5th September 1914.

F. E. Burke, Esq.,

Vancouver, B. C.

Dear Mr Burke;-

I am just in receipt of your favour of the 28th ulto., and hasten to give you what information I can re the "sanitary" can system, insofar as concerns savings in operating costs.

From my experience at Mill Bay I figure the relative costs of soldered tins and sanitary tins as under;-

1 lb. Talls.	Solder	Sanitary		
Tinplate for body making,	.45	.30½	per	case.
Factory made tops and bottoms		.30	"	"
Chinese labour	.10	.04-1/6	"	"
Solder	.23-3/5	.01½	"	"
Oil, fuel, and other materials	.01	.00-1/3	"	"
White labour	.16-2/5	.01½	"	"
Total estimated cost completed cans	.96	.07-7/10	"	"
Estimated saving of "sanitary" over soldered tins		.28-3/10	"	"

½ lb. Flats.	Solder	Sanitary		
Tinplate for body making,	.60	.30	"	"
Factory made tops and bottoms		.51-1/10	"	"
Chinese labour	.15	.05-2/5	"	"
Solder	.26	.02	"	"
Oil, fuel, and other materials	.07	.00½	"	"
White Labour	.20	.01½	"	"
Total estimated cost completed cans	1.30	.90½	"	"
Estimated saving of "sanitary" over soldered tins		.39½	"	"

F. E. B. #2.

In arriving at these costs I have added, in the case of soldered tins, the cost of solder, and other materials used in fastening on the tops, venting, etc. In both cases I have included the cost of the tops as being part of the can cost. In figuring labour I have only allowed for what I consider was the can making labour, as the only other saving in this respect would be with Chinese employees, and this phase of the matter is dealt with later on.

My Mill Bay pack I expect will be 30,000 cases by the close of the season, of which at least 20,000 cases will be labelled. Under the contract system and using soldered tins, Chinese labour would cost as follows;-

7000 cases ½ lb. flats at 83 cents per case	5810.
23000 " 1 " talls " 52 " " "	11960.
Making 2000 cases ½ flat cans not used this year at 15 cents per case allowed, as per contract	300.
Labelling 20,000 cases at 3 cents per case	600.
Making 30000 salmon boxes at 1 cents each	375.
Total estimated cost "contract" soldered pack.	$ 19045.

Instead of contracting I engaged my Chinese help on the day labour system, at $60. per month for first crew; $50. for second crew, and wages allowed foreman and cook in addition. On the basis of what they have earned up to the present time I estimate our total cost of such labour as the ordinary Chinese contract would embrace will be, for the season, as follows;-

Amount earned by Chinamen, say	10700.
" " " Indian women, say	3500.
Total	$ 14200.

This represents a saving on labour of approximately $5000., and in addition to their actual work in canning operations, our agreement permits the employment of our Chinese help at any kind of work we see fit to give them. When not wanted in the cannery we use them preparing fish for the cold storage, glazing frozen fish, making frozen fish boxes, etc., and the outside work they thus perform (and which under the contract system they would be paid extra for) totals quite a respectable amount.

Working from the above premises I figure my operating savings for this one year alone to be:-

On ½ lb. flat cans, (omitting 15% Chinese labour already figured in contract), 9000 c/s at a saving of 24½% per case	2182.50
On 1 lb. tall cans, (omitting 10% Chinese labour already figured in contract), 23000 c/s. at a saving of 18-3/10% per case	4209.
On Chinese labour, say	4608.50
Total estimated operating saving	$ 11000.

In plain words the total saving on the Mill Bay pack of this one season more than pays for the entire cost of installation of the "sanitary" system. There is in addition a much less percentage of spoiled tins, practically no do-overs, and incidental savings that represent a very considerable total, and from my experience here I believe your company would be money in pocket if you installed the sanitary equipment in all your plants next season, instead of in only one as you are

thinking of at present. Should you do so however, it would be quite feasible, and make a still greater saving if you put the can making equipment in one plant - say like Strathcona - and there made all the tins required for all your plants. The saving in cost of machinery installation would be large; most of your Chinese help would only be required for short periods; and your only difficulty - by no means a serious one to get over - would be that of transportation.

If the above information is not clear, or if I have failed to cover all the ground of your enquiry, I will be pleased to supplement it, if possible, upon hearing from you again. Do not hesitate to write as I am only too pleased to be of service. Questions you may ask might never occur to me, but once brought up may possibly open out a line of action which would result in further savings that both of us could benefit from.

With kindest regards,

Yours sincerely

HD/P.