

The Contract and the papers connected therewith, will be submitted to you without delay, and I invoke for them your early and earnest consideration.

With this view I have summoned you before the usual period, as no action can be taken by the Contractors to prosecute the work, and no permanent arrangement for the organization of a systematic Emigration from *Europe* to the *North-West Territories*, can be satisfactorily made until the policy of Parliament with respect to the Railway has been decided.

Steady progress has been made in the construction of those portions of the Railway now under contract. Two additional sections have been recently opened for traffic, one from *Winnipeg* to *Portage la Prairie*, the other from *Cross Lake* to *Keewatin*; so that there are now in all 264 miles in operation.

You will be glad to learn that the measures adopted to promote economy in the working of the Intercolonial and *Prince Edward Island* Railways have resulted in a large reduction of the difference between Revenue and Expenditure, and that the steadily increasing traffic warrants the expectation that during the current year these Railways will be self-sustaining.

I have the gratification of informing you that Her Majesty's Government has generously presented to *Canada*, for training school purposes, the steam corvette *Charybdis* lately returned from service in the *Chinese Seas*. The correspondence on this subject will be laid before you.

I have thought it well, in consideration of the increasing duties thrown by the development of the country upon the Civil Service, and for the more efficient organization of such service, to issue a Royal Commission to examine and report on the whole question.

The Report of the Commissioners will, I believe, be ready to be laid before you at an early day; and I ask for your consideration of such Report and of the whole subject of Civil Service Reform.

A measure for the enlargement of the boundaries of the Province of *Manitoba* will be submitted to you.

I greatly regret being obliged to state that the entire failure of the usual food supply of the Indians in the *North-West*, to which I called your attention last session, has continued during the present season, and has involved the necessity of a large expenditure in order to save them from absolute starvation. Several of the Bands have, however, already applied themselves to the cultivation of their Reserves and the care of their cattle. No effort will be spared to induce the whole of the aboriginal population to betake themselves to agricultural pursuits.

Gentlemen of the House of Commons:

The Accounts of the last, and the Estimates for the ensuing year, will be laid before you. The Estimates will, I trust, be found to have been prepared with due regard to economy and the efficiency of the Public Service.

It will be satisfactory to you to know that the existing Tariff has not only promoted the manufactures and other products of the country, but has so far increased the Revenues of the Dominion as to place it beyond doubt that the receipts of the current fiscal year will be in excess of the expenditures chargeable to Consolidated Revenue.

Honorable Gentlemen of the Senate,
Gentlemen of the House of Commons:

Several measures of importance will be submitted to you, among them will be Bills for the winding up of Insolvent Banks and Incorporated Companies; for the amendment of the Railway Act of 1879; for the revision and consolidation of the Laws relating to Government Railways; and for the improvement, in several respects, of the Criminal Law.