those sections of the Province devoted almost exclusively to the growing of potatoes, owing to the failure of the market, have become a matter of much concern to my Government, and the hope is entertained that the farmers in those sections so affected, may be induced to adapt themselves to more mixed farming. As this condition of affairs is not general throughout the Province, it is deemed advisable however, that municipalities be given authority to borrow money for the purpose of relieving the financial stress of those engaged in agricultural pursuits, by the issue of long term bonds, and thus meet the requirements of the case, wherever, in their judgment, it is deemed expedient.

The federation of the Universities of the Maritime Provinces and Newfoundland, under a scheme proposed by the Carnegie Corporations has received much attention during the year, and I have to inform the Legislature that after giving the matter very serious consideration, my Government, in conjunction with the Senate of the University of New Brunswick, has reached the decision that it would not be in the interest of our educational system to approve of such federation, and expresses the hope that its action will meet with the approval of honorable Members of the Legislature.

It is a subject of great satisfaction for me to inform you that a marked increase has taken place in the number of students attending the Provincial Normal School. This has, no doubt, been brought about by the adoption of the measure authorizing loans to students, and my Government has reason to hope that in the near future there will be no lack of teachers for our public schools.

The important question of railway freight rates has again occupied the attention of fhy Government during recess, and I am pleased to inform you that our efforts have met with a reasonable measure of success, but not to such an extent as to afford all that relief which is felt should be granted. My Government, in co-operation with the Government of Nova Scotia and Prince Edward Island, has under consideration the taking of further steps which, it is hoped, may bring about a still greater measure of relief in the matter of better freight rates and more rapid transportation of our products.

The question of making the St. John and Quebec Railway a part of the Canadian National Railway System, and thus relieving the Province of a heavy burden, has been placed before the Federal Government, and my Government has the assurance that it will receive consideration so soon as the Canadian National Railway Board can make a report thereon.

The transfer of the natural resources to the Western Provinces and the proper recognition of our claims in connection therewith, are still occupying the attention of my Government, and there is reason to hope for an early settlement of this much vexed question.

I am pleased to announce that the negotiations that have been carried on by my Government in the matter of the transfer of the Provincial Wharves to the Federal Government have been advanced to a point where we have every reason to hope for a favorable settlement in the near future.

The activities of the Department of Health, I am pleased to announce have brought good results, in consequence of which the people of the Province have been greatly benefitted. During recess, the Minister of Health has been enabled to establish a system of all-time medical school inspectors' service, the maintenance of which does not call for any financial outlay by