No. 3.

GOVERNOR-GENERAL THE MARQUIS OF LORNE, K.T., G.C.M.G., to the RIGHT HON, THE EARL OF DERBY. (Received June 7, 1883.)

> Government House, Ottawa, May 18, 1883.

My Lord,

I had the honour to send to your Lordship to-day a telegraphic message as

"18th May. Your telegram yesterday*, my Government reply as follows. Canada gives 160 acres free to each head of family on three years' residence. Pecuniary aid up to one hundred pounds operates as statutory mortgage. Government withholds grant till mortgage satisfied. Settlers under safeguard of laws, which give ample protection to all inhabitants. Insuperable objections to Government becoming directly or indirectly creditor of settlers."

I have now the honour to enclose a copy of an approved report of a Committee of the

Privy Council, on which the above telegram was founded.

The Right Hon. the Earl of Derby, &c. &c.

I have, &c. (Signed) LORNE.

Enclosure in No. 3.

CERTIFIED COPY of a REPORT of a COMMITTEE of the HONOURABLE the PRIVY COUNCIL for CANADA, approved by His Excellency the Governor-General in Council on the 18th May 1883.

The Committee of Council have had before them a cable message from the Earl of Derby to your Excellency of yesterday's date, stating that Her Majesty's Government would advance up to one million pounds to be payable without interest in ten years, provided Dominion Government engages to secure repayment and become responsible for treatment of immigrants according to the conditions of Stephen's scheme.

After full consideration the Committee of Council would submit to your Excellency

for your approval the following draft of reply by cable:-

"Canada gives 160 acres free to each head of family on three years' residence." Pecuniary aid up to one hundred pounds operates as statutory mortgage. Govern-" ment withholds grant till mortgage satisfied. Settlers under safeguard of laws which "give ample protection to all inhabitants. Insuperable objections to Government becoming directly or indirectly creditor of settlers." All which is respectfully submitted.

JOHN J. MCGEE,

Clerk Privy Council, Canada.

No. 4.

The RIGHT HON. THE EARL OF DERBY to GOVERNOR-GENERAL THE MARQUIS OF LORNE, K.T., G.C.M.G.

(Extract.) Downing Street, June 16, 1883. I have the honour to acknowledge the receipt of your Despatch of the 18th ultimo,† enclosing a copy of an approved report of a Committee of the Privy Council for Canada on the subject of the proposed scheme of emigration from the west of Ireland to Canada.

A copy of your telegram of the 18th ultimo,‡ founded on the report referred to, having been forwarded to the Lord Lieutenant of Ireland for his information, he has called attention to the fact that the Canadian Government were asked to guarantee the security of the companies, not to be creditors of the settlers, and I accordingly addressed to you on the 14th instant the following telegram :-- "Irish emigration. Despatch, 18th May, " Dominion Government were asked to guarantee security of companies not be " creditors of settlers."

* No. 2.

† No. 3.

1 See No. 3.