

5. That the Board constituted as above will undertake, by means of their agents, to settle the emigrants on the Government land, to provide temporarily for their wants, and to collect the instalments of capital and interest from them in the manner herein-after mentioned, they having the benefit of the knowledge and experience both of the Canadian Government Land Agents, and of the gratuitous co-operation of the officers of the Canadian Pacific Railway, the Hudson Bay Company, and the Canadian North-West Land Company.

6. That the Canadian Government will give free grant lands of 160 acres to each family, and also render every assistance through the High Commissioner in London, and through their Immigration Agents in Canada, in connexion with the selection of the land for the emigrants, and their preliminary settlement. The Canadian Government will require that the emigrants selected shall be formally approved by an officer on their behalf.

7. That the money grants shall be for a period of twelve years, bearing no interest during the first four years, but the before-mentioned Board will collect the principal and interest from the settlers during the last eight years by an annuity which, on an advance of 120*l.*, would amount to 20*l.* 17*s.* 8*d.* per annum. This is equivalent to an average interest of about 4*l.* 6*s.* per annum during the whole period of twelve years.

8. That the foregoing Board will take, by way of security for the sum of 120*l.*, or lesser sum, so advanced, a mortgage on the 160 acres of free grant lands of the Dominion Government, including a lien on the chattels, the mortgage being secured in favour of the Board by legal agreement.

9. That, if thought desirable, the Canadian Legislature will be requested to facilitate the passing of an Act in connexion with the constitution, powers, and duties of the aforesaid Board.

(Signed) LOTHIAN.

Dover House, Whitehall,
April 1888.

This Act
has been
passed by
the Canadian
Legislature.

No. 2.

The UNDER SECRETARY FOR SCOTLAND to the UNDER SECRETARY OF STATE
FOR THE COLONIES.

SIR,

Dover House, Whitehall, April 11, 1888.

I AM directed by the Marquis of Lothian to transmit to you, for the consideration of the Secretary of State for the Colonies, the enclosed copies* of a scheme of colonisation for the crofters and cottars of the congested districts of the western highlands and islands of Scotland, and to request that you will move his Lordship to be so good as to cause the necessary steps to be taken at the earliest possible moment to obtain, if possible, the concurrence of the Government of Canada, so far as it concerns that Government, to the proposals contained therein.

I am at the same time to acquaint you for his Lordships' information, that the formal sanction of the Lords Commissioners of Her Majesty's Treasury has been obtained to the terms of the aforesaid scheme.

In the event of the Canadian Government declining to put a Commissioner on the proposed Board, the Secretary for Scotland trusts that the scheme may still be carried out if that Government agrees to the other arrangements.

I am, &c.,
R. W. COCHRAN-PATRICK.

* See Enclosure to No. 1.