

*Honourable Gentlemen of the Senate:*

*Gentlemen of the House of Commons:*

I have during the past summer spent several months in visiting the principal cities and towns of Canada from coast to coast, and have endeavoured to make myself as far as possible acquainted with the conditions prevailing.

It has been a source of the deepest satisfaction to me to see the almost universal prosperity which reigns throughout the Dominion, and to witness the energy and enterprise which are shown in developing the rich resources of the land.

It is most gratifying to observe that the trade of the Dominion is increasing rapidly and steadily, the aggregate trade for the last fiscal year being the largest on record. During the present year the same steady increase has been noted, and it is anticipated that the total volume of our trade for the present fiscal year will greatly surpass that of any previous year in our history.

The revenues of the Dominion continue to expand, and in every branch of business and industry there is a remarkable activity which gives assurance of continued progress and prosperity.

A copious and welcome stream of immigration has poured into our country during the past summer. The volume of immigration during the present year is greater than during any corresponding period of our history, and in larger measure than usual it has been drawn from the British Islands.

The labours of the husbandman have been blessed with an ample return; and, although in some districts the weather has been unpropitious for the harvest, it is expected that the total value of our field crops will be greater than in any previous year.

Papers will be laid before you which embody trade arrangements that have been consummated between the Dominion and certain of His Majesty's possessions in the West Indies. It is hoped that these arrangements will prove of great advantage not only to those possessions, but to Canada as well. A Bill will be introduced for the purpose of carrying this agreement into effect.

During the past summer four members of my Government conferred in London with His Majesty's Government on the question of Naval Defence. Important discussions took place and conditions have been disclosed which in the opinion of my advisers render it imperative that the effective naval forces of the Empire should be strengthened without delay. My advisers are convinced that it is the duty of Canada at this juncture to afford reasonable and necessary aid for that purpose. A Bill will be introduced accordingly.

A contract for the construction of the Hudson Bay Railway from LePas to Port Nelson has been awarded and the work is being pushed forward with all possible speed.

It is abundantly evident that the highways of Canada constitute an important part of an efficient scheme of transportation. The necessity for improving our existing facilities in this regard is manifest and a Bill will be introduced for the purpose of enabling the Dominion to co-operate with the Provinces in the accomplishment of this most desirable purpose.

It is satisfactory to know that the proposal of my Government to co-operate with the governments of the various provinces in promoting the agricultural industry has met with hearty approval. The appropriations which were made last session in connection therewith have proved to be of marked benefit to the country. After a careful study of the whole question my advisers are convinced that co-operation with the provinces on well defined terms and conditions will achieve the best results along the lines of agricultural instruction. Any such policy to be effective must be continuous. Accordingly, a Bill will be introduced by which a substantial amount of money will be set apart from the Consolidated Revenue Fund for the purpose of assisting the provinces for a term of years in this highly important national work.