During recess the Province was honcured by a visit from His Excellency, the Earl of Bessborough, who, in April of last year succeeded Lord Willingdon as Governor-General of Canada. The Earl of Bessborough had a distinguished record of business and public service before coming to this country and both he, and her excellency, the Countess of Bessborough, have already manifested a keen interest in our Canadian affairs and have greatly endeared themselves to the people of this Dominion. His Excellency received a very cordial welcome from the people of the Province.

In common with the other Provinces of the Dominion, this Province has experienced the effects of the general world-wide business and economic depression. This condition has necessarily affected all our business and commercial activities. Relatively, however, our position has been good, and while there is a present need of care and prudence in public, as well as in private undertakings, we can look forward with a full measure of confidence to a further era of progress and advancement.

I am sure the people of our Province contemplate with interest the approaching Imperial Economic Conference at Ottawa and earnestly hope that this important gathering will result in improved trade relations throughout the Empire. My Government is taking appropriate measures to have placed before this Conference definite information relative to our basic industries of Agriculture, Lumbering and Fishing.

Farm products during the past year were exceedingly plentiful, increases being shown in many lines of production, but owing to the general disturbed conditions few markets were available for these products and prices were low. In order to assist in the marketing of potatoes my government gave substantial assistance to a potato flour and starch factory in the County of Carleton. This has been of great value to many of the farmers in that section of the Province.

My government authorized the Honourable Lewis Smith, Minister of Agriculture, to proceed to England to support the Canadian High Commissioner and other representatives from Canada in an effort towards the removal of the embargo on Canadian potatoes, a result which would have been of great value to this Province. I regret to inform you that the effort has not, as yet, been successful.

I am pleased to inform you that during the past year many of our farmers availed themselves of the bonus provided for the clearing and improving of land. This system will, it is hoped, tend to stimulate the basic industry of agriculture.

The lumber industry, again as a result of general world wide conditions, continues in an uncertain and unsatisfactory position. The cut of timber from the crown land last year was scarcely fifty per cent of the average, with much resulting unemployment and greatly reduced revenues. Despite this condition however, it is pleasing to note that the pulp and paper mills of this Province have been operated to a fairly large percentage of capacity. It is also encouraging to note that there is today an indication of improvement in the long lumber industry. The forest protection service has been well maintained and I am glad to inform you that the forest fire loss is the lowest for any year since the establishment of the forest service.