

Gresswell, Mr. Cameron, M.R.C.V.S., was sent to test the herd, and, with the assistance of Mr. S. O. Wood, M.V.C.V.S., tuberculin was applied to fifty-three head, with the result that five were found infected. These were killed and burnt, and, I am glad to say, the Labour-colony herd is now quite free from that terrible disease, tuberculosis. In pursuance of my intention to raise a full Jersey herd, I purchased a high-bred yearling bull and four thoroughbred cows during the year, bringing the stud-herd up to fourteen, viz., four bulls and ten cows. These, with the half-bred Jerseys previously selected and our own raising, will shortly bring the dairy-herd up to a hundred, when the crossbreds will be gradually sold off until the herd is left pure. The Labour-colony cattle were again successful at the Korumburra Show, winning prizes—first Jersey bull, any age; first Jersey bull, one year; and first and honourable mention, Jersey heifers, one year old.

Experimental Farm.—A variety of crops has been tried, and a deal of valuable information gained, though the unusually dry season operated severely. I intend publishing the results of all experiments in the Gippsland press, but must wait until the coming season enables us to complete our experiments. The crops tried were tobacco, canary-seed, flax, teosinthe, Indian, tree, and Hungarian lucernes, Bokhara clover, sacaline, lathyrus sylvestris, cow-peas, wild rice, strawberry-clover, &c. Some experiments in ensilage have also been tried, and the results are so satisfactory that a paper on the subject will shortly be published.

Meteorological observation.—A station has been set up under the direction of Mr. Baracchi, Government Astronomer, who supplied the necessary instruments. Observations are taken regularly, and telegraphed daily to the Government Astronomer. Locally, we find these records very useful.

Cost.—The total expenditure for the year has been £3,340 12s. 0½d., divided into cost of Labour Colony £2,422 11s. 1½d., and Farm £918 0s. 11d. The receipts were—Goods sold to colonists at cost, £261 15s. 8d.; produce used in kitchen, £56 10s. 5d.; produce sold, £978 18s. 10d. The total cost to the State for the four years has been £13,608, against which there are assets amounting to £12,839, leaving a debt of £769 as the cost of dealing with 2,289 men during four years, not including the money results from produce sold.

Visitors.—His Excellency Lord Brassey, and the Hon. T. A. Brassey, the Hon. the Minister of Lands, the Hon. the Minister of Mines, and several Members of Parliament visited the colony at various times, and all gave great praise to the system and the administration. The Hon. Jacob Garrard, Minister of Labour, New South Wales, came especially to Victoria to examine the Labour Colony system, and expressed his entire satisfaction, with the result that the system is to be brought into immediate operation in New South Wales.

I have to record my gratitude to Mr. Alfred Cornish, who continues to give me valuable aid with the clerical work, and to Mr. S. O. Wood, M.C.V.S., whose services as Honorary Veterinarian have been of great benefit.

The Manager and staff continue to afford me cheerful and zealous assistance, so that the direction of the work is a positive pleasure.

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

The Hon. the Minister of Lands.

I have, &c.,

J. R. Y. GOLDSTEIN.

4. MR. MARCH'S REPORT ON SETTLEMENT ASSOCIATIONS.

SOUTH AUSTRALIA.

(Established under "The Crown Lands Amendment Act, 1893.")

VILLAGE-SETTLEMENT ASSOCIATIONS.

The Act provides that any twenty or more persons of the age of eighteen years or upwards may, by subscribing their names to a memorandum in manner prescribed, form an association for the purpose of village settlement. Provision is made for registration, and every registered association is a body corporate with perpetual succession and a common seal, and the right and liability to sue and be sued. Upon any association being registered, a portion of Crown lands is set apart of sufficient area to provide not exceeding 160 acres for each villager, and all roads and reserves as the Commissioner shall think necessary. Upon any village being proclaimed, a perpetual lease thereof is granted to the association. The annual rent is fixed by the Land Board, but no rent is payable for the first year of the term. Every lease contains covenants on the part of the association,—

- (1.) That after the first six months from the date of the lease, one-half, at least, in number of the villagers shall reside upon and utilise the land in manner prescribed;
- (2.) To pay in advance the rent reserved;
- (3.) To pay all rates and taxes, including land-tax;
- (4.) That every year during the first ten years the sum of two shillings per acre at least shall be expended in improvements on the land;
- (5.) To keep in repair to the satisfaction of the Commissioner all improvements erected or made upon the land;
- (6.) That the land, or any part thereof, shall not be sublet or disposed of to any person other than a villager.

The Act also provides that no lease shall be capable of being assigned, mortgaged, or encumbered in any manner whatever.

ADVANCES.

Advances out of any funds provided by Parliament may be made to registered associations, not exceeding in the aggregate to any one association the sum of £50 for every villager, and not exceeding one-half the cost to the association of the improvements thereon. Such advances may be made for the purpose of providing tools or materials, or making payment for improvements. All advances are to be repaid by ten equal annual instalments, with interest computed at the rate of 5 per cent. per annum on the moneys for the time being remaining unpaid. The first instalment is payable at the expiration of three years from the date of the advance.