

of the questions raised and particularly interested New Brunswick, which was one of the original four partners in Confederation. At the time of their organization, special subsidies were given to the Provinces of Alberta and Saskatchewan in lieu of lands and the present demand that these lands shall also be given as well, naturally suggested at once a re-adjustment of subsidies which would in some way compensate the people of the older Provinces who had not received territorial additions so that they would be amply repaid for the alienation of those public Western lands in which they have always had a partnership interest.

I have learned with much pleasure that in spite of the onerous conditions incidental to the War and the difficulties of transportation, the output of lumber and of coal continues to be very satisfactory. This is particularly true of the production from the coal areas in Queens and Sunbury Counties where there has been a wonderful increase in mining. I regret, however, to learn that transportation expense has rendered it necessary in the opinion of the operators to reduce their force and consequently their out-put at the present time and, as the Province is greatly interested in the prosperity of this industry, a proposal will be made for an enquiry into the reasons advanced for lessening the output with a view to making such recommendations as will solve the transportation problem.

You will be interested to learn that, from information received by my Government, the present year is likely to witness very marked progress in the sinking of further oil wells, and also the development of oil shales of the Province by wealthy and experienced English Capitalists. If their expectations are realized, not only will much employment of Labour be thereby afforded, but, as petroleum and oil shales are subject to Royalty, it will mean a very considerable addition to the Provincial Revenue.

The Commission which was appointed last year to co-operate with the Conservation Commission at Ottawa and investigate the water powers of New Brunswick, will report the results of their enquiries and a measure will be introduced, based upon the recommendations of the Water Powers Commission, which, I trust, will assist greatly in the development of this most important resource of the Province.

A Bill will be submitted to you, based upon the proposition of the Federal Government, to lend approximately the sum of One Million Dollars (\$1,000,000) to assist Municipalities and Housing Companies to provide comfortable homes for returned soldiers, workmen and others who, by reason of congested conditions in large centres, are now often compelled to live in inconvenient places and uncomfortable dwellings.

Measures will also be introduced authorizing the Province to co-operate with the Dominion Government in the establishment of Labour Bureaux, which have already been partially organized in different sections of the Province.

It is very gratifying to note that the Dominion Parliament proposes to recognize the importance of vocational and technical education and to assume a portion of the expense incidental thereto. With the Legislation already upon our Statute Books, there is no doubt that New Brunswick will be able to co-operate in this most necessary movement.

There has been unexpected delay, owing largely to the scarcity of labour, in the completion of the Saint John Valley Railway, but I am pleased to be able to assure you that early in the coming summer the line will be completed and in operation from Centreville in the County of Carleton to the point of connection with the Canadian Pacific Railway at Westfield, a distance of one hundred and fifty-eight miles. There is reason to believe that in the very near future steps will be taken by the Dominion Government to improve the line between the Valley Railway at Fredericton and the Transcontinental Railway at McGivney Junction.

As the Canadian National Railway, which will operate the Valley Railway, now includes the Transcontinental from Moncton to Winnipeg, and the Canadian Northern System from Montreal to the Pacific Coast, if, as there is no reason to doubt, the pledges made to the people through Parliament, when public aid was given to the two great railways, as to the routing of traffic originating on all parts of the two systems by Canadian Channels, and through Canadian Ports, are honourably carried out, there will be a very rapid and vast increase in the export and import business through St. John and other Maritime Province ports. The through traffic will, it is hoped, insure additional railway revenue which will provide a larger amount towards the payment of the very large sum which the interest on the cost of construction of this road calls for. My Government has already presented its claims for the taking over of the Saint John and Quebec Railway as a part