

The labour colonies in South Australia, the departmental report on which for this year is herewith furnished, seemed to be established on similar lines to the above, and the Committee are of opinion that some encouragement should be given to an interesting experiment such as is suggested. People and soil would require to be carefully selected and advances and other concessions granted under conditions similar to those in force in South Australia under "The Crown Lands Amendment Act, 1893," of that colony.

4th October, 1898.

APPENDIX G.

1. EXTRACTS FROM J. E. MARCH'S REPORT, C.-12 OF 1895.

VICTORIA.—STATE FARM AT LEONGATHA.

THE Victorian Government set apart a block of 800 acres of excellent but heavily-timbered land, situated at Leongatha, for the purpose of a labour colony, on lines somewhat similar to those adopted in Germany. I was informed by Colonel Goldstein, the Honorary Superintendent, to whom I am much indebted for very valuable information, that it was the outcome of a public movement commenced in March, 1893, for the relief of the unemployed of Melbourne. A General Council, consisting of about seventy gentlemen, was appointed at a public meeting to direct this new institution. The Council appointed a committee of management, nine in number, five of whom were nominated as trustees, and were subsequently approved and appointed trustees by the Governor in Council. The labour colony was started on the 24th June, 1893.

The duty of the Committee, comprising the five trustees and four others, consisted in managing the labour colony under the direction of the General Council, in rendering fortnightly reports to such Council, and submitting to it all questions of policy. Under this system, the General Council decided that the labour colony should be open to all men out of work, irrespective of age or qualification; and that there should be a maximum wage of 10s. per week, with food costing about 5s. more. It is only right to say that very few of the Council had any previous knowledge of the labour-colony system, which necessitates confining wages to a very moderate amount.

Financial disaster was hastened by the fact that the general public took little interest in a movement, the meaning of which was entirely new to most of them. The Government had from the first contributed £2 for each £1 subscribed by the public, and were obliged to make up the deficiency as subscriptions decreased, until in December the General Council decided that the Government must supply all funds, or the colony must be closed. Finally, in February, 1894, the Lands Department took the supervision of the colony into its own hands, and Colonel Goldstein generously undertook its charge as Honorary Superintendent. In company with this gentleman I visited Leongatha and inspected the colony. Of the 800 acres, 600 acres have been substantially fenced and subdivided into ten paddocks. The men have absolutely cleared and grubbed 60 acres, the whole of which is under crop, and much of it has been done by spade-cultivation after ploughing.

The number of men on the colony at the time of my visit was 113. Since the inception of the colony in June, 1893, 1,307 men have been removed from the streets of Melbourne and sent to work on the labour colony. From the register kept there I found that over 360 have had employment found them by means of the Labour Bureau on the colony, and I was informed that employers generally were well pleased with the men sent them. Over 250 have been placed on village-settlements lands, or sent prospecting, or have had work found them by friends, others have left to look for work elsewhere, being better fitted for such by their experience on the labour colony. The dismissals number eighty. It is satisfactory to know, however, that the conduct of the men generally has been very good. The men are told off to work in parties under a ganger, who receives a little extra pay per week. The live-stock comprise fifteen milking-cows, twelve working-bullocks, and sixty-two pigs.

2. REPORT OF COLONEL GOLDSTEIN FOR 1896 ON THE STATE FARM AT LEONGATHA.

SIR,—

16th July, 1896.

In presenting my report on the completion of the third year of the labour colony I have the honour to state that the system continues to justify itself, and provides the most successful method of assisting the able-bodied unemployed.

The year commenced with 118 men on the colony, 471 men have been admitted and 442 discharged during the year, leaving 147 there now. 657 applications were dealt with as against 565 in previous year.

The Labour Bureau continues to work well, 158 men have had work found outside of a more or less remunerative character up to 15s. per week and found, but many employers seek to get men at absurdly low wages. We have had applications for thoroughly expert men at 3s. per week. When fair wages are offered the utmost care is taken to select suitable men, and we continue to receive many letters from employers expressing entire satisfaction with the men sent. Two hundred and fifty-three men have left with sufficient earnings to enable them to travel for a month or two in search of work. Thirty-one men have been dismissed, mostly for minor faults, but the conduct of the men on the whole has been very good, and there is constant evidence of goodwill between manager and men. They seem thoroughly to appreciate the value of the system, and readily seek re-admission when work fails outside. There have been fewer tradesmen than in previous years, most being classed as labourers, who rarely find continuous work anywhere.

The outlay for food, wages, and management for 589 men has been £2,400. The cost per head per week has been 6s. 6d. The increase is partly accounted for by higher prices for flour,