C.-12.

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

(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-Work 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

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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.

On plain or open lands other industries in addition to the cultivation of the soil can be intro-

duced, whereby employment might be found for a number of men.

If labour colonies are established, men need never be in want of either good food or shelter, and from their wages they can have a sum to draw on leaving. That labour colonies can be made a great boon to destitute men out of employ, and to society generally, there cannot be a doubt. Permit me to give an illustration. At Sydney, as I have already stated, there is a great deal of genuine distress, and, go where you may, constant applications are made for assistance. The tales told of the actual want of food and the inability to procure shelter are most distressing. Without turning a deaf ear to so much misery, you yet feel that any help given can only be temporary relief, and the recipient will be just as badly off to-morrow; he may be told to go and look for work, but, where there are so many out of employ, his chance of obtaining any is very unlikely.

In Melbourne, however, when an appeal for assistance is made, you may relieve the applicant; but you can do much more, and say: "Meet me at 9 o'clock to-morrow morning at 440, Lonsdale Street (the office of the labour colony), and I will speak to Colonel Goldstein on your behalf. You may rely in obtaining good food and shelter on the labour colony, with wages according to your ability, and the prospect of obtaining permanent employment. Do not fail to be there, for no real case of distress is turned empty away from that office."

Objection may be taken to the recommendations made herein, on the ground that to carry them out would involve a large expenditure. I am aware of this, and I am also certain that it is impossible to promote successful settlement, or meet the "unemployed" difficulty, without the expenditure of money; but I venture to predict that the State would be repaid a hundredfold for moneys advanced and judicially expended in the direction I have indicated, in addition to the

knowledge of the great and lasting good which is being accomplished.

In the important work of colonization in which so many are engaged, and in the earnest efforts being made here to build up a nation which may in process of time be equal in every respect o other nations of the world, not only in physique, but in those higher attainments which constitute a nation's greatness, it is essential to build on a firm and solid foundation; and it will be well with us if the present generation can be encouraged to take to the soil, to go out into the interior of the country, conquering and to conquer the numerous difficulties there are in the way; but this great and noble work cannot be accomplished without means.

It affords me great pleasure to place before you here some of the results which have been achieved under the village-homestead settlement system in New Zealand, initiated and placed

under liberal regulations by the late Hon. J. Ballance:—

Number of settlements in the colony Number settled on the land, including wives and families 4,561 33,804 Area occupied (acres) Amount advanced for cottages, bush-felling and clearing £25,778 Amount paid by settlers as rent and interest from the commencement of ... £17,620 the system Value of improvements now on the land ... £92,834 Value of improvements now on the land ... ... ... ... ... ... ... And if the amount advanced is deducted, there remains as representing the value of the work done by the settlers ... ... £67,056

These figures prove beyond doubt the success of the village-homestead system.

I had the privilege of reading the confidential report to the Hon. the Premier, relative to the village settlements in Australia, by the Hon. W. P. Reeves. My observations fully confirm all the Minister has written, and I entirely endorse his recommendation "that we should now take a fresh departure and push on the work of village settlements much faster than in recent years.

In concluding this report, permit me to express my very hearty thanks to the Hon. W. P. Reeves for the recommendation made by him that I should inspect the Australian settlements, and to the

Hon. the Premier and yourself in permitting me to do so.