

while the price of labour continues very high in the neighbouring states, nor indeed in any new agricultural country, where the population is not proportionate to the extent of land to be brought into cultivation.

In adverting to these circumstances it will appear evident that emigrants, having many difficulties to encounter in providing shelter for their families, their first object will be to obtain land, and clear a few acres, in a neighbourhood in which they may procure work; and that many of those who bring with them sufficient property to maintain their families for two or three years after their arrival in Canada, will quit the province, if great exertions are not made to facilitate their location in districts where their industry can immediately become profitable.

The settlers sent out from Wiltshire by the parishes, and from Sussex by Lord Egremont, and also those from Yorkshire, had been led to expect that land would be granted to them upon terms that would enable them at once to cultivate a sufficient portion of land for the maintenance of their families. All these must have been forced into the United States, had they not been placed on land by the local government. They have completely succeeded, and are useful to the officers who have taken their grants near them.

Farming, in this agricultural country, is, in fact, the only resource for a man with a large family, either as a tenant or proprietor of land; for although an industrious labourer may readily obtain work, his family cannot.

Officers of the navy and army must necessarily receive their grants in new townships; these, and emigrants with capital—a class of settlers now becoming numerous—cannot be prevailed on to enter the forest, except they are assured that indigent settlers will be located with them.

The most advantageous system that can now be adopted to raise the value of land, and to correct the errors which have been committed in settling the province, is, to condense the new population as much as possible in townships contiguous to those already settled. The minimum price might be fixed at 10s. per acre, when a township contains 100 families, or when about 8,000 acres have been sold; but I certainly should recommend the land to be disposed of at a more reasonable price, till a tract of land has been partially settled.

In every new township one-seventh of the land is still set apart as a Crown reserve; this practice may be extended, and such a portion in future reserved as may ensure the recovery of the value which may be temporarily lost in granting land to the first settlers on moderate terms. By following this course, the value of the land in the vicinity of every well-settled township will be gradually raised, while at the same time the Crown reserves may be found in every respect beneficial to the Government.

The profits of the Canada Company are chiefly derived from the sale of the Crown reserves ceded by Government: these are purchased in general by the old settlers whose property is near them. In the Huron tract the sales are comparatively small, and chiefly confined to the lots on the road which has been opened to Lake Huron.

The townships of Cavan and Monaghan, occupied originally by Irish emigrants, few of whom possessed capital, export more grain annually than any other townships in the district.

Peterborough, and the townships in that neighbourhood afford more employment to labourers than any portion of the province. Two steam-boats were built last summer to navigate the Otonabee River; a strong proof of the prosperity of the settlement, and of the increased value of land. The first settlers of these back townships were all indigent emigrants.

Oro and Medoute, that were only opened for location two years since, are now compact settlements; a steam-boat was built last year to navigate Lake Simcoe.

Adelaide and Warwick are occupied by officers and persons with capital, and a proportion of indigent settlers. The occupation of these townships, the nearest Crown lands vacant in the London district, has raised the value of land through that section of the country.

If the time for fixing the minimum price on land proposed by your Lordship has arrived, I am persuaded it has been greatly accelerated by the active measures sanctioned by His Majesty's Government, as regards the employment and location of emigrants; and that the attention which has been paid to their welfare and comfort, has tended more to promote the interests of the colony and of His Majesty's

UPPER CANADA.

Sir J. Colborne to
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