All men, whether soldiers or sailors, discharged or time-expired abroad should have the option of either returning to England or going straight to the colony they select. This would not cost the country anything, and might save the men their passage-money out to the colony. If they chose to go to colony direct, their families, if not sent out free, would be sent out to them with proceeds of commuted pension.

Part II.—Colonial Arrangements for Reception and Start of Pensioners in Colonies.

In the first place, it would be necessary for the Colonial Office to communicate with the various Colonial Governments, pointing out the position and means of pensioners, and inviting them to assist in pensioner colonisation. If any colony responded, and made necessary arrangements, pensioner colonisation could begin, other colonies being added to list of those available as

they chose to give facilities.

The way in which a colony might be fairly asked to assist would be as follows: By authorising their Agents-General to act for pensioners as to providing passages and notifying their departure to proper persons in colony. (This has been done at different times for emigrants by most colonies.) By giving free or assisted passages. (This has been done by many colonies, and the latter is being done now by three colonies for small capitalists.) By providing accommodation at ports of disembarkation for colonists, and proper persons to receive them and pass them on to their locations at once. (This has already been done by some colonies.) By free passages up country. (This also, we understand, has been already done at times.) By having suitable localities previously selected—that is to say, localities which are healthy, well provided with water, of productive soil, and at such a distance from, and with such communication with, a market as shall enable the colonists to dispose of such portion of their surplus produce at a fair profit as is necessary to enable them to obtain those necessaries of life which their own farms do not produce. By having said suitable localities divided into lots for "village-homestead settlements," and a capable head man appointed. (Definition "village-homestead settlement:" a suitable block of land divided into small lots of acres and a settler on each, forming a village, under a head man.) By, in above village-homestead settlements, giving free grants of lots containing a certain number of acres; or by letting on long leases, with power of renewal, such lots; or by sale of such lots on deferred-payment system. (The village-homestead settlements are working in one colony. The above three systems of allotting land are working in various colonies.) By advances on loan at interest of given sums, to assist in putting up buildings, and, at so much an acre, to assist in clearing land. (This is done in one colony.)

In Part I. of these proposals we advocated all the surplus money in the hands of Government being transmitted to the Pension Department in the colony, but did not go into the question of its after-distribution. We would suggest that no money be given to the pensioner till he arrives at the place where he is to settle. All necessaries on landing, and while travelling up country, to be provided and paid for by Pension Officer out of the man's funds. This will prevent any temptation to spend money on landing, and prevent persons at port of disembarkation taking advantage of newly-landed settlers. Further, we believe it would be well that, of the surplus, such sum only should be given on arrival at settlement as shall be found desirable (this sum to be fixed after careful inquiry made beforehand), and that the rest should be paid in certain fixed sums, according to estimated requirements, with the quarterly payments of uncommuted pensions. Moreover, as a man night soon after arrival be tempted to mortgage or sell his land, and so be ruined, whereby the object of commuting his pension, viz., to assist and render him independent, would be frustrated, we recommend that all pensioners should, in their original application for commutation, undertake not to raise money on or sell their holdings without permission of the Pension Department, until they have been a given number of years in possession.

If the above suggestions be adopted a clear agreement to it would have to be embodied in every man's first application to be allowed to commute his pension and colonise.

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