having every opportunity given them of getting the work quite ready for the men before they are sent up on to the works. I have in my mind striking examples of this necessity on several large works in this and my old district (Pahiatua), where engineers have had to locate roads in very difficult country and execute engineering surveys with about one hundred men camped on the ground waiting to commence operations. Under such circumstances, if when the road is constructed it is in its right place, it is as much the result of good fortune as of good management.

ROBERT REANEY, Road Surveyor.

WANGANUI.

The nature of works done under this system during the year has been very varied, comprising

bushfelling, grass-seed sowing, stumping, clearing, and formation of bridle-tracks and dray-roads, metalling, ditching, culverting, bridge-building, sawing, squaring, &c.

On the whole the system has worked very smoothly throughout the period, though there has been a certain amount of dissatisfaction at the amount of the earnings. The work done on the improved farms has materially lessened the general average of the earnings, for such work as bushfelling, house-building is only paid for in the way of an advance, the sums given do not represent the actual values of the work done, and consequently the wages earned at bushfelling have been very low. It must also be remembered that bushfelling is mostly done at a time of the year when the weather is frequently very broken.

Wherever possible, preference in the employment of men has been given to settlers, fully 60 per cent. of those employed at the present time are settlers. And those who are actually improving their sections have the preference over non-improving settlers. And in all cases, whether settlers or not, if the locality is suitable, married men are selected in preference to single men. many places the distances from civilisation are still so great, comparatively speaking, that men cannot take their wives and families with them; in such cases mostly single men have been employed, as it is found in practice that they settle down much more contentedly in these

inacessible places.

The number of contracts completed has been 175; the average number of men in each party being 3.0; the average wage, wet and dry, has been 5s. 9½d. a day, as against 6s. 7½d. a day for the previous year. The highest earnings 10s. 10¾d. a day were made on the Kaitieke Road, a place very remote and expensive in the matter of provisions, and for these reasons the prices were somewhat increased on that road. The lowest earnings, 2s. 1½d. a day, were, as in the previous year, made at bushfelling on the Taihape Improved Farm, owing principally to the inexperience of the workers. The average on roadworks has been 5s. 10½d. a day all weathers, but the average earnings at bushfelling have been so low that the general average over all has been reduced by 14d. a day. The average earnings at bushfelling have been 4s. a day. There is still the same difficulty as before in getting men to work in moderate-sized parties, the general tendency is that the numerical , strength of a party continually diminishes.

As formerly reported, the character of the work done under this system is, as a whole, superior to that done under the ordinary system, but the expense of the same is slightly greater in most cases, owing chiefly to the increased amount of supervision and clerical work required. For ordinary labour, such as bush-work or earth-work of roads, &c., the system has proved itself to be well adapted and fairly easily and economically managed; but for works where a large and expensive plant is necessary, or where the work requires skilled artisans, such as metalling, large G. T. MURRAY. bridges, house-building, &c., the ordinary contract system is to be preferred.

WELLINGTON EAST.

In reporting upon the working of the co-operative contract system and in order to explain the differences between the average daily wage earned, all weathers, upon the different contracts, it may be as well to state at the outset, that it is only reasonable to suppose that the good workmen naturally gravitate in one direction until it is eventually discovered that gangs of inferior and

relatively superior men are discovered throughout the various districts.

It is not likely that a good workman will do more than a fair day's work when he finds himself placed beside a man who can only earn (although he may work as hard) a proportion of the amount earned by himself, the consequence being that the rate of wage is materially reduced. Good workmen, so far as they can, and naturally so, band themselves together and leave those who are incapable, or perhaps unwilling, to form parties among themselves; and it must be admitted that there are still inexperienced men in bushfelling and clearing, and in the use of the pick and shovel on the works, the former earning a fair wage, while the latter has to content himself with one much less in proportion. It is not clearly to be seen how the difficulty is to be overcome, for if the indifferent men were allowed a price at which to earn the wage I am authorised to give, viz., 6s., the good men would earn a wage far in excess of the limit; and to give two prices would cause no end of dissatisfaction.

The intermittent system upon which men were to be given employment may be stated as follows:—Settlers, whose wives are with them, two-thirds of their time on the work, and one-third on the land, if any held. Married men, whose families are away, half time on the works and half time on their land, if any. Single men, one-third on the road and two-thirds on their land. Nonsettlers to be treated the same as single men, otherwise they would have an advantage over the settlers.

The above system was, it is presumed, intended for the purpose of giving a greater number work, at the same time to assist the struggling settlers and give them an opportunity of improving