a slow fire, and yield a considerable quantity of valuable oil, which is in great demand by leather dressers. The refuse, after the oil has been extracted, makes a valuable fertilizer and is composted by farmers in the neigbourhool of the fishery. Thus it will be seen that every part of this fish, hitherto considered useless by our people, is turned to profitable account when properly handled, and its pursuit will, in future, afford our river fishermen a new source of remunerative employment. In a special report I have called attention to the necessity of regulating and protecting this fishery, and have recommended such restrictions as will secure this end with the least interference with the profitable pursuit of the industry.

HERRING.

The returns from this fishery show an increase of salted fish, but a considerable falling off in smoked fish. This latter may be attributed to the increased attention given to the catch of small herrings for the sardine factories in Eastport. The preparation of sardines has grown into large proportions, and is increasing rapidly. The great bulk of the fish for the supply of these factories is caught in our waters, and their capture gives employment and remunerative prices to a large number of our fishermen. No less than 20,269 hhds., at an average price of \$5 per hhd., found a ready sale last year. As several new factories are in course of erection, a still larger demand will probably be made the coming summer. This new business will utilize all the small sized herring which were formerly pressed for oil, and will open up a new source of profitable employment for our herring fishers. This demand for small herrings and the quantities consequently taken, cannot fail to have a material effect upon this fishery. I would therefore urge that all known spawning grounds be protected during the spawning season, and no fishing of any kind allowed within their limits. I consider this measure of protection absolutely necessary. The good results of protecting the spawning grounds at the southern head of Grand Manan require no proof—they are patent to all.

Similar beneficial results will follow from the same protection being extended to

other localities where vast schools of herrings are in the habit of spawning.

The winter fishery in Charlotte County has opened well, and large quantities of herrings are now being caught and sold in a frozen state at fair prices.

MACKEREL.

There has been a large increase in the catch of this fish, and the quality has been somewhat better than in past years. This fishery is pursued in open boats and near shore. If our fishermen would adopt the American mode of fishery in suitable vessels farther off shore, a much larger catch would reward their enterprises.

COD.

The returns from this fishery show a considerable increase over those of last year; but in most of our counties cod fishing is pursued in a desultory manner. In the northern counties the large increase in the number of lobster factories has diverted attention to that industry, and fewer persons now engage in cod fishing. The great bulk of the whole catch is made in Gloucester and Charlotte Counties.

POLLOCK, HADDOCK, HAKE AND HALIBUT.

The returns show about an average catch of these fishes; but the great bulk of the whole is from the County of Charlotte, where alone these fisheries are systemically pursued.

LOBSTERS.

The over-production of canned lobsters still continues and threatens to end in the extinction of the fish, and the ruin of those engaged in the business of canning.