

"With regard to the promise made by the Hon. the Minister that the rest of the ship channel down to Batiscan would be completed during the month of October, I have to state that this estimate was substantially exceeded, and in addition most of the work of widening and deepening the Batiscan Traverse was completed before the end of the season.

"The important work at Cap à la Roche was commenced early in the season, and an amount of about 160,000 cubic yards of shale rock has been removed. The lines of the proposed improvements at Cap à la Roche and Cap Charles have been adopted with a view to easy navigability and a minimum of interruption during construction.

"The Shipping Federation of Canada will be consulted at an early date with a view to a decision as to the locality of the work which should be first undertaken.

"With the depth of 30 feet completed between Montreal and Batiscan, that depth is therefore available for the whole distance between Montreal and Quebec by waiting for high tide for the division between Batiscan and Quebec.

"The announcement of the completion of an available channel for navigation, between Quebec and Montreal, of 30 feet at extreme low water, cannot fail but be of very great importance to the trade of Canada.

"On the opening of the season of navigation of 1907 the gauge at Sorel will be changed and an additional draft of nearly four feet given. Compared with the lowest stage of water in 1906, the depth would be increased from 26 feet 10 inches to 30 feet 6 inches.

"The whole of the elevator dredge fleet will next year be concentrated between Grondines and Batiscan, if possible, four to work day and night at Cap à la Roche and Cap Charles." It will be noted from this report that it is the intention of the Government to centralize the work at Cap à la Roche and Cap Charles, the two points in the River demanding the most pressing attention.

Marine Insurance Rates.

I am pleased to direct your attention to the fact that the large expenditure by the Government in improvements in aids to navigation has been justified by resulting in the reduction of the insurance rates for the seven years from 1900, (the year the shipping enquiry was held), to 1906 inclusively, of 39c. on provisions and 54c. on grain, thus clearly show-