Our temporarily diminished revenue, due to exceptional causes over which no man, no Government could have any control, is unequal at present to give us a million and a half of dollars which we require annually for thorough national defence and to maintain our supplies and reserves of all warlike material, and so it is only just that we should use extraneous means, which I venture to hope, no thinking man who dispassionately and calmly analyzes the subject can object to for obtaining it.

We have at present three permanent and very important establishments at work, which will produce solid effects in the future progress of this growing country. They are all three but young and budding as yet, though two of them are old enough to have borne good and productive fruit. I refer to the two Gunnery or Artillery Schools, termed "A" and "B" Batteries, and to the Military College at Kingston.

The latter institution is progressing under the able and zealous command of Lieut.-Colonel Hewett, Royal Engineers, in a manner that reflects entire credit on himself and the officers of his staff, to whom he refers in high terms in his report, expressing the obligations he feels under for the ability and talent they have applied in the performance of their duties.

In the course of last year Captain Hawkins, Royal Artillery, one of the professors, resigned much to the regret of the Commandant, who alludes to him in terms of high commendation.

The Instructional Staff as at present composed, consists of—Lieut.-Colonel Oliver, Royal Artillery.

Major Kensington, ""

Captain Walker, Royal Engineers.

Major Ridout, 90th Light Infantry, and

Mr. Ferguson, who is Professor of Modern Languages.

The number of cadets on 1st December consisted of thirty-eight and about

thirteen more are expected at this half-yearly examination, and so on until the total number of 100 to 120 is completed at the end of four years from the 1st June, 1876.

Lieut.-Colonel Hewett has submitted estimates for the progressive increase of the staff of instructors in proportion to the increase of the cadets and has accompanied his estimate with cogent and practical reasons.

He states the necessity for establishing the staff requisite, upon a definite and proper footing from the present time until its complete development, based upon the educational curriculum as already determined by Council, for gradually carrying out the general intention of the Act establishing the College. His plans do not lose sight of the knowledge that means being limited and economy a necessity, they must therefore be confined to the smallest scale compatible with efficiency, to