

&c., and also, I am pleased to say, by a higher average wage earned, owing to increased zeal and better work.

The health of the men continues good, and there were only two comparatively slight accidents from branches falling from rung trees. The housing of the men has been much improved, so that they are more comfortable now both in summer and winter than formerly.

*Work.*—While the greater number of the men are still employed on clearing, there is a very great increase in the higher classes of work connected with agriculture, dairying, &c., so that men have better chances of learning how to make a living out of the land. The Labour Colony ought to prove a good training-ground for village settlers.

*Farm work.*—Seventeen acres have been thoroughly cleared during the year; 30 acres more will be ready by the spring, making 90 acres for cultivation; 130 acres have been cleared of scrub and sown with rye-grass, cocksfoot, and red clover; and a 10-acre paddock has been sown with lucerne; 163½ chains of post-and-rail fencing and 41 chains of wire fencing have been erected during the year, and the land subdivided into sixteen paddocks; 7,077 posts and rails were split; 34 chains of road have been made within the colony, and 17 chains of main road formed outside for the Woorayl Shire Council, as a return for having given up the site of a manure-depot that had previously been marked out on the Labour Colony; and 14 chains of open drains and 7,500 good bricks have been made.

*Machinery.*—A 6-horse power engine has been purchased, and a small saw-mill plant erected. During the year 83,465 ft. super. were sawn, 21,000 of which have been sold, the balance being used for buildings on the Labour Colony. Flax-dressing plant has been erected, and will be used immediately on the produce of 2 acres of flax, retted and stored to provide winter work. A first-class chaff-cutter has been purchased, and proves very useful and economical. Buying nothing that can be made in the Labour Colony, there has been made a winnowing machine, a very fine farm roller, designed by the manager, and a heavy scarifier for tearing out roots as well as breaking up soil. A force-pump has been erected on the creek to lift water about 90 ft., where it is stored in a dug-out tank containing 70,000 gallons, from which 32 chains of piping enable it to be distributed to all parts of the garden and orchard.

*Buildings.*—A substantial stable and forage-store have been erected, also three shelter-sheds for stock, engine-house, dairyman's house, manager's house, poultry-houses, and piggeries.

*Crops.*—The following have been grown during the year: Flax, 2 acres; broom-corn, 1½ acres; oats and tares, 10 acres; English barley, 5 acres; wheaten hay, 1½ acres; maize, 8 acres; sorghum, 2 acres; buckwheat, 2 acres; sunflowers, 2 acres; peas, 4 acres; mangolds, 1½ acres; sugar-beet, ½ acre; swedes, 4 acres; kidney-beans, ½ acre; potatoes, onions, and other vegetables have been largely grown. The above crops have yielded satisfactory results, though the summer was an unusually dry one. The linseed was tested at the Government Oil-mill, and yielded 28 per cent. of oil, which is above the average.

*Orchard.*—Eighteen acres have been planted with fruit-trees, more than half being apples suitable for export. The nursery contains some six hundred trees to be planted out during the coming season, consisting of fruit and timber-trees (black walnut, English ash, and oak), and white mulberries for a silk-farm. The nursery will further be used to raise similar stock for distribution amongst the farmers of the district.

*Poultry.*—These have not been as successful as was desired, owing to my being unable to find a man used to the work; nevertheless, the first crate of cockerels sent to the Agricultural Department for export were so fine that they were retained for exhibition, and are now to be seen dressed and frozen at the Food and Health Show in the Exhibition Buildings.

*Live Stock.*—There are now on the farm 10 horses, 124 cattle, and 161 pigs. Three hundred and thirty sheep were fattened and sold, also fifteen bullocks and 109 pigs. Fifty-nine of these pigs were killed for pork and bacon.

*Dairy Herd.*—Forty-seven cows are now being milked, the average for the year being twenty-four; the money yielded for cream being £240; wages cost £72; artificial food, £48; leaving a profit of £120, which is extremely satisfactory, seeing that the price of milk at the commencement of the year was only 2d. per gallon. Thirty-one calves, selected from the best milkers, are being reared, and should improve the herd. The Jersey bull, "Master Coomassie," has done well both at stud and show. At the Korumburra Show the labour colony was very successful, obtaining prizes for first Jersey bull, second Jersey cow, second Ayrshire cow, and honourable mention dairy cow. An exhibit of farm-produce was also shown, and formed a very attractive stand; his Excellency Lord Brassey and suite being greatly pleased with the quality and variety of the exhibits.

*Experimental Farm.*—This is progressing favourably, and must be beneficial to the district. New fodder-plants did not do well owing to the dry season after sowing; but special mention must be made of an Indian lucerne, a few seeds of which were kindly contributed by Mr. Joseph Bosisto, and which promises to be a great improvement on the ordinary lucerne. The tobacco crop was too late, owing to the dry season, and did not ripen; but Mr. Bondurant's inspection and tests show that there is every probability of good results in future. Under that gentleman's direction four kinds of tobacco seed are now being sown to ascertain which is most suited for the district.

*Scent Farm.*—Rose, rose-geranium, lavender, peppermint, and orris-root are being raised in quantity, and will soon be planted out; so far, the soil and climate have been most favourable to the growth of these plants, and I anticipate good returns when a still has been set up. If successful, young stock of these plants will be largely distributed to the surrounding farmers.

*Cost.*—The total expenditure for the year has been £3,547 Os. 4d., divided into cost of Labour Colony, £2,405 5s. 8d., and Farm, £1,141 14s. 8d. The receipts were—Goods sold to colonists at cost, £308 15s. 9d.; produce used in kitchen, £75; produce sold, £598. The total cost for the three years has been £11,276, against which there are assets amounting to £10,361, leaving a debt of £917 as the cost of dealing with 1,832 men during three years, not including the money results from produce sold.