

experience at Saltcoats was exceptionally valuable to them, as without it they could not have so readily assimilated themselves to the ways of the country.

In view of the circumstances I have mentioned, and of the losses experienced by the crofters in their stock in the winter of 1892-93, arising chiefly, as already stated, from insufficient fodder having been put up for their sustenance, I recommend that the Saltcoats crofters should not be pressed to meet the instalments of the loans advanced to them for a year or two. Even were they in a position to pay, I am strongly of the opinion that it would be to their interest to spend any available funds they might have in improving their farms, and in adding to their stock. They would then be in a much better position a year or two hence to liquidate their obligations, and it would distinctly encourage them to persevere.

I was not able, during my visit to Manitoba, to visit the Killarney settlement, but Professor Wallace, who went there and examined the settlement, states that he witnessed the greatest prosperity throughout the district. The amount of land under cultivation is large, the crops fairly satisfactory, and everything indicates a thriving and prosperous condition of the people.

The settlers in that district have allowed themselves to get behind with their municipal taxes, and have incurred considerable debts with implement makers and provision merchants.

In consequence of the nonpayment of their municipal taxes, the holdings of a number of the Killarney crofters have been nominally sold by the municipalities. They can, however, be redeemed within one year, which expires in May next, at a premium of 10 per cent., or within two years at a payment of 20 per cent. I trust that the crofters will pay their taxes, and in that case the security of the Board will not be invalidated. In the event, however, of any of the crofters not paying their taxes, the Board will have to consider what action should then be taken. Two courses will be open, should the Board decide to meet the liability to preserve their security (1) to add the amount to the debt against the homesteads, and get payment as soon as possible, or (2) to foreclose and dispossess the crofters of their holdings.

A satisfactory explanation has been afforded as to why the crofters allowed the proceedings to be taken against them. As a matter of fact, money can only be borrowed locally at a high rate of interest, and it is, therefore, cheaper for the settlers to allow their homesteads to be nominally sold than to borrow money for the payment of taxes in times of pressure, especially as any sale can be redeemed within one year at a premium of 10 per cent. and in two years at 20 per cent. I am told that this course is adopted when the necessity arises by other settlers as well as crofters.

For the reasons I advanced in the case of Saltcoats settlers, I recommend that those at Killarney should not be pressed to meet the instalments of the loans advanced to them for a year or two. Statements recently received from the agent of the Board show that the total debts of the settlement amount to about \$48,839, of which about \$23,900 represent obligations to the Board. The income of the settlement in 1893, calculated on a low basis of value, from the crops of wheat, oats and potatoes alone was however nearly \$15,000. This is a very satisfactory showing, as it does not include the increase in the stock, the wages the crofters may have earned, or any other sources of income.

Mr. Borradaile, in writing at the end of November last, after a visit he had paid to the Colony, stated "the only complaint to me by the crofters was that the low prices offered for their grain would not permit them to meet their obligations to the Board. All the crofters assured me they would pay their municipal indebtedness out of the proceeds of this year's

"crop." They certainly ought to have no difficulty in doing what they promised, and also in paying a portion of their other debts; and to permit of this being done I recommend that the repayment of the instalments to the Board should be deferred for a year or two. Besides, as in the case of the Saltcoats settlers, I am of the opinion that they could with advantage spend any spare funds in improving their farms and in adding to their stock.

It must be remembered in considering the position of both the Killarney and Saltcoats settlements, that the prices of grain of all kinds and of other farm produce have in the last two years much depreciated—in the case of grain to the extent of nearly one-half. Had prices been maintained, the condition of the crofters to-day would have been very much better.

After fully considering the matter from every point of view, I have come to the conclusion, as already mentioned, that the colonisation scheme can in no sense be described as a failure. The families remaining at Saltcoats, notwithstanding the difficulties they have encountered, partly arising from their inexperience and previous training, and partly from one or two exceptional seasons, are in a fairly comfortable position. They all have a fair amount of stock (and would have had a much larger number had they put up enough hay in 1892) which is sure to rapidly increase if proper care is taken; and they have been very nearly self-supporting during the four years or more they have been in Canada.

Although a large number of families have left the settlement, no satisfactory explanation of their action can be given. There is no reason why they should not have succeeded as well as those remaining in the settlement or even as well as those at Killarney, if they had shown perseverance, energy, and a capacity for hard work—the elements necessary to success anywhere. But even these people cannot be described as failures. They must have earned considerable money, as previously stated, to have enabled them to take their families away from Saltcoats and settle elsewhere. This in itself is the strongest evidence that can be given in favour of the country generally, and of the district in which they were settled. It also serves to show what they might have done had they remained at Saltcoats, and devoted their attention to carrying out the agreements into which they entered, and upon the faith of which they were assisted to emigrate. As already explained, the land abandoned by them will be transferred to the Board, and when sold will, nearly, if not quite, represent the money expended upon the crofters in question.

As regards Killarney, that part of the experiment, especially from the crofters' point of view, must be regarded as successful. All the families are doing well. They have a large area of land under crop, and are likely to become independent and successful farmers at no distant day. Like agriculturists everywhere they have suffered from the low prices during the last few years, both for stock and grain, circumstances which could not be foreseen when they first went out. One of the young men has already repaid the amount advanced to him, and I am looking forward to the other families commencing their repayments, and rapidly disposing of their indebtedness to the Board in the near future.

There is no doubt whatever that the condition of the crofters in Canada compares favourably with their position in the Hebrides. I believe that the money advanced to them by the Board will result in prosperity to themselves and to their families, and I am sanguine that it will be repaid.

I remain,

Yours faithfully,

(Signed) CHARLES TUFPEL.

The Right Hon. Sir George O. Trevelyan, Bart.

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