

I have to express gratitude to Mr. Alfred Cornish, who continues to assist me in the supervision of the clerical work.

The Victorian Labour Colony system is still being inquired after by other Governments. At the request of Mr. Larke, I supplied full particulars for the Government of Canada.

The manager and staff are zealous in carrying out my directions, and the results are peculiarly gratifying to me.

Trusting to receive the assurance of your satisfaction with the conduct of the Labour Colony.

I have, &c.,

The Hon. the Minister of Lands.

J. R. Y. GOLDSTEIN.

3. REPORT OF COLONEL GOLDSTEIN FOR 1897 ON THE STATE FARM AT LEONGATHA.

SIR,—

July, 1897.

I have the honour to submit my fourth annual report on the Labour Colony for the year ended 30th June, 1897.

During the year much valuable work has been done, both educational and material; 600 men have been enabled to learn the elements of pioneer settlement in heavily-timbered country, together with practical instruction in agriculture, and the whole of the property has been enhanced some £2,500. At the beginning of the year there were 147 men on the colony, 457 have been admitted, and 512 discharged, leaving ninety-two at close of year. The Labour Bureau has found remunerative employment for 177 men, twenty-eight men were dismissed for minor faults, and the other 307 left either to work secured by themselves, or with sufficient funds to enable them to search for work. The conduct of the men has been excellent. Good food, and plenty of it, induces satisfaction, and no complaints have ever been made. Accidents have been few and trifling, and the general health good. The few cases of sickness that occurred were either treated by the local medical officer, or on his advice promptly and carefully forwarded to the metropolitan hospitals. It may be stated here that those who go to the Labour Colony fairly sound in health invariably increase in weight, the natural result of an abundance of wholesome food with a fair amount of healthful work. The cost per head per week for food, wages, and management has been 7s. The increase is accounted for by the high prices ruling for meat and flour.

Some notable facts are that there have been fewer tradesmen on the lists this year, fewer good bushmen, and higher wages obtained outside. This is a fair indication that there are fewer unemployed than usual, and therefore that trade is improving. The want of skilled labour has tended to increase the cost of clearing, most of which we are forced to do in the winter months, when outside employment is not available. If more of this work could be done in the summer, the cost per acre—about £4—would have been much less.

Eighteen acres have been cleared right out, which, with 20 acres that will be finished before spring sowing, will bring the total of fully-cleared ground up to 128 acres; 70 acres, heavily timbered, have been cleared of scrub, all fallen logs burned, and sown down with cocksfoot, rye-grass, cow-grass, alsike and white clover.

Seven thousand seven hundred posts and rails have been split and used in erecting 218 chains of additional fencing, of which there are now $11\frac{1}{2}$ miles, dividing the property into twenty-three paddocks.

Thirty-three chains of road have been formed, and 75 chains of drains cut. Two more dams have been constructed; also, an underground brick tank, to hold 16,000 gallons; the 9,000 bricks used having been made on the spot.

Machinery.—The six horse-power engine has been busily employed in working saw-mill, force-pump, and chaff-cutter. Over 63,000 feet of sawn timber have been turned out, and what was not required for our own use was sold for £80. Chaff-cutting has been a great boon to the neighbouring farmers, for which they willingly pay us 10s. per ton. A reaper and binder has been purchased since last report, and proved of great service during harvest.

Buildings.—A fine barn has been erected, capable of holding 100 tons of hay and other produce; also a new kitchen and quarters for permanent hands, and a new office. These improvements were much needed.

Crops.—The following were grown: Oats for hay, 10 acres; rye, 2 acres; flax, $11\frac{1}{2}$ acres; English barley, 2 acres; Cape barley, 8 acres; peas, $11\frac{1}{2}$ acres; maize, 9 acres; sorghum, 2 acres; rape, 9 acres; mangolds, 7 acres; Swede turnips, 5 acres; potatoes, 11 acres; sunflowers, 1 acre; canary-seed, 1 acre; tobacco, 2 acres. Unfortunately an unusually dry season militated against the success of these crops, but some have been very satisfactory. The maize was considered the best ever seen in the district, attaining a height of 14 ft.

Garden and Orchard.—Vegetables have been grown in great variety, and were used on the place to the extent of £56, while outside sales realised £30. I also sent large contributions to harvest thanksgivings in Melbourne and Leongatha, and to the Food and Health Show in Melbourne. The fruit-trees are healthy, and those first planted are expected to bear this season.

Poultry.—I regret to say these have not been successful, owing solely to the fact that no one on the place understands the management.

Live Stock.—There are at present eight horses, twelve working-bullocks, fourteen fat bullocks, thirty-seven dairy cows, forty-two yearling calves, fourteen stud Jerseys, twenty-one pure short-horn cows (for sale), and ninety-three pigs. Seventy-seven head of cattle were purchased to fatten, and sixty-three were sold, realising £356. One hundred and forty-eight pigs were fattened and sold during the year, bringing in for carcass pork £114, and for bacon £68. The dairy herd suffered severely during the very dry weather, and was further affected by an attack of abortion; no fewer than fourteen cows slipped their calves at five and six months. Still, the dairy shows a profit of £150, which I hope to see much increased this year. We also lost five cows while in full profit. These were killed because the tuberculin test proved them diseased. Through the kindness of Dr.