The immense importance of Winnipeg from a strategical point of view, and the necessity of maintaining the militaryestablishment there in a high state of efficiency, renders the construction of new barracks at that station most urgent.

FORTIFICATIONS.

Numerous defensive works were handed over by the Imperial Government 22 years ago. In many cases they have fallen into a very dilapidated condition. The question as to how far they should be adapted to modern requirements, supplemented by new works, or to what extent they have ceased to be of value for national defence, appears to me to form part of the problem to which I have alluded under the head of "Defence."

STAFF.

The existence of an energetic and capable staff is indispensable to secure the efficiency of any military organization, whether it consists of regular or militia troops. Officers should therefore be selected, for staff appointments, on account of their technical qualifications, and invested with a measure of responsibility equivalent to their position.

The Headquarter Staff should be the brain of the military body, whose members it is presumed to direct. It should therefore be in close touch with these members. When this ceases to be the case, it must fail in its duties as the chief executive, and degenerate into a mere bureau for the transmission of correspondence. I am thoroughly convinced that, if the country is to receive an adequate return for its militia expenditure, a reorganization of the staff is necessary. The first step in that reorganization should be the more strict definition of the duties and responsibilities of the Major General Commanding the Militia, on the principle contained in Her Majesty's Order-in-Council, appended to the Queen's Regulations for the Army. This should be followed by the distribution of the staff, in such manner as to ensure the proper performance of the duties and the maintenance of an efficient chain of responsibility.

PENSIONS.

The necessity has been frequently urged of providing pensions for Officers serving on the permanent staff and in permanent corps of Militia, and for noncommissioned officers and men of the permanent corps.

Last year a bill was drafted with this object. It is eminently desirable that some inducement should be given to the rank and file of the permanent corps to prolong their service, in order to remove the disadvantages under which the service labours at present of an excessive number of recruits. The desired result might, however, be attained by offering annually a certain number of appointments under the Government to men of good character, who have served in the permanent

corps. paid employment for deserving noncommissioned officers and men, could be found in the formation of permanent regimental staffs for the Active Militia, to combine instructional duties with those now devolving upon civilian caretakers, but frequently neglected by them. The country would thereby derive a double benefit, from the expense entailed by the training of these non-commissioned officers and men, with a minimum increase of expenditure. The establishing of retiring pensions for officers, presents greater difficulties to overcome, than officers that for non-commissioned and men. It is a question the conditions of which, in my opinion, should not be apprehended without, at the same time, dealing with the cognete questions of appointment and promotion. Failing this, there will never be any guarantee for the maintenance of efficiency. Persons may be given appointments without any sufficient qualification, they may similarly be promoted to the grades entitling them to the higher rates of pension, and finally become a permanent charge on the country, to which they have not given sufficient service. Appointments on the permanent staff of the Militia are already, in some degree, regarded in the light of pecuniary rewards for past services, rather than as offices involving duties for which energy, activity and technical knowledge are essential requisites.

It can, therefore, be readily understood that an ill-considered pension scheme might merely prove an aggravation of this evil. At the same time it would appear necessary, in order to secure and retain the services of officers possessing the required qualifications, that such provision for their future should be made as would place their professional prospects at least on a level with those of the civil servants of the Government.

DEFENCE.

So far I have dealt only with the actual condition of the force, to which the country must look for protection, in the event of national emergency. The larger question of the defence of the Dominion, in which the Militia is but a unit, remains to be discussed. I have submitted proposals during the past year for the appointment of a Committee of Militia Officers to collaborate with me in the preparation of a scheme bearing upon this question. Those proposals have met with the approval of the Government, and I look forward, as soon as some departmental details have been settled, to the commencement of this important work. The problem involves the consideration of the measures to be adopted, not only for the protection of a very extensive land frontier, but for that also of certain points on the Pacific coast, which have recently acquired a more than

Another means, for providing orginary importance to the commercial mployment for deserving non-prosperity of the Dominion.

Other matters, intimately connected with the question of defence, appear to me to demand enquiry by a higher body.

In the year 1862 a Royal Commission enquired into the measures to be taken for the detence of Canada. The outcome of its report, presented in that year, and of certain political events occurring about that time, was the embodiment, in the Militia Act, of a form of organization based upon the requirements and resources of the North American Colonies as then existing.

The immense progress, which has raised the Dominion of Canada to its present position, has entirely altered the social, political and strategical conditions which then existed and formed the basis of calculation.

That the Militia Act has not fulfilled the expectations formed 25 years ago, is sufficiently evident to anyone who carefully examines the present condition of the force, and compares that condition with the objects held in view by the Commission to which I have referred. This is due to many causes, not the least of which is indicated by the fact that many important sections of the Act have remained wholly in abeyance. They never could and never can be practically applied, and their existence is calculated to give a delusive character to the power of defence possessed by the Dominion.

The time seems to have arrived when a fresh enquiry should be made into the working of the Militia Act, in order to ascertain how far it has provided an organization capable of adapting itself to ever-changing conditions and increasing responsibilities. Such an enquiry would furnish a fresh starting point and firm ground, for those who are called upon to guide the policy of the Dominion on the question cf the defence of its territory.

POLICE DUTIES OF THE MILITIA.

During the past year the Militia has been called upon to assist the civil power, in the protection of property in the City of Hull, on the occasion of a strike in the lumber trade.

On the requisition of the Mayor of Hull, two Companies, Governor-General's Foot Guards, and two Companies, 43rd Battalion, were called out on the 16th September, 134 of all ranks were on duty under arms on the 16th, and 34 of all ranks on the 17th September. The total claim for the pay and subsistence of this detachment amounted to \$236.04. At the date of this report no payment, on that account, has been made by the Corporation of Hull. After much correspondence, the amount due for pay, vz., \$142.04, has been generously advanced by His Worship the Mayor, as I am informed, from his private purse.

The responsibility for payment in such cases is fixed upon municipalities, by