The steel plates, frames, beams and rivets for these ships are not produced either at Philadelphia or Belfast. They are rolled at a distance from the ship yards and are transported, in one case by railway, in the other by railway and water.

1. Ocean freight rates have been so reduced by competition that they are now almost nominal, and thus distance is a matter of no consequence. Any quantity of ship plates, angle iron, beams and rivets can be landed at Quebec from England in ten days, at $2.50 to $3 per ton, a rate which will hardly exceed the cost of transporting them from the rolling mills to Philadelphia or Belfast ship yards.

2. Then, steel is cheaper in England than it is in Pennsylvania. Contracts could now be made for the delivery of any quantity of steel plates at Quebec during 1895 at the extraordinarily low rate of $25 to $26 per long ton, which is probably at least 20 to 25 per cent. cheaper than they can be laid down at Philadelphia. Moreover, a steamship or sailing ship built in Quebec for the British market will earn more than the cost of the transport of her materials by carrying a cargo of grain or deals from Canada to Europe. The Federal Government will, of course, admit everything free of duty, as is now done on all shipbuilding materials.

3. Quebec has, too, in another respect, a great advantage over every shipyard in Great Britain or Ireland. Every steamship built in these yards must use Quebec yellow pine for decks, staterooms and all her interior fittings. I say *must* because no other wood has been found so suitable. Messrs. Farnworth and Jardine of Liverpool, in their last annual circular, dated 1st February, 1895, admit that other woods have been tried, but that, notwithstanding its high price, none have been found as satisfactory as the best Quebec yellow pine. Teak has been tried, but it is too costly. Pitch pine has been tried, but it is too resinous and too hard for the best joiner work.

4. Then as to workmanship. There is no one who has watched wooden shipbuilding in Quebec, but must have been struck with the skill and intelligence of French-Canadian mechanics. It is true that a good deal of slop work was done in Quebec ship yards at one time, but this was not the fault of the mechanics, but of their employers, who insisted on cheap work. Many Quebec-built ships have now been running twenty-five and thirty years, and are quite capable of doing good work in the hands of Norwegians, who have bought the most of them; and as to joiner work, anyone who has seen the fittings of the steamers *Quebec* and *Montreal*, running between the cities of the same names, or the finishing of the best houses in the province, will admit that it is first-class in every respect. Cramp's men had to begin a new apprenticeship to steel ship building, but they rapidly learned it, as Canadians will learn it. Any number of skilled foremen can be imported from the Clyde, as James Goudie was Though a native of Quebec, he was trained at Greenock, and he was the first to build a successful ocean steamship, the *Royal William*. What has been done in Quebec can be done again.

5. Then as to the rate of wages, a very important matter. Here again, Quebec has a great advantage. On the Clyde, mechanics are paid from $1.25 to $1.75 per day. But in winter thousands of good mechanics in Quebec would gladly accept $1 per day for regular work. Indeed the writer has seen many fine wooden ships built in Quebec at 60 cents per day, and in the winter of 1859-60, during a time of great depression, he had the *Devonshire* built at 50 cents per day, and the work was well done too. But we don't want to see good work done at such rates now. One dollar per diem will give Quebec