

APPENDIX E.

REPORT OF THE SUB-COMMITTEE No. 1 ON STATE FARMS.

THE sub-committee appointed to collect evidence on the subject of State farms, and to have so much of such evidence printed as they may think fit for the information of the Committee, and to report thereon and on the success or otherwise of State farms now in operation in New Zealand and elsewhere, and to suggest a practical scheme suitable for the requirements of the colony, present the following papers bearing on the subject for the information of the Committee: The Surveyor-General's Reports, South Australia, 1895 and 1896; Cultivation at the Village Settlements, South Australia, 1897; Report on Co-operative Settlements, South Australia, 1898; Extracts from the reports for 1896-97 of Colonel Goldstein, Superintendent of State Farms, on the State farm at Leongatha; detailed information as to Levin State farm, provided by the Department of Labour; extract from the report of Mr. J. E. March on the settlement of the people on the land in Australia.

They further report as follows, that:—

It is desirable at the outset that the scope of the inquiry should be carefully defined. The order of reference alludes to "State farms and industrial settlements as a means of alleviating the evils arising from the irregularity of employment."

"State farms" may be considered to mean farms where the ordinary operations of farming are managed or controlled not by those working on the land, but by the Government or its agents; or, in other words, farms where those working have no direct interest arising from the profit or loss of the farm.

The inquiry, therefore, does not include ordinary land-settlement as a means of alleviating the "unemployed" difficulty; and though the subject of village settlement is an interesting one, and one which bears directly on the question of the relief of the unemployed, it is not strictly within the scope of the Committee's inquiry. Indeed, the consideration of the numerous forms of village settlement in New Zealand and other colonies would be an extremely wide subject.

"Industrial settlements" may be considered to mean settlements founded with a view to establish some industry not immediately connected with farming operations.

STATE FARMS.

Dealing first with State farms, the evidence goes to show that they are comparatively modern, being the outcome of the great attention paid to the problem of the "unemployed" during the last ten years.

In England.—English legislators are not given to making experiments, and consequently the State has not established farms for the relief of those out of work. Some similar institutions have, however, been started by private enterprise. The Salvation Army, the Church Army, and the Board of Poor-law Guardians have all made efforts to relieve the poor by establishing farms. These have been only partially reproductive, although scarcely any wages were paid, and they may at best be classed rather as charitable institutions than as State farms. While their influence has undoubtedly been beneficial, their sphere of operations has been too limited to enable a correct opinion to be formed as to how far such settlement is likely to afford any alleviation to the "unemployed" difficulty.

In Germany.—In Germany some thirty-six labour settlements have been established on a system initiated by Pastor von Bodelschwingh. Their object was to relieve the country of the immense number of vagrants who wandered from town to town, begging from house to house. In this the system seems to have been entirely successful. It has great advantages over the English poor-law system: (1) It is self-supporting; (2) it has a strong reforming influence. "Unemployed" workmen are provided with food and lodging, and given small—very small—wages. If they earn more than the cost of their food and lodging the surplus is placed to their credit, and they are given the money when leaving. The farms thus established act as a sort of local labour bureau. Every method is employed to prevent the farm being considered degrading. No punishments are inflicted, and the utmost personal attention is given to the necessities of the men, and every effort made to make them accustomed to work. (For further information see an article in the *Nineteenth Century*, January, 1891, by the Earl of Meath.)

The conditions prevailing both in England and in Germany are, however, so different from those in New Zealand that the sub-committee, while bringing the German State farms under the notice of the Committee, do not suggest that they will be of any great assistance in determining what should be done in New Zealand. It is presumed that any State farms to be established in New Zealand will be intended neither as charitable institutions nor as rural penitentiaries. We may, however, profit by considering what has been done in the Australian Colonies, because the conditions there are very similar to those in our own country.

In Australia.—Since 1890 there has been a pronounced movement in all the Australian Colonies in the direction of the settlement of land in small areas. Every colony has established village settlements in some form or other. Where the management of the settlement or farm has been controlled by the State, or by Boards of Trustees appointed for that purpose, it has generally proved a financial failure (*e.g.*, Pitt Town and Wilberforce in New South Wales). A number of attempts have been made to carry out the co-operative principle in farming, but after a trial this, as a rule, has been abandoned, owing to disagreement among the settlers. So many of these settlements are at present on their trial that it would be unfair to predict their success or failure; but it still remains to be proved in Australia that a State farm can be successfully established. Many mistakes have been made, the most noticeable being the tendency to settle too many people on a small area of land and the attempt to institute close settlement on poor land. On the other hand, the village community settlements, where the allotments have been individualised,