

a much better position than they are now in that respect, but for the number of stock lost in the settlement in the winter of 1892-93, as mentioned in our previous report. This was largely owing to the abnormal winter, and to insufficient fodder having been provided for the sustenance of the animals.

It is gratifying to notice that the agent, in his report, considers the crofters remaining at Saltcoats to be on the fair road to success, and that the experience they have passed through will have a good effect upon their future.

It may be mentioned that notwithstanding the slow progress that has been shown at Saltcoats, the crofters at that place have been self-supporting for some years past. The total indebtedness of the 23 settlers to the six storekeepers in Saltcoats amounts to but \$112.46, and they have only incurred liabilities to the extent of \$673 in regard to agricultural machinery. In both these respects they contrast very favourably with the crofters at Killarney, where greater material progress has been made.

We regret to report that the Killarney crofters have not paid the first instalment of the money advanced to them, which was due in November 1892. They have unwisely incurred other liabilities in addition to their indebtedness to the Board. They also allowed their taxes to the local municipalities to get into arrear, but have since paid off a small amount. Some years ago, seed-grain was supplied to them by the municipality, the value of which has not been repaid. To machine companies, for farm implements, they owe \$7,231.66, a large part of which need not have been incurred; and to local storekeepers they are indebted to the extent of \$14,869.49. Their debt to the Board is about \$23,890, which, added to their other obligations, about \$25,000.00 in all, makes up a total of nearly \$49,000.

As mentioned already, the value of the crops alone last year, even at the extremely low prices that have prevailed, amounted to nearly \$14,790, which forming, as it does, only a part of their earnings, cannot be considered an unsatisfactory return for the capital invested.

In consequence of the nonpayment of the municipal taxes, the farms of some of the crofters have been nominally sold. They can, however, be redeemed within two years, at a premium of 10 per cent. per annum; and unless the crofters pay the taxes, which they are being strongly urged to do, it will be necessary for the Board to become responsible for the amounts, in order that its security may not be invalidated.

Some of the crofters have, the agent reports, paid a further portion of the overdue taxes, but the total taxes and seed-grain accounts outstanding by latest advices was \$2,913.76. They have all been informed that unless they meet these obligations at once, they cannot expect to receive any indulgence from the Board in connexion with the postponement of their overdue instalments.

If the taxes are not paid, and the Board have to become responsible for them; and if any modified arrangements that may be made with regard to the repayment of the instalments are not carried out, the course that it will be necessary to take for the protection of the interests of the Board will require consideration.

In dealing with the position of the settlements, regard must be had to the changes that have taken place in the condition of agriculture all over the world. The local prices of wheat and of other farm products are little more than half what they were when the settlements were formed, and the same remark applies to live stock. If the former prices had been maintained, both the crofters at Killarney and at Saltcoats would have been in a very different position to that which they occupy to-day.

When it is remembered, that even at very low prices, the crops at Killarney were valued last year at \$14,789, and that the Board's debt against the settlement is only about \$23,890, it is apparent, that had prices been maintained at anything like a reasonable rate, the produce of the crops alone, apart from wages or the increase of stock, would have, in one year, been sufficient to more than cover the debt upon the settlement. The agent, in a recent report, stated that the only complaint made to him by the crofters on a recent visit was that the low prices offered for their produce did not enable them to meet their obligations to the Board.

The first instalment of the debt of the Saltcoats settlement became due in the autumn of last year. It has not been paid, and, in the circumstances already alluded to, it is probable that some indulgence will have to be extended to the settlers, a matter which is having the consideration of the Board.

In our previous report, reference was made to certain complaints from the Saltcoats crofters formulated in a petition addressed to the Secretary for Scotland. Sir Charles Tupper, the High Commissioner for Canada, a member of the Board, visited the Dominion last year, and was good enough to investigate the matter on the spot. A copy of his report is appended (Appendix C.) It will be seen that Sir Charles