"In live-stock we have thirty-seven horses, thirteen cows, one bull, twelve calves, forty pigs, and 600 sheep. Many of these things were presents to us from kind friends who were desirous to give us a start in life. The vines you saw planted out were obtained from Messrs. Chaffey Brothers. Several of the villagers went to work for them, but in lieu of their wages being paid in money they preferred to receive the value in vines, &c."

In closing this account of the settlement at Lyrup, I think I cannot do better than quote, from an interesting report on these settlements in the *South Australian Register*, a portion of the Hon. C. C. Kingston's address to the villagers, on the occasion of his recent official inspection. The Hon. the Premier said :—

"The Government have done what they could, not to temporarily meet the demands of the unemployed, but to provide a permanent cure for the problem. Unutilised land and unutilised labour were a double waste. He was abundantly pleased at what he had seen at Lyrup. He was of a fairly sanguine disposition, but he was surprised to see the good results they had achieved. He now had greater courage and confidence in village settlements than he had previously possessed. Seeing was believing, and he saw a magnificent estate and a number of hard-working settlers doing their best to improve it. He saw what had been regarded as a worthless bush cleared and cultivated, water applied to it, and trees and vines growing in a way that could not be beaten in any part of South Australia. In future he should decline to argue with critics of the village settlements. He should tell them, 'Go and see for yourselves. If you have any doubt it will vanish into thin air when you go to Lyrup.' They had done well; he hoped they would do better. From strength to strength go on, let not what they had accomplished be a vain and feeble augury of what they might do in the future. He hoped they would value their estate. Some people said State Socialism was a bad thing, but he said they had every reason to be encouraged with that form of State Socialism, if they chose to call it so, which existed at Lyrup."

form of State Socialism, if they chose to call it so, which existed at Lyrup." The Hon. P. P. Gillen, Minister of Lands, also addressed the villagers, and reviewed the circumstances which had led to the establishment of the settlement: "They had been told that the Village Settlements Bill was a 'fad.' That it was cruel to send a lot of men, women, and children to the Murray, because starvation alone awaited them there, and that they would be back again in the city in three months. He had not seen any hungry people on the Murray yet. For the next two years, of course, the people of Lyrup would have a hard fight, but he believed that the harder the fight the better would be the work. He wished to tell the temperance party that these settlements provided one of the greatest movements in the interests of temperance that the colony had ever witnessed."

To those in New Zealand who take an interest in village settlements, the above remarks from two very able men are, I think, most encouraging. I could give the opinion of many other villagers; they are all hopeful, and a spirit of general contentment reigned amongst them. One settler said, "We do not aim at being rich; we hope that the wool from our sheep will find us in money to buy our clothing and boots, and we can grow on the land sufficient food for ourselves and families."

Another said, "I am getting on splendidly, could not wish to do better; have been here from the start, having assisted to select the land; our motto is 'all for each, and each for all,' and we must ever keep that in view. We have only to pull together for the first few years and then I am certain the settlement will be a success. There will be a little income from this out; but we have to gain experience and strike the season for the best crop: onions, for instance, if we can get a good crop in September we can get a ready market for them, potatoes and other things in the same way; we shall shortly be able to supply Renmark with all the vegetables required there, and we hope to open up other markets."

Another said, "We estimate the value of our assets over our liabilities last January at £43 per member; a man now joining would have to pay our association £43 and take his share in the liability. If he had not the money in cash, he could bring any kind of stock or useful farm implements, and their value would be placed to his credit. If he had no money or means, by a vote of the majority of the members in his favour he could join, and the £43 would be a first charge on any dividend coming to him."

I think the main reason why there is that spirit of contentment amongst the village-settlers on the River Murray, and also amongst other small settlers wherever they have been placed on good land, is this: they feel they have now a stake in the country, and that by industry and perseverance they can establish homes for themselves and families; and they set to work to do so with a right good will.

I send forward with this report a number of photographs of the settlements on the Murray, kindly given me by the Hon. J. A. Cockburn, Minister of Agriculture and Education. These views will be found most interesting, and clearly indicate the good work going on and the progress the settlements have made.

My work of inspection is over, but before leaving this subject I desire to express the deep sense of gratitute I feel to those members of the Government of New South Wales, Victoria, and South Australia, to whom I had letters of introduction, and who so kindly and ably assisted me in the duty I was instructed to undertake. To the Premier of South Australia, the Hon. C. C. Kingston, to the Hon. P. P. Gillen, Minister of Lands, to the Hon. J. A. Cockburn, Minister of Agriculture and Education, my thanks are specially due.

I desire also to return my sincere thanks to the Hon. R. W. Best, Minister of Lands, Victoria; the Hon. H. Foster, Minister of Mines; W. Davidson, Esq., Inspector-General of Public Works; M. Callaman, Esq., Surveyor-General of Victoria; and Colonel Goldstein, honorary Secretary of Leongatha Labour Colony, Victoria, for the courtesy and consideration I received at their hands.

I also sincerely thank the Hon. J. H. Carruthers, Minister of Lands, New South Wales, and the Hon. J. Gerrard, Minister of Public Instruction, for their kindness.

I am also deeply indebted to the officers of the Crown Lands and Survey Departments, and to