

The capital sum represented by the mortgage on the homestead to become due and payable within six months from the end of this period of seven and a half years from entering on possession of the farm; but it may be paid off at any time previously. Until payment in full the patent for the land will not be issued.

11. In the case of the head of a family dying before conveyance of the allotment, his family might be allowed to name somebody to take his place and liabilities: to the local commissioner being reserved a right of veto. Should it be exercised, then the land to lapse into the category of "Commission lands." The cost of the labour actually expended upon such lapsed land would, as a rule, have added to its intrinsic value not less than the total amount of such expenditure. And real loss arising from death, accident, or sickness could be provided for by a special system of insurance at trifling cost, and ought to be so provided against in every case by the Commission, the premiums being carried to the debit of the assured.

12. Some training farms, in size varying up to 960 acres each, ought to be organised by the Commission, to which lads from English orphanages, and able-bodied men quite ignorant of agricultural work might be sent.

13. The funds necessary for executing these plans, according to the methods herein traced, should not exceed one million sterling. They would have to be advanced from the Treasury to the Commission as required (subject to proper control and audit, under regulations to be prescribed by the Treasury), and bear interest at the rate of 3 per cent. per annum. The total interest payable to the Treasury on the advance would not therefore exceed $8 \times £30,000 = £240,000$ (see Clause 10).

The total estimated amount receivable by the Commission as interest from the settlers is $10,000 \times £39 = £390,000$ (see Clause 10), so that there is ample margin for defaulters.

14. The security for the funds advanced would include not merely the first charges over the 10,000 farms, with the buildings and improvements, amounting only to twenty-five shillings per acre; but, in addition, the freehold of the 800,000 acres "Commission lands" (see Clause 8), together with the crops, and in fact the entire nett assets of every kind, of the Emigration and Colonisation Commission. Over these assets the Treasury would hold a first charge to secure their advance.

J. F. BOYD.

London, November 19, 1883.

No. 7.

COLONIAL OFFICE to J. F. BOYD, Esq.

SIR,

Downing Street, January 23, 1884.

I AM directed by the Earl of Derby to acknowledge the receipt of your letter of the 10th instant,* on the subject of State-aided emigration, and in reply I am to inform you that his Lordship has read with interest your proposals, and is of opinion that the principles upon which they are based are such as should afford a good prospect of success.

This department, however, is not in a position to promote actively any emigration scheme, nor could it recommend the Treasury to advance capital for that purpose as suggested by you unless on the application of some strong corporation or other organisation capable of carrying out the scheme practically, and of giving such security for repayments as might be required.

J. F. Boyd, Esq.

I am, &c.
(Signed) EDWARD WINGFIELD.

* No. 6.