

They have already placed our intercourse with *Europe* on a new footing, and I look forward with pleasure to the establishment of a Weekly Line to the *St. Lawrence* during the next Summer.

I recommend to your notice the increasing value of the Lake Commerce of *Canada*. Our trade with *Chicago* and the Western States promises to be important alike to the Upper and the Lower sections of the Province.

During the recess a correspondence has taken place with the Imperial Government and with the Sister Colonies of *Nova Scotia* and *New Brunswick*, in which the importance to Imperial interests of an Inter-colonial Railway and Military Road to *Halifax* has been pressed on the attention of the Home Government. This correspondence I will cause to be submitted for your consideration.

As this Province has already gone to the utmost limit of pecuniary aid to the Grand Trunk Railway Company, it affords me pleasure to state my confident expectation that such aid will prove sufficient to secure the advantages promised by the completion of its Works; and I doubt not that the community at large are fully sensible of the benefits derived from this great and important undertaking.

*Gentlemen of the Legislative Assembly,*

The Commercial difficulties to which I have already alluded, will be found to have affected our Revenue. This was to be expected, but the diminution is such as to inspire us with no fears for the credit or the future prosperity of the Country.

I believe you will find that due economy has been used in the expenditure of the funds entrusted to the Executive Government, and that effectual supervision over the Public Accounts has been maintained by the Board of Audit. I have to ask of you, in the present Session, such supplies as may be required for the public service.

*Honorable Gentlemen and Gentlemen,*

Correspondence in relation to the *Hudson's Bay Company* and its Territory will be laid before you; as well as an answer to your Address presented to Her Most Gracious Majesty on the subject of the Seat of Government. On the first of these subjects it will be for you to consider the propositions made by Her Majesty's Secretary of State for the Colonies to the Company, and to weigh well the bearing of these propositions on the interests and rights of *Canada*.

Papers will also be submitted to you shewing clearly the steps taken by the Provincial Government for the assertion of those interests and rights, and for their future maintenance.

I now leave you to the performance of your Legislative duties.

Then His Excellency the Governor General was pleased to retire, and the Legislative Assembly withdrew.

The Honorable Mr. *Ross* presented to the House a Bill intituled "An Act relating to Common Schools."