

The crofters have not, it is stated, sown a larger area of grain, because they prefer to devote more attention to the raising of live stock, which besides being more profitable enables them to go out and earn money during the seeding and harvest seasons.

It will be seen that the crofters now have 21 horses, as against 9 in 1894; 8 oxen, 54 cows, 57 heifers, 11 steers, 34 bulls, 14 sheep, 4 pigs, and 464 chickens. These figures show a slight decrease as compared with the previous year, except in the case of horses. The agent in this connexion states: "Owing to the damage done to the crops by frost, the small acreage of grain under cultivation, and the high prices paid for stock for shipment to England, the number of live stock in the Colony during the period 1894 and 1895 has slightly decreased."

It is gratifying to the Board to learn that the Saltcoats settlers have not incurred outside debts to any appreciable extent; that they rarely ask for credit, and that where credit is given they seldom allow the promised date of payment to pass without discharging their obligations.

At the same time none of the crofters have repaid the instalments due to the Board or any part of them. Indeed, they all profess their inability to do so. They wish to give up their farms and to enter for new holdings in other districts, and the Board is in communication with the Canadian Government, in order to see whether an arrangement of the kind can be effected without impairing the security of the Board.

In view of the difficulties connected with the Saltcoats settlement, and of the possibility of a removal being arranged, foreclosure proceedings have not been instituted against the crofters at Saltcoats.

Conclusion.

It cannot be denied that, in the case of the Killarney settlement, it would probably have been at the present time in a flourishing condition but for the debts contracted by the crofters in the early days of the settlement. They incurred obligations which they have never been able to get rid of, and which continue to increase notwithstanding the payments that are made on account. Had they paid their taxes, and for the municipal advances of seed grain, when the payments became due, they would also have saved themselves legal and other expenses that have been incurred in connexion with the matter. If the serious obligations which now press upon the crofters, and for which the Board is in no way responsible, can be modified, and the land leased to the crofters on a system of easy repayments, there is still reason to believe that the settlement may achieve the success it ought long ago to have attained.

The position of the Saltcoats settlers is not so satisfactory. The district has not turned out to be as favourable as was anticipated, but, on the other hand, the crofters have no creditors outside the Colonisation Board.

In considering the progress of affairs at both Killarney and Saltcoats, regard must be had to the general agricultural depression in every part of the world, and to the considerable reduction that has taken place in the prices of different kinds of agricultural produce.

All of which we humbly submit to Your Majesty's gracious consideration.

BALFOUR OF BURLEIGH.

HORACE PLUNKETT.

JAMES KING.

DONALD A. SMITH.

COLIN SCOTT-MONCRIEFF.

JOHN ROSS OF BLADENSBURG.

JAMES BELL.

THOMAS SKINNER.

J. G. COLMER, Secretary.

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