C.-1.

work on their farms periodically, and earn some ready cash to keep them going. The work we are engaged upon, so far as they are concerned, suits them very well, as all of them are accustomed to bushfelling. But the class of work we have does not suit the town men. Many of them never did hard work in their lives, and at the best they earn very little over food and clothing. Others are past their best, and, although accustomed to hard work, do not do well. Again, the change of work, say from quarrying or navvying to bushfelling, for a time handicaps even a young able-bodied man who may have been brought up to manual labour. So that on the whole the work suits the settled population, but not the townsmen. It would be a difficult matter to say what would suit the class of men I have at various times had sent me, but this I would suggest, that employment be found for them in open country. It is a comparatively easy matter to make a navvy, but to be an expert bushman requires early experience.

3. Their energy and capacity in carrying out the works that have been intrusted to them—Generally speaking the settlers and more pushing men from the town are eager to get through their work as quickly as possible—to earn as much as they can, and get as much of the work going as they can. But there are exceptions, notably some of the small village settlers, who hang over their work, and seem quite indifferent what wages they earn so long as their credit is good at the store. These men cry long and loud for work, and, on the strength of being small settlers, expect to get an undue preference for work over others. They are neither good settlers nor good workmen, and would go back to the towns to-morrow only that they know from former experience that they would have no show competing in the labour market. My experience is that settlers as a whole, and many of the hard-working townsmen, do not dally over their work, but try to earn as

much as they can in as short a time as possible.

4. The cost as compared with the works done under the former contract system.—So far as the works under my charge are concerned, I do not think the work could be done any cheaper under the ordinary contract system, that is, so far as the actual work itself is concerned. The men pay for all material supplied them, they get a price to earn 7s. per day, and so would contractors' men. Contractors would sublet their work, and their men would, no doubt, in some cases earn a little more than wages. As regards the cost of supervision, that may be and likely is a little more costly than under the ordinary contract system, due to the fact that we are not busy all the year round and gangers wages are running on. A contractor would slack off his on-cost men under similar circumstances. One thing I must say in favour of the ordinary system of contracts: that better work is done and carried out nearer to the requirements of the plans and specifications and with less trouble to those in charge of the works. On the whole, the ordinary contract system gives better satisfaction as regards workmanship, and naturally so, as only experienced men are competent to tender. I need not repeat to you the difficulties I have had to contend with in getting work done fairly by some of the co-operative contractors, nor the means they took to have "satisfaction;" and until the workmen learn that civility and good workmanship must be given the same difficulties will recur again and again.

5. The prospect there is of useful works for the coming seasion.—So far as this district is concerned there is plenty of scope for useful work for this season and for a number to come.

6. Whether the men, when finished their work, are likely to settle in the district.—Hitherto very few have settled on the land, but no doubt some have come here this season with that intention. For men to settle down in bush-country they require to have some backbone, and a liking for country life. The latter qualification you do not always find in men accustomed to town life.

7. Whether they have had an opportunity of settling, and have availed themselves of it or otherwise.—I am not in a position to say whether facilities have been given to men to settle in this district, excepting the improved settlement farms, commenced last winter. The men got the preference of the land they had been clearing, but, with the exception of one or two, none of them seemed to care about settling, although the farms are above the average for quality of soil. More might settle on the land provided the co-operative works were regulated somewhat on the lines I suggest under clause 10.

8. Whether the wages expended in the district have been prudently utilised by the men, or whether they have been intemperate or otherwise wasteful.—So far as the settler workmen are concerned, I believe they have put their earnings to a good use in improving their farms, and the majority of the others no doubt expended their earnings in supporting their families in town. There were those, and as likely as not one or two may yet put their money to a bad use, and periodically have a spree, but these are the exception. On the whole I am glad to say that the men are very

thrifty in their habits.

9. What is the result of co-operative works upon the supply of labour required by settler farmers, runholders upon saw-mills, and other industries.—I cannot say of my own knowledge what the result of co-operative works have on other industries as regards the supply of labour. So far as this district is concerned there are comparatively few employers of labour, and I have never heard of any complaints being made while we had a number of men on the roads. Those that may have felt a little difficulty in getting a man or two possibly could not afford to give current wages, and men naturally prefer a long spell of work than, perhaps, only a few days' wages being equal. The effect may be felt more up country, but of this I have no personal knowledge.

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I saw in the papers lately that the Bruce County could not get tenders for some drainage works, although advertised twice. The co-operative works in this district were not the cause, for during the last two months we have been nearly at a standstill. More likely the harvest operations were against them getting offers for their work. Naturally, the fact of the Government employing a large number of men would affect other industries provided labour was scarce, but where the supply of labour is abundant, as I believe it is throughout the colony, I would not expect that other industries would be appreciably affected; but, if injuriously affected, the only remedy