Enclosure 1 in No. 2.

The AGENT-GENERAL to the Under-Secretary of State for the Colonies.

7, Westminster Chambers, S.W., 28th May, 1886. Sir,—

I beg permission to recall to the recollection of the Secretary of State the proposal, submitted by me last year to the Earl of Derby, for concerted action between the Imperial and Colonial Governments in the formation of a settlement of Highland crofters and cottars.

After Lord Derby had honoured me with an interview on the subject, I sent in a letter describing the proposal formally, and you were directed to inform me that his lordship was in communication thereon with Sir William Harcourt. I presume that the postponement of the Crofters

Bill prevented any decision being come to then.

The reintroduction of the Bill this session, in a new shape, had led my Government to hope that Imperial assistance to the crofters for emigration would be granted, and the necessity for such assistance in districts where numbers pressed so heavily on means of subsistence was strongly urged in the debates upon the Bill during its passage through the House of Commons. But I do not understand that any definite provision for the purpose has yet received the approval of the Imperial Government.

In the meanwhile a circumstance has happened which seems to present a good opportunity for reconsidering the proposal I had the honour to make last year. One of the best and most experienced of the officers in the immigration service of the colony has been sent over by my Government, and is now in communication with the crofters in the Isle of Skye, where he was himself born. I beg permission to enclose extracts of a report I have just received from him; and I cannot doubt that some plan for concerted action between the Imperial and colonial authorities

would be eminently successful at this time.

So far as the Colonial Government are concerned, their thorough co-operation, in what they have always looked upon as a matter of Imperial concern, has long been assured. An excellent site has been set aside for the proposed settlement, 10,000 acres in extent, and in a position specially fitted for people like the Highland crofters—on the seaboard, well wooded and watered, with a good soil promising plentiful crops of wheat, oats, and potatoes, and afterwards good grass; a fair harbour for vessels of twelve to fifteen feet draught, and on a coast abounding in fish; with a temperate climate, where cattle have never to be housed at night; with ample religious and educational provision, schools being established wherever there are twenty children of school-age, and education free to all without regard to sect or creed; and where each crofter settling on the land will have a

free grant of ten acres for every male adult, and will be able to get more at 20s. an acre.

All that I have asked, for the present, on the part of the colony, is that the Imperial Government should take a part in this plan for a Highland crofter settlement, by contributing half the cost of sending out some pioneer families. If the plan turns out well, it may becone an Imperial object to extend it, and to send out considerable numbers; but this can be left for future arrangements between the Governments. The time seems propitious, if Her Majesty's Government should

see fit to decide whether it is worth their while to make a beginning.

I have, &c., F. D. Bell.

The Secretary of State for the Colonies.

Enclosure 2 in No. 2.

Mr. Colin Allan to the Agent-General.

Isle of Skye, Arnisort by Portree, 24th May, 1886. I have the honour to report that I arrived here on the 17th instant, in prosecution of the Sir,-

mission intrusted to me for inducing some of the Skye crofters to emigrate to New Zealand for the

purpose of occupying the special settlement set apart for them under "The Land Act, 1855."

During the short time I have been in the island, I have met with some encouragement, and believe if I could offer the islanders a free passage to New Zealand, which I have not now the power to do, a healthy stream of a most desirable class of people could be induced to emigrate to

You are aware that the immigration regulations now in force in the colony apply only to persons nominated by friends there. Under them payment in cash must be made at the rate of £10 for persons over twelve years of age, and £5 for children, the Government assisting the immigrant to the amount of one half. It has been calculated by the department that every adult immigrant introduced into the colony under those regulations costs £20, which includes dépôt expenses, payment of surgeon superintendents and assistants, schoolmasters, matrons, constables, &c. In conversation with several of the crofters, I found that they were not in a position to pay any part of their passage-money, the utmost they could do being to rig themselves out in suitable clothing for the passage. It is evident that the Colonial Government are not in a position to defray General for the colony, make application to the Secretary for Scotland, the Earl of Dalhousie, for a grant from the Imperial Exchequer to promote this desirable object. I have every confidence that a well-organized scheme of emigration under your auspices and my own superintendence, all the emigrants selected being subject to your approval, would go far to solve the crofter difficulty in the Highlands of Scotland. The islanders are a fine stalwart race of people, enured to toil and hardships, and, when placed in circumstances in which they could see a prospect of improving their condition in life, they would prove a most desirable element of the bone and sinew of any country where they would meet with kind treatment and a cordial welcome. Some of them have acknowledged to me with shame that they were led astray by blatant agitators and unscrupulous