

The period is approaching when, by the conditions of the Treaty of Reciprocity between Her Majesty and the *United States of America*, the notice for the determination of its provisions may be given at the option of either party.

I have not failed to give my best attention to the subject of this treaty, and of the great interests affected by it.

Your attention will be invited to measures designed, by the improvement of our existing system of inland water communication, to attract to the channel of the *St. Lawrence* a larger share than we have heretofore enjoyed of the great and rapidly growing commerce of the Western Lakes.

You will also be invited to consider the expediency of providing for such improvements of the Canals constructed to obviate the natural impediments to the navigation of the *Ottawa River*, as will, it is believed, without involving a heavy outlay, greatly accelerate the development of the extensive and valuable territory drained by that noble stream and its tributaries.

Unforeseen obstacles have retarded the survey of the route of the proposed Railway between this Province and the Sister Colonies of *Nova Scotia* and *New Brunswick*. Arrangements are, however, now in progress, which I trust will soon lead to the execution of this preliminary work, the result of which will enable all parties to form a more satisfactory estimate than is possible at present, of the expense and practicability of the proposed undertaking.

The condition of the vast region lying to the north-west of the settled portions of the Province, is daily becoming a question of greater interest.

I have considered it advisable to open a correspondence with the Imperial Government, with a view to arrive at a precise definition of the Geographical Boundaries of *Canada* in that direction.

A definition of Boundary is a desirable preliminary to further proceedings with respect to the vast tracts of land in that quarter belonging to *Canada*, but not yet brought under the action of our political and municipal system.

The construction of the Public Buildings at *Ottawa*, since the resumption of work last spring, has been prosecuted with so much diligence as to justify me in announcing to the Officers of the Civil Service the intended early removal thither of the seat of Government, in pursuance of Her Majesty's selection of that City as the future Capital of *Canada*.

The discoveries of Gold and other valuable Ores within the Province, which have recently been made, and which have attracted very general attention, appear to call for legislation, both as regards the more systematic and perfect development of our mineral wealth, and the rights as well of the public as of private individuals connected with it.

I would also suggest to you the expediency of making Legislative provision for ensuring a more efficient system of investigation into cases of shipwrecks occurring on or near the sea coast of the Province; as well as of similar disasters, which, though occurring elsewhere, may, from the nature of the attendant circumstances, seem calculated to affect the reputation of our own marine service.

A fresh contract for our Ocean Mail Steamship Service has been entered into, on terms which will be submitted for your consideration, and will, I believe, be found to combine efficiency, economy and safety.

I would further invite your attention to the state of the existing laws relative to Parliamentary Elections, to Bankrupt and Insolvent Debtors, to the Administration of Justice, to the encouragement of Agriculture and of the Fisheries, to the Registration of Titles to Real Estate, and to the granting of Patents for Inventions.

*Gentlemen of the Legislative Assembly :*

The Public Accounts for the past year will be laid before you, as also Estimates for the Supplies required for the current year.

These Estimates will be found to have been prepared with a careful attention to economy.

I rejoice that I am enabled to inform you that the Revenue of the past year considerably exceeded the estimate submitted to you last Session, whilst the aggregate expenditure for the public service of the year was less than the estimated amount.