Already the first settlers are sending money home for relatives, and are inducing old neighbours to join them.

I have to report that the correspondence of this agency continues to increase, and from the letters recently received, I can say that the prospects for 1888 are better than they have been for the past ten years—I will not say in point of numbers, but in point of quality.

The correspondence is not confined to the British Isles, for letters are constantly received from the Argentine Republic, various places in the United States (for the pamphlets distributed on the continent have been conveyed to nearly every foreign colony in the Union), the Faro Islands, the East Indies and the Australian colonies, as well as the Continent of Europe.

It would be difficult to overrate the utility of this office. The increasing interest being taken in the Dominion (an interest greatly strengthened by the Indian and Colonial Exhibition) in its various branches of trade, &c., has greatly added to the importance of having an agency in Liverpool. There is no other place in the north of England where official information respecting the laws, trade etc., can be obtained, and as Liverpool is the centre from which the bulk of the trade and emigration to the Dominion is conducted, an office of this kind is invaluable both to shippers on this side and to merchants and others in Canada. The files of newspapers which are kept are eagerly scanned by intending emigrants, by friends of those who have gone forward, and by business men.

I have distributed large quantities of pamphlets during the year; steamship companies, their agents, clergymen and others in all parts of the country having been supplied. A vory great number have been sent through the post, in response to applications by letter, and supplies have been placed on each of the steamers leaving Liverpool, and in all the emigrants' boarding houses.

Under Sir Charles Tupper's directions I prepared a very fine exhibit for the Royal Agricultural Society's Show, which was held at Newcastle this year. This society has upwards of 10,000 subscribing members, and embraces the leading agriculturists throughout Great Britain. The show was situated in a magnificent agricultural district, and the attendance was remarkable. It is estimated that on one day, during which the show was visited by H.R.H. the Prince of Wales, Prince Albert Victor, and Prince George of Wales, there was not far short of 90,000 people present.

As usual the Canadian Government stand received a very large share of attention, and great numbers of pamphlets were distributed, and as heretofore the benefit was immediately shown by the greatly increased correspondence from that district.

The Newcastle Chronicle in this connection stated as follows: "The artistically arranged exhibit of the Government of the Dominion of Canada at the Royal Show merits a few words. It is varied in character and in interest.

"There are grains, straw and grass, coal and iron, copper and silver, marble, phosphates, timber, and even deer's heads. A picture of the Queen is the appropriate centrepiece of the stand. It says much for the Canadian Government that there is this trouble taken to send across the Atlantic these exhibits. They show what the Dominion produces, a production so great that it is regrettable that it has been deemed needful to put on high import duties. Canada exports about half a million head of horses, cattle and sheep yearly; it sends out 86,579,834 lbs. of cheese yearly. As much of the export is to this country, buyers will look with interest at the exhibits, and will admire the business 'push' of the Canadian Department having charge of its commerce."

As in previous years, a large number of continental professors of agriculture, especially from Scandinavia, of purchasers of agricultural machinery and live stock were present, and special attention was paid to them, and the capabilities of the Dominion have since been freely discussed in the continental journals.

Again acting under the instructions of the High Commissiner, I prepared an exhibit at the recent Liverpool Jubilee Exhibition, which was opened by H. R. H. the Princess Louise and the Marquis of Lorne.