Draw a line north westward from Quebec at right angler to the general course of the St Lawrence from Montreal to Bellisle, and it will be found that more than two thirds of this area lies east of such line and less than one third west of it: therefore any shipping point situated at any distance west of Quebec is so much the more out of the way.

To-day a goodly portion of the pulp products of the lumbering regions of the Saint-Maurice are shipped westward to Montreal, thence southward to New York and thence eastward to Liverpool and London. How much more might the government realize for the timber on the stump if the products were shipped directly from Quebec? Even the cheese and butter of the Lake St John and Saguenay districts are sent westward to Montreal, to be shipped in the same round about way.

Unless the axiom is wrong that the value of raw material in the field where it is found, is what it can be sold for in the market less cost of production and delivery, I think it becomes the duty of our local government to watch with interest the oscillations of this transportation question.

The thousands of square miles of spruce covered lands extending from the settlements skirting the Saint Lawrence northwarl to James Bay, and to the northern limit of the province at East Main River, are among the most valuable of the assets of the provincial government, and for their development no stone should be left unturated to secure the best, shortest, and cheapest means of transport.

This is probably the last report I may have the honor of addressing you as my chief for in another month our department of colonization and mines will be abolished and I will have to serve under a new master.

Allow me before concluding to sincerely thank you for the many acts of kindness which I have received at your hands, and for the generous confidence with which I have been favored ever since you became head of the department.

Trusting that I have not been unworthy of that confidence,

I have the honor to be, Sir, Your obedient servant,

> HENRY O'SULLIVAN, D. L. S. & C. E.

Glengariff, 29th May, 1901.

Inspector of Surveys, 1'. Q. Mem. Can. Soc. C. E.