

whose trade or occupation is in a town, and who may only be working half-time. Ploughmen, farm-labourers, shepherds, bush-men, and others who are accustomed to work on the land, should be directed to a village settlement allotment in the country districts, and should not be eligible for land acquired near a city. To promote this class of settlement successfully it will be necessary to grant by way of loan a little monetary assistance.

I have pointed out in this report that the aid granted in New South Wales is £50, in Victoria £40, and in South Australia £50, with every probability of it being increased in certain cases. In England the amount set out by the Colonising Society as being necessary, in their opinion, to carry out the work of land-settlement successfully is £100 per family. I recommend, therefore, that assistance should be given to village-settlers who are approved by the respective Land Boards to the following amount: On plain or open land (for dwelling-house), £20; on bush-lands, £40—namely, £20 towards the erection of a dwelling-house, and £2 per acre up to 10 acres for clearing, burning, and grassing.

Regulations should be made for the repayment of these advances by instalments, after the first four years; a fund would thus be created from which assistance might be granted to new settlers.

2. I would also recommend that the regulations under improved-settlement farms should be made more generally known; and that married men taking up land under those regulations be granted an advance of £20 (by way of loan) towards the erection of a dwelling-house.

3. The promotion of co-operative settlements on a somewhat similar plan to that adopted at Koo-wee-rup, Victoria—namely, to take a block of Crown land, or to acquire a block under the Land for Settlements Act, where drainage or other works are necessary to bring it into a state for profitable occupation, the men to be employed for a portion of a month on the works, and an equal portion on their holdings in the immediate vicinity.

4. The establishment and promotion of labour colonies.

I have frequently been asked what is the meaning of a labour colony, and what are the objects sought to be attained.

I reply that there are labour colonies and labour colonies, and it is quite feasible to establish them on greatly improved lines to the one at Leongatha, Victoria. For instance, there might be a labour colony,—

- (a.) To provide work for the unemployed, and to give instruction to men who have previously received no training or education for work on the land. Employment on a labour colony of this class, which might be established on bush-land, would be temporary, until something better was found for the colonist, or until he is able to take up a village settlement allotment on his own account.

I am correct, I think, in stating that all those who have been brought into contact with our surplus labour are aware that a large percentage of the men lack experience on land, and they require instruction to gain this knowledge. If a labour colony does not immediately repay so much per cent. on the outlay, no one need be discouraged, for if the colony is wisely and properly managed it is doing good work—work beyond the power of any one to assess at so much money value.

We spend annually a large sum of money on education, but no one anticipates to see an immediate return of 5 or 6 per cent. in hard cash on the outlay. We, have, however, faith in believing that the expenditure thus incurred will eventually return some thirty, some sixty, and some an hundred fold.

So also with respect to labour colonies, the instruction to be gained thereon, and the truly valuable work which may be accomplished, will repay the State by-and-by, if it does not immediately.

- (b.) A labour colony could be established on open land to provide permanent and settled homes for men (including their wives and families) who have passed the prime of life, and who are not exactly able-bodied men, but who, nevertheless, can work and are anxious to do so according to their ability; they have no desire to be paupers, or to be compelled to apply for assistance; they can earn their living from the soil, or by working at other industries (besides tillage) which should be established, provided they are given the opportunity. A colony of this class should work under approved regulations made for the common benefit of the colonists, and under a competent manager.

- (c.) A labour colony could be established either on open or bush lands for men whose employment has been so irregular that they have no fixed place of abode; men who are constantly on the tramp looking for work. They are not adapted to take up land on their own account, but yet something should be done for them. I think they can also, if so disposed, be put in the way of making their living from the soil in a labour colony, or by working at other industries established thereon; for I hold that, as it is from the land that all productions are derived, so also it is to the land that all surplus labour should be directed.

It has been customary during the past few winters to establish in the principal cities Winter-Works Funds, for providing employment for men out of work. This is a step which must commend itself to every one; but I would nevertheless point out that it has a tendency to bring men from the country into the towns, and it will continue to have that tendency until steps are taken to establish labour colonies, or find other employment, in the country districts.

I have indicated what can be accomplished by these colonies on bush lands. Thus, we see at Leongatha no less than 60 acres practically cleared of all bush, every stump extracted, and the whole area brought into that state that it can now be worked by spade-cultivation, and admirably adapted for village-homestead settlements. There is one other point well worthy of consideration: all valuable timber on a labour colony can be utilised, and need not be wasted or destroyed by fire.