

no distant day, prove to be her strongholds.

Whereas, at the time of my appointment, there were only nine churches, of which four were in a very unfinished state and more or less encumbered with debt, I am able now to report eleven churches completed entirely free of debt; and no less than six church buildings finished and paid for, with four more in course of erection, on sites which have been secured to the Church, which when the several congregations worshipping therein are in a position to put up buildings more deserving the name of churches, will answer for Sunday School, lecturing and other purposes connected with the Church's work and interest.

In a new country like Algoma, it is, in my opinion, very important to have places wherein to conduct Divine service, even by lay agency; and I have, therefore, encouraged our members to put up buildings, though ever so lowly, which shall be kept separated from all common and profane uses, where they may meet together for the express purpose of worshipping their God and Saviour, and so doing, teach as well as practise a lesson in reverence and sacred awe, which cannot well be taught in any other way. In this work, which I trust, under the Divine blessing, may prove an effectual preparing of the fallow ground for earnest workers, who shall come to help, or follow after me, I have been greatly aided by the noble Society for Promoting Christian knowledge, with grants of £10 stg. and upwards, towards such buildings, on the condition that the expenditure of the same shall complete or, at least, make them fit for holding service in. These conditional grants have stimulated and encouraged our members to give their time and labor (money they have not) to put up their Church buildings, which, to use the words of a brother Missionary Bishop of the Sister Church in the United States, "bear silent, but most eloquent testimony against the religious communism of the age."

The commodiously and substantially built See House, for which a lady in England has so liberally provided the whole funds, is so far complete as to be fit for occupation; and its use has added very materially to my comfort during that portion of each year, when, not being engaged in raising the funds necessary for the support of my clergy and the carrying on of my work, I am able to reside within the limits of my Diocese. The See House, which is built of red and white sandstone is beautifully situated near the Ste. Maria

River, on a site of three and a-half acres, donated to the Diocese by Wemyss Simpson, Esq, and, whereas, there was not at the time of my appointment a single parsonage in the Diocese, there are now four, of which three have been built on sites deeded to the Church, whilst the fourth is in the hands of trustees.

As regards the interests of the red man, these have been attended to, as they were, previous to the setting off of this missionary diocese, but owing to want of funds and proper persons to engage in the work, no increase of missions among them can be reported.

However, I am thankful to be able to bear my testimony to the successful development of the Shingwauk and Wawanosh Industrial Homes for Indian boys and girls, under the able management of the Rev. E. F. Wilson. The Shingwauk Home is now in thorough working order, with an attendance of forty-eight boys, which might be largely increased as there is accommodation for sixty, and there are boys waiting to be received if only the funds necessary for their maintenance, clothing, &c., were forthcoming.

The Wawanosh Home for Girls, which is to be under the charge and direction of a committee of ladies, is growing into existence under very favourable auspices, and it is hoped that a portion of the new building will be ready to receive the Lady Superintendent, who is in readiness to begin her work, with ten girls, early in October next. I look upon these institutions as most important and valuable instrumentalities for ameliorating the condition of the Indians in these parts; since if it be for the advantage of the red men, that they should give up the roaming habits of their forefathers, and acquire the habits of industry which are peculiar to civilized life, this can only be effected by training up the children and forming their habits of life—by teaching them and instructing them, ere other habits are formed in useful trades and agricultural pursuits, and gradually weaning them from their wild and idle ways.

Amongst other objects contemplated in the Shingwauk Home is the training and educating promising Indian youths as missionaries and teachers, as it is thought that they, when properly prepared, will be able to live with their red brethren, and work more effectually amongst them, both for *evangelization* and *civilization*, than white men can be expected to do.

At the present time there is one very interesting and intelligent young Indian,