT ON THE INVESTMENT NOT YET REALIZED.

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TABLE VII
THE OUTFIT OF 1799 IN THE XY COMPANY (1)

30TH NOVEMBER 1799	AMOUNT OF OUTFIT (A)	£ 8,122-12- 8
30TH NOVEMBER 1800	INTEREST ON DITTO 5%	406- 2- 8
		8,528-15- 4
	LESS RETURNS	6,844- 3-10
	BALANCE 1800	1,684-11- 6
30TH NOVEMBER 1801	INTEREST ON DITTO	84- 4- 7
		1,768-16- 1
	LESS VALUATIONS OF POSTS	572-14- 1
	BALANCE 1801	1,196- 2-
30TH NOVEMBER 1802	INTEREST ON DITTO	59-16-
	BALANCE 1802	1,255-18-
30TH NOVEMBER 1803	INTEREST ON DITTO	65-15-10
	BALANCE 1803 (B)	1,318-13-10
30TH NOVEMBER 1804	INTEREST ON DITTO	65-18- 8
	BALANCE 1804	1,384-12- 6
30TH NOVEMBER 1805	INTEREST ON DITTO	69- 4- 8
		1,453-17- 2

A. THIS FIGURE IS THE SUM OF THE OWNERSHIP OR INVESTMENT OF THE FOURTEEN SHARES, HELD BY THE NINE CO-PARTNERS OF THE XY COMPANY IN THE OUTFIT OF 1799.

B. THE ERROR IN ADDITION OF £ 3 IS IN THE ORIGINAL DATA.

1. -----, -----, BOOK No. 14, OF THE BOOKS OF ACCOUNT OF THE XY COMPANY, OP. CIT., WHEREIN CAN BE FOUND A RECAPITULATION UNDER THE DATE 30TH NOVEMBER 1805, OF WHICH THE ABOVE TABLE IS A FACSIMILE.

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TABLE VIII
THE OUTFIT OF 1800 IN THE XY COMPANY (1)

30TH NOVEMBER 1800	AMOUNT OF THE OUTFIT (A)	£	24,748-12-7
30TH NOVEMBER 1801	INTEREST ON DITTO 5%		1,237-8-8
			<u>25,986-1-3</u>
	LESS RETURNS		17,832-12-3
	BALANCE 1801		<u>8,153-9-3</u>
30TH NOVEMBER 1802	INTEREST ON DITTO		407-13-5
			<u>8,561-2-8</u>
	LESS PROFIT ON FURS (B)		1,299-17-
	BALANCE 1802		<u>7,261-5-8</u>
30TH NOVEMBER 1803	INTEREST ON DITTO		363-1-3
	BALANCE 1803		<u>7,624-6-11</u>
30TH NOVEMBER 1804	INTEREST ON DITTO		381-4-3
	BALANCE 1804		<u>8,005-11-2</u>
30TH NOVEMBER 1805	INTEREST ON DITTO		400-5-7
			<u>8,405-16-9</u>

- A. THIS FIGURE IS THE SUM OF THE OWNERSHIP OR INVESTMENT OF THE FIFTEEN SHARES, HELD BY THE NINE COPARTNERS OF THE XY COMPANY IN THE OUTFIT OF 1800.
- B. THIS ITEM REPRESENTS THE FACT THAT THE PROCEEDS FROM THE FUR AUCTIONS WERE MORE THAN THEY HAD BEEN ESTIMATED TO BE.

1. -----, -----, BOOK No. 14, OF THE BOOKS OF ACCOUNT OF THE XY COMPANY, OP. CIT., THE ABOVE TABLE IS A FACSIMILE OF A RECAPITULATION RECORDED UNDER THE DATE 30TH NOVEMBER, 1805.

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TABLE IX
THE OUTFIT OF 1801 IN THE XY COMPANY (1)

30TH NOVEMBER 1801	AMOUNT OF OUTFIT (A)	£ 33,456- 4- 7
30TH NOVEMBER 1802	INTEREST ON DITTO	<u>1,672-16- 3</u> 35,129- -10
30TH NOVEMBER 1802	LESS RETURNS	<u>24,159-16- 8</u>
	BALANCE 1802	10,969- 4- 2
30TH NOVEMBER 1803	INTEREST ON DITTO	<u>548- 9- 3</u> 11,517-13- 5
	LOSS ON FURS (B)	<u>2,770- 8- 6</u>
	BALANCE 1803	14,288- 1-11
30TH NOVEMBER 1804	INTEREST ON DITTO	<u>714- 8- 1</u> 15,002-10-
	SUNDRY CHARGES	<u>56- 5-</u>
	BALANCE 1804	15,058-15-
30TH NOVEMBER 1805	INTEREST ON DITTO	<u>752-18- 9</u> 15,811-13- 9

- A. THIS FIGURE IS THE SUM OF THE OWNERSHIP OR INVESTMENT OF THE NINETEEN SHARES, HELD BY THE TEN COPARTNERS OF THE XY COMPANY IN THE OUTFIT OF 1801.
- B. THIS LOSS IS DUE TO THE FACT THAT THE PROCEEDS FROM THE FUR AUCTIONS WERE LESS THAN THEY WERE ESTIMATED TO BE.

1. -----, -----, Book No. 14, OF THE BOOKS OF ACCOUNT OF THE XY COMPANY, OP. CIT., THE TABLE ABOVE IS A FACSIMILE OF A RECAPITULATION RECORDED UNDER THE DATE 30TH NOVEMBER 1805.

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TABLE X
THE OUTFIT OF 1802 IN THE XY COMPANY (1)

30TH NOVEMBER 1802	AMOUNT OF OUTFIT (A)	£ 42,663- 4- 3
30TH NOVEMBER 1803	INTEREST ON DITTO	<u>2,133- 3- 3</u>
30TH NOVEMBER 1803	RETURNS	<u>44,796- 7- 6</u>
	BALANCE 1803	<u>39,693-14- 6</u>
		5,102-13-
30TH NOVEMBER 1804	INTEREST ON DITTO	<u>391-12- 8</u>
		<u>5,494- 5- 8</u>
	LOSS ON FURS (B)	<u>3,900- 9- 1</u>
	BALANCE 1804	<u>9,394-14- 9</u>
30TH NOVEMBER 1805	INTEREST ON DITTO	<u>606- 4- 9</u>
		<u><u>10,000-19- 6</u></u>

- A. THIS FIGURE IS THE SUM OF THE OWNERSHIP OR INVESTMENT OF THE TWENTY-ONE SHARES HELD BY THE TWELVE COPARTNERS IN THE OUTFIT OF 1802.
- B. THIS LOSS IS EXPLAINED AND DISCUSSED IN THE TEXT OF THE THESIS.

1. -----, -----, Book No. 14, OF THE BOOKS OF ACCOUNT OF THE XY COMPANY, OP. CIT., THE TABLE ABOVE IS A FACSIMILE OF A RECAPITULATION RECORDED UNDER THE DATE 30TH NOVEMBER 1805.

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TABLE XI
THE OUTFIT OF 1803 IN THE XY COMPANY (1)

30TH NOVEMBER 1803	AMOUNT OF OUTFIT	£ 57,132- 4- 4
30TH NOVEMBER 1804	INTEREST ON DITTO	<u>2,856-12- 3</u>
30TH NOVEMBER 1804	RETURNS	<u>59,988-16- 7</u>
	BALANCE 1804	<u>45,147- 3-10</u>
		14,841-12- 9
30TH NOVEMBER 1805	INTEREST ON DITTO	<u>742- 1- 8</u>
		<u>15,583-14- 5</u>

A. THIS FIGURE IS THE SUM OF THE OWNERSHIP OR INVESTMENT OF THE TWENTY-ONE SHARES HELD BY THE TWELVE COPARTNERS IN THE OUTFIT OF 1803.

1. -----, -----, Book No. 14, OF THE BOOKS OF ACCOUNT OF THE XY COMPANY, OP. CIT., THE TABLE ABOVE IS A FACSIMILE OF A RECAPITULATION RECORDED UNDER THE DATE 30TH NOVEMBER 1805.

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TABLE XII
THE OUTFIT OF 1804 IN THE XY COMPANY (1)

30TH NOVEMBER 1804 AMOUNT OF OUTFIT (A)	£ 59,808-16-
30TH NOVEMBER 1805 INTEREST ON DITTO	<u>2,990- 8- 9</u> 62,799- 4- 9
30TH NOVEMBER 1805 RETURNS	<u>19,193-13- 4</u> 43,605- 9- 5
30TH NOVEMBER 1805 EQUITY IN INVENTORIES (B) TAKEN INTO JOINT CONCERN	<u>35,844- 9- 3</u> <u>7,761- - 2</u> -----

- A. THIS FIGURE IS THE SUM OF THE OWNERSHIP OR INVESTMENT OF THE TWENTY-ONE SHARES HELD BY THE TWELVE COPARTNERS IN THE OUTFIT OF 1804.
- B. TABLE 2 PRESENTS A DETAILED LISTING OF THE CLOSING INVENTORIES OF THE OUTFIT OF 1804.

1. -----, -----, BOOK NO. 14, OF THE BOOKS OF ACCOUNT OF THE XY COMPANY, OP. CIT., THE TABLE ABOVE IS A FACSIMILE OF A RECAPITULATION RECORDED UNDER THE DATE 30TH NOVEMBER 1805.

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IT MIGHT BE NOTED THAT THE TERM CALLED "LOSS" WAS THE DIFFERENCE BETWEEN INCOME LESS EXPENSE IN A GIVEN OUTFIT; THIS WOULD BE THE AMOUNT OF THE INVESTMENT NOT YET REALIZED FROM THE OPERATIONS OF THE GIVEN YEAR. THIS CONCEPT OF LOSS IS CRUCIAL TO THE FOLLOWING ANALYSIS OF THE STATUS OF THE XY COMPANY DURING THE PERIOD OF ITS OPERATIONS. IN TABLE XIII THERE HAS BEEN EXHIBITED AN ESTIMATE OF THE INVESTMENT IN THE SIX OUTFITS OF THE XY COMPANY. THE ORIGINAL INVESTMENT OR COSTS OF EACH OUTFIT ARE NOTED, AS WELL AS THE UNREALIZED INVESTMENT OR "LOSS" AS OF 30TH NOVEMBER 1805. THE DIFFERENCE BETWEEN "ORIGINAL INVESTMENT" AND "UNREALIZED INVESTMENT" IN ANY OUTFIT WOULD BE THE VALUE OF THE RETURNS OF FURS FOR THAT OUTFIT. THIS INFORMATION WAS RECORDED IN BOOK NO. 14, OF THE BOOKS OF ACCOUNT OF THE XY COMPANY IN AN ENTRY DATED AS ABOVE. THE READER WILL OBSERVE THAT TABLE XIII PRESENTS FOR EACH OUTFIT THE SUMMARY OF THE INFORMATION PRESENTED IN TABLES VII, VIII, IX, X, XI AND XII.

THE DATA IN TABLE XIII WAS ORGANIZED IN 1805, THUS THE EARLIER OUTFITS HAVE BEEN MORE ACCURATELY REPORTED, THAN THE LAST TWO OUTFITS. THESE LATTER OUTFITS MAY HAVE BEEN SUBJECT TO QUALIFYING ENTRIES AFTER 1805. FROM TABLES VII AND VIII ONE CAN STATE THAT SUCH LATER QUALIFYING ENTRIES WOULD PRESENT MINOR ADJUSTMENTS. FURTHER SUCH ENTRIES IF MADE, WOULD NOT BE IN THE BOOKS OF ACCOUNT OF THE

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TABLE XIII
INVESTMENT OF THE XY COMPANY IN THE OUTFITS
OF 1799 TO 1804 (1)

OUTFIT OF THE YEAR	ORIGINAL INVESTMENT EXPRESSED IN STERLING	UNREALIZED INVESTMENT AS OF 1805 IN STERLING	UNREALIZED INVESTMENT AS OF 1805 EXPRESSED AS A PERCENTAGE OF THE ORI- GINAL INVEST- MENT	REALIZED INVEST- MENT AS OF 1805 EXPRESSED AS A PER- CENTAGE OF THE ORIGINAL INVEST- MENT
	COLUMN 1	COLUMN 2	COLUMN 3	COLUMN 4
1799	£ 8,122-12- 8	£ 1,453-17- 2	18%	82%
1800	24,748-12- 7	8,405-16- 9	34%	66%
1801	33,456- 4- 7	15,811-13- 9	47%	53%
1802	42,663- 4- 3	10,000-19- 6	23%	77%
1803	57,132- 4- 4	15,583-14- 5	27%	73%
1804	59,808-16-	7,761- - 2	13%	87%
TOTAL	<u>225,931-14- 5</u>	<u>59,017- 1- 9</u>	<u>26%</u>	<u>74%</u>

1. -----, -----, Book No. 14 OF THE BOOKS OF ACCOUNT OF THE XY COMPANY, OP. CIT., THIS BOOK PRESENTS A RECAPITULATION OF THE STATUS OF EACH OUTFIT AS OF 1805, SHOWING THE ORIGINAL INVESTMENT, RETURNS, AND SUBSEQUENT INTEREST CHARGES APPLIED TO EACH OUTFIT, SUCH AS HAS BEEN PRESENTED IN TABLES VII, VIII, IX, X, XI, AND XII. THE ABOVE TABLE HAS BEEN SUMMARIZED FROM THE RECAPITULATIONS RECORDED IN BOOK 14 UNDER THE DATE 30TH NOVEMBER 1805.

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XY COMPANY, BUT IN THE BOOKS OF ACCOUNT OF THE NORTH WEST COMPANY, SINCE AFTER THE OUTFIT OF 1804 IT WAS THE SOLE OPERATING ENTITY. THE ESTIMATE IN TABLE XIII SHOWS THE PERCENTAGE OF INVESTMENT REALIZED AND UNREALIZED, THE PERCENTAGES PROVIDE A BASIS FOR COMPARISON.

IT WOULD BE SUGGESTED THAT THE PERCENTAGES OF "INVESTMENT UNREALIZED" MIGHT WELL PROVIDE AN INDEX TO THE INTENSITY OF COMPETITION. THE SUGGESTED RELATIONSHIP WOULD BE A DIRECT ONE; THAT IS, THE MORE EXTREME THE COMPETITION, THE GREATER THE PERCENTAGE OF THE INVESTMENT WOULD BE UNREALIZED. THIS WAS EXPRESSED BY THE FUR TRADERS AS LOSS. THIS RELATIONSHIP COULD BE STATED CONVERSELY AS FOLLOWS; THE LARGER THE PERCENTAGE OF THE INVESTMENT THAT WAS REALIZED, THE LESS INTENSE WAS THE OPPOSITION IN THE OUTFIT IN QUESTION. THE FOLLOWING SUGGESTIONS COULD BE MADE FROM THE PERCENTAGES IN COLUMN THREE OF TABLE XIII. IN THE OUTFITS OF 1800 AND 1801, ONE WOULD EXPECT MORE INTENSE COMPETITION, WHILE IN THE OUTFITS OF 1802 AND 1803, ONE WOULD EXPECT LESS INTENSE COMPETITION, YET STILL MORE INTENSE THAN FOR THE OUTFIT OF 1799. THE OUTFIT OF 1804 REFLECTS THE EFFECTS OF THE UNION, IN SO FAR AS THE RETURNS FOR THIS OUTFIT INCLUDE THE VALUE OF THE INVENTORIES TAKEN OVER BY THE NORTH WEST COMPANY. TO THIS EXTENT THEN, THE RETURNS FOR THE YEAR 1804 ARE MORE COMPLETE THAN ONE WOULD EXPECT. SINCE THE

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GOODS TAKEN OVER FROM THE XY COMPANY IN THE OUTFIT OF 1804, BY THE NORTH WEST COMPANY, WERE NOT YET TRADED, THE OUTFIT OF 1804 WAS NOT A REPRESENTATIVE OUTFIT.

IT MAY BE OBSERVED FROM TABLES VII AND VIII THAT THE INITIAL INVESTMENT IN THE OUTFIT OF A GIVEN YEAR WILL BE FOUND TO INCREASE DUE TO THE INTEREST CHARGES APPLIED BY THE COMPANY ON THE UNREALIZED INVESTMENT IN THE OUTFIT. THIS PROCEDURE CONFIRMS THE NOTION THAT "INVESTMENT" FOR THE FUR TRADERS WAS SOMETHING DIFFERENT FROM THE ORDINARY CONNOTATION OF THE WORD. OTHER ADJUSTMENTS CAME ABOUT FOR VARIOUS REASONS. FOR EXAMPLE THE OUTFIT OF 1802, TABLE X, WAS CHARGED WITH AN APPARENT LOSS OF £3,900-9-1, IN AN ENTRY OF 30TH NOVEMBER 1804.⁵ THIS ADJUSTMENT WAS MADE BECAUSE A CERTAIN MERCHANT, SCHNEIDER IN HAMBURG, DID NOT PAY FOR THE FURS HE OBTAINED. FURTHER IT HAPPENED THAT THE EXPECTED RETURNS FOR THE FURS WERE NOT REALIZED WHEN THE FURS WERE SOLD. THIS INFORMATION COULD BE SUMMARIZED AS FOLLOWS.⁶

5. -----, -----, BOOK NO. 14, OF THE BOOKS OF ACCOUNT OF THE XY COMPANY, MANUSCRIPT, ENTRY CONCERNING OUTFIT OF 1802, DATED 30TH NOVEMBER 1804, ARCHIVES DU GRAND SÉMINAIRE DE QUÉBEC.

6. -----, -----, BOOK NO. 11, OF THE BOOKS OF ACCOUNT OF THE XY COMPANY, MANUSCRIPT, ENTRY OF 30TH NOVEMBER 1804, REFERRING TO THE OUTFIT OF 1802, ARCHIVES DU GRAND SÉMINAIRE DE QUÉBEC.

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EXPECTED VALUE OF THE FURS		£ 22,355- 6-11
ACTUAL PROCEEDS FROM THE SALE OF THE FURS		20,236- 4-
LOSS		<u>2,119- 2-11</u>
ADD INTEREST ON SAME		358-17- 9
LOSS ON VALUATION OF FURS		<u>2,478- - 8</u>
LOSS DUE TO DEFAULT OF		
J. H. SCHNEIDER	1,321- 4- 5	
ADD INTEREST	<u>99- 3-</u>	1,420- 7- 5
TOTAL ADJUSTMENT TO OUTFIT OF 1802, LOSS		<u>3,898- 8- 1</u>

THIS RECONCILIATION IS £ 2- 1- LESS THAN THE FIGURE, £ 3,900- 9- 1, WHICH DIFFERENCE WAS FOUND TO BE MADE UP OF MINOR ADJUSTMENTS, NOT OF SUFFICIENT SIGNIFICANCE TO BE WORTH IDENTIFYING. THE TWO MAJOR ADJUSTMENTS, THE FAILURE OF THE RETURNS TO MEET THEIR EXPECTED VALUATIONS, AND THE WRITING OFF OF THE SCHNEIDER ACCOUNT, HAD THE EFFECT OF INCREASING THE INDEBTEDNESS OF THE XY COMPANY TO THEIR LONDON AGENTS AND CORRESPONDENTS, THE PHYN, INGLIS AND COMPANY. THIS INCREASED INDEBTEDNESS, OR LOSS, WAS DISTRIBUTED AMONG THE PARTNERS OF THE XY COMPANY IN THE OUTFIT OF 1802, AT THE RATE OF £ 185-14- 1 FOR EACH ONE-TWENTY-FIRST SHARE.⁷ THIS EXAMPLE ILLUSTRATES A PROCEDURE THAT THE GROWTH IN THE INVESTMENT OF THE XY COMPANY COULD BE VERY DIFFERENT FROM ADDITIONAL FUNDS SUPPLIED TO THE COMPANY BY THE CO-PARTNERS. IT COULD BE, AND IN THIS CASE WAS, AN ADDITIONAL LIABILITY OF THE COPARTNERS TO THE COMPANY BECAUSE OF OPERATING LOSSES.

7. -----, -----, BOOK No. 14, OF THE BOOKS OF ACCOUNT OF THE XY COMPANY, OP. CIT., IBID.

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FROM TABLES VII, VIII, IX, X, XI, AND XII THE READER MAY OBSERVE THE ANNUAL INTEREST CHARGES THAT ARE ADDED INTO THE INVESTMENT OF THE OUTFITS OF THE XY COMPANY. IT MUST BE EMPHASIZED THAT THESE ANNUAL ADDITIONS TO THE OUTFITS WERE NOT IN FACT INVESTMENTS IN THE ORDINARY SENSE OF THE WORD, BUT IN FACT OPERATING EXPENSES, AND MUST BE DISTINGUISHED FROM OWNERSHIP EQUITY, OR INVESTMENT. DURING THE PERIOD OF OPERATIONS OF THE XY COMPANY THIS DISTINCTION WAS NOT MADE. THE USE OF THIS DISTINCTION WOULD HAVE LED TO A MORE CONCRETE DISPLAY OF THE TRUTH OF THE CAPITAL STRUCTURE OF THE XY COMPANY, AND MUTATIS MUTANDIS THE NORTH WEST COMPANY.

THE QUESTION MIGHT ARISE BASED ON THE INFORMATION PRESENTED IN TABLES XIII, AND VII THROUGH XII AS TO HOW THE INCREASING AMOUNTS OF INVESTMENT IN THE OUTFITS OF THE XY COMPANY FROM 1799 TO 1804 COULD BE ACCOUNTED FOR? A SUGGESTED ANSWER COULD BE OUTLINED AS FOLLOWS. THE INCREASED INVESTMENT WAS MORE PROBABLY THE AMPLIFIED LINE OF CREDIT GIVEN TO THE XY COMPANY BY ITS SUPPLIERS. ONE CAN FIND IN THE BOOKS OF ACCOUNT OF THE XY COMPANY THE RECORD OF LARGER PURCHASES OF TRADE GOODS ON CREDIT, FROM THE FIRM OF PHYN, INGLIS AND COMPANY OF LONDON, ENGLAND. THESE PURCHASES COULD BE SUMMARIZED AS BELOW.

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PURCHASED	IN	1799	£	6,150-	3-	9
"	"	1800		4,757-	6-	1
"	"	1801		10,613-	9-	4
"	"	1802		16,512-	2-	11
"	"	1803		15,420-	7-	2 8
"	"	1804		13,052-	3-	6

THESE FIGURES WOULD BE A MEASURE OF THE VOLUME OF BUSINESS BETWEEN THE XY COMPANY AND ONE OF ITS SUPPLIERS. ONE CAN OBSERVE THAT THE VOLUME OF GOODS PURCHASED DURING THE OPERATIONAL LIFE OF THE XY COMPANY DID INCREASE SIGNIFICANTLY.

THIS INFORMATION DOES PROVIDE SOME INDICATION OF THE TECHNIQUES OF THE XY COMPANY IN FINANCING ITS OPERATIONS. IT WOULD INDICATE THAT THE XY COMPANY TRADED ON THE CREDIT EXTENDED BY ITS SUPPLIERS. HERE AGAIN ONE MUST CAREFULLY DISTINGUISH THE NOTION OF INVESTMENT MADE BY THE COPARTNERS OF THE XY COMPANY. THIS INVESTMENT WAS IN THE MAIN, THE UNDERTAKING OF THE COPARTNERS TO SATISFY THE CREDITORS OF THE COMPANY RATHER THAN THE PROVIDING OF FUNDS.

THE XY COMPANY SENT THE MAJOR PORTION OF ITS FURS TO LONDON, TO BE SOLD IN THE FUR AUCTIONS BY ITS LONDON AGENT, THE PHYN, INGLIS AND COMPANY. THE REASON FOR THIS PROCEDURE IS CLEAR WHEN ONE REMEMBERS THAT THE PHYN, INGLIS

8. -----, -----, Book No. 4, OF THE BOOKS OF ACCOUNT OF THE XY COMPANY, MANUSCRIPT; THIS SUMMARY IS A COMPILATION OF ALL THE INVOICES RECORDED THERE FROM PHYN, INGLIS AND COMPANY, FROM 15TH MARCH 1799 TO 15TH JUNE 1804. ARCHIVES DU GRAND SÉMINAIRE DE QUÉBEC.

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AND COMPANY SUPPLIED THE TRADE GOODS TO THE XY COMPANY ON CREDIT. THE FOLLOWING SUMMARY OF THE RETURNS OF THE XY COMPANY WOULD INCLUDE THE GREATER PART OF ITS TRADING ACTIVITY. IT HAS BEEN RECONSTRUCTED FROM THE CORRESPONDENCE OF DANIEL SUTHERLAND, THE MONTREAL AGENT FOR THE XY COMPANY.

FURS CONSIGNED BY THE XY COMPANY TO
THEIR LONDON AGENT, PHYN, INGLIS AND COMPANY

1801		£ 7,479- 5- 5
1802	53 BALES VALUED AT	18, 102- 5- 6
1803	60 BALES VALUED AT	20,120- 5- 3
1804	71 BALES VALUED AT	23,424-15- 4
1805	73 BALES VALUED AT	24,240- 3- 8 ⁹

IN COMPARING THE ESTIMATE OF GOODS RECEIVED FROM PHYN, INGLIS AND THE RETURNS FROM THE FURS SENT TO THEM, ONE CAN FORM A NOTION OF THE ROUGH OR GROSS PROFIT OF THE XY COMPANY. TO FACILITATE THIS COMPARISON TABLE XIV HAS BEEN CONSTRUCTED.

FROM EXAMINATION OF THE INFORMATION PRESENTED IN TABLE XIV, ONE CAN OBSERVE THAT IT WAS NOT UNTIL 1804 THAT THE RETURNS FROM THE SALE OF FURS BEGAN TO OFFSET THE PURCHASES OF TRADE GOODS. IN THE YEAR 1805, THE PURCHASES OF

9. BOOK No. 1, OF THE BOOKS OF ACCOUNT OF THE XY COMPANY, MANUSCRIPT, A LETTER BOOK, RECORDING COPIES OF THE LETTERS SENT BY DANIEL SUTHERLAND, MARKED "LETTERBOOK XY", WHEREIN RETURNS FROM 1801 TO 1805 WERE RECORDED IN THE LETTERS ACKNOWLEDGING THE REPORTS FROM PHYN, INGLIS AND COMPANY. ARCHIVES DU GRAND SÉMINAIRE DE QUÉBEC.

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TABLE XIV
PURCHASES FROM AND RETURNS TO PHYN, INGLIS AND COMPANY
MADE BY THE XY COMPANY 1799-1804

YEAR	TRADE GOODS INVOICES FROM PHYN, INGLIS & COMPANY (1)	RETURNS VALUE OF FURS SHIPPED BY THE XY COMPANY (2)	AMOUNT OWED TO PHYN INGLIS & COMP. BY XY COMP.	AMOUNT OWED TO THE XY COMPANY BY PHYN INGLIS
1799	£ 6,150- 3- 9	£	£ 6,150- 3- 9	
1800	4,757- 6- 1		10,907- 9- 10	
1801	10,613- 9- 4	7,479- 5- 5	14,023- 13- 9	
1802	16,512- 2- 11	18,102- 5- 6	12,433- 11- 2	
1803	15,420- 7- 2	20,120- 5- 3	7,735- 13- 1	
1804	13,052- 3- 6	23,424- 15- 4		2,636- 18- 9
1805	NORTH WEST COMPANY	24,240- 3- 8		26,877- 2- 5

1. -----, -----, Book No. 4, OF THE BOOKS OF ACCOUNT OF THE XY COMPANY, OP. CIT., THESE FIGURES ARE THE ANNUAL TOTALS OF THE INVOICES OF TRADE GOODS SHIPPED BY PHYN, INGLIS AND COMPANY TO THE XY COMPANY.

2. DANIEL SUTHERLAND, "LETTERBOOK XY", BOOK OF ACCOUNT NO. 1, OF THE XY COMPANY, OP. CIT., THESE FIGURES WERE FOUND IN THE ABOVE CORRESPONDENCE, GENERALLY IN LETTERS ACKNOWLEDGING THE ACCOUNTS RENDERED BY PHYN, INGLIS AND COMPANY. THESE ARE NOT THE ENTIRE FUR CROP, BUT THAT PORTION CONSIGNED TO PHYN, INGLIS AND COMPANY.

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TRADE GOODS WERE NO LONGER CHARGED TO THE XY COMPANY, BUT TO THE UNITED NORTH WEST COMPANY. THUS THERE IS NO REAL SIGNIFICANCE TO THE APPARENT EXCESS OF RETURNS IN THAT YEAR FOR THE PRESENT CONSIDERATIONS. IT MUST BE FURTHER NOTED THAT THERE WERE MANY OTHER COSTS TO THE FUR TRADERS THAN THE COSTS OF THE TRADE GOODS. THESE OTHER COSTS WOULD BE FOR TRANSPORT TO THE NORTH WEST, THE WAGES OF EMPLOYEES, AND THE COSTS OF PROCESSING BOTH THE FURS AND THE TRADE GOODS. THUS THE GROSS PROFIT MARGIN OF THE XY COMPANY MIGHT WELL SHRINK TO SMALLER PROPORTIONS, AND PERHAPS DISAPPEAR ENTIRELY.

THE CONTINUITY OF FINANCING TECHNIQUES FOUND IN THE OPERATIONS OF THE XY COMPANY COULD BE DESCRIBED AS FOLLOWS. THE FIRM OF PHYN, INGLIS AND COMPANY, IN ENGLAND, SUPPLIED THE TRADE GOODS TO THE CANADIAN FIRM IN MONTREAL ON CREDIT. CASH WAS NOT EXPECTED IN PAYMENT, SINCE IN THE PRIMITIVE ECONOMIC DEVELOPMENT OF CANADA AT THAT TIME, THERE WOULD NOT BE SUFFICIENT CURRENCY, NOR COINAGE TO TRANSACT SUCH BUSINESS. THIS SITUATION HAS BEEN DESCRIBED BY ADAM SHORTT.

THIS CONCENTRATION OF THE ORDINARY BUSINESS OF A CONSIDERABLE COMMUNITY, WITHIN A FEW HANDS, REDUCED MUCH OF THE PROCESS OF EXCHANGE TO A FORM OF COMPARATIVELY SIMPLE BOOK-KEEPING, WITH THE MINIMUM OF MONEY OR CREDIT INSTRUMENTS.¹⁰

10. A. SHORTT, "FINANCIAL DEVELOPMENT OF BRITISH NORTH AMERICA 1840-1867", CAMBRIDGE HISTORY OF THE BRITISH EMPIRE, VOL. 6, P. 370.

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THIS FACT WAS NOT UNUSUAL, AND THE CANADIAN COMPANIES SATISFIED THEIR INDEBTEDNESS BY MATCHING FURS FOR TRADE GOODS. WHEN IT BECAME NECESSARY TO REALIZE FUNDS, NOTES OF INDEBTEDNESS WERE DRAWN ON DEBTORS, OR THEIR CORRESPONDENT FIRMS ON EITHER SIDE OF THE ATLANTIC. THE FOLLOWING EXCERPT FROM THE MASSON COLLECTION WOULD ILLUSTRATE BOTH THE LONG CREDIT TERMS AND THE TECHNIQUE OF DRAWING A DRAFT ON A DEBTOR FIRM.

BRICKWOOD PRATTLE & COMPANY TO GRANT CAMPION & COMPANY FROM LONDON, 24TH APRIL, 1793

CONFORMABLE TO OUR PRACTICE AT THIS SEASON WE NOW HAND A SKETCH OF YOUR ACCOT. (ACCOUNT) WITH US, SHOWING A BALANCE OF NEAR SIX THOUSAND POUNDS TO BE DUE US, OF WHICH WE FLATTER OURSELVES YOU WILL HAVE REMITTED BEFORE THIS REACH & SO AS TO PREVENT OUR BEING IN ADVANCE OF....¹¹

THE SIGNIFICANCE OF "BEING IN ADVANCE OF YOU", WOULD BE THAT DRAFTS FOR THE ABOVE MENTIONED BALANCE WOULD BE NOW ON THEIR WAY TO GRANT, CAMPION AND COMPANY FOR COLLECTION.

IT WAS NECESSARY TO HAVE LONG CREDIT TERMS SINCE IT WOULD TAKE AT LEAST A YEAR, AND USUALLY LONGER TO CONVERT TRADE GOODS FROM ENGLAND INTO FURS IN ENGLAND AND FOR SALE. THERE IS AN ESTIMATE OF THE CREDIT PERIOD WHICH EXTENDS OVER THREE AND ONE-HALF YEARS IN MASSON.¹² THIS ESTIMATE WAS MADE IN ORDER TO ILLUSTRATE THE LENGTH OF TIME REQUIRED TO CONVERT A SPECIFIC PARCEL OF TRADE GOODS FROM

11. BRICKWOOD PRATTLE AND COMPANY TO GRANT CAMPION AND COMPANY, 24TH APRIL, 1793, MANUSCRIPT, DRAWER NO. 24, IN THE MASSON COLLECTION AT MCGILL UNIVERSITY.

12. L. R. MASSON, LES BOURGEOIS, OP. CIT., VOL. 1, P. 51-2.

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ENGLAND, INTO FURS DELIVERED IN ENGLAND. IN THE CASE OF AN OPERATING COMPANY, THE CREDIT BACKLOG WAS OFFSET BY THE ANNUAL FUR SHIPMENTS. FROM TABLE XIV ONE COULD OBSERVE THAT THE XY COMPANY RECEIVED TRADE GOODS IN 1799, AND ITS FIRST RETURNS ARE RECORDED IN 1801. THUS THE FURS SOLD IN ENGLAND IN A GIVEN YEAR, MIGHT WELL HAVE BEEN OBTAINED WITH TRADE GOODS WHICH LEFT ENGLAND TWO OR THREE YEARS PRIOR. SO LONG AS THERE WERE FURS COMING TO ENGLAND, THE BRITISH SUPPLIERS COULD MANAGE TO SEND TRADE GOODS TO CANADA, AND USUALLY CARRIED LARGE BALANCES DUE FROM THE CANADIAN FUR TRADERS. IN THIS MANNER PERHAPS THE LARGEST INVESTORS IN THE NORTH WEST FUR TRADE WERE ENGLISH MERCANTILE HOUSES.

THE BRITISH MERCHANTS SOLD THE FURS ON THE LONDON FUR AUCTIONS, AND USED THE RECEIPTS TO OFFSET THE OBLIGATIONS FOR TRADE GOODS WHICH HAD BEEN SHIPPED TO THE CANADIAN COMPANIES, IN THE PRIOR YEAR OR YEARS. THE SALIENT FACT WAS THAT CURRENCY WAS NOT USED TO A LARGE EXTENT, EXCEPT TO SETTLE DIFFERENTIALS IN BALANCES DUE UPON THE TERMINATION OF RELATIONS BETWEEN FIRMS. THIS WAS NOT A COMMON SITUATION, AND EVEN IT COULD BE SETTLED WITHOUT CURRENCY, THROUGH THE TECHNIQUE OF DRAWING ON A CORRESPONDENT FIRM. ¹³

13. A. SHORTT, "FINANCIAL DEVELOPMENT OF BRITISH NORTH AMERICA", OP. CIT., P. 370.

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THIS SAME PATTERN OF FINANCING WAS EXTENDED TO THE ACTUAL TRADING WITH THE INDIANS IN THE NORTH WEST. THE INDIANS WERE GIVEN GOODS ON CREDIT, WITH THE UNDERSTANDING THAT THEY WOULD BRING FURS AT A LATER DATE.¹⁴ THUS THE SYSTEM OF "CREDITS" OR "DEBITS" FOUND IN THE NORTH WEST, WAS A PROJECTION OF THE TRADE RELATIONS BETWEEN MONTREAL AND LONDON. THE ROLE OF THE COPARTNERS IN A FUR TRADING ORGANIZATION LIKE THE XY COMPANY, WOULD BE THAT OF OWING A BRITISH MERCHANT, SUCH AS PHYN, INGLIS AND COMPANY, FOR THE TRADE GOODS ON HAND, OR ALREADY TRADED TO THE INDIANS. FOR THESE LATER GOODS THE COPARTNERS HELD THE "DEBITS" OF THE INDIANS. ONE CAN POINT OUT THAT THE INVESTMENT IN THE XY COMPANY WAS NOT A CURRENCY INVESTMENT BUT RATHER THE UNDERTAKING OF THE LIABILITY TO PROVIDE FURS TO PAY THE CREDITOR FIRMS IN LONDON, AND THE EXERTING OF EVERY EFFORT TO COLLECT FURS FROM THE INDIANS WHO HAD TAKEN TRADE GOODS ON "DEBITS" IN THE NORTH WEST.

IT SHOULD BE REMEMBERED THAT THERE WERE SUCH THINGS AS THE SO CALLED "MONEY SHARES" IN THE XY COMPANY. IN THE BOOKS OF ACCOUNT OF THE XY COMPANY, ONE CAN FIND, IN BOOK No. 10, UNDER THE DATE 30TH NOVEMBER 1798, THE FOLLOWING ENTRY.¹⁵

14. THIS PATTERN HAS BEEN DESCRIBED ABOVE IN CHAPTER III.

15. -----, -----, BOOK No. 10, OF BOOKS OF ACCOUNT OF THE XY COMPANY, MANUSCRIPT, ENTRY FOR 30TH NOVEMBER, 1798, ARCHIVES DU GRAND SÉMINAIRE DE QUÉBEC.

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BY INTEREST A YEARS INTEREST ON 8 MONEY SHARES VIZ.

3	(SHARES)	FORSYTH RICHARDSON AND Co.	} £2,500- EA.
2	"	PHYN, INGLIS & Co.	
3	"	LEITH JAMESON & Co.	

THESE MONEY SHARES WERE MORE PROBABLY, NOT MONEY INVESTED, BUT ACCORDING TO THE CUSTOM OF THE TIME AND PLACE, THE PROVISION OF CREDIT FACILITIES. THUS THE OWNERS OF THE MONEY SHARES WERE REALLY CONTRACTING TO PROVIDE, OR UNDERWRITE, THE XY COMPANY'S CREDIT TO THE EXTENT OF £20,000. IT IS NOT CONTENDED HERE THAT NO CURRENCY WAS INVOLVED IN THE MONEY SHARES, BUT THE AMOUNT OF SUCH CURRENCY WOULD BE VERY MINOR IN RELATION TO THE ACTUAL "INVESTMENT".¹⁶

TO FURTHER ILLUSTRATE THIS POINT, IT CAN BE NOTED THAT WHEN PARKER GERRARD, AND OGILVY PROVIDED TWO ADDITIONAL MONEY SHARES, THERE WAS NO PROVISION OF CURRENCY.¹⁷ THE FACTS WERE RECORDED IN THE BOOKS OF ACCOUNT OF THE XY COMPANY, AND FROM THE ENTRY THERE, IT IS CLEAR THAT PARKER GERRARD AND OGILVY ACQUIRED TWO ADDITIONAL MONEY SHARES FOR TRADE GOODS VALUED AT £ 7,947- 3- 5.¹⁸ THE EXPLANATION OF

16. R. H. FLEMING, "THE ORIGINS OF THE 'SIR ALEXANDER MACKENZIE AND COMPANY'", OP. CIT., P. 149-50.

17. -----, -----, BOOK NO. 10, OF THE BOOKS OF ACCOUNT OF THE XY COMPANY, OP. CIT., ENTRY OF 30TH NOVEMBER, 1800.

18. IBID.

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THE "MONEY SHARE" MUST NOT OVERLOOK THE FACT THAT THESE SHARES WERE USUALLY THE MEASURE OF THE OBLIGATION UNDERTAKEN BY AN URBAN MERCHANT WHO HAD CREDIT CONNECTIONS. THUS "MONEY SHARES" WOULD BE DISTINGUISHED FROM "WINTERING SHARES", PROVIDED BY TRADERS WHO HAD INDIAN CONNECTIONS, AND A KNOWLEDGE OF THE NORTH WEST.

FROM THE BEGINNING OF THE XY COMPANY, PHYN, INGLIS AND COMPANY HELD TWO OF THE MONEY SHARES.¹⁹ THE ROLE OF THIS ENGLISH MERCHANT FIRM WAS THAT OF CREDIT LIAISON WITH SUPPLIERS OF TRADE GOODS, AND THE FUR AUCTION IN LONDON. THUS THE XY COMPANY HAD AN ENGLISH CORRESPONDENT FIRM DEFINITELY INTERESTED IN ITS OPERATIONS. AS HAS BEEN RECORDED IN TABLE XIV, THE XY COMPANY OWED PHYN, INGLIS AND COMPANY FOR MORE THAN THE VALUE OF TWO MONEY SHARES. THIS TYPE OF COPARTNERSHIP STRUCTURE WAS NECESSARY TO GUARANTEE CREDIT IN LONDON FOR THE XY COMPANY.

THE FOLLOWING EVIDENCE HAS BEEN PROVIDED BY [SIR] ALEXANDER MACKENZIE, WHO AT THE TIME HE WROTE WAS AN AGENT FOR THE NORTH WEST COMPANY AT GRAND PORTAGE. HIS TESTIMONY PROVIDES SOME INTERESTING COMMENTS ON THE XY COMPANY. IN

19. -----, -----, BOOK NO. 10, OF THE BOOKS OF ACCOUNT OF THE XY COMPANY, OP. CIT., ENTRY FOR 1ST DECEMBER, 1799, WHICH SHOWS PHYN, INGLIS AND COMPANY HOLDING TWO OF THE FOURTEEN OWNERSHIP SHARES, VALUED AT £1,160-7-6.

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GENERAL HIS REPORT IS NOT ACCURATE, AS CAN BE VERIFIED FROM THE BOOKS OF ACCOUNT OF THE XY COMPANY, BUT WHAT IS IMPORTANT HERE, THIS REPORT ATTEMPTED TO DESCRIBE THE CAPITAL STRUCTURE OF THE XY COMPANY. MACKENZIE NOTES WITHOUT COMMENT, THAT CERTAIN OF THE COPARTNERS OF THE XY COMPANY HAD NO INVESTMENT IN THE COMPANY BUT THEIR LABOUR.

TO THE PROPRIETORS OF THE NORTH WEST COMPANY
16TH JUNE, 1799

THIS COMPANY CONSISTS OF 20 SHARES, 12 HELD BY FORSYTH RICHARDSON & CO AND LEITH SHEPHERD & CO FORMERLY MERCHANTS OF DETROIT, BUT NOW OF MONTREAL THOSE SHARES TO SUPPLY A CAPITAL AS IT MAY BE REQUIRED IN GOODS & MONEY TO CARRY ON THE BUSINESS BUT AT NO TIME TO EXCEED £30,000, THIS WITHOUT INTEREST, THE OTHER 8 SHARES ARE TO BE, OR ARE ALREADY GIVEN TO PEOPLE FOR TRANSACTING THE BUSINESS IN CANADA & THIS COUNTRY [THE NORTH WEST] AS PARTNERS & AND GIVE THEIR LABOUR IN LIEU OF SHARE OF STOCK.²⁰

WITH THESE CONSIDERATIONS IN MIND, ONE COMES TO APPRECIATE THE INTENSE HATRED OF THE FUR TRADER FOR COMPETITION IN THE NORTH WEST. THE VIOLENCE OF THE TECHNIQUES OF OPPOSITION, ALTHOUGH NOT JUSTIFIABLE, BECOME UNDERSTANDABLE, WHEN ONE REMEMBERS THAT THE COLLECTION OF PLEDGED FURS, OR "CREDITS" FROM THE INDIANS WAS THE FOUNDATION OF AN EXTENSIVE AND COMPLICATED SYSTEM OF CREDIT FINANCING. UPON THE PROCESS FOR THE COLLECTION OF FURS DEPENDED THE "INVESTMENT" OF THE CANADIAN FUR TRADING COMPANIES. IT WOULD BE

20. [SIR] ALEXANDER MACKENZIE TO THE PROPRIETORS OF THE NORTH WEST COMPANY, 16TH JUNE, 1799, "LETTERBOOK" KEPT AT GRAND PORTAGE, OP. CIT., PP. 57-8.

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THE PURPOSE OF THIS ANALYSIS TO ILLUSTRATE ANOTHER POINT OF VIEW IN CONSIDERING THE FUR TRADING COMPETITION. THIS NEW POINT OF VIEW WOULD BE IN CONTRAST TO THE ACCEPTED FORMAT THAT ATTRIBUTED COMPETITION LARGELY TO PERSONAL ANIMOSITY.

IN THAT YEAR [1799] A SECOND REVOLT DIRECTED AGAINST THE AUTOCRATIC RULE OF SIMON MCTAVISH, 'THE MARQUIS' OF THE NORTH WEST COMPANY WAS LEAD AGAIN BY ALEXANDER MACKENZIE AND A GROUP OF THE YOUNGER MERCHANTS IN THE XY COMPANY.²¹

THIS SAME THEME OF PERSONAL ANIMOSITY HAS BEEN PROPOUNDED BY WALLACE,²² MASSON,²³ LEJEUNE²⁴ AND WILLSON.²⁵ IT IS NOT ARGUED HERE THAT PERSONAL ANIMOSITY WAS NOT A CHARACTERISTIC OF THE NORTH WEST FUR TRADE DURING THE PERIOD OF COMPETITION PROVIDED BY THE XY COMPANY. RATHER IT SEEMS THAT PERSONAL ANIMOSITY, AND VIOLENCE IN THIS COMPETITION WERE SYMPTOMATIC, OR RESULTS RATHER THAN CAUSES OF THE OPPOSITION FROM 1799 TO 1804, THE PERIOD OF OPERATIONS OF THE XY COMPANY.

21. SIR GEORGE SIMPSON, JOURNAL OF OCCURENCES IN THE ATHABASKA DEPARTMENT, E. E. RICH EDITOR, TORONTO, CHAMPLAIN SOCIETY, 1938, INTRODUCTION BY CHESTER B. MARTIN, P. XIV.

22. W. S. WALLACE, DOCUMENTS RELATING TO THE NORTH WEST COMPANY, OP. CIT., P. 17.

23. L. R. MASSON, LES BOURGEOIS..., OP. CIT., VOL. 1, P. 88.

24. L. LEJEUNE, [O.M.I.], DICTIONNAIRE GÉNÉRAL DU CANADA, OTTAWA, UNIVERSITÉ D'OTTAWA, 1931, VOL. 1, P. 419.

25. B. WILLSON, THE GREAT COMPANY, BEING A HISTORY OF THE MERCHANT-ADVENTURERS TRADING INTO HUDSON'S BAY, TORONTO, COPP-CLARK, 1899, P. 349.

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FROM THE ABOVE DISCUSSION, AND THE FACTS RECORDED IN TABLES VII THROUGH XIII, IT COULD BE CONCLUDED THAT THE COPARTNERS WERE STILL IN DEBT FOR THE OUTFITS OF 1799 THROUGH 1804. THEY HAD NOT REALIZED THEIR "INVESTMENT". FROM TABLE XIII THE CONCLUSION MIGHT BE DRAWN THAT THE OWNERS OF THE XY COMPANY NEVER DID REALIZE THEIR TOTAL INVESTMENT IN ANY OF THE OUTFITS, FROM 1799 TO 1804, THE OPERATING PERIOD OF THE COMPANY. THE COPARTNERS DID RECOGNIZE THIS SITUATION AND MADE SOME PROVISION FOR IT IN ARTICLE V OF THE AGREEMENT OF THE SIR ALEXANDER MACKENZIE AND COMPANY, DATED 9TH NOVEMBER 1804. IT WILL BE NOTED THAT THIS AGREEMENT WAS DRAWN LESS THAN A WEEK AFTER THE UNION OF THE XY COMPANY WITH THE NORTH WEST COMPANY.

ARTICLE V

.....UPON WHICH SHARES A VERY EXTENSIVE LOSS HATH ARISEN - IT IS UNDER A REVIEW OF ALL THE CIRCUMSTANCES, CONSIDERED PROPER THAT THE SAID PERSONS IN RESPECT TO THE WINTERING SHARES BEING NINE SHARES IN ALL, SHOULD AT THE EXPIRATION OF THE SAID AGREEMENT OF THE 20TH DAY OF OCTOBER 1798 AS AFORESAID BE EXONERATED AND DISCHARGED FROM ALL THE LOSSES THAT AT THE PERIOD OF SUCH EXPIRATION SHALL HAVE ARISEN, OR BE INCURRED DURING THE PERIOD OF AGREEMENT, AND THEY ARE HEREBY DISCHARGED ACCORDINGLY.....

[THE NINE SHARES WERE OWNED BY THE FOLLOWING]

DANIEL SUTHERLAND	ONE WINTERING SHARE
SIR ALEXANDER MACKENZIE	TWO WINTERING SHARES
ALEXANDER MCKENZIE	ONE WINTERING SHARE
JOHN McDONALD	ONE WINTERING SHARE

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PIERRE ROCHEBLAVE	ONE WINTERING SHARE
JAMES LEITH	ONE WINTERING SHARE
JOHN HALDANE	ONE WINTERING SHARE
JOHN WILLS	ONE WINTERING SHARE ²⁶

THIS LAST PIECE OF EVIDENCE SEEMS TO LEAVE NO DOUBT AS TO THE NATURE OF THE "INVESTMENT" OF THE COPARTNERS OF THE XY COMPANY. IT IS DEFINITELY A DEBT OF THE OWNER TO THE COMPANY. WERE IT SIMPLY FUNDS OR GOODS INVESTED, THEN THESE WOULD BE LOST DUE TO UNPROFITABLE OPERATIONS OF THE COMPANY, AND THE OWNER WOULD NOT NEED TO BE FREED FROM AN OBLIGATION TO THE COMPANY.

UPON THE UNION OF 1804, THE XY COMPANY NO LONGER EXISTED AS AN ACTIVE OPERATIONAL UNIT IN THE NORTH WEST. HOWEVER THE COMPANY DID CONTINUE TO EXIST UNDER ITS LEGAL NAME, THE SIR ALEXANDER MACKENZIE AND COMPANY. IN THE TERMS OF UNION THE COPARTNERS OF THE XY COMPANY RECEIVED TWENTY-FIVE OF THE ONE HUNDRED SHARES OF THE UNITED NORTH WEST COMPANY OF 1804.²⁷ THE SIGNIFICANCE OF THIS AGREEMENT WAS THAT THE "INVESTMENT" OF THE XY COMPANY WAS CARRIED FORWARD TO BECOME PART OF THE NORTH WEST COMPANY OF 1804. THIS "INVESTMENT" WAS ADMINISTERED UNDER THE SIR ALEXANDER MACKENZIE AND COMPANY UNTIL THE UNION OF THE NORTH WEST COMPANY AND THE HUDSON'S BAY COMPANY IN 1821.

26. W. S. WALLACE, DOCUMENTS RELATING TO THE NORTH WEST COMPANY, OP. CIT., P. 161.

27. L. R. MASSON, LES BOURGEOIS..., OP. CIT., VOL. 2, P. 485.

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TO SUMMARIZE THE DISCUSSION ABOVE, IT COULD BE SAID THAT THE COPARTNERS OF THE XY COMPANY WENT ON TRADING IN THE NORTH WEST COMPANY OF 1804, AND CONTINUED TO UNDERTAKE THE LIABILITY FOR THEIR INVESTMENT AS THE COPARTNERS OF THE NORTH WEST COMPANY. ARTICLE XII OF THE AGREEMENT OF UNION IN 1804 LENDS SUPPORT TO THIS ANALYSIS, SINCE IT RECORDS THE FACT THAT NEITHER THE XY COMPANY, NOR THE NORTH WEST COMPANY WERE FORMALLY "WOUND UP" IN 1804. RATHER BOTH WERE TAKEN AS GOING CONCERNS EACH OF WHICH BROUGHT GOODS, EQUIPMENT, ACCOUNTS RECEIVABLE, AND LIABILITIES INTO THE JOINT CONCERN OF 1804.

ARTICLE XII

THAT ALL GOODS AT MONTREAL SHALL BE TAKEN AT COST AND CHARGES AND THE GOODS IN THE INVENTORIES AND INDIAN CREDITS AT THE DIFFERENT POSTS IN THE INTERIOR COUNTRY BELONGING TO EACH OF THE OLD AND NEW COMPANIES SHALL BE RECEIVED AND TAKEN BY THE SAID JOINT CONCERN AT THE VALUATION MADE ACCORDING TO THE TARIF [SIC] OF ADVANCE OF THE SAID OLD COMPANY [A] NOW IN ALL DEBTS DUE BY WINTERERS OF THE SAID OLD AND NEW COMPANIES SHALL BE ASSUMED BY THE SAID JOINT CONCERN ACCORDING TO THE MODE OF EVALUING BY THE SAME BY THE SAID OLD COMPANY. THAT THE FORTS AND BUILDINGS THE VESSELS ON THE LAKES SUPERIOR, HURON AND ERIE, COMPREHENDING THREE EIGHTHS OF THE SCHOONER NANCY, SHALL BE TAKEN BY THE SAID JOINT CONCERN UPON A FAIR PRINCIPLE OF EVALUATION TO BE AGREED UPON; AND ALL CONTRACTS AND AGREEMENTS MADE AND ENTERED INTO BY EITHER OF THE SAID JOINT COMPANY ACCORDING TO THE TRUE SPIRIT AND IMPORT OF EVERY SUCH CONTRACT AND AGREEMENT.²⁸

[A] A FACSIMILE OF THIS "TARIF" HAS BEEN PRESENTED AS TABLE IV IN CHAPTER V.

28. L. R. MASSON, LES BOURGEOIS..., OP. CIT., VOL. 2, P. 492.

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THUS THE INVESTMENT IN THE NORTH WEST COMPANY OF 1804 WAS THE SUM OF THE INVESTMENTS IN THE XY AND THE NORTH WEST COMPANIES. THE AMOUNT OF THE INVESTMENT MADE BY THE CO-PARTNERS OF THE XY COMPANY IN THE NORTH WEST COMPANY OF 1804 WAS RECORDED IN THE BOOKS OF THE XY COMPANY AS BEING £63,984-16-4.²⁹ THE FOLLOWING EXHIBIT IS A GATHERING OF THE BALANCES OF EACH OF THE "SUNDRY" OR OWNERSHIP ACCOUNTS OF THE COPARTNERS OF THE XY COMPANY AT THE TIME OF THE UNION. ITS PURPOSE WOULD BE TO SHOW THAT THE EQUITY OF THESE MEN WAS SIMPLY TRANSFERRED FROM THE XY COMPANY TO THE NORTH WEST COMPANY.³⁰ THE SLIGHT VARIANCE IN TOTALS IS DUE TO DIFFERENCES IN INTEREST CALCULATIONS OF THE FUR TRADERS.

A SUMMARY OF
THE GENERAL RECAPITULATION OF SUNDRY ACCOUNTS INCLUDING
INTEREST CALCULATED TO 30TH NOVEMBER 1805 AT 5 P-CENT

FORSYTH RICHARDSON AND COMPANY	£ 9,526-15- 5
LEITH JAMESON & Co.	9,526-15- 5
PHYN INGLIS & Co.	6,351- 3- 6
JOHN OGILVY [PARKER GERRARD & OGILVY & Co.]	6,048- - 5
DANIEL SUTHERLAND	3,084-13- 2
FRANCOIS BEAUBIEN	90-18- 1
PIERRE ROCHEBLAVE	3,175-11- 6
ALEX. MCKENZIE	3,175-11- 6
JOHN WILLS	3,178-16- 3
SIR ALEXANDER MACKENZIE	10,296-12- -
JOHN McDONALD	3,175-11- 6
JAMES LEITH	3,175-11- 6
JOHN HALDANE	3,178-16- 3
	<u>63,984-16- 6</u>

29. -----, -----, BOOK NO. 14, OF THE BOOKS OF ACCOUNT OF THE XY COMPANY, OP. CIT., ENTRY OF THE 30TH NOVEMBER 1805, ENTITLED "GENERAL RECAPITULATION OF SUNDRY ACCOUNTS INCLUDING INTEREST".

30. IBID.

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FROM THE BOOKS OF ACCOUNT OF THE XY COMPANY, AND IN REFERENCE TO TABLES VII THROUGH XII ABOVE, A POINT OF ELUCIDATION SHOULD BE MADE. THE ACCOUNTING TECHNIQUES OF THE FUR TRADERS WERE PRIMITIVE, AT LEAST TO THE EXTENT THAT THERE WAS NO DISTINCTION DRAWN BETWEEN "CAPITAL" AND "REVENUE" EXPENDITURES. FOR THE PURPOSES OF THIS DISTINCTION ONE COULD DESCRIBE A CAPITAL EXPENDITURE AS ONE INVOLVING THE PURCHASE OF EQUIPMENT, SUCH AS CANOES, THE COST OF BUILDING FORTS AND TRADING POSTS, AND IN GENERAL, THE COST OF ANY FIXED ASSET THAT WOULD BE USED FOR MORE THAN ONE YEAR'S TRADING.³¹ A REVENUE EXPENDITURE COULD BE DESCRIBED AS AN EXPENDITURE THAT WOULD PROVIDE SERVICES OR GOODS THAT WERE CONSUMED IN ONE TRADING YEAR OR OUTFIT. SOME CONVENIENT EXAMPLES OF REVENUE EXPENDITURES WOULD BE THE COST OF THE TRADE GOODS SOLD DURING A GIVEN OUTFIT, LABOUR COSTS, AND ANY OTHER EXPENDITURES FOR FOOD OR GOODS CONSUMED IN THE CURRENT OUTFIT.³² THE DISTINCTION WHICH MUST BE DRAWN HERE CONCERNS CAPITAL EXPENDITURES. THESE PURCHASES SHOULD NOT BE APPLIED ONLY AGAINST THE YEAR OR OUTFIT'S OPERATIONS IN

31. W. PATON, ED. ACCOUNTANTS' HANDBOOK, THIRD EDITION, NEW YORK, RONALD, P. 652. ALSO H. A. FINNEY AND H. E. MILLER, PRINCIPLES OF ACCOUNTING, INTRODUCTORY, FOURTH EDITION, NEW YORK, PRENTICE-HALL, P. 361 AND 366.

32. W. PATON, OP. CIT., P. 1296 AND FINNEY-MILLER, OP. CIT., P. 366.

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WHICH THEY WERE INCURRED. RATHER THEY SHOULD BE APPLIED AGAINST THE TRADING INCOME OF ALL THE OUTFITS DURING WHICH THEY WERE USED OR RENDERED SERVICE. THIS APPLICATION COULD HAVE BEEN ACHIEVED BY THE DEVICE OF PRO-RATING THE COST OF THE CAPITAL EXPENDITURE AGAINST THE REVENUE OF THE OUTFITS DURING WHICH IT WAS USED OR PROVIDED SERVICES.

THE RESULTS OF THE PRIMITIVE ACCOUNTING TECHNIQUES USED BY THE FUR TRADERS OF THE XY COMPANY, WERE TO SHOW LARGE INCREASES IN THE COST OF THE OUTFIT DURING WHICH SUCH CAPITAL EXPENDITURES WERE MADE. THUS THE PROFITS OF THAT OUTFIT WOULD BE UNDULY DECREASED. THE EFFECT OF THIS PRIMITIVE PROCEDURE WOULD BE CARRIED ON INTO SUCCEEDING OUTFITS, WHICH WOULD BENEFIT FROM THE USE OF SUCH CAPITAL EXPENDITURES, YET NOT BE CHARGED FOR THE SERVICES SO RENDERED. SUCCEEDING OUTFITS DID NOT BEAR ANY PART OR PROPORTION OF THE COST OF STILL USEFUL CAPITAL ASSETS ACQUIRED IN THE PRIOR OUTFITS. THUS THE LATER OUTFITS WOULD SHOW HIGHER PROFITS THAN WERE ACTUALLY REALIZED. THIS LINE OF ANALYSIS WOULD PROVIDE AN INTERESTING HYPOTHESIS, WHICH COULD BE PUT IN THE FORM OF A QUESTION. WAS THE PERIOD OF PROSPERITY OF THE NORTH WEST COMPANY, AS REPORTED BY WALLACE³³ AND

33. W. S. WALLACE, DOCUMENTS RELATING TO THE NORTH WEST COMPANY, OP. CIT., P. 21.

"THE DECADE THAT FOLLOWED UNION OF THE XY COMPANY WITH THE NORTH WEST COMPANY, SAW THE NORTH WEST COMPANY'S GREATEST PERIOD OF EXPANSION AND SUCCESS."

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MASSON,³⁴ AFTER THE UNION OF 1804, REALLY A PERIOD OF OVERSTATED PROFITS, DUE TO PRIOR INVESTMENTS IN EQUIPMENT WHICH WERE NOT PRO-RATED AGAINST THE REVENUE OF THESE LATER OUTFITS IN WHICH THEY RENDERED SERVICE? IF SUCH WAS THE CASE THEN THE RATHER SWIFT COLLAPSE OF THE NORTH WEST COMPANY IN THE PERIOD 1814 TO 1821 BECOMES MORE UNDERSTANDABLE.

THE FUR TRADERS OF THE XY COMPANY DID NOT USE ANY PRINCIPLE OF PRO-RATING THE COSTS OF ASSETS OVER THEIR USEFUL LIFE, AND AS A RESULT HAD NO MEANS OF APPLYING EXPENDITURES TO MORE THAN ONE OUTFIT. THEY DID NOT APPLY THE COST OF A FIXED ASSET, SUCH AS EQUIPMENT, UN CANOT DE MAÎTRE, OVER TWO OR THREE OUTFITS, YET IN FACT, THESE CANOES DID ORDINARILY LAST TWO OR THREE YEARS. THUS THE EARLY OUTFITS OF THE XY COMPANY, AND ESPECIALLY THOSE OF THE YEARS OF INTENSE COMPETITION AND EXPANSION TEND TO SHOW UNREALIZED INVESTMENTS AS IN TABLE XIII. TO SOME EXTENT THESE UNREALIZED INVESTMENTS MAY WELL HAVE REPRESENTED EQUIPMENT, ACQUIRED AND SERVICEABLE, RATHER THAN LOSSES. THIS ANALYSIS BECOMES SIGNIFICANT WHEN ONE OBSERVES FROM TABLE XIII THE INCREASED INVESTMENT OF THE XY COMPANY DURING ITS OPERATIONAL LIFE FROM 1799 TO 1804. TABLE XV HAS BEEN CONSTRUCTED TO SUMMARIZE THIS DATA CONCERNING THE GROWTH OF INVESTMENT IN THE XY COMPANY.

³⁴. L. R. MASSON, LES BOURGEOIS..., OP. CIT., VOL. 1, PP. 91-2.

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FROM TABLE XV ONE CAN NOTE THAT THE INVESTMENT IN THE OUTFIT OF 1799, TAKEN AS A BASIS OF COMPARISON WOULD PROVIDE AN ESTIMATE OF THE GROWTH IN INVESTMENT. THIS INFORMATION HAS BEEN PRESENTED IN PERCENTAGES RATHER THAN IN ABSOLUTE FIGURES IN ORDER TO FACILITATE COMPARISON. IT IS EVIDENT FROM THE ABSOLUTE FIGURES IN COLUMN TWO THAT THE INVESTMENT IN THE XY COMPANY INCREASED FOR EACH SUCCESSIVE OUTFIT. THE PERCENTAGES IN COLUMN THREE ILLUSTRATE THIS TREND AND ARE DERIVED FROM THE CURRENCY FIGURES IN COLUMN TWO. THE PERCENTAGES IN COLUMN FOUR ARE A ROUGH DEVICE TO ESTIMATE THE COMPARATIVE GROWTH IN INVESTMENT FOR EACH SUCCEEDING OUTFIT OVER THE PRECEDING OUTFIT. THE PERCENTAGES IN THIS COLUMN REFLECT THE INCREASING INVESTMENT IN THE XY COMPANY, AND TO SOME EXTENT THE RATE OF INCREASE.

THE ANALYSIS DEVELOPED HERE WOULD BE AS FOLLOWS. THE GROWTH IN INVESTMENT OF THE XY COMPANY FROM THE OUTFIT OF 1799 TO THE OUTFIT OF 1804, WOULD BE PREDICATED ON THE FOLLOWING FACTORS. THE EXPANDING XY COMPANY WAS ACQUIRING AN EVEN LARGER AMOUNT OF PERMANENT EQUIPMENT AND CAPITAL EXPENDITURE ITEMS. THESE ASSETS WOULD CONTINUE TO RENDER SERVICES AFTER THE CLOSE OF THE OUTFIT IN WHICH THEY WERE PURCHASED. THE FACT THAT LARGER AMOUNTS OF TRADE GOODS WERE BEING SUPPLIED BY FIRMS SUCH AS PHYN, INGLIS AND COMPANY, HAS BEEN ESTABLISHED ABOVE. AN OBJECTIVE INDICATION OF THE GROWTH OF THE XY COMPANY WOULD BE TABLE II IN

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TABLE XV
THE INCREASE IN INVESTMENT IN THE XY COMPANY FROM
1799 TO 1804 (1)

OUTFIT OF THE YEAR	ORIGINAL INVESTMENT EXPRESSED IN CURRENCY	INVESTMENT OF EACH OUTFIT EXPRESSED AS A PERCENTAGE OF THE OUTFIT OF 1799	ANNUAL INCREASE IN INVESTMENT EXPRESSED AS A PERCENTAGE
	COLUMN 2	COLUMN 3	COLUMN 4
1799	£ 8,122-12- 8	100%	NONE
1800	24,748-12- 7	305%	205%
1801	33,456- 4- 7	412%	107%
1802	42,663- 4- 3	525%	113%
1803	57,132- 4- 4	704%	179%
1804	59,808-16-	742%	38%

(1) BOOKS NO. 10 AND 11, OF THE BOOKS OF ACCOUNT OF THE XY COMPANY, OP. CIT., ENTRIES DATED 30TH NOVEMBER FOR THE OUTFITS OF 1799 TO 1803 IN BOOK NO. 10, FOR OUTFIT OF 1804 IN BOOK 11.

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CHAPTER V, WHICH SHOWS THE INCREASING NUMBER OF POSTS AT WHICH INVENTORIES WERE HELD. EACH POST WOULD REPRESENT QUITE A LARGE PROVISION OF BUILDINGS, EQUIPMENT AND PERMANENT INSTALLATIONS WHICH WOULD RENDER SERVICES TO MORE THAN ONE OUTFIT. THE "CREDITS" AT ANY TIME UNCOLLECTED FROM THE INDIANS IN THE NORTH WEST WERE ALSO PART OF THE GROWING INVESTMENT OF THE XY COMPANY. THUS ONE MUST PROTECT THE FUR TRADERS FROM THEIR OWN TERMINOLOGY; ONE MUST NOT EQUATE UNREALIZED INVESTMENT ENTIRELY WITH TRADING LOSSES.

A FURTHER NOTE OF CAUTION TO THE READER OF THE FINANCIAL REPORTS OF THE XY COMPANY WOULD BE THAT THE ESTIMATED CAPITAL INVESTMENT OF THE OWNERS WAS RARELY A CASH PROPOSITION. SUCH OWNERSHIP INTEREST WAS USUALLY SECURED BY TRADE GOODS, ACCOUNTS RECEIVABLE, CREDIT CONNECTIONS, OR SIMPLY THE DEMONSTRATED ABILITY TO WORK IN THE NORTH WEST FUR TRADE. THIS LAST ITEM WAS THE USUAL INITIAL INVESTMENT OF THE CLERK WHO WAS PROMOTED TO BOURGEOIS OR COPARTNER. IN EACH CASE THE INVESTMENT MEASURED THE EXTENT OF A GIVEN COPARTNER'S LIABILITY TO PROVIDE FOR THE OBLIGATIONS OF THE COMPANY. IF THE NET RESULTS OF THE COMPANY'S OPERATIONS WERE PROFITABLE, THEN THE COPARTNERS SHARED THE PROFITS AS DIVIDED BY THE NUMBER OF SHARES. SHOULD THE RESULTS OF THE COMPANY'S OPERATIONS BE UNPROFITABLE, THE LOSSES WERE DIVIDED AMONG THE COPARTNERS, AND ADDED TO THE INVESTMENT OF THE INDIVIDUAL OWNERS. THIS LATER CIRCUMSTAN~~CE~~

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ILLUSTRATES BEST THE NATURE OF THE FINANCIAL STRUCTURE OF THE XY COMPANY, AND SIMILAR FUR TRADING ORGANIZATIONS.

IN THE PERIOD AFTER THE UNION OF 1804, THE OPERATIONS OF THE NORTH WEST COMPANY, HAVE BEEN REPORTED AS SUCCESSFUL.³⁵ AFTER 1813 THE EVIDENCE WOULD SUGGEST LESS SUCCESSFUL OPERATIONS. IN THE "MEMORANDUM TO THE CREDITORS", NUMBER TWO, DATED 27TH DECEMBER 1825, SIMON MCGILLIVRAY NOTED THAT NO PROFITS HAD BEEN DISTRIBUTED SINCE 1813.³⁶ WITH THE CAPITAL STRUCTURE AS OUTLINED ABOVE, ONE CAN UNDERSTAND, HOW SUCH A FACT COULD HAVE BEEN MORE OR LESS MISUNDERSTOOD. THE LOSSES WERE SIMPLY ADDED TO THE CAPITAL ACCOUNTS OR INVESTMENTS OF THE COPARTNERS. THIS WOULD BE THE EXACT OPPOSITE OF THE PROCEDURE THAT WOULD BE EXPECTED. THUS AS THE OWNERSHIP ACCOUNTS GREW IN SIZE DUE TO UNPROFITABLE OPERATIONS, THE OWNERS DID NOT OWN MORE, BUT IN FACT OWED MORE.

THIS TREND OF UNPROFITABLE OPERATIONS CAME TO NOTICE IN THE 1820'S AMIDST THE WELTER OF CONFUSION PRESIDED OVER BY THE HALF-CRAZED THOMAS THAIN,³⁷ AND THE HARRASSED SIMON MCGILLIVRAY. THUS ONE CAN UNDERSTAND THE LETTER OF SIMON MCGILLIVRAY TO HIS CREDITORS, "PRELIMINARY EXPLANATIONS OF THE ACCOUNTS AND STATEMENTS", OF 16TH JANUARY 1826. THIS

35. W. S. WALLACE, DOCUMENTS RELATING TO THE NORTH WEST COMPANY, OP. CIT., P. 21.

36. IBID., P. 376. 37. IBID., P. 334.

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LETTER WAS TRULY A DOCUMENT OF DESPAIR THAT WAS FOR THE REASONS OUTLINED ABOVE, LITTLE UNDERSTOOD BY THE CREDITORS OF THE NORTH WEST COMPANY.³⁸

ONE CAN FIND THE EQUITY OR OWNERSHIP ACCOUNTS FOR THE COPARTNERS OF THE XY COMPANY KEPT IN THE BOOKS OF ACCOUNT AFTER 1804. UNFORTUNATELY THESE RECORDS WERE NOT ADEQUATELY MAINTAINED, AND NOT LONG AFTER 1804 THEY TEND TO BECOME SPORADIC AND INCOHERENT. THUS FURTHER CONCLUSIONS FROM THE FRAGMENTARY DATA WOULD BE CONJECTURAL. THE TESTIMONY OF SIMON MCGILLIVRAY PROVIDES AN HONEST DESCRIPTION OF SOME OF THE BOOKS OF ACCOUNT OF THE XY COMPANY IN REGARD TO THE PERIOD FOLLOWING THE UNION OF 1804. MCGILLIVRAY WAS DESCRIBING THE BOOKS OF ACCOUNT OF THE NORTH WEST COMPANY, WHICH AT THE TIME OF HIS WRITING INCLUDED THE ACCOUNT BOOKS OF THE XY COMPANY.

THE FACT IS THAT MR. THAIN'S CONFIDENCE IN HIS OWN POWERS AND HIS DISPOSITION TO TAKE EVERY TROUBLE OFF THE HANDS OF OTHER PEOPLE, HAS ALL ALONG INDUCED HIM TO UNDERTAKE TOO MUCH AND TO TRUST TOO MUCH TO THE LABOUR OF HIS OWN HANDS.

HE HAS BEEN AT THE SAME TIME, SO FAR AS DEPENDED ON THE CUSTODY AND SETTLEMENT OF ACCOUNT - THE MANAGING AGENT AND FINANCIER AND BOOK-KEEPER OF THE NORTH WEST COMPANY, AND OF SIR ALEXANDER MACKENZIE & Co., AND THE MANAGING PARTNER AND FINANCIER OF THE FIRM OF MCGILLIVRAY THAIN & Co. ACCOUNTS FOR SOME OF THE MOST EXTENSIVE AND COMPLICATED TRANSACTIONS IN WHICH THE HOUSE HAS BEEN ENGAGED, AND OF WHICH MR. THAIN HAS HAD THE SOLE CHARGE, HAVE BEEN LEFT MUCH IN ARREARS, AND MANY OF THE DOCUMENTS NECESSARY FOR THEIR ELUCIDATION ARE LOCKED UP

38. IBID., P. 330 ET SEQ. THIS LETTER WAS SENT TO THE CREDITORS OF THE NORTH WEST COMPANY.

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AMONGST A MASS OF HIS PRIVATE PAPERS WHILE THE ACCOUNTS THEMSELVES AND THE DOCUMENTS TO WHICH I HAVE ACCESS APPEAR TO ME TO BE IN SUCH A STATE OF CONFUSION THAT IT SEEMS SCARCELY POSSIBLE FOR ANY OTHER MAN THAN MR. THAIN HIMSELF TO CLEAR THEM UP SATISFACTORILY.³⁹

THE PROBLEM OF ELUCIDATING THE CONFUSED STATUS OF THE ABOVE MENTIONED COMPANIES WAS FURTHER COMPLICATED BY THOMAS THAIN'S PARTICULAR TYPE OF ILLNESS. THIS SICKNESS WAS DESCRIBED BY THAIN HIMSELF AS FOLLOWS.

TO THE WINTERING PARTNERS OF THE LATE NORTH WEST COMPANY
25TH JANUARY, 1826

I WAS SEIZED ON THE 15TH SEPT. WITH A MOST VIOLENT ATTACK OF BRAIN FEVER.... I HAVE HAD REPEATED RELAPSES, AND LATELY A VERY SERIOUS ONE.⁴⁰

THOMAS THAIN LOST THE USE OF HIS MENTAL FACULTIES SOON AFTER WHILE CROSSING THE ATLANTIC, BOUND FOR SCOTLAND. HE DIED IN SCOTLAND NON SUI COMPOS.

THE DISCUSSION OF THE FINANCIAL STRUCTURE OF THE XY COMPANY MIGHT WELL END HERE. SINCE AFTER 1804, THE XY COMPANY WAS NO LONGER ACTIVELY ENGAGED AS A SEPARATE ENTITY IN THE FUR TRADE. ITS HISTORY AFTER 1804 BECAME MINGLED WITH THE NORTH WEST COMPANY, AND FURTHER PURSUIT WOULD BE MOST DIFFICULT, AND PERHAPS IMPOSSIBLE. THIS IS DUE TO THE FACT THAT THE BOOKS OF ACCOUNT OF THE NORTH WEST COMPANY HAVE NEVER COME TO THE ATTENTION OF PRESENT DAY HISTORIANS OR ARCHIVISTS. IT MAY BE THAT THESE ACCOUNT BOOKS ARE IN

39. W. S. WALLACE, DOCUMENTS RELATING TO THE NORTH WEST COMPANY, OP. CIT., P. 333.

40. W. S. WALLACE, IBID., P. 334.

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THE ARCHIVES OF THE HUDSON'S BAY COMPANY, AND AS YET UNCLASSIFIED. THIS SEEMS UNLIKELY IN THE LIGHT OF THE ANSWER WRITTEN TO THE PRESENT WRITER BY THE ARCHIVIST OF THE HUDSON'S BAY COMPANY.⁴¹ IT SEEMS MORE PROBABLE THAT THESE BOOKS WERE LOST IN THE CONFUSION OF THOMAS THAIN'S PAPERS MENTIONED BY SIMON MCGILLIVRAY.

I BELIEVE MR. THAIN HAS MADE CONSIDERABLE PROGRESS TOWARDS THE SETTLEMENT OF THE UNFORTUNATE MONTREAL ACCOUNTS, BUT ALL THE STATEMENTS AND PAPERS CONNECTED WITH THEM ARE NOW, AS HE HIMSELF, INFORMED ME, LOCKED UP IN HIS ROOM, TOGETHER WITH HIS OWN PRIVATE PAPERS; AND BESIDES THE RELUCTANCE WHICH I FEEL IN SUFFERING THE ROOM TO BE OPENED, OR THESE PAPERS TO BE EXAMINED SO LONG AS THERE IS ANY PROSPECT OF HIS OWN RETURN, I AM PERSUADED THAT ANY ATTEMPT OF MINE, OR ANY OTHER MAN, TO EXTRACT ANY INFORMATION FROM THEM, IN THEIR PRESENT STATE, WOULD NOT ONLY BE A TASK OF MUCH DIFFICULTY, BUT MIGHT BE AN IMPEDIMENT TO THEIR ULTIMATE SETTLEMENT.⁴²

THE PRESENT LOCATION OF THESE BOOKS OF ACCOUNTS IS STILL UNCERTAIN. SOME MIGHT BE FOUND IN THE STRATHCONA COLLECTION, BUT NONE OF THE MCTAVISH PAPERS IN THAT COLLECTION CONSTITUTE AN INTEGRAL SET OF BOOKS OF ACCOUNT. THESE FACTS THEN POINT TO THE SIGNIFICANCE FOR THE HISTORY OF CANADA, OF THE XY COMPANY. IT IS PERHAPS THE ONLY EXAMPLE OF A CANADIAN FUR TRADING COMPANY OF MAJOR SIZE, WHICH HAS LEFT TO POSTERITY A SET OF BOOKS OF ACCOUNT. THE

41. LETTER IN THE POSSESSION OF THE AUTHOR AND PRESENTED AS APPENDIX 1 IN PHOTO-COPY.

42. W. S. WALLACE, DOCUMENTS RELATING TO THE NORTH WEST COMPANY, OP. CIT., P. 332.

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RECORDS OF THE XY COMPANY PROVIDE FOR THE STUDENT OF CANADIAN HISTORY AN IMPORTANT BENCH MARK IN THE COMMERCIAL DEVELOPMENT AND GROWTH OF THE CANADIAN ECONOMY.

SUMMARY

THE FUR TRADE OF THE CANADIAN NORTH WEST PRESENTS ONE OF THE BETTER MEANS FOR UNDERSTANDING THE PRIMITIVE ECONOMIC ORGANIZATION OF CANADIAN BUSINESS ACTIVITY AT THE TURN OF THE NINETEENTH CENTURY. SIGNIFICANT AMONG THE ORGANIZED GROUPS IN THIS FUR TRADE WAS THE XY COMPANY, WHICH PROVIDED PERHAPS THE GREATEST COMPETITIVE CHALLENGE FOR ECONOMIC AND TERRITORIAL EXPANSION IN THE CANADA OF 1798 TO 1804.

THE XY COMPANY WAS CONTEMPORANEOUS WITH THE NORTH WEST COMPANY BUT DISTINCT FROM IT. THESE TWO FUR TRADING ORGANIZATIONS SET A PATTERN OF ECONOMIC DEVELOPMENT AND EXPLOITATION WHICH SPANNED THE CONTINENT. THE PRESENT RESEARCH WAS UNDERTAKEN TO DETERMINE THE NATURE OF THE XY COMPANY, ITS ORGANIZATIONAL STRUCTURE, ITS TECHNIQUES OF TRADING, AND THE EFFECTS OF ITS OPERATIONS IN THE PRIMITIVE ECONOMIC DEVELOPMENT OF CANADA.

THERE ARE CERTAIN DOCUMENTS OF PRIME IMPORTANCE FOR THE DELINEATION OF THE HISTORICAL SIGNIFICANCE OF THE XY COMPANY. THESE ARE THE BOOKS OF ACCOUNT OF THE COMPANY. THIS BODY OF DOCUMENTS IS PRESERVED IN THE ARCHIVES DU GRAND SÉMINAIRE DE QUÉBEC, QUEBEC CITY, CANADA. SUCH HISTORICAL RECORDS AS THE BOOKS OF ACCOUNT OF THE XY COMPANY, CONTAIN VALUABLE HISTORICAL DATA CONCERNING THE COMPANY, ITS TIMES,

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AND ITS TRADING TECHNIQUES. IN THEM ARE RECORDED THE DETAILS OF TRANSACTIONS, LISTS OF PERSONNEL EMPLOYED, THE CO-PARTNER OWNERS AT DIFFERENT TIMES, AND THE RESULTS OF THE OPERATIONS FOR THE SIX OUTFITS OF THE COMPANY. ONE MAY CONSULT THESE DOCUMENTS TO OBTAIN FIRST-HAND INFORMATION REGARDING, THE TRADE GOODS, TECHNIQUES OF TRADING AND ESPECIALLY THOSE OF "OPPOSITION", AS WELL AS THE PROBLEMS OF COMMUNICATION AND TRANSPORT, SO BASIC TO THE NORTH WEST FUR TRADE. THIS GROUP OF DOCUMENTS EVIDENCES THE STRENGTHS AND WEAKNESSES OF THE FUR TRADE AT THE TURN OF THE NINETEENTH CENTURY. UNTIL THE PRESENT RESEARCH THESE CRITICAL RECORDS HAVE BEEN NEGLECTED IN THE WRITINGS OF HISTORIANS.

IN ORDER TO PROVIDE PERSPECTIVE AND BACKGROUND, THE WRITINGS OF TRADERS, AS COLLECTED IN THE MASSON COLLECTIONS, IN THE PUBLIC ARCHIVES OF CANADA, AND AT MCGILL UNIVERSITY, HAVE BEEN CONSULTED. MANY OF THE DOCUMENTS CONCERNING THE NORTH WEST FUR TRADE, ESPECIALLY THOSE PUBLISHED BY L. R. MASSON, W. S. WALLACE, AND THOSE ABSTRACTED FROM THE ARCHIVES OF THE HUDSON'S BAY COMPANY, HAVE BEEN REPORTED WHERE RELEVANT TO THE XY COMPANY.

THE XY COMPANY HAS BEEN PRESENTED AS AN OPERATIONAL UNIT SPANNING THE NORTH AMERICAN CONTINENT IN THE EXPLOITATION OF THE FUR BEARING FAUNA OF THE PRE-CAMBRIAN SHIELD. THE TASK OF IDENTIFYING THE COMPANY, LISTING ITS SEVERAL NAMES AND OWNERS, WAS GIVEN FIRST PRIORITY IN ORDER TO CLARIFY MANY OF THE HISTORICAL ACCOUNTS OF THIS PERIOD.

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THE CENTRAL PROBLEM OF THE COMPANY WAS ITS COMPETITION WITH THE NORTH WEST COMPANY. THIS BITTER OPPOSITION WAS AN OUTCOME OF HIGH OVERHEAD COSTS, BASED ON TRANSPORTATION, AND AN INTRICATE SYSTEM OF CREDIT WHICH OPERATED FROM THE INDIAN HUNTER TO THE LONDON MERCHANTS WHO FINALLY DISPOSED OF THE FURS. THE COMPETITION WAS CARRIED ON AT SEVERAL LEVELS: INVOLVING AN INCREASED USE OF LIQUOR IN THE TRADE, A CONSTANT SPYING ON RIVAL TRADERS, A KEEN STRUGGLE FOR THE LIMITED MANPOWER AVAILABLE, AND MORE NUMEROUS OUTBREAKS OF PHYSICAL VIOLENCE.

THE FINAL SOLUTION TO THE PROBLEM OF COMPETITION WAS UNION IN 1804 WITH THE NORTH WEST COMPANY. THIS SOLUTION WAS NOT A NEW ONE IN THE NORTH WEST; IT HAD A PRECEDENT IN THE FORMATION OF THE NORTH WEST COMPANY IN 1787. THE FACTORS THAT EXPEDITED THE UNION, AS WELL AS THOSE WHICH RETARDED UNION, WERE DISCUSSED IN TURN. IN THIS CONNECTION THE ROLE OF THE HUDSON'S BAY COMPANY WAS DISCUSSED IN TERMS OF THE SHORTAGE OF MANPOWER IN THE BRITISH ISLES DUE TO THE NAPOLEONIC WARS.

THE CAPITAL STRUCTURE OF THE XY COMPANY PRESENTS AN INTERESTING PROBLEM FOR HISTORICAL REPORTING AND ANALYSIS. THE UNUSUAL NATURE OF THE FUR TRADERS' INVESTMENT LED TO INCREASING CONFUSION AFTER THE UNION OF 1804. WITHIN THE NEXT TWO DECADES THE FUR TRADING COMPANIES OPERATING OUT OF MONTREAL WERE TO WIND UP IN BANKRUPTCY. THE SHADOWS OF

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THIS DISINTEGRATION WERE DELINEATED IN THE BOOKS OF ACCOUNT OF THE XY COMPANY.

BECAUSE OF THE INTENSE AND BITTER COMPETITION BETWEEN THE XY AND THE NORTH WEST COMPANIES DURING THE YEARS 1799 TO 1804, THERE DEVELOPED MANY PROBLEMS INHERENT IN A TRANS-CONTINENTAL TRADE. WITH THE UNION IN 1804, THESE PROBLEMS WERE SOLVED, OR FORGOTTEN. SO WAS THE XY COMPANY. THE PURPOSE OF THIS RESEARCH HAS BEEN TO INVESTIGATE AN ACTIVE PERIOD IN CANADIAN ECONOMIC HISTORY, IN WHICH THE XY COMPANY OPERATED; A PERIOD WHICH HAS BEEN MORE OR LESS NEGLECTED IN THE WRITINGS OF HISTORIANS.

BIBLIOGRAPHY

THE BIBLIOGRAPHY WHICH FOLLOWS HAS FOUR PARTS WHICH ARE PRESENTED IN THE FOLLOWING ORDER

PRIMARY SOURCES MANUSCRIPT

PERIODICALS

PRIMARY SOURCES BOOKS

SECONDARY SOURCES BOOKS

THIS BIBLIOGRAPHY CONTAINS NO DIRECT REFERENCES TO THE MATERIALS IN THE ARCHIVES OF THE HUDSON'S BAY COMPANY. PERMISSION TO USE THESE PAPERS WAS SOUGHT BUT NOT GRANTED. IN THE OPINION OF THE ARCHIVIST OF THE COMPANY MOST OF THE RELEVANT MATERIAL CONCERNING THE XY COMPANY THAT IS IN THE ARCHIVES IS ALREADY IN PRINT. APPENDIX I PRESENTS THE LETTER TO THE AUTHOR IN WHICH THIS OPINION WAS EXPRESSED.

THERE ARE CERTAIN DOCUMENTS OF PRIME IMPORTANCE FOR THE UNDERSTANDING OF THE HISTORICAL SIGNIFICANCE OF THE XY COMPANY. THESE ARE THE BOOKS OF ACCOUNT FOR THIS COMPANY. THESE RECORDS ARE PRESERVED IN THE ARCHIVES DU GRAND SÉMINAIRE DE QUÉBEC, QUEBEC CITY, CANADA. BOOKS OF ACCOUNT MAY OFTEN APPEAR ENIGMATIC TO THE STUDENT OF HISTORY BECAUSE THEIR INTERPRETATION REQUIRES A WORKING KNOWLEDGE OF ACCOUNTING PRINCIPLES AND TECHNIQUES. YET SUCH BOOKS OF ACCOUNT CONTAIN VALUABLE HISTORICAL MATERIAL. THEY WERE USED TO RECORD COMPANY TRANSACTIONS, PERSONNEL EMPLOYED, OWNERSHIP INTEREST, ALONG WITH THE RESULTS OF OPERATION IN THE FUR TRADE. FROM THESE DOCUMENTS ONE MAY ASCERTAIN THE VARIOUS TITLES UNDER WHICH THE COMPANY OPERATED, AS WELL AS THE DIFFERENT COPARTNERS CONNECTED WITH THE COMPANY. ONE MAY DETERMINE THE EXACT EQUITY OR OWNERSHIP INTEREST OF EACH INVESTOR. THESE BOOKS OF ACCOUNT CONTAIN FIRST-HAND INFORMATION REGARDING THE GOODS, TECHNIQUES, AND PROBLEMS ENCOUNTERED IN THE FUR TRADE. THEY EVIDENCE THE STRENGTHS AND WEAKNESSES OF THE WESTERN CANADIAN FUR TRADE AT THE CLOSE OF THE EIGHTEENTH CENTURY. UNTIL THE PRESENT THESE CRITICAL RECORDS HAVE BEEN NEGLECTED BY STUDENTS OF CANADIAN HISTORY.

THE LISTING THAT FOLLOWS HAS BEEN DRAWN TO FACILITATE IDENTIFICATION RATHER THAN TO REPORT ANALYSIS OF THE BOOKS OF ACCOUNT. THE ORDER FOLLOWED PARALLELS THE SEQUENCE USED IN THE ACCESSION LISTS OF THE ARCHIVES DU GRAND SÉMINAIRE DE QUÉBEC. THESE BOOKS ARE LEGIBLE, IN MANUSCRIPT, WITH BI-

LINGUAL ENTRIES, FOR THE GREATER PART IN ENGLISH.

PRIMARY SOURCES MANUSCRIPT

1. "LETTER BOOK X.Y.", GENERAL LETTER BOOK OF D. SUTHERLAND, MONTREAL AGENT OF SIR ALEXANDER MACKENZIE & Co, 1802-5, 100 pp., NOT INDEXED, PHOTOSTAT COPIES AT PUBLIC ARCHIVES OF CANADA, FOUR FIFTHS OF THE BOOK IS BLANK PAPER.

IT WAS THE FINDING OF THESE PHOTOSTATS AT THE PUBLIC ARCHIVES THAT LED THE PRESENT WRITER TO GO TO THE GRAND SÉMINAIRE DE QUÉBEC TO ENQUIRE AFTER SIMILAR MATERIAL, OF WHICH THE NEXT NINETEEN NUMBERS WERE FOUND.

2. "AMKC Acct. CURT. BOOK", THIS IS A LEDGER CONTAINING ACCOUNTS FROM 1805 TO 1828, THERE IS AN INDEX TO THE ACCOUNTS WHICH TEND TO BE SCATTERED THROUGHOUT THIS BOUND BOOK, 188 LEDGER PAGES, OR 376 FOLIO PAGES.

3. "AMKC. ACCOUNT CURRENT BOOK", EXPENDITURES ON THE YEARLY OUTFITS IN THE VARIOUS DISTRICTS IN THE WEST, 1805-13, MUCH DETAIL, MEN HIRED, PLACES WHERE TRADE WAS CARRIED ON, 552 pp., USED ALTERNATELY AS A LEDGER AND CURRENT ACCOUNT BOOK. THIS IS DEFINITELY AN ACCOUNT BOOK OF THE NORTH WEST COMPANY. IN IT ARE RECORDED THE DETAILS OF THE GENERAL OUTFITS FROM 1805 TO 1813, AS WELL AS SEVERAL SPECIAL OUTFITS. THERE IS AN INDEX ON PP. 553-4.

4. NO TITLE, INVOICES OF GOODS SHIPPED FROM ENGLAND TO MONTREAL FOR THE XY COMPANY, NEW NORTH WEST COMPANY, FORSYTH RICHARDSON & Co., AND OF GOODS SHIPPED BY THEM TO THE WEST; INVOICES OF FURS SENT BY THEM TO ENGLAND 20TH MARCH 1798 TO 14TH OCTOBER, 1805, 250 pp., NO INDEX.

THIS BOOK WAS EXTREMELY VALUABLE IN THE VERY PERIOD OF THE PRESENT PROBLEM IN DETERMINING THE ACTUAL ORGANIZATION AND SCOPE OF OPERATIONS OF THE XY COMPANY.

5. "INVOICES 1804", OF GOODS SHIPPED FROM MONTREAL TO THE VARIOUS WESTERN POSTS BY SIR ALEXANDER MACKENZIE & Co., 111 p. INDEX OF POSTS.

THIS BOOK RECORDS THE EXTENT OF OPERATIONS OF THE XY COMPANY AT ITS LAST YEAR OF TRADE BEFORE THE UNION OF 1804 WITH THE NORTH WEST COMPANY.

6. NO TITLE, INVOICES OF GOODS SHIPPED FROM MONTREAL FOR THE USE OF THE VARIOUS OUTFITS BY MCTAVISH MCGILL-LIVRAIS & Co., 1821, KEPT BY ROBERT DOWIE, 158 p., NO INDEX.

THIS BOOK IS JOURNAL FOR ALL SHIPMENTS, IT IS NOT PERTINENT TO THE XY COMPANY, BUT DOES REFLECT THE DECLINE

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IN THE FUR TRADE, AND THE GROWING CONFUSION IN THE OPERATIONS OF THE NORTH WEST COMPANY.

7. "LEDGER", MARKED F, ACCOUNTS OF INDIVIDUALS, 1805-30, 353 P., AN INDEX OF NAMES.

THIS BOOK IS A PETTY LEDGER CONTAINING THE ACCOUNTS OF INDEBTEDNESS OF MEN, BUT NOT THE SIGNIFICANT EQUITY OR OWNERSHIP ACCOUNTS, KEPT IN FRENCH.

8. "SIR ALEXANDER MCKENZIE & Co., LEDGER C", LEDGER ACCOUNTS WITH INDIVIDUALS, NO EQUITY ACCOUNTS, PERHAPS PETTY RECEIVABLES FROM EMPLOYEES, 30TH NOVEMBER, 1819 TO 30TH NOVEMBER, 1823, 136 P., NO INDEX.

9. "SIR ALEXANDER MCKENZIE & Co.," LEDGER ACCOUNTS WITH INDIVIDUALS, 1823-25, 125 P., DOES CONTAIN EQUITY ACCOUNTS, ENDS WITH ENTRIES OF 1828, AMID EVIDENT CONFUSION. IN THE LATTER PAGES ARE RECORDED GENERAL LETTERS OF THE HUDSON'S BAY COMPANY, MONTREAL, 1825, 40 P., NO INDEX.

THIS BOOK IS NOT DIRECTLY PERTINENT TO THE XY COMPANY BUT IT DOES ILLUSTRATE THE RAGGED AND CONFUSED RECORDINGS THAT CHARACTERIZE THIS LAST PERIOD OF THE MONTREAL FUR TRADING COMPANIES.

10. NO TITLE, ACCOUNTS CURRENT OF EXPENDITURE AND RETURNS ON THE YEARLY OUTFITS AND ADVENTURES IN THE NORTH WEST, 3RD OCTOBER, 1799 TO 30TH NOVEMBER, 1804, 325 P., NO INDEX.

THIS BOOK IS MOST VALUABLE FROM THE POINT OF VIEW OF ESTABLISHING THE OWNERSHIP EQUITIES, THE SCOPE OF OPERATIONS, AND THE VARIOUS NAMES UNDER WHICH THE XY CO. WAS ORIGINALLY ORGANIZED AND SUBSEQUENTLY OPERATED.

11. NO TITLE, ACCOUNTS CURRENT OF EXPENDITURE AND RETURNS ON THE YEARLY OUTFITS AND RETURNS FROM THE NORTH WEST, SIR ALEXANDER MACKENZIE AND COMPANY, 1ST DECEMBER, 1804 TO 30TH NOVEMBER, 1806, 60 P., NO INDEX.

THIS BOOK IS LIKE THE PRECEDING, NO. 10, AND RECORDS THE SAME TYPE OF INFORMATION, FOR THE XY COMPANY IN THE PERIOD IMMEDIATELY FOLLOWING THE UNION OF 1804. MOST OF THIS BOUND BOOK IS BLANK PAPER.

12. NO TITLE, DOES NOT APPARENTLY BELONG TO THE BOOKS OF THE XY COMPANY.

13. "SIR ALEXR. MCKENZIE & Co., INDEX FOR LEDGER B", THIS LEDGER B DOES NOT SEEM TO BE AMONG THE COLLECTION OF BOOKS.

14. NO TITLE, STATEMENTS OF ACCOUNTS, 1799-1823, THERE ARE NO NAMES OF COMPANIES ON THIS BOOK, BUT THE INTERNAL EVIDENCE OF FIGURES AND ACCOUNTS INDICATE WITH SOME CERTAINTY THAT THIS BOOK IS AN INTEGRAL PART OF THE RECORDS OF THE SIR ALEXANDER MACKENZIE AND COMPANY. THE EQUITY OF THE PARTNERS OF THE XY COMPANY IS NOTED AND CONTINUED BEYOND 1804. THERE ARE 70 PAGES IN THIS BOOK OF WHICH 34 ARE USED.

15. "JOURNAL B OF SIR ALEXANDER MACKENZIE AND COMPANY", THIS BOOK IS A GENERAL JOURNAL, THAT IS THE BOOK OF ORIGINAL ENTRY FROM A CHRONOLOGICAL POINT OF VIEW, ROUGH COPIES OF STATEMENTS ARE FOUND HEREIN, 31ST DECEMBER, 1816 TO 30TH NOVEMBER, 1820, 74 P., NO INDEX.

THIS BOOK IS NOT TO THE POINT IN THE LIGHT OF THE XY COMPANY, BUT IT GIVES SOME IDEA OF THE RESULTS OF THE UNION OF 1804 ON THE EQUITY OF THE XY COMPANY. THIS BOOK IS KEPT IN AN ALMOST UNREADABLE SCRIPT, ENTRIES ARE RARELY DATED, AND ARE SOMETIMES CONFUSED AND INCOHERENT.

16. PART OF A GENERAL JOURNAL OF THE SIR ALEXANDER MACKENZIE & Co., 31ST DECEMBER, 1820 TO 31ST DECEMBER, 1822, 35 P., CONTINUATION OF 15 ABOVE. PAGES NUMBERED 1-28, EVIDENT CONFUSION IN THE ENTRIES PERTAINING TO OWNERSHIP EQUITIES.

17. "JOURNAL D SIR ALEX. MCKENZIE & Co.," 29TH NOVEMBER, 1823 TO 30TH NOVEMBER, 1825, 74 P., CONTINUATION OF 16 ABOVE.

18. "SIR ALEXANDER MCKENZIE & Co. IN ACCOUNT CURRENT WITH THE AGENTS OF THE NORTH WEST COMPANY WITH INTEREST TO 30 NOV. 1815", 6 PAGES.

THIS STATEMENT IS TYPICAL OF THE MANNER OF PRESENTING EQUITIES, AND REPRESENTS THE VALUE OF THE XY COMPANY INTEREST TEN YEARS AFTER THAT COMPANY WAS MERGED WITH THE NORTH WEST COMPANY.

19. SAME AS ABOVE FOR 1822 AND 1823, 24 P.

20. SAME AS ABOVE FOR 1825, 5 P.

THESE LATER STATEMENTS TEND TO BE ROUGHLY DRAWN, AND EXHIBIT AN ELEMENT OF UNCERTAINTY AND CONFUSION.

21. ASKIN PAPERS, PUBLIC ARCHIVES OF CANADA, CORRESPONDENCE AND PAPERS, AS DESCRIBED IN THE PRELIMINARY INVENTORY, MANUSCRIPT GROUP 19, FUR TRADE AND INDIANS, 1763-1867, PUBLIC ARCHIVES OF CANADA, OTTAWA, QUEEN'S PRINTER, 1954, 30 P., PP. 11-12. [THIS INVENTORY WILL BE REFERRED TO

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AS PAC MSS INVENTORY 19 HEREINAFTER]

IN THIS COLLECTION THE FOLLOWING ITEMS BEAR ON THE PRESENT PROBLEM:

ISAAC TODD TO JOHN ASKIN, SEVERAL LETTERS 1794-1804.

ALEXANDER HENRY TO JOHN ASKIN, LETTERS, 1798-1802.

DRAFTS OF LETTERS FROM JOHN ASKIN TO VARIOUS MEN ENGAGED IN THE FUR TRADE CIRCA 1800.

TODD MCGILL AND COMPANY CORRESPONDENCE TO JOHN ASKIN, THE ORIGINALS ARE IN THE BURTON COLLECTION IN DETROIT, BUT IN THE PAC COLLECTION THERE ARE PHOTOSTATS OF AND INDEX BY SUBJECTS CONCERNING THIS CORRESPONDENCE.

22. BABY COLLECTION, THIS COLLECTION AT THE PAC IS IN TRANSCRIPT, SOME OF THE ORIGINAL MSS ARE IN THE ST. SULPICE LIBRARY IN MONTREAL, OTHERS ARE IN THE UNIVERSITY OF MONTREAL LIBRARY. THE COLLECTION AT THE PAC IS DIFFICULT TO USE BECAUSE OF AN UNUSUAL ARRANGEMENT, AND NO ADEQUATE WORKING INDEX. THUS THOUGH THE COLLECTION DOES CONTAIN MUCH VALUABLE INFORMATION, THE LATER HAS BEEN DEVELOPED BY RANDOM SEARCH, AND ENDURANCE.

THERE ARE MANY LEGAL CERTIFICATES WHICH ARE OF VALUE IN THE PRESENT STUDY.

23. BRICKWOOD PRATTLE AND COMPANY, CORRESPONDENCE, TO GRANT CAMPION 1792-1820, MSS, MCGILL UNIVERSITY, MONTREAL, DRAWER #24. IN THIS COLLECTION THERE ARE SEVERAL LETTERS FROM INGLIS ELLIS AND COMPANY TO SIR ALEXANDER MACKENZIE AND COMPANY CIRCA 1818-1820.

THE LETTERS IN THIS GROUP PROVIDE AUTHENTIC WITNESS TO SOME OF THE FINANCIAL ARRANGEMENTS OF THE FUR TRADE.

24. CHABOILLET, C., "JOURNAL", PAC, MASSON COLLECTION, DESCRIBED ON PAGE 17 OF PAC. MSS. INVENTORY 19, 70 PAGES, SOME ILLEGIBLE, 4 AUGUST, 1797 TO 21 JUNE, 1798; EXPEDITION IN THE PEMBINA AND WINNIPEG RIVER DISTRICTS.

FIRST-HAND WITNESS TO THE BITTERNESS AND TECHNIQUES OF COMPETITION WITH THE XY COMPANY.

25. COLONIAL OFFICE TRANSCRIPTS, PAC., "LIEUTENANT GOVERNOR MILNES AND MISCELLANEOUS, 1802", LOWER CANADA VOL., 98.

MILNES TO HOBART, 30 JUNE 1802 IS A REPORT ON THE FUR TRADE WHICH DOES ATTEMPT TO GATHER AND ORGANIZE THE DATA AT THAT TIME. THE CENTRAL PROBLEM IS THE FIERCE COMPETITION OF THE XY AND NORTH WEST COMPANIES.

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26. DUFAUT, J., "JOURNAL OF A WINTERING PARTNER", 7 OCTOBER 1803 TO 17 MAY 1804, AT FORT DES EPINETTES NEAR FORT DAUPHIN, PAC, MASSON COLLECTION #10, P. 17 PACMSS INVENTORY 19, 74 PAGES IN FRENCH.

THIS JOURNAL IS INTERESTING IN SO FAR AS IT HAS BEEN KEPT BY AN EMPLOYEE OF THE XY COMPANY. IT PROVIDES DETAILS ON THE COMPETITION WAGED BY AND AGAINST THE XY COMPANY.

27. "LETTER BOOK", KEPT AT GRAND PORTAGE, JANUARY 27, 1798 TO 5 JUNE 1802, NO LETTERS FOR 1801, 193 PAGES, PAC, P. 16 B1, PAC MSS INVENTORY 19.

THIS BOOK PROVIDES VERY VALUABLE INFORMATION ON THE PRESENT PROBLEM, MANY INFORMATIVE DETAILS ON THE FUR TRADE IN GENERAL. ONE OF THE CORRESPONDENTS IS ALEXANDER MACKENZIE, WHO AT THIS TIME IS ONE OF THE GENERAL AGENTS OF THE NORTH WEST COMPANY AT THE PORTAGE. THIS WAS HIS LAST ASSIGNMENT FOR THE NORTH WEST COMPANY, HE SOON AFTER WENT INTO OPPOSITION AS A MEMBER OF THE XY COMPANY.

28. HARMON, D. W., "JOURNAL", PHOTOSTATS OF THE BARBER COPY, THIS COPY IS PERHAPS NOT THE ORIGINAL, BUT IT IS AN EARLY COPY OF THE JOURNAL, 246 PHOTOSTAT PAGES, PAC, MANUSCRIPT.

THE USE OF THESE PHOTOSTATS IS ESSENTIAL TO OBTAIN WHAT HARMON WROTE, HIS EDITORS IN HIS HIS PUBLISHED JOURNAL HAVE LEFT OUT MANY OF THE FACTS AND RELATIONS WHICH ARE OF INTEREST IN THE PRESENT STUDY.

29. HENEKER PAPERS, MCGILL UNIVERSITY, MSS.

THESE PAPERS CONTAIN TWO AGREEMENTS OF IMPORTANCE FOR THE PRESENT STUDY.

30. HENRY, A., [THE YOUNGER], "JOURNAL" TO LAKE SUPERIOR, RED RIVER, ASSINIBOINE, ROCKY MOUNTAINS, COLUMBIA AND THE PACIFIC, 1799-1811, TO ESTABLISH THE FUR TRADE, THIS IS IN TWO VOLUMES MSS., CALLED THE COVENTRY COPY, WRITTEN IN MONTREAL 1824. THIS IS THE PRIME SOURCE FOR ELLIOTT COUES IN HIS NEW LIGHT ON THE EARLY HISTORY OF THE NORTH WEST, HARPERS, NEW YORK, 1897, 3 VOLS., CF. EDITOR'S PREFACE VOL. 1.

THIS WORK IS AN EXCELLENT SOURCE FOR FIRST HAND ACCOUNTS OF THE OPERATIONS AND COMPETITION OF THE FUR TRADE, AND THE XY COMPANY.

31. COLONIAL OFFICE RECORDS, TRANSCRIPTS, Q SERIES, CANADA, VOL. 293, "LT. GOV. HUNTER AND MISCELLANEOUS", PAC.

THIS COLLECTION CONTAINS A LETTER FROM JOHN RICHARDSON TO H. W. RYLAND WHICH GIVES FIRST HAND IMPRESSIONS ON THE XY COMPANY, AND ITS RELATIONS WITH THE NORTH WEST COMPANY.

32. LA MOTHE PAPERS, PAC., DESCRIBED P. 13 ENTRY A 12, PAC. MSS. INVENTORY 19, IN FRENCH.

THIS CORRESPONDENCE TO AND FROM ONE OF THE MEN OF THE XY COMPANY IS PERTINENT BECAUSE IN IT IS REFLECTED THE BITTER COMPETITION BETWEEN THE XY COMPANY AND THE NORTH WEST COMPANY, WHICH IN THIS PARTICULAR CASE FORMS PERTINENT BACKGROUND TO THE CANADA JURSDICTION ACT OF 1803.

33. MACDONALD, JOHN (OF GARTH), "JOURNAL", 1793-5, PAC. MASSON COLLECTION, C 2, No. 5, P. 19, PAC. MSS. INVENTORY 19, 36 PAGES PHOTOSTAT.

THE HANDWRITING IN THIS JOURNAL IS NOT LEGIBLE TO ANY EXTENT, THE CONTENTS OF THE JOURNAL HAVE BEEN PUBLISHED TO A LARGE EXTENT BUT NOT VERBATIM IN MASSON'S LES BOURGEOIS, VOL. 2, THE ORIGINALS IN THE REDPATH LIBRARY AT MCGILL UNIVERSITY IN MONTREAL ARE ALSO ILLEGIBLE TO A LARGE EXTENT. THE JOURNAL DOES PROVIDE EYEWITNESS ACCOUNTS OF THE FUR TRADERS IN THE PERIOD THAT THE XY COMPANY WAS BEING FORMED.

34. MACKENZIE, ALEXANDER, (SIR), "CORRESPONDENCE TO RODERICK MCKENZIE," PAC., MASSON COLLECTION No. 32, PAC. MSS. INVENTORY P. 18,

THIS CORRESPONDENCE DOES NOT CONSIST IN ORIGINAL LETTERS, RATHER NOTES MADE ON SUCH ORIGINALS, PERHAPS BY L. R. MASSON. THE NOTES ARE NOT VERBATIM, USUALLY SUMMARIES, FEW ARE NOTED THAT ARE DATED LATER THAN 1797.

35. MCGILL, J., "LETTERBOOK," MONTREAL, REDPATH LIBRARY MCGILL UNIVERSITY, MSS, 1802-7, AMONG THE BLACKWOOD PAPERS, DRAWER 23.

THIS LETTERBOOK GIVES FIRSTHAND ACCOUNTS OF THE TRADE AND COMPETITION CENTERING AROUND THE XY COMPANY.

36. MCGILLIVRAY, D., "JOURNAL", MAY 21, 1794 TO MAY 14, 1795, PAC., PHOTOSTAT, 89 P., ORIGINAL IN COLONIAL INSTITUTE, LONDON, ENGLAND.

THIS JOURNAL IS A SOURCE OF INFORMATION ON THE FUR TRADE IN THE PERIOD OF THE XY COMPANY. IN CONNECTION WITH THIS SOURCE ONE SHOULD NOTE:

37. MCGILLIVRAY, W., "SOME ACCOUNT OF THE TRADE CARRIED ON BY THE NORTH WEST COMPANY", PAC, DESCRIBED P. 17, PAC. MSS. INVENTORY 19, OFTEN REFERRED TO AS "SKETCH OF THE FUR TRADE 1809", 23 PP., PHOTOSTAT, MARGINAL NOTES PERHAPS IN HANDWRITING OF W. MCGILLIVRAY.

THIS LATTER WORK AND THE FORMER ABOVE SEEM TO BE RELATED FROM THE POINT OF VIEW OF INFORMATION SUPPLIED, BOTH ARE VALUABLE FOR THE PRESENT PROBLEM.

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38. MCKENZIE, A., [NOT SIR ALEXANDER], "JOURNAL OF GREAT BEAR LAKE", MONTREAL, MCGILL UNIVERSITY, PHOTOSTAT, 31 PP., AMONG MASSON COLLECTION, 1805.

THIS IS AN IMPORTANT DOCUMENT WRITTEN BY A MAN WHO WAS A TRADING PARTNER OF THE XY COMPANY.

39. MCKENZIE, J., "JOURNAL 1799-1800", MONTREAL, MCGILL UNIVERSITY, PHOTOSTAT, 75 PP., MASSON COLLECTION.

THIS WORK GIVES MANY DETAILS CONCERNING THE COMPETITION AMONG THE FUR TRADERS, AND ESPECIALLY THOSE CONNECTED WITH THE XY COMPANY.

40. MACKINTOSH, A., LETTERBOOK, 1798-1803, MSS., PAC, 416 PP., DESCRIBED ON P. 15 OF PAC. MSS. INVENTORY 19, PAGES ARE NOT NUMBERED.

THIS LETTERBOOK HAS MORE THAN ORDINARY IMPORTANCE SINCE ITS AUTHOR WAS INTERESTED IN THE DEVELOPMENT OF THE XY COMPANY, AND WROTE CAREFUL REPORTS TO HIS FRIEND SIMON MCTAVISH ON THE FORMATION AND OPERATIONS OF THE XY COMPANY IN SO FAR AS HE KNEW THEM IN AMHERSTBURG, AND IN THE DETROIT AREA.

41. MCTAVISH FROBISHER PAPERS, PAC, PHOTOSTATS OF MSS., AS OF JULY 16TH, 1955, THESE PAPERS WERE KEPT WITH THE STRATHCONA PAPERS IN THE PAC, 6 BOXES.

THE PHOTOSTATS ARE NOT COMPLETELY ORGANIZED, AND SOME DIFFICULTY ARISES DUE TO FRAGMENTS OF LETTERS NOT BEING PRESENT. THUS ONE IS DOUBTFUL IF AN INTEGRAL LETTER OR PARTS OF TWO DIFFERENT LETTERS ARE ON SUCCEEDING PHOTOSTATS. SOME OF THE PRINTS ARE DIFFICULT TO READ, REDUCED IN PHOTOSTAT AND SMALL FADED SCRIPT. THESE PAPERS ARE MENTIONED BY W. S. WALLACE IN HIS PEDLARS FROM QUEBEC 1954. THE COLLECTION CONTAINS MANY LETTERS FROM IMPORTANT MEN IN THE PRESENT PROBLEM, AND IS A NECESSARY FONT OF INFORMATION ON THE RELATIONS OF THE XY AND NORTH WEST COMPANIES.

42. MORGIE, R., "ENGAGEMENT OF MORGIE TO ALEXANDER MCKENZIE AND COMPANY", [XY COMPANY], AS INTERPRETER AND GUIDE, 26 JULY 1801, AT LAKE WYNIPIKE, IN ENGLISH, FOUND IN NORTH WEST PAPERS, 1797-1850, PAC., SEE P. 15, PAC. MSS. INVENTORY 19.

THIS DOCUMENT SHOWS THE SIMILARITY OF OPERATIONAL METHODS USED BY THE XY COMPANY TO THOSE OF THE NORTH WEST COMPANY.

43. PUBLIC ARCHIVES OF CANADA, SERIES C, VOL. 363, "NORTH WEST 1800-45", FACSIMILE OF MSS., LETTERS FROM VARIOUS AUTHORS.

THIS SOURCE CONTAINS GOOD PRIMARY SOURCE MATERIAL ON THE XY COMPANY, ESPECIALLY AS WRITTEN BY CONTEMPORARIES, SOME OF WHOM WERE SYMPATHETIC TO THE EFFORTS OF THE XY CO.

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44. "MINUTE BOOK", OF THE NORTH WEST COMPANY, PAC., PHOTOSTAT, JUNE 30, 1801 TO JANUARY 8, 1811.

THIS MINUTE BOOK CONTAINS FORMAL MINUTES, AND AS SUCH DOES NOT RECORD MANY OF THE PERTINENT FACTS CONCERNING THE XY COMPANY. THUS THE FIRST MENTION OF THE XY COMPANY ARE THE MINUTES CONCERNING THE UNION IN 1804. THIS BOOK IS AN AUTHENTIC SOURCE, BUT IS TOO CHASTE IN ITS FORMALITY TO PROVIDE EXTENSIVE INFORMATION ON THE XY COMPANY.

45. PORTER, J., "JOURNAL, FEBRUARY 18, 1800 TO FEBRUARY 14, 1801, AT SLAVE LAKE", MSS., 80 PAGES, PAC., MASSON COLLECTION No. 6, CF., P. 17 PAC. MSS. INVENTORY 19.

THIS DOCUMENT CONTAINS FIRST HAND ACCOUNTS OF THE RIVALRY BETWEEN THE XY AND THE NORTH WEST COMPANIES.

46. PUBLIC ARCHIVES OF CANADA, SECRETARY OF STATE PAPERS, "INTERNAL CORRESPONDENCE, LOWER CANADA", JULY TO DECEMBER 1802, MSS.

THIS COLLECTION CONTAINS AN ORIGINAL LETTER FROM JOHN RICHARDSON TO H. W. RYLAND CONCERNING THE ORGANIZATION OF THE XY COMPANY.

47. SELKIRK PAPERS, PAC., TRANSCRIPTS IN MSS., CF. P. 21, PAC. MSS. INVENTORY 19.

THIS COLLECTION CONTAINS SELKIRK'S DIARY WHICH HAS MANY ACCURATE DESCRIPTIONS OF MEN AND AFFAIRS PERTINENT TO THE PRESENT PROBLEM. THERE IS A COPY OF HIS "SKETCH OF THE FUR TRADE", WHICH DOES PRESENT FIRST HAND INFORMATION THOUGH FROM AN INTERESTED POINT OF VIEW. THERE ARE MANY INTERESTING PASSAGES ILLUSTRATING THE FIERCENESS OF THE COMPETITION BETWEEN THE XY AND THE NORTH WEST COMPANIES.

48. STUART, J., "JOURNAL AT THE ROCKY MOUNTAIN HOUSE DECEMBER 20, 1805 TO FEBRUARY 28, 1806", PAC., PHOTOSTAT, 36 PAGES.

THIS DOCUMENT DELINEATES AN EYE WITNESS ACCOUNT OF THE FUR TRADE, AND ITS DIFFICULTIES IN THE PERIOD OF THE XY COMPANY.

49. "JOURNAL" OF A WINTERING PARTNER AT LAKE ST. CROIX, 1804-5, PAC., 65 PAGES, MASSON COLLECTION, CF. P. 17 PAC. MSS. INVENTORY 19, No. 12.

THIS JOURNAL RECORDS ATTITUDES OF A NORTH WEST TRADER TO THE XY COMPANY, AND HIS TECHNIQUES OF COMPETITION.

50. "PART OF A JOURNAL OF AN EXPEDITION", 28 PAGES, PAC., MASSON COLLECTION, CF., P. 17 OF PAC. MSS. INVENTORY 19, No. 15.

THIS JOURNAL RECORDS AUTHENTIC DETAILS ON THE COMPETITION BETWEEN THE XY AND THE NORTH WEST COMPANY, IT WAS

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KEPT BY A NORTH WEST COMPANY TRADER.

51. "LIST OF MEN EMPLOYED BY THE NORTH WEST COMPANY" IN 1805, PAC., TRANSCRIPT, ORIGINAL TO MCGILL, MASSON COLLECTION, 16 PP., CF., P. 19 PAC. MSS. INVENTORY 19.

THIS LIST NOTES WHICH OF THE MEN WERE FORMERLY XY MEN, THUS PROVIDING SOME NOTION OF THE EXTENT OF THE OPERATIONS OF THE XY COMPANY PRIOR TO THE UNION IN 1804.

PERIODICALS

1. ASKIN CORRESPONDENCE, "FUR TRADE ON THE UPPER LAKES", 1778-1815" WISCONSIN HISTORICAL COLLECTIONS, VOL. 19, PP. 234, 374.

PRIMARY SOURCE MATERIAL; ALEXANDER HENRY, THE ELDER, IS ONE OF THE CORRESPONDENTS WHOSE WRITINGS DEAL WITH THE XY COMPANY.

2. BRAULT, L., MEMOIRS DE LA SOCIÉTÉ ROYAL DU CANADA, SECTIONS I ET II, 1882 A 1943, INDEX, (VII) 112 PP., OTTAWA, EDITIONS DE L'UNIVERSITÉ D'OTTAWA, 1944.

EXCELLENT REFERENCES TO A LARGE CORPUS OF SIGNIFICANT HISTORICAL ARTICLES.

3. BURPEE, L. J., "A CHAPTER IN THE HISTORY OF THE FUR TRADE", PAPERS OF THE BIBLIOGRAPHICAL SOCIETY OF AMERICA, CHICAGO, VOL. 5, 1911, PP. 45-60.

THIS IS AN ENTHUSIASTIC ARTICLE, LISTING SOURCES THAT ARE CLASSICAL FOR THE PRESENT STUDY.

4. -----, "THE NORTH WEST COMPANY", ANNUAL REPORT OF THE CANADIAN HISTORICAL ASSOCIATION, OTTAWA, 1923.

5. CARELESS, J. M. S., "FRONTIERISM, METROPOLITANISM, AND CANADIAN HISTORY", CANADIAN HISTORICAL REVIEW, VOL. 35, NO. 1, ISSUE OF MARCH 1954, PP. 1-21.

THIS ARTICLE IS A DISCUSSION OF THE USEFULNESS OF THE HISTORICAL METHOD WHICH SEEKS EVIDENCE IN THE CITIES RATHER THAN ON THE OLD FUR TRADE ROUTES. IT IS THE FORMULATION OF AN APPROACH THAN CAN BE CONTRASTED TO THE "FRONTIER" APPROACH USUALLY CONNECTED WITH TURNER IN THE WRITINGS DEALING WITH UNITED STATES HISTORY.

6. FLEMING, R. H., "PHYN, ELLICE AND COMPANY OF SCHENECTADY", IN CONTRIBUTIONS TO CANADIAN ECONOMICS, (UNIVERSITY OF TORONTO STUDIES IN HISTORY AND ECONOMICS), VOL. 4, 1932, PP. 7-39.

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TRACES THE DEVELOPMENT OF ONE OF THE MAIN COMPONENTS OF THE XY COMPANY, BACKGROUND FOR PRESENT WORK.

7. -----, "THE ORIGIN OF SIR ALEXANDER MACKENZIE AND COMPANY", CANADIAN HISTORICAL REVIEW, VOL. 9, No. 2 ISSUE OF JUNE 1928, PP. 137-155.

TRACES THE ORIGINS OF THIS COMPANY, AND COMMENTS ON THE AGREEMENT OF 1803.

8. FURNISS, O. C., "SOME NOTES ON NEWLY-DISCOVERED FUR POSTS ON THE SASKATCHEWAN RIVER", CANADIAN HISTORICAL REVIEW, VOL. 24, No. 3 ISSUE OF SEPTEMBER 1943, PP. 266-72.

THIS ARTICLE DESCRIBES SOME OF THE NAMES USED BY THE CONTEMPORARY TRADERS IN THE NORTH WEST FOR THE XY COMPANY.

9. GLOVER, R., "THE DIFFICULTIES OF THE HUDSON'S BAY COMPANY'S PENETRATION OF THE WEST", CANADIAN HISTORICAL REVIEW, VOL. 29, No. 3, ISSUE OF SEPTEMBER 1948, PP. 240-54.

THIS ARTICLE IS WRITTEN FROM SOURCES FOUND IN THE ARCHIVES OF THE HUDSON'S BAY COMPANY, AND PRESENTS THE NORTH WEST TRADERS FROM MONTREAL IN A NEW PERSPECTIVE.

10. INNIS, H. A., "NORTH WEST COMPANY", CANADIAN HISTORICAL REVIEW, VOL. 8, No. 4, ISSUE OF DECEMBER 1927, PP. 308-21.

BRIEF OUTLINE OF THE FOUNDATION OF THE NORTH WEST CO., AND A COMMENTARY ON A DOCUMENT OF COPARTNERSHIP.

11. LIGHTHALL, W. D., "THE NEWLY-DISCOVERED JAMES AND ANDREW MCGILL JOURNAL 1797", TRANSACTIONS OF THE ROYAL SOCIETY OF CANADA, VOL. 29, SEC. 2, MAY 1935, PP. 42-50.

THE "JOURNAL" IS A BOOK OF ACCOUNT, AND THIS ARTICLE ILLUSTRATES THE POSSIBILITIES FOR AN HISTORIAN IN THE ACCOUNTING RECORDS OF THE PAST.

12. McCLOY, T. R., "FUR TRADE BIBLIOGRAPHIES", BRITISH COLUMBIA HISTORICAL QUARTERLY, ISSUE OF JULY-OCTOBER, 1951, PP. 203-212.

AN INDEX TO BIOGRAPHICAL SKETCHES CONTAINED IN THE FOLLOWING BOOKS:

WALLACE, W. S., DOCUMENTS RELATING TO THE NORTH WEST COMPANY, VOLS. 1 TO 12 OF THE HUDSON'S BAY CO. AND CHAMPLAIN SOCIETY SERIES

PUBLICATIONS OF THE HUDSON'S BAY RECORD SOCIETY

13. MITCHELL, E. A., "THE NORTH WEST AGREEMENT OF 1795", CANADIAN HISTORICAL REVIEW, JUNE 1955, VOL. 34, No. 2, PP. 126-145.

THIS ARTICLE PRESENTS ONE OF THE "MISSING NORTH WEST AGREEMENTS ALONG WITH A BRIEF COMMENTARY ON ITS BACKGROUND.

14. MORTON, A. S., "THE CANADA JURISDICTION ACT (1803) AND THE NORTH WEST", TRANSACTIONS OF THE ROYAL SOCIETY OF CANADA, VOL. 32, SEC. II, ISSUE OF MAY 1938, PP. 121 ET SEQ.

CONSIDERS THE LEGAL PROBLEMS ARISING OUT OF THE COMPETITION OF THE NORTH WEST COMPANY, AND THE XY COMPANY AND THE LATER USES OF THIS LEGISLATION IN THE SELKIRK DIFFICULTIES WITH THE NORTH WEST COMPANY.

15. -----, "FIVE FUR TRADE POSTS ON THE LOWER QU'APPELLE RIVER 1798-1819", TRANSACTIONS OF THE ROYAL SOCIETY OF CANADA, VOL. 35, SEC. II, ISSUE OF MAY 1941, PP. 81-93.

THIS SORT OF ARTICLE ILLUSTRATES THE DIFFICULTY AND PERHAPS THE IMPOSSIBILITY AT THIS TIME OF DISCOVERING EVIDENCE ON THE FUR TRADING FRONTIER, AND THE NECESSITY OF RECOURSE TO METROPOLIS FOR EXTANT INFORMATION.

16. -----, "FORREST OAKES, CHARLES BOYER, JOSEPH FULTON, AND PETER PANGMAN", IN THE NORTH WEST 1765-1793", TRANSACTIONS OF THE ROYAL SOCIETY OF CANADA, VOL. 31, SEC. II, ISSUE OF MAY 1937, PP. 87-100.

THIS ARTICLE PROVIDES BACKGROUND MATERIALS, AND ESTABLISHES THE POSITION OF PETER PANGMAN IN THE NORTH WEST.

17. MORTON, A. S. "THE POSTS OF THE FUR TRADERS ON THE UPPER ASSINIBOINE RIVER", TRANSACTIONS OF THE ROYAL SOCIETY OF CANADA, VOL. 36, SEC. II, ISSUE OF 1942, PP. 101-114.

USES PRIMARY SOURCES TO ILLUSTRATE MILIEU IN WHICH THE TRADERS OPERATED, AND COMPETED WITH ONE AND OTHER.

18. STEVENS, W. E., "ORGANIZATION OF THE BRITISH FUR TRADE 1760-1800", MISSISSIPPI VALLEY HISTORICAL REVIEW, VOL. 3, NO. 3, PP. 172 ET SEQ.

THIS ARTICLE IS ONE OF THE EARLIER AND MORE GENERAL ARTICLES IN THE AREA CONCERNING THE PRESENT PROBLEM; IT PRESENTS SOURCES AND DELINEATES THE GENERAL PATTERN OF DEVELOPMENT.

19. SHORTT, A., "FOUNDERS OF CANADIAN BANKING, THE HONOURABLE GEORGE MOFFATT", JOURNAL OF THE CANADIAN BANKERS' ASSOCIATION. VOL. 32, NO. 2, ISSUE OF JANUARY 1925, PP. 179-90.

THIS ARTICLE IS VALUABLE, NOT IN RELATION TO THE XY COMPANY, BUT IN SO FAR AS IT DESCRIBES THE EVOLUTION OF A BUSINESS UNIT, PARKER GERRARD AND OGILVY AND COMPANY IN THE PERIOD IMMEDIATELY AFTER THE DEMISE OF THE XY COMPANY.

20. -----, "FOUNDERS OF CANADIAN BANKING, JOHN RICHARDSON, MERCHANT, FINANCIER, AND STATESMAN", JOURNAL OF THE CANADIAN BANKERS' ASSOCIATION, VOL. 29, NO. 1, ISSUE OF JANUARY 1922, PP. 165-70, ALSO ISSUE OF OCTOBER 1921, PP. 17-27.

THIS ARTICLE IS CONCERNED WITH JOHN RICHARDSON, OF FORSYTH RICHARDSON AND COMPANY, ONE OF THE FIRST MEMBERS OF THE XY COMPANY. IT DEALS MORE WITH HIS LATER LIFE THAN WITH HIS OPERATIONS IN THE XY COMPANY, AND DOES GIVE MANY INTERESTING DETAILS, AND LEADS TO SOURCE MATERIALS.

21. WALLACE, W. S., "FORSYTH RICHARDSON AND COMPANY IN THE FUR TRADE", TRANSACTIONS OF THE ROYAL SOCIETY OF CANADA, VOL. 34, SEC. II, ISSUE OF MAY 1940, PP. 187-94.

THIS ARTICLE SKETCHES OUT THE DEVELOPMENT OF ONE OF THE COMPONENTS OF THE XY COMPANY, IN A MANNER THAT MAKES IT OUTSTANDING IN RELATION TO THE PRESENT STUDY.

22. -----, "THE PEDLARS FROM QUEBEC", IN THE CANADIAN HISTORICAL REVIEW, VOL. 13, NO. 4, ISSUE OF DECEMBER 1932, PP. 387-402.

THIS ARTICLE SKETCHES THE PERIOD OF 1766 TO 1787 IN NORTH WEST FUR TRADING ACTIVITIES OF THE TRADERS FROM THE ST. LAWRENCE VALLEY. IT SHOWS EXCELLENT DELINEATIONS OF THE FIRST OUTFITS AFTER THE CONQUEST.

23. -----, "AN UNWRITTEN CHAPTER OF THE FUR TRADE", TRANSACTIONS OF THE ROYAL SOCIETY OF CANADA, VOL. 33, SEC. II, ISSUE OF MAY 1939, PP. 1-8.

THE ARTICLE REFERS TO AENEAS CAMERON, BUT APPENDED TO IT IS THE LONG MISSING AGREEMENT OF 1795 FOR THE NORTH WEST COMPANY.

24. "A BRIEF REVIEW OF THE FUR TRADE OF THE NORTHWEST COUNTRY CARRIED ON FROM LOWER CANADA, AND OF THE VARIOUS AGREEMENTS UNDER WHICH IT WAS CONDUCTED," CANADIAN REVIEW AND LITERARY HISTORICAL JOURNAL, VOL. 1, 1824.

THIS SOURCE IS DIFFICULT TO OBTAIN, BUT THERE IS ONE COPY OF IT IN THE TORONTO PUBLIC LIBRARY, W. S. WALLACE CONSIDERS THIS ARTICLE TO HAVE BEEN WRITTEN BY RODERICK MCKENZIE; CF. "FORSYTH RICHARDSON AND COMPANY IN THE FUR TRADE", TRANSACTIONS OF ROYAL SOCIETY OF CANADA, ABOVE, P. 189.

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BOOKS PRIMARY SOURCES

1. BRYCE, G., THE REMARKABLE HISTORY OF THE HUDSON'S BAY COMPANY, TORONTO, BRIGGS, 1900, xxii-501 pp.

A THOROUGH YET POPULAR ACCOUNT OF THE HUDSON'S BAY COMPANY, WRITTEN BY ONE WHO HAD ACCESS TO THE ARCHIVES OF THAT COMPANY.

2. BRYMNER, D. B., REPORT OF THE PUBLIC ARCHIVES OF CANADA 1886, OTTAWA, MACLEAN ROGER, 1887, ccxxxiv-357 pp. (383-741).

THIS REPORT CONTAINS MANY REPRINTS OF MANUSCRIPT MATERIAL FOUND IN THE HALDIMAND COLLECTION, AND THE INTRODUCTION BY THE EDITOR CONTAINS EXCELLENT HISTORICAL REPORTING.

3. -----, REPORT OF THE PUBLIC ARCHIVES OF CANADA, 1892, OTTAWA, QUEEN'S PRINTER, 1893, ii-399.

THIS REPORT CONTAINS REPRINTS OF THE COLONIAL OFFICE RECORDS, ESPECIALLY A REPORT ON THE FUR TRADE BY SIMON MCTAVISH DATED 23RD OCTOBER 1802.

4. BURPEE, L. J., THE SEARCH FOR THE WESTERN SEA, TORONTO, MACMILLAN, 1935, 2 VOLS.

THIS BOOK CONTAINS MANY EXCERPTS FROM ORIGINAL SOURCES, AND ILLUSTRATES A TECHNIQUE FOR PRESENTING ECONOMIC DATA AS HISTORICAL MATERIAL.

5. -----, EDITOR, JOURNAL DE F. A. LAROQUE DE LA RIVIÈRE ASSINIBOINE JUSQU'A LA RIVIÈRE AUX ROCHES JAUNES, 1805, OTTAWA, GOVERNMENT PRINTING BUREAU, 1910.

THIS SOURCE PROVIDES A TEXT OF THE PERIOD, AND THE NOTES, BY THE EDITOR, ILLUSTRATE AND EXPAND THE TEXT TO FIT IT INTO THE CONTEXT OF HISTORY.

6. CAMPBELL, ROBERT, A HISTORY OF THE SCOTCH PRESBYTERIAN CHURCH ON ST. GABRIEL STREET MONTREAL, DRYSDALE, MONTREAL, 1887, vi-807 p.

THIS WORK CONTAINS EXCERPTS FROM THE PAROCHIAL RECORDS OF THIS CHURCH, WHICH WAS SUPPORTED IN LARGE MEASURE BY THE SCOTCH FUR TRADERS. THE WORK IN GENERAL IS ROMANTIC IN TONE, AND THE LACK OF FOOTNOTES TO SIGNIFICANT SOURCE MATERIALS REDUCE ITS VALUE IN THE PRESENT PROBLEM.

7. CHALMERS, R., A HISTORY OF THE CURRENCY IN THE BRITISH COLONIES, LONDON, HER MAJESTY'S STATIONERY OFFICE (1893), viii-496.

THOROUGH REPORTING OF COMPARABLE VALUES OF CURRENCY UNITS USED IN CANADA DURING NORTH WEST FUR TRADE.

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8. DAVIDSON, G. C., THE NORTH WEST COMPANY, BERKELEY, UNIVERSITY OF CALIFORNIA PRESS, 1918, xii-349 pp.

THIS BOOK IS PERHAPS ONE OF THE MORE RELEVANT SOURCES FOR THE PRESENT PROBLEM, IT IS FUNDAMENTALLY A DOCTORAL DISSERTATION, AND CONTAINS AMPLE REFERENCES TO SOURCE MATERIAL.

9. GATES, C. M., FIVE FUR TRADERS OF THE NORTH WEST, [MINNEAPOLIS], UNIVERSITY OF MINNESOTA, 1933.

10. FLEMING, R. H., MINUTES OF COUNCIL OF THE NORTHERN DEPARTMENT OF RUPERT LAND, TORONTO, CHAMPLAIN SOCIETY, 1940, LXXVII-480 pp.

THE MAIN EMPHASIS OF THIS WORK REFERS TO A LATER PERIOD THAN THE XY COMPANY, BUT IT DOES REFLECT THE INFLUENCE OF PROBLEMS AND SOLUTIONS DEVELOPED BY THE PRESENCE OF THE XY COMPANY.

11. HARMON, D. W., JOURNAL OF VOYAGES AND TRAVELS IN THE INTERIOR OF NORTH AMERICA, NEW YORK, BARNES, 1903, EDITED BY D. HASKELL, xxiii-382 pp., ALSO ALLERTON EDITION OF 1922, SAME PAGINATION.

THIS WORK PROVIDES CONTEMPORARY TESTIMONY REGARDING THE XY COMPANY, UNFORTUNATELY IT IS SEVERELY EDITED AS COMPARED TO THE BARBER COPY IN MANUSCRIPT AT THE PUBLIC ARCHIVES IN OTTAWA, CF. THIS NOTATION IN THE MANUSCRIPT SECTION OF THIS BIBLIOGRAPHY.

12. HENRY, A., [THE YOUNGER], NEW LIGHT ON THE EARLY HISTORY OF THE NORTHWEST, ELLIOTT COUES EDITOR, HARPER, NEW YORK, 1897, 3 VOLS.

THIS WORK IS BASED ON THE MANUSCRIPT JOURNALS OF ALEXANDER HENRY AND DAVID THOMPSON FROM 1799 TO 1814, AND DOES CONTAIN MANY CONTEMPORARY REFERENCES TO THE XY COMPANY, ESPECIALLY IN REGARD TO ITS OPERATIONS IN NORTH WEST.

13. [HENRY, J.], ON THE ORIGIN AND PROGRESS OF THE NORTH WEST COMPANY OF CANADA..., LONDON, COX, 1811, 38 pp.

THIS PAMPHLET WAS EXAMINED IN PHOTOSTAT AT THE PUBLIC ARCHIVES IN OTTAWA, IT IS NOT AN UNBIASED ACCOUNT, NOR IS THE WRITER KNOWN FOR OBJECTIVE ACCURACY OF STATEMENT, YET IT DOES PRESENT INTERESTING BACKGROUND MATERIAL ON THE PRESENT PROBLEM.

14. INNIS, H. A., THE FUR TRADE IN CANADA, NEW HAVEN, YALE UNIVERSITY PRESS, 1930, (xvi)-444 pp.

THIS BOOK PRESENTS IN SOME CONTINUITY THE HISTORY OF THE NORTH WEST FUR TRADE. IT CONTAINS MUCH ECONOMIC MATERIAL, YET IT REMAINS A DIFFICULT BOOK, SINCE ONE OFTEN

HAS TO SEARCH FOR THREADS OF HISTORICAL DEVELOPMENT AMIDST A WELTER OF DETAIL PRESENTED IN FORMIDABLE BLOCKS. THE REFERENCES TO SOURCES ARE PLENTIFUL, AND THIS MAKES THE BOOK A GOOD GUIDE TO PRIMARY MATERIALS CONCERNING THE PRESENT PROBLEM.

15. LAUT, AGNES C., THE CONQUEST OF THE GREAT NORTH WEST, 2 VOLS., TORONTO, MUSSON.

THIS BOOK HAS A CHAPTER ON THE XY COMPANY, WHICH IN RELATION TO THE PRESENT RESEARCH IS GENERAL AND TOPICAL.

16. MACKENZIE, HENRY, DOCUMENTS, AND NEWSPAPER DISCUSSIONS RESPECTING THE AFFAIRS OF THE AGENTS OF THE LATE NORTH WEST COMPANY, MONTREAL, WORKMAN, 1830, 66 PP.

THIS IS A RARE BOOK, FOUND IN THE BABY COLLECTION IN THE LIBRARY OF THE UNIVERSITY OF MONTREAL, IT CONTAINS THE COMPLAINTS OF A CONTEMPORARY, AND PROVIDES RATHER ACCURATE INFORMATION FOR THE PRESENT STUDY.

17. MCGILLIVRAY, WILLIAM, NORTH WEST COMPANY VS. THE EARL OF SELKIRK, MONTREAL, (NO PRINTER NAMED), 1819, VI-118 PP. (PAGES II-IV; PAGES FOLLOWING 118 ARE MISSING).

THIS PAMPHLET CONTAINS THE PROCEEDINGS OF THE TRIALS IN THE QUEBEC COURTS BETWEEN THE PRINCIPALS NAMED ABOVE, IT IS NOT DIRECTLY PERTINENT TO THE XY COMPANY, BUT IT SHOWS BY IMPLICATION MANY OF THE AFTER EFFECTS OF THE STRUGGLES OF THE NORTH WEST AND XY COMPANIES.

18. MASSON, L. R., LES BOURGEOIS DE LA COMPAGNIE DU NORD-OUEST, QUEBEC, COTÉ, 2 VOLS., 1889-90.

THIS WORK IS PERHAPS THE BEST KNOWN FONT OF INFORMATION AND DOCUMENTATION IN THE GENERAL TOPIC OF THE NORTHWEST FUR TRADE. IN RELATION TO THE XY COMPANY THERE ARE MANY VALUABLE REFERENCES AND EXPLANATIONS, THAT MAKE THIS A CRUCIAL WORK IN THE PRESENT PROBLEM. MANY DOCUMENTS ARE QUOTED VERBATIM.

19. BRAULT, L., "INDEX", TO THE ABOVE. THIS WORK EXISTS IN TYPESCRIPT IN THE PUBLIC ARCHIVES OF CANADA LIBRARY, IT IS A CONVENIENT AND VALUABLE TOOL FOR THE RESEARCHER IN THAT IT PROVIDES READY REFERENCE TO MASSON'S TWO VOLUME WORK WHICH HAS NO INDEX.

20. MORTON, A. S., JOURNAL OF DUNCAN MCGILLIVRAY, OF THE NORTH WEST COMPANY, AT FORT GEORGE ON THE SASKATCHEWAN 1794-5, TORONTO, MACMILLAN, 1929, LXXCII-79 PP.

THE INTRODUCTION CONTAINS AN EXCELLENT BACKGROUND SKETCH TO THE PRESENT PROBLEM, THE TEXT OF THE JOURNAL SUPPLIES FIRST-HAND TESTIMONY TO THE BEGINNINGS OF THE XY COMPANY.

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21. QUAIFE, M., Ed., WAR ON THE DETROIT, JOURNAL OF THOMAS VÉRCHÈRES DE BOUCHERVILLE, LAKESIDE CLASSICS, CHICAGO, 1940.

THE AUTHOR OF THIS JOURNAL WAS IN THE EMPLOY OF THE XY COMPANY IN 1803. THE WORK PROVIDED PERSPECTIVE RATHER THAN INCISIVE INFORMATION.

22. REPORT FROM THE SELECT COMMITTEE ON HUDSON'S BAY COMPANY, 31 JULY TO 11 AUGUST 1857, PRINTED BY ORDER OF THE HOUSE OF COMMONS IN ENGLAND, 1858, xviii-547 pp.

THIS REPORT CONTAINS EVIDENCE, ESPECIALLY BY HON. E. ELLICE ON THE PERIOD, AND SPECIFICALLY ON THE XY COMPANY. THIS EVIDENCE IS NOT ENTIRELY OBJECTIVE, BUT DOES ILLUSTRATE THE POSITION THAT ELLICE HAD RATIONALIZED HIMSELF INTO IN HIS LATER LIFE.

23. SELKIRK, DOUGLAS, EARL OF, A SKETCH OF THE BRITISH FUR TRADE IN NORTH AMERICA, WITH OBSERVATIONS RELATIVE TO THE NORTHWEST COMPANY OF MONTREAL, SECOND EDITION, LONDON, J. RIDGWAY, 1816, vi-130 pp.

THE ORIGINAL EDITION IS AVAILABLE IN THE PUBLIC ARCHIVES OF CANADA. THE WORK IS PREJUDICED AGAINST THE FUR TRADERS, BUT DOES DELINEATE SOME OF THE FEATURES OF THE FIERCE STRUGGLE BETWEEN THE XY COMPANY AND THE NORTH WEST COMPANY. THIS WORK PROVIDES VALUABLE CONTEMPORARY INFORMATION.

24. THOMPSON, DAVID, NARRATIVE OF EXPLORATIONS IN WESTERN AMERICA, 1784-1812, J. B. TYRRELL, ED., TORONTO, CHAMPLAIN SOCIETY, 1916, xcvi-582 pp.

EXCELLENT SOURCE MATERIAL FROM THE ARCHIVES OF THE HUDSON'S BAY COMPANY.

25. TURNOR, PHILIP, JOURNALS OF SAMUEL HEARNE AND PHILIP TURNOR, J. B. TYRRELL, ED., TORONTO, CHAMPLAIN SOCIETY, 1934, xviii-611 pp.

INTERESTING INFORMATION ON THE PROBLEMS FACED BY THE HUDSON'S BAY COMPANY DURING THE PERIOD OF OPERATIONS OF THE XY COMPANY.

26. WALLACE, W. S., DOCUMENTS RELATING TO THE NORTH WEST COMPANY, TORONTO, CHAMPLAIN SOCIETY, 1934, xv-527 pp.

THIS IS AN EXCELLENT COLLECTION OF PRIMARY SOURCE MATERIALS IN PRINT, THE COLLECTION CONTAINS LITTLE ON THE XY COMPANY DIRECTLY, BUT MANY OF ITS DOCUMENTS CONTAIN INFORMATION ON THE PRESENT PROBLEM.

27. WELD, I., TRAVELS THROUGH THE STATES OF NORTH AMERICA AND THE PROVINCES OF UPPER AND LOWER CANADA DURING

THE YEARS 1795-6-7, SECOND EDITION, LONDON, STOCKDATE, 1799, 2 VOLS.

THIS WORK IS IN THE BABY COLLECTION IN THE UNIVERSITY OF MONTREAL LIBRARY; IT PROVIDES MANY INTERESTING DETAILS ABOUT THE FUR TRADE THAT HAVE NOT COME DOWN IN MANY OF THE LATER WORKS, INTERESTING AND FACTUAL.

28. WILLSON, H. B., THE GREAT COMPANY, BEING A HISTORY OF THE HONOURABLE COMPANY OF MERCHANTS-ADVENTURERS TRADING INTO HUDSON'S BAY, TORONTO, COPP-CLARK, 1899, XXII-541 PP.

THIS WORK WAS WRITTEN BY ONE OF THE FIRST MODERN SCHOLARS TO HAVE ACCESS TO THE RECORDS OF THE HUDSON'S BAY COMPANY. THE BOOK ITSELF IS RATHER PREJUDICED TO THE COMPANY'S INTERESTS AND BIASES, BUT IT IS A SOURCE OF PERTINENT INFORMATION.

BOOKS SECONDARY SOURCES

1. BEGG, A., HISTORY OF THE NORTHWEST, TORONTO, 1894, 3 VOLS.

THIS WORK IS REFERRED TO BY INNIS FOR BACKGROUND MATERIALS CONCERNING THE FUR TRADE.

2. BEMIS, S. F., JAY'S TREATY, A STUDY IN COMMERCE AND DIPLOMACY, NEW YORK, MACMILLAN, 1923, XX-388 PP.

THIS BOOK IS A GOOD SOURCE OF INFORMATION ON THE EVENTS THAT LED MANY TRADERS TO ABANDON THE SOUTH WEST FUR TRADE AND TO COMPETE IN THE NORTH WEST TRADE; IT PROVIDES PROXIMATE BACKGROUND FOR THE FORMATION OF THE XY COMPANY.

3. THE CAMBRIDGE HISTORY OF THE BRITISH EMPIRE, CANADA AND NEWFOUNDLAND, VOL. 6, NEW YORK, MACMILLAN, 1930.

THIS VOLUME CONTAINS A GOOD ARTICLE ON THE FUR TRADE OF THE NORTH WEST.

4. CAMPBELL, M. W., THE SASKATCHEWAN, (RIVERS OF AMERICA SERIES), NEW YORK, RHINEHART, 1950, 400 PP.

THERE IS A CHAPTER IN THIS BOOK ON THE XY COMPANY, IT IS A TOPICAL AND GENERAL TREATMENT, FEW REFERENCES TO SOURCES.

5. CHITTENDEN, H. M., HISTORY OF THE AMERICAN FUR TRADE IN THE FAR WEST, 2 VOLS., NEW YORK, MINNESOTA HISTORICAL SOCIETY, 1902.

THIS WORK PROVIDES MATERIAL ON THE FUR TRADE, AND

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TENDS TO CENTRE MORE ON THE SOUTH WEST THAN THE NORTH WEST TRADERS. IT HAS BEEN RECENTLY REPRINTED WITH A NEW INTRODUCTION BY GRACE LEE NUTE.

6. CREIGHTON, D. G., THE COMMERCIAL EMPIRE OF THE ST. LAWRENCE, 1760-1850, NEW HAVEN, YALE UNIVERSITY PRESS, 1937, ix-441 pp.

IN RELATION TO THE PRESENT PROBLEM THIS BOOK PROVIDES MANY INTERESTING TECHNIQUES FOR USING HISTORICAL DATA GENERATED IN THE ECONOMIC OPERATIONS OF THE PAST.

7. LAWSON, M. G., A STUDY IN ENGLISH MERCANTILISM, TORONTO, UNIVERSITY OF TORONTO PRESS, 1943, xxiv-140 pp.

A DOCTORAL DISSERTATION PRESENTED AT THE UNIVERSITY OF CALIFORNIA ILLUSTRATES TECHNIQUE OF USING ECONOMIC DATA FOR HISTORICAL RECONSTRUCTION OF A PERIOD.

8. LEJEUNE, L., DICIONNAIRE GÉNÉRAL DU CANADA, OTTAWA, UNIVERSITY OF OTTAWA PRESS, 1931, 2 VOLS.

VOLUME ONE HAS AN INTERESTING ARTICLE ON THE NORTH WEST COMPANY, AND ON THE CORPORATE FORM IN CANADIAN ECONOMIC DEVELOPMENT.

9. MACKAY, D., THE HONOURABLE COMPANY, A HISTORY OF THE HUDSON'S BAY COMPANY, NEW YORK, BOBBS-MERRILL, xiv-396 pp., 1936.

THIS WORK IS RATHER AN ADULATION OF ITS TOPIC, IT HAS A GOOD BIBLIOGRAPHY, AND WAS REVISED IN 1949.

10. MACKENZIE, A., VOYAGES FROM MONTREAL...., RADISSON SOCIETY EDITION, TORONTO, 1927, (FIRST EDITION 1801 LONDON, CADELL), cxxxii-412 pp.

THIS BOOK IS NOT PRIMARY MATERIAL FOR THE PRESENT WORK, SINCE THE AUTHOR WAS MOST CAUTIOUS IN HIS REFERENCES TO THE PROBLEM OF THIS STUDY, HOWEVER THE BOOK PROVIDES EXCELLENT BACKGROUND FOR THE STUDY OF THE FUR TRADE IN THIS PERIOD.

11. MERK, F., FUR TRADE AND EMPIRE, GEORGE SIMPSON'S JOURNAL, CAMBRIDGE, HARVARD UNIVERSITY PRESS, 1931.

THIS BOOK CONCENTRATES ON A PERIOD SHORTLY AFTER THAT OF THE PRESENT STUDY, IT PRESENTS SOURCE MATERIALS, AND BACKGROUND.

12. MORTON, A. S., HISTORY OF THE CANADIAN WEST TO 1870-1, LONDON, NELSON, 1939, xiv-987 pp.

PROBABLY THE BEST TEXT BOOK ON THE PRESENT TOPIC, FOOTNOTING IS GENERALLY OMITTED, BUT SOURCES CAN BE DETERMINED FROM AN APPENDIX.

13. RICH, E. E., JOURNAL OF OCCURENCES IN THE ATHABASCA DEPARTMENT 1820-21, TORONTO, CHAMPLAIN SOCIETY, 1938, LIX-498 PP.

THIS PRESENTATION OF GEORGE SIMPSON'S JOURNAL PRESENTS VALUABLE MATERIAL IN THE PERIOD THAT FOLLOWED THE XY COMPANY.

14. -----, A. M. JOHNSON, EDITORS, CUMBERLAND HOUSE JOURNALS, 1775-82, LONDON, HUDSON'S BAY RECORD SOCIETY, 2 VOLS., 1951-2.

THE TEXT REFERS TO A PERIOD PRIOR TO THE XY COMPANY, BUT ~~THE~~ INTRODUCTION DISCUSSES THE RECORDS OF THE HUDSON'S BAY COMPANY, AND SUGGESTS HOW THEY CAN BE USED.

15. VOHRIS, E., HISTORIC FORTS AND TRADING POSTS OF THE FRENCH REGIME AND ENGLISH FUR TRADING COMPANIES, OTTAWA, 1930, DEPARTMENT OF THE INTERIOR, DEVELOPMENT BUREAU, 11-187 PP., MIMEOGRAPH.

CONTAINS A MAP OF THE NORTH WEST AMONG ITS END PAPERS WHICH IS ONE OF THE VERY FEW COMPREHENSIVE RECORDS OF FORTS AND TRADING POSTS OF THE XY COMPANY.

16. WALLACE, W. S., ENCYCLOPEDIA OF CANADA, TORONTO, UNIVERSITY ASSOCIATES OF CANADA, 1940, 6 VOLS.

EXCELLENT GENERAL REFERENCE TO THE PROBLEM AND THE PERIOD.

17. WALLACE, W. S., EDITOR, WITH H. WRONG, CANADIAN MEN OF ACTION, VOL. 4, 1927.

THIS VOLUME CONTAINS A TREATMENT OF THE LIFE OF SIR ALEXANDER MACKENZIE, ONE OF THE COPARTNERS OF THE XY COMPANY.

18. -----, PEDLARS FROM QUEBEC, TORONTO, RYERSON, 1954, XII-101 P.

THIS BOOK IS A GATHERING OF ARTICLES PREVIOUSLY PUBLISHED IN THE TRANSACTIONS OF THE ROYAL SOCIETY OF CANADA, AND OTHER REVIEWS. IT CONTAINS LITTLE NEW IN THE WAY OF MATERIALS FROM THE ORIGINAL ARTICLES, BUT DOES PROVIDE SOME AUTHORITATIVE OPINION IN REGARD TO PRIMARY SOURCES.

19. UMFREVILLE, E., THE PRESENT STATE OF THE HUDSON'S BAY COMPANY...., LONDON, 1790, REPRINTED UNDER THE EDITORSHIP OF W. S. WALLACE, RYERSON, TORONTO, 1954.

THIS BOOK IS A POLEMIC AGAINST THE HUDSON'S BAY COMPANY IN THE PERIOD BEFORE THE XY COMPANY, IT PROVIDES BACKGROUND, BUT MUST BE USED WITH DISCRIMINATION.

APPENDIX I

LETTER TO THE AUTHOR REGARDING MATERIAL ON THE XY
COMPANY IN THE ARCHIVES OF THE HUDSON'S BAY COMPANY.

TELEGRAPHIC ADDRESS
BEAVER · LONDON



TELEPHONE
CENTRAL 3 2 2 3

Hudson's Bay Company.

INCORPORATED 2ND MAY 1670

BEAVER HOUSE
GREAT TRINITY LANE
LONDON E.C.4

R/GK

22nd June, 1955.

Rev. R. A. Pendergast, C.S.B., M.A.,
St. John Fisher College,
3690 East Avenue,
Rochester 18,
New York,
U. S. A.

Dear Sir,

We thank you for your letter dated 9th June, 1955, requesting permission to study the microfilms of the Company's archives in the Public Archives of Canada for information on the XY Company.

From our own experience we know that trying to find information about the XY Company, (or, in fact, any competitors usually referred to as the "Pedlars"), means covering a very wide field in our archives. For this reason we have discussed your application with Professor E.E. Rich, General Editor of the Hudson's Bay Record Society and, after very careful consideration, we have reluctantly agreed that we are unable to grant the desired permission. We are, however, prepared to consider an application to study specific documents which you may find reference to in published works.

Several years ago Dr. W. Stewart Wallace, then Librarian of the University of Toronto, and the late Professor A.S. Morton of the University of Saskatchewan, made searches in our archives over long periods. Their investigations were thorough and, in the opinion of ourselves and Professor E.E. Rich, it is unlikely that anything new about the "Pedlars" is likely to come to light. The results of their work are, as you probably

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know, to be found in:

W. Stewart Wallace (ed.), Documents Relating to the North West Company (Toronto, The Champlain Society, 1934)

W. Stewart Wallace, The Pedlars from Quebec and Other Papers on the Nor'Westers (Toronto, The Ryerson Press, 1954).

A.S. Morton, A History of the Canadian West to 1870-71 (London, Thomas Nelson & Sons, Ltd., 1939).

Besides the above works you are also probably aware that the undermentioned volumes contain information about the Company's competitors during the last part of the eighteenth century:

J.B. Tyrrell (ed.), Journals of Samuel Hearne and Philip Turnor between the years 1774 and 1792 (Toronto, The Champlain Society, 1934)


E.E. Rich and A.M. Johnson (eds.), Cumberland House Journals and Inland Journal 1775-82 First Series, 1775-79 (London, The Hudson's Bay Record Society, 1951)

E.E. Rich and A.M. Johnson (eds.), Cumberland House Journals and Inland Journals 1775-82 Second Series, 1779-82 (London, The Hudson's Bay Record Society, 1952)

E.E. Rich and A.M. Johnson (eds.), Moose Fort Journals 1783-85 (London, The Hudson's Bay Record Society, 1954)

You may also be interested to know than an article by Mrs. Elaine Mitchell on the various North West Company agreements will shortly be appearing in The Canadian Historical Review.

Yours faithfully,
For the Governor and Committee
of the Hudson's Bay Company,


(R. A. Reynolds)
Secretary.

SUMMARY

THE XY COMPANY 1798 TO 1804

REV. R. A. PENDERGAST C.S.B.

SUMMARY

THE FUR TRADE OF THE CANADIAN NORTH WEST PRESENTS ONE OF THE BETTER MEANS FOR UNDERSTANDING THE PRIMITIVE ECONOMIC ORGANIZATION OF CANADIAN BUSINESS ACTIVITY AT THE TURN OF THE NINETEENTH CENTURY. SIGNIFICANT AMONG THE ORGANIZED GROUPS IN THIS FUR TRADE WAS THE XY COMPANY, WHICH PROVIDED PERHAPS THE GREATEST COMPETITIVE CHALLENGE FOR ECONOMIC AND TERRITORIAL EXPANSION IN THE CANADA OF 1798 TO 1804.

THE XY COMPANY WAS CONTEMPORANEOUS WITH THE NORTH WEST COMPANY BUT DISTINCT FROM IT. THESE TWO FUR TRADING ORGANIZATIONS SET A PATTERN OF ECONOMIC DEVELOPMENT AND EXPLOITATION WHICH SPANNED THE CONTINENT. THE PRESENT RESEARCH WAS UNDERTAKEN TO DETERMINE THE NATURE OF THE XY COMPANY, ITS ORGANIZATIONAL STRUCTURE, ITS TECHNIQUES OF TRADING, AND THE EFFECTS OF ITS OPERATIONS IN THE PRIMITIVE ECONOMIC DEVELOPMENT OF CANADA.

THERE ARE CERTAIN DOCUMENTS OF PRIME IMPORTANCE FOR THE DELINEATION OF THE HISTORICAL SIGNIFICANCE OF THE XY COMPANY. THESE ARE THE BOOKS OF ACCOUNT OF THE COMPANY. THIS BODY OF DOCUMENTS IS PRESERVED IN THE ARCHIVES DU GRAND SÉMINAIRE DE QUÉBEC, QUEBEC CITY, CANADA. SUCH HISTORICAL RECORDS AS THE BOOKS OF ACCOUNT OF THE XY COMPANY, CONTAIN VALUABLE HISTORICAL DATA CONCERNING THE COMPANY, ITS TIMES, AND ITS TRADING TECHNIQUES. IN THEM ARE RECORDED THE DETAILS OF TRANSACTIONS, LISTS OF PERSONNEL EMPLOYED, THE COPARTNER

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OWNERS AT DIFFERENT TIMES, AND THE RESULTS OF THE OPERATIONS FOR THE SIX OUTFITS OF THE COMPANY. ONE MAY CONSULT THESE DOCUMENTS TO OBTAIN FIRST-HAND INFORMATION REGARDING, THE TRADE GOODS, TECHNIQUES OF TRADING AND ESPECIALLY THOSE OF "OPPOSITION", AS WELL AS THE PROBLEMS OF COMMUNICATION AND TRANSPORT, SO BASIC TO THE NORTH WEST FUR TRADE. THIS GROUP OF DOCUMENTS EVIDENCES THE STRENGTHS AND WEAKNESSES OF THE FUR TRADE AT THE TURN OF THE NINETEENTH CENTURY. UNTIL THE PRESENT RESEARCH THESE CRITICAL RECORDS HAVE BEEN NEGLECTED IN THE WRITINGS OF HISTORIANS.

IN ORDER TO PROVIDE PERSPECTIVE AND BACKGROUND, THE WRITINGS OF TRADERS, AS COLLECTED IN THE MASSON COLLECTIONS, IN THE PUBLIC ARCHIVES OF CANADA, AND AT MCGILL UNIVERSITY, HAVE BEEN CONSULTED. MANY OF THE DOCUMENTS CONCERNING THE NORTH WEST FUR TRADE, ESPECIALLY THOSE PUBLISHED BY L. R. MASSON, W. S. WALLACE, AND THOSE ABSTRACTED FROM THE ARCHIVES OF THE HUDSON'S BAY COMPANY, HAVE BEEN REPORTED WHERE RELEVANT TO THE XY COMPANY.

THE XY COMPANY HAS BEEN PRESENTED AS AN OPERATIONAL UNIT SPANNING THE NORTH AMERICAN CONTINENT IN THE EXPLOITATION OF THE FUR BEARING FAUNA OF THE PRE-CAMBRIAN SHIELD. THE TASK OF IDENTIFYING THE COMPANY, LISTING ITS SEVERAL NAMES AND OWNERS, WAS GIVEN FIRST PRIORITY IN ORDER TO CLARIFY MANY OF THE HISTORICAL ACCOUNTS OF THIS PERIOD.

THE CENTRAL PROBLEM OF THE COMPANY WAS ITS COMPETITION WITH THE NORTH WEST COMPANY. THIS BITTER OPPOSITION

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WAS AN OUTCOME OF HIGH OVERHEAD COSTS, BASED ON TRANSPORTATION, AND AN INTRICATE SYSTEM OF CREDIT WHICH OPERATED FROM THE INDIAN HUNTER TO THE LONDON MERCHANTS WHO FINALLY DISPOSED OF THE FURS. THE COMPETITION WAS CARRIED ON AT SEVERAL LEVELS: INVOLVING AN INCREASED USE OF LIQUOR IN THE TRADE, A CONSTANT SPYING ON RIVAL TRADERS, A KEEN STRUGGLE FOR THE LIMITED MANPOWER AVAILABLE, AND MORE NUMEROUS OUTBREAKS OF PHYSICAL VIOLENCE.

THE FINAL SOLUTION TO THE PROBLEM OF COMPETITION WAS UNION IN 1804 WITH THE NORTH WEST COMPANY. THIS SOLUTION WAS NOT A NEW ONE IN THE NORTH WEST; IT HAD A PRECEDENT IN THE FORMATION OF THE NORTH WEST COMPANY IN 1787. THE FACTORS THAT EXPEDITED THE UNION, AS WELL AS THOSE WHICH RETARDED UNION, WERE DISCUSSED IN TURN. IN THIS CONNECTION THE ROLE OF THE HUDSON'S BAY COMPANY WAS DISCUSSED IN TERMS OF THE SHORTAGE OF MANPOWER IN THE BRITISH ISLES DUE TO THE NAPOLEONIC WARS.

THE CAPITAL STRUCTURE OF THE XY COMPANY PRESENTS AN INTERESTING PROBLEM FOR HISTORICAL REPORTING AND ANALYSIS. THE UNUSUAL NATURE OF THE FUR TRADERS' INVESTMENT LED TO INCREASING CONFUSION AFTER THE UNION OF 1804. WITHIN THE NEXT TWO DECADES THE FUR TRADING COMPANIES OPERATING OUT OF MONTREAL WERE TO WIND UP IN BANKRUPTCY. THE SHADOWS OF THIS DISINTEGRATION WERE DELINEATED IN THE BOOKS OF ACCOUNT OF THE XY COMPANY.

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BECAUSE OF THE INTENSE AND BITTER COMPETITION BETWEEN THE XY AND THE NORTH WEST COMPANIES DURING THE YEARS 1799 TO 1804, THERE DEVELOPED MANY PROBLEMS INHERENT IN A TRANS-CONTINENTAL TRADE. WITH THE UNION IN 1804, THESE PROBLEMS WERE SOLVED, OR FORGOTTEN. SO WAS THE XY COMPANY. THE PURPOSE OF THIS RESEARCH HAS BEEN TO INVESTIGATE AN ACTIVE PERIOD IN CANADIAN ECONOMIC HISTORY, IN WHICH THE XY COMPANY OPERATED; A PERIOD WHICH HAS BEEN MORE OR LESS NEGLECTED IN THE WRITINGS OF HISTORIANS.