When I went into the school and saw the scores of healthy, bright, well-taught children, who but for this settlement would have been running about in the moral and physical dirt of the back-slums of Sydney, I could but hope that a little common-sense would come to the rescue and prevent the breakdown which seemed impending. The lessons to be learnt from Pitt Town are—(1) Not to plump down too many people in any one spot; (2) to put no settlers on poor or dry land; (3) to give no authority to amateur philanthropists and private boards of management. If settlements are to be established by the Government they should be managed direct by the State's responsible officers. But, in my opinion, if we start a co-operative settlement in New Zealand, the South Australian system, under which each settlement is autonomous, and the Government only interferes when interference seems absolutely necessary, is much the better. In Adelaide the sympathetic philanthropist plays his part in a Village Settlers' Aid Society, which helps the destitute settlers with gifts of stock, clothing, and so on, and is exceedingly useful without being able to meddle over much. One is inclined to think that the smaller of the two factions at Pitt Town should be moved bodily away and planted as a co-operative settlement, on good soil, in some district where there would be a chance of the settlers getting odd jobs outside. There is no such chance at Pitt Town, the settlers around being a poor, struggling sort of people themselves. In a long and most interesting talk I had with Mr. Carruthers, the Sydney Minister of Lands, he explained to me a scheme he had of planting fishing-village settlements along the coast, where the settlers might divide their time between fishing and tillage, and under Government take up the curing of fish as time went on. I afterwards saw a settlement something like this at Raymond Island, in Gippsland, Victoria. He also explained to me a proposal for establishing a settlement in connection with drainage and irrigation work at Lake Cowal. But, as I afterwards found his scheme to all intents and purposes in full working order on the Koo-wee-rup Swamp, in Victoria, I will not describe it to you here as I had meant

On the whole I think New South Wales a warning rather than an example in the matter of village settlements, and the Sydney labour market appeared to me to be suffering in consequence.

II. VICTORIA.

The amount of village settlement done in Victoria during the last two or three years has been large. Something like six thousand human beings are, I believe, now on the land, and the unemployed in Melbourne are proportionately fewer. From what I could hear, I should say that the outlook for a number of the settlements is gloomy. These are said to be on light land, and some in not very suitable localities. Several of the settlements are the result of private philanthropy—e.g., the Tucker Colonies—and are financially in a mess. Those I did not see. I visited five settlements, and did not pick out the failures, as I thought more could be learnt from the successful. I did not want to learn that village-settlers badly located on poor soil will not succeed: that has been proved long ago in New Zealand. So I was quite satisfied to go to settlements wholly or partially successful. Much the most important of those I visited was that which is being carried out in connection with the reclaiming of the great Koo-wee-rup Swamp. To this I should specially like to draw your attention as Minister for Public Works.

The work going on is on a large scale. The swamp contains no less than 53,000 acres, and measures about eighteen miles from north to south, with a fall of about 120ft. To the eye it shows as a huge oval expanse clothed by nature in a thick green sheet of tea-tree and blackwood scrub, with an undergrowth of wild reeds and other marsh plants. This is so dense as to be more like the jungle of the New Zealand forest than the usual open park-like Australian bush. But, as the swamp becomes dried by the action of the drains, the scrub dries too, and is easy to clear and burn. very much heavy bog-timber is found buried in the peat; and, though £106,000 has already been sunk in the draining, I should say that Victoria ought to make a handsome profit out of the reclamation of what bids fair to be a wide, fertile, closely-tilled territory. The work is being carried on by the Victorian Public Works Department, the head of which, Mr. Davidson, took me there, showed me all I wished to see, and was kindness itself. The village settlements are at the two ends of the swamp, the north and the south. About 6,000 acres are given over to them. The maximum holding of each settler is 20 acres. There are three hundred of them, but, counting in women and children, the number of souls on the settlements is nearly eighteen hundred. The earliest arrivals came there not more than eighteen months ago. Most of them were down to bed-rock, unable to pay their train-fares from town. Already most of the holdings that I saw show signs of steady attention, and promise exceedingly well. The peat is of a kind that becomes fertile as it dries, sinks, and consolidates, and will grow luxuriant cocksfoot, potatoes, and other vegetables and fruit, all quite first-class, as one was able to see. Physically the settlers whom I saw were fine men. Some were frozen-out artisans, others country-folk who had fallen on bad times. One nice-looking allotment was held by an ex-Salvation-Army captain. We went some two miles and a half into the swamp, on a tramway made and managed by the settlers out of material given by the Government. small charge on those who use it, and have built a hall for themselves out of the proceeds. leaving the tramway we walked down the main arterial drain for half a mile or so. This is eighteen miles long; where I saw it, it is 45ft. wide at the top, further down its course it is 60ft. wide: that will give you some idea of the scale of the operations. Leaving this, we turned up a lateral drain for about half a mile, and then up a parallel. From that we struck into and across the swamp, coming on to the backs of several allotments on the way, and so returned to the main drain.

I think, therefore, I may claim to have seen enough to get a fair notion of what was being done. The point that I think particularly worthy of your notice is the system under which the Public Works Department contrive to make the swamp-reclamation find work for the greatest possible number of men, while at the same time insuring that, as the Government work goes on,