

The total number of certificates of service issued since the Act came into operation are 743 for grade of master and 255 for that of mate, making a total of 1,003. These certificates are granted to masters and mates who are unable or unwilling to undergo examination for certificates of competency, who have held situations as masters and mates previous to the 1st January, 1870, and who can produce certificates of experience and general good conduct. It will be seen by the report of the Chairman of the Board that he is of opinion that many who seek certificates of this class are incompetent, and that although certificates are refused when the candidates are found grossly incompetent, still, as the law at present stands, certificates are procured in some cases by the undeserving, as comparatively little discretion is given to the Board in these matters.

The fee charged for certificates of service is at the rate of \$5 for masters and \$3 for mates, and the whole number of certificates of this class issued since the Act went into operation to the 31st December last was 742 for masters and 253 for mates.

The fees received on account of certificates of competency and service during the fiscal year ended 30th June last was \$2,715, and the amount expended on account of this service, as will be seen by reference to Appendix No. 26 of this report was \$5,696.62. The amount voted by Parliament for the service was \$7,000, leaving an unexpended balance of \$1,303.38, which reverted to the Treasury.

As stated in the report of last year it was deemed advisable to continue the subsidy of \$1,500 to the nautical schools maintained at Halifax, St John and Quebec by Mr. Seaton, and this subsidy has been paid till the 1st November last. As the schools at Halifax and St John are comparatively well attended, and should be self sustaining, and the attendance of candidates at Quebec who wish to qualify is very small indeed, it does not seem necessary to continue the subsidy. When the Act for the examination of Masters and Mates went into operation, it was presumed that the service would be self-sustaining, and the receipts from fees would be sufficient to meet the expenses in connection with this service; but owing to the large subsidy which has been paid from time to time for the maintenance of nautical schools, such has not been the case, and the service has to a large extent been maintained out of the general revenue.

During the last session of Parliament a bill to extend some of the provisions of the Act respecting certificates to Masters and Mates of Coasting and Inland ships was introduced but did not become law. It will be seen by the report of the Chairman of the Board that he is of opinion that the passage of such a bill would be beneficial, as many masters and mates would take advantage of such Act and pass an examination, proving themselves worthy of the confidence placed in them by their employers.