

hood the British Empire and the American Republic.

During the recess I had the pleasure of visiting the Province of Manitoba, and of traversing the extensive prairies of the North West, and from personal examination can sincerely congratulate Canada on the possession of so magnificent and fertile a region to be inhabited, I trust, in the course of years, by millions of thriving and contented subjects of Her Majesty.

The immigrants have not confined themselves to Manitoba or its vicinity, but are scattered over the country westward to the base of the Rocky Mountains, and from the international boundary to the banks of the northern Saskatchewan. It is, therefore, thought that the time has come for the division of the Territories into four or more Provisional Districts with an appropriate nomenclature. This subject will be submitted for your consideration.

During my journey I was met by numerous Indian tribes, all expressing confidence in the continuance of the traditional policy of kindness and justice which has hitherto governed the relations between the Government and the Aborigines.

I regret, however, to say that the necessity of supplementing the food supply of the Indians still exists and is likely to continue for some years.

Every exertion has been made to settle the Indian Bands on Reserves, and to induce them to betake themselves to the raising of cattle and cultivating the soil.

These efforts have met with a fair measure of success, but we can only expect by a long continuance of patient firmness to induce these children of the Prairie and the Forest to abandon their nomadic habits, become self-supporting, and ultimately add to the industrial wealth of the country.

The influx of a white population has greatly increased the danger of collision between the settler and Red man, and in my opinion renders an augmentation of the Mounted Police a matter of urgency. Your sanction to this increase will be sought.

The second report of the Commission appointed to investigate the existing system of the Civil Service will be laid before you, and a measure on the subject submitted for your consideration.

The decennial Census having been taken last year, the duty of reconsidering and readjusting the representation in the House of Commons is imposed upon you. A measure for the purpose will be laid before you.

Several other measures of importance will be submitted to you. Among them will be Bills for the winding up of Insolvent Banks, Insurance Companies and Trading Corporations; for the consolidation and amendment of the Laws respecting the Dominion Lands; for the amendment of the Acts relating to the Supreme Court of Canada, and Bills relating to the tenure of office of the Judges of County Courts, and to Fugitive Offenders within the Empire; and your attention will be called to the present anomalous position of the Vice-Admiralty jurisdiction.

The work of construction on that portion of the Canadian Pacific Railway between Prince Arthur's Landing and Winnipeg is being pressed to completion, and it is confidently expected that in July next, railway communication will be established between those places. The section between Rat Portage and Winnipeg, one hundred and thirty-five miles in length, has been completed and transferred under the terms of the contract, to the Canadian Pacific Railway Company, by whom it is now operated. Considerable progress has been made on the Eastern Section, commencing at Callander Station, and the vigorous prosecution of the work on that portion of the line during the present year provided for.

In British Columbia the work upon the section between Savona's Ferry and Emory's Bar is being carried on, with every prospect of its completion within the time specified in the contract, and the line from the latter place to Port Moody which has been carefully located during the past season is now being placed under contract with a view to its completion at the same date as the section from Savona's Ferry to Emory's Bar.

Upon the sections to be constructed by the Railway Company, the work has been most energetically carried forward. During the past summer the road has been graded for the distance of two hundred and eighteen miles, and of this, one hundred and sixty-one miles are open for traffic.

The Company have, in addition, graded eighty-nine miles of branch lines.

I am pleased to be able to state that the traffic on the Intercolonial Railway has largely increased, and that this line was during the last fiscal year, for the first time in its history, worked without loss to the country.

The works on the Welland Canal were so far advanced that the waters of Lake Erie were introduced for its supply in June last, and in September the new portion of the Canal between