

I have been instructed to convey to you Her Majesty's high appreciation of the loyalty and patriotism thus displayed which, following the preference granted under the present tariff to articles of British manufacture, has had the happiest effect in cementing and intensifying the cordial relations subsisting between Canada and the Mother Country.

A Bill will be submitted for your approval making provision for the cost of equipping and paying the Canadian contingents.

The measures which have been taken from time to time to facilitate the safe transportation of food stuffs to European markets, have resulted in a large increase in the exportation of several important articles of produce, and it may become necessary, in the interest of this very important branch of industry to require a more careful inspection than has been customary for the purpose of maintaining that high standard of excellence heretofore secured and which is absolutely indispensable if the people of Canada are to increase their large and profitable trade with other countries in these commodities.

I am glad to observe that the returns from the Post Office Department afford good ground for believing that the temporary loss of revenue caused by the great reduction recently made in letter postage, will speedily be made good by the increased correspondence consequent thereon.

Negotiations are now in progress with several of our sister colonies in the West Indies, which it is hoped may result in increasing and developing our trade with those islands and possibly with certain portions of the adjacent continent of South America.

It gives me great pleasure to observe that, in pursuance of the policy which was defined at the last session of Parliament, a carefully devised body of regulations has been adopted applicable to all railways and public works within the federal jurisdiction making adequate provision for the sanitary protection and medical care of workmen.

The attention of the Government has been called to the conflicts which occasionally arise between workmen and their employers. While it may not be possible to wholly prevent such difficulties by legislation, my Government think that many of the disputes might be averted if better provisions could be made for the friendly intervention of boards of conciliation, the conclusions of which, while not legally binding, would have much weight with both sides and be useful in bringing an intelligent public opinion to bear on these complicated subjects. You will be invited to consider whether the Provincial legislation in this matter may not be usefully supplemented by an enactment providing for the establishment of a Dominion tribunal for assisting in the settlement of such questions.

I am happy to observe that the number of settlers who have taken up lands in Manitoba and in the North-west Territories is larger than in any previous year, and affords conclusive evidence of the success which has attended the efforts of my Government to promote immigration, and I have no doubt that the greatly increased production of the West will henceforth add materially to the growth of the trade of the whole Dominion. While the efforts made to secure increased population for the West have thus been successful, much attention has also been devoted to the repatriation of Canadians who in less prosperous times have left Canada. You will be pleased to learn that this work has been attended with satisfactory results.

My Government, during the recess, has been giving its attention to the subject of a railway commission. Valuable information has been and is still being collected, which when completed will be submitted to you and will, no doubt, receive at your hands the earnest consideration which the importance of the subject requires.

I am pleased to say that our canal system, connecting the great lakes with the Atlantic seaboard, has been completed so as to allow vessels having a draft of 14 feet to pass from the head of Lake Superior to the sea. The vigorous and successful prosecution of these works by my Government has already attracted the attention of those interested in Western transportation, and there are good grounds for the hope that, when the necessary facilities for the quick and inexpensive handling of ocean traffic are provided and which are now in progress, Canadian ports will control a much larger share of the traffic of the West.