from infected districts, but having no means of recognizing them and the disease not being apparent, they were allowed to be shipped and were slaughtered at Liverpool for scab. In this, however, no blame can be attached to the Port Inspectors, as in the early stages of the disease it is difficult to detect it except by very close examination, and they were deceived by the sheep being represented as coming from healthy districts.

I beg to suggest that either, all places known to be infected be so declared and quarantined until the disease is eradicated, or else that shippers be obliged to give correct information as to where they came from, under a severe penalty for misinforming on that point.

In conclusion, I beg to report that the duties of port inspection were most faithfully and satisfactorily conducted at Montreal by Mr. M. C. Baker, V.S., and at Quebec by Mr. J. A. Couture, V.S., the latter, assisted by Mr. Wm. Welsh, also conducted the Point Levis quarantine in a very satisfactory manner.

I beg also to acknowledge the valuable information received from time to time from the office of the Government Agent at Liverpool, Mr. John Dyke, whose watchful interest in the live stock trade of Canada at that port is frequently and favourably commented upon by both importers and exporters.

Respectfully submitting the above report,

I have the honour to be, Sir, Your obedient Servant,

> D. McEACHRAN, Inspector-in-Chief.

HON. J. H. POPE, Minister of Agriculture, Ottawa.