The Senate was adjourned during pleasure.

His Excellency the Governor General and Commander in Chief of the Dominion of Canada, being seated on the Throne.

The Honourable the Speaker commanded the Gentleman Usher of the Black Rod to proceed to the House of Commons and acquaint that House that,—"It is His Excellency's pleasure that they attend him immediately in the Senate."

Who being come, with their Speaker.

His Excellency the Governor General was then pleased to open the Session with the following gracious Speech to both Houses:—

Honourable Gentlemen of the Senate:

Gentlemen of the House of Commons:

In again meeting you at a season most convenient for the despatch of business, it is with great pleasure that I congratulate you on the prosperous condition of the

country.

The present year, which is now rapidly drawing to a close, has been a period of steady and progressive growth. Immigration has poured into the new settlements of the north and of the west, in a copious and well ordered stream, drawn from the best elements of the British Isles, the United States and Continental Europe. Trade and commerce have made rapid advances in all directions. The revenue has almost completely regained what it had lost in the recent period of depression. Most remarkable has been the rapid recovery from the financial embarrassment which for a short time was the cause of anxiety amongst business men. In nearly every branch of business there has been a revival of activity which gave assurance of continued progress and prosperity.

Two members of my Government attended the Imperial Conference called by His Majesty's Government, on the question of defence. A plan was adopted after consultation with the Admiralty, for the organization of a Canadian Naval Service, on the lines of the resolution of the House of Commons of the 29th of March last. The

papers will be immediately brought down and a Bill introduced accordingly.

The new Convention between His Majesty and the President of the French Republic, respecting the commercial relations between France and Canada, having been approved by the French Legislative Chambers, you will also be asked to confirm it.

The construction of the Transcontinental Railway has made substantial advance during the year. The western division has been extended 66 miles beyond Edmonton, completing a total distance of 861 miles west of Winnipeg. Contracts have been let for 399 miles in the Mountain division; good progress was made on this work. The Eastern division is now open for traffic from Winnipeg to Lake Superior Junction, and thence, by the Grand Trunk Pacific branch, to the lake itself. The whole of the work between Winnipeg and Moncton is now under contract.

The board of engineers entrusted with the preparation of plans for the reconstruction of the Quebec bridge has sufficiently advanced its work to permit of tenders

being invited for the substructure.

The exploration surveys for a railway from the western wheat fields to Hudson Bay were pushed energetically during the whole of last summer. It is hoped that a

report of the operations will be placed before you at an early date.

In order to improve the facilities already afforded the public by the Government railways, and to enhance their value as part of the great transportation system of Canada, a Bill will be submitted to you for the purpose of enabling the Minister of Railways, on the recommendation of the Government Railways Managing Board, and subject to the approval of Parliament, to lease any line or lines connecting with the Intercolonial Railway.