Imperial Veterinary Inspector, at this port, and I am glad to be able again to report that there has been no case of cattle disease imported from the Dominion, although there were several cargoes of sheep under strong suspicion on account of scab. Permit me to urge a continuance of the great vigilance shown on the part of your inspectors in Canada. The formation of a Department of Agriculture, with Mr. Chaplin at its head, is a new departure here. Mr. Chaplin is almost universally recognized as a strong protectionist, and I fear that should any laxity on the part of your staff give cause for suspicion as to the existence of disease in Canada, the authorities here would deal severely with our live stock trade. Acting under instructions from Sir Charles Tupper, it has been my duty to watch carefully the cattle exported from Great Britain to Canada. The number has not been large, but constant supervision is required to prevent animals from infected districts being sent to the Dominion. The Duke of Richmond and Gordon, speaking recently, estimated that since the introduction of pleuro-pneumonia into England fifty years ago, it has occasioned a loss of between ten and fifteen millions of dollars; and although very considerable efforts have been made to stamp out this disease, it is still prevalent in many parts of Great Britain and Ireland. The cost of the endeavours made in the United Kingdom to exterminate pleuro-pneumonia, has hitherto been charged to local or county authorities, and paid out of local rates. Strong efforts, however, are being made by the agriculturists to have the cost charged to the Imperial Government. The burden on the local rates has for some time averaged \$250,000 a year, but last year the bill ran up to \$355,000. It is owing to the fact that Irish store cattle are exposed to contagion in transit, that Canadian stock for feeding purposes are so much preferred. Thanks to the regulations of your Department and the vigilance of your quarantine officers and your representatives here, Canada had been kept free from this scourge, but almost weekly, cattle from the United States, slaughtered at this and other ports, are found infected with it. Foot-and mouth disease exists in Germany, and it has been discovered also, during the last few months, in cattle landed from Holland, and that country has been scheduled in consequence. According to the reports of the United States Commissioner of Agriculture for 1888, the United States Government has expended nearly one million dollars, in 1887 and 1888, in attempts to eradicate pleuro-pneumonia. From January 1st to November 30th, 1888, the amount spent in this service was \$481,586.55, of which sum the salaries and expenses of agents absorbed \$265,216.28. To this should be added the loss sustained through the cattle from the United States having to be slaughtered on landing here; this, at a low computation, would be \$5 per head-though in the summer months the loss is from \$10 to \$20. As there were 143,495 head of live cattle imported from the United States in 18°8, the sum of \$717,475 should be added to the \$481,586.55, to enable us to ascertain the total amount which pleuro-pneumonia cost the United States in the year 1888. It will thus be apparent to everyone that the cost of your excellent system of quarantine in Canada, and of your agencies in this country, which have more than once prevented the introduction of disease and the consequent scheduling of the Dominion, is absolutely nominal.

It appears from recent reports that the Government of the Argentine Republic is still further interesting itself in promoting the trade in dead meat and live cattle from the River Platte. Two years ago, the sum of \$500,000 per annum, for three years, was voted for bounties for the exportation of live cattle and refrigerated beef and mutton. The increase in the trade in frozen mutton, I have already referred to. The live cattle and refrigerated beef trades have not expanded, however, as yet, to any great extent. To give a still further impetus to them, a Bill has now been passed guaranteeing a dividend of 5 per cent. on a capital of eight million dollars to be invested in establishments devoted to the export of beef, either fresh or preserved. This has given a stimulus to the companies already in the business; a new line of steamers, specially adapted to the trade, is being constructed and will shortly be ready for service, and several millions of dollars of British capital are being expended in the building and fitting up of refrigerating stores, slaughter houses, &c., at Buenos Ayres and other places.