

PART II.—FINANCE.

219. There are in most countries two bodies which have the power of levying taxes for certain defined objects, viz., the Central or General Government, and the Municipal or Local Government; therefore, in dealing with questions affecting the total amounts raised and expended, it is desirable that the accounts of both these bodies should be taken into consideration. It has been too often the custom, in making statements respecting the finances of a country, to take no account of municipal revenue, taxation, and expenditure. It will, however, be at once obvious that these elements cannot be ignored except at the expense of accuracy. Taxation for local purposes forms part of the burdens of a people just as much as that for general services; and in some countries certain functions are performed by the one government which in other countries are performed by the other. It should further be pointed out that, in comparing the amounts raised in the same country in different years, allowance should be made for changes arising from transfer of portion of the revenue of the General Government to Local Bodies, and *vice versâ*; also for the abandonment of revenue for special public purposes which it is considered desirable to carry on by means of trusts, &c., and of the resumption of such revenue, should these be abolished. Of trusts in operation by which revenue has been affected, there is only one in Victoria, viz., the Melbourne Harbour Trust, which is treated in this work as a local body.

220. On reference to the accounts of the General Government, with which it is proposed to deal first, it is found that during the year ended 30th June, 1886, the expenditure exceeded the receipts by about £32,500, but a credit balance of £464,000 having been brought forward from the previous year, there remained to be carried forward to 1886-7 a credit balance of £431,500; thus :—

FINANCE ACCOUNT, 1885-6.*

						£	s.	d.
Receipts	...	...	...	...	...	6,481,020	18	6†
Expenditure	...	...	...	...	...	6,513,539	11	2‡
Expenditure in excess of receipts	...	...	...	...	...	32,518	12	8
Credit balance from 1884-5	...	...	...	...	...	464,078	7	3
Credit balance carried forward to 1886-7	...	...	...	...	...	431,559	14	7

* According to a statement distributed to Members of the Legislative Assembly on the 26th July, 1887, by the Honorable the Treasurer, the revenue of 1886-7 was £6,733,867, and the expenditure was £6,665,863. The estimated mean population of the same twelve months was 1,003,043; so that the revenue per head was £6 14s. 3d., and the expenditure per head £6 12s. 11d. It was understood that the figures in the statement referred to were not final. Further details are given in an Appendix *post*.

† Including £54,615 5s. 10d. recouped from loans.

‡ Including £5,620 advanced to cover cost of surveys, &c., to be hereafter recouped by lessees.

Net revenue
and expen-
diture.

221. It is thus shown that during the year under review there was a deficiency of revenue amounting to £32,519. If, however, recoups and advances to be recouped—which eventually balance one another and do not properly form part of the transactions of the year, but are sometimes included for the sake of convenience—be deducted from the revenue and expenditure respectively, the actual deficiency of revenue will be increased to £97,134—the credit balance, however, remaining the same. In the following table the receipts and expenditure, exclusive of advances recouped and to be recouped, are given for each of the twelve financial years ended with 1885-6; also the surplus or deficiency of revenue in each year, and the plus or minus balances carried forward from year to year:—

NET PUBLIC REVENUE AND NET PUBLIC EXPENDITURE,
1874-5 TO 1885-6.

Year.	Excluding Advances Recouped and to be Recouped.*			
	Public Revenue.	Public Expenditure.	Surplus (+). Deficiency (-).	Balances carried forward. Credit (+). Debit (-).
	£	£	£	£
1874-5	4,169,700	4,296,649	- 126,949	+120,155
1875-6	4,325,156	4,394,066	- 68,910	+51,245
1876-7	4,513,738	4,336,139	+177,599	+228,844
1877-8	4,485,412	4,536,062	- 50,650	+178,194
1878-9	4,520,277	4,809,724	- 289,447	- 111,253
1879-80	4,600,627	4,803,790	- 203,163	- 314,416
1880-81	5,115,041	5,100,225	+14,816	- 299,600
1881-2	5,589,972	5,145,764	+444,208	+144,608
1882-3	5,602,066	5,651,885	- 49,819	+94,789
1883-4	5,934,578	5,665,293	+269,285	+364,074
1884-5	6,290,361	6,125,741	+164,620	+528,694
1885-6	6,416,406	6,513,540	- 97,134	+431,560

Surplus or
deficiency,
and balances.

222. As the amounts of revenue and expenditure as given in this table are exclusive of recoups and advances to be recouped, the figures will not agree with those in the first folding sheet† *ante*, in which the gross amounts are given. The following, according to the folding sheet, are the amounts of surplus or deficiency in each year, and the balances carried forward from year to year from 1856 to 1885-6:—

* For particulars of advances and recoups, see tables following paragraphs 240 and 244 *post*. See so footnote (¶) to table following paragraph 234 *post*.

† The figures in the first folding sheet agree with those in the Treasurer's Finance Statements, except as regards the sum of £500,000 raised in 1880-81 by means of Treasury bonds for the temporary relief of the revenue, and the amounts paid for the redemption of these bonds, viz., £471,900 in 1881-2, £18,000 in 1882-3, and £10,100 in 1883-4. These amounts are included in the figures of revenue or expenditure (as the case may be) given in the Finance Statements, but not in those given in the folding sheet.

GROSS SURPLUS OR DEFICIENCY OF REVENUE, AND BALANCES,
1856 TO 1885-6.

Year.			Including Advances Recouped and to be Recouped.*	
			Surplus (+). Deficiency (-).	Balances carried forward. Credit (+). Debit (-).
			£	£
1856	...	...	+303,662	+249,994
1857	...	...	+359,645	+609,639
1858	...	...	-119,337	+490,302
1859	...	...	-132,842	+357,460
1860	...	...	-232,846	+124,614
1861	...	...	-139,920	-15,306
1862	...	...	+229,582	+214,276
1863	...	...	-108,251	+106,025
1864	...	...	+26,435	+132,460
1865	...	...	+93,108	+225,568
1866	...	...	-142,865	+82,703
1867	...	...	-25,501	+57,202
1868	...	...	+41,432	+98,634
1869	...	...	+157,819	+256,453
1870	...	...	-166,499	+89,954
1871 (six months)	...	...	-62,984	+26,970
1871-2	...	...	+74,888	+101,858
1872-3	...	...	+139,182	+241,040
1873-4	...	...	-70,548	+170,492
1874-5	...	...	-81,698	+88,794
1875-6	...	...	-247,688	-158,894
1876-7	...	...	+365,781	+206,887
1877-8	...	...	-129,936	+76,951
1878-9	...	...	-211,859	-134,908
1879-80	...	...	-253,747	-388,655
1880-81	...	...	+77,369	-311,286
1881-2	...	...	+446,598	+135,312
1882-3	...	...	-40,632	+94,680
1883-4	...	...	+219,394	+314,074
1884-5	...	...	+150,005	+464,079
1885-6	...	...	-32,519	+431,560

223. It will be noticed that there was a surplus of revenue in fourteen and a deficiency of revenue in sixteen of the years named; a deficiency also in the six months ended with June, 1871. On the whole, the deficiencies were smaller than the surpluses, as the balance carried forward at the end of the last year exceeded that at the end of the first year of the period by £181,566. The largest surplus of revenue was in 1881-2, but the largest credit balance carried forward was at the end of 1857. The largest deficiency of revenue was in 1879-80, that being also the year at the end of which the largest debit balance was carried forward.

224. No additional taxation was imposed in 1885-6; but under the heads of import duty and excise duty on spirits, increases in the amounts collected of about £15,800 and £5,100 respectively may be estimated to have been due to the increased rates which were imposed

* See footnote to last table.

in 1884-5, but were not in force during the whole of that year.* Moreover, the railways were extended by an average length of 35½ miles, and if £1,000† per mile be allowed for such extension, the extra revenue derivable therefrom would be £35,500. There was also an accidental decrease as follows:—£19,500 in the amount received from duties on estates of deceased persons. Altogether, in consequence of the changes referred to, the receipts of 1885-6, as compared with those of the previous twelve months, show a net increase of £36,900.

Revenue,
1884-5 and
1885-6 com-
pared.

225. The total revenue raised in 1885-6 was £190,660 in excess of that in the previous year; but, by making allowances for recoups and for receipts from sources not common to both years, as shown in the last paragraph, the excess is reduced to £89,145, thus:—

COMPARATIVE REVENUES, 1884-5 AND 1885-6.

	1884-5.	1885-6.
	£	£
Total revenue	6,290,361	6,481,021
Deduct recoups, &c. † ... ..	...	64,615
Revenue proper	£6,290,361	£6,416,406
Deduct amounts from sources } not common to both years } ..	... ..	36,900 §
Comparative amounts	£6,290,361	£6,379,506

Revenue,
1885-6 and
previous
years.

226. The revenue of 1885-6 was the largest ever raised in Victoria. It exceeded the revenue of 1884-5, which was the year in which the largest revenue had previously been realized, by nearly £200,000, as already stated, and exceeded the revenue of 1883-4, which was the year in which the next highest revenue had been raised, by over £546,000.‖ In the ten years ended with the year under review the revenue increased from £4,300,000 to £6,500,000, or by 51 per cent.

Expenditure
1885-6 and
former
years.

227. The expenditure of 1885-6 was also above that of any previous year, it being larger than in 1884-5—the year in which the next largest expenditure occurred—by £373,000.‖ Prior to 1853, the annual expenditure never exceeded one million sterling; from 1853 to 1872-3 it was usually nearly up to or slightly over three millions; from 1873-4 to 1879-80 it was between four and four and three-quarter millions; from 1880-81 to 1883-4 it ranged from five to nearly five

* On the 17th July, 1884, the duty on imported spirits was increased by 2s. per gallon (excepting perfumed spirits, on which it was increased by 4s. per gallon), and the excise duty on Victorian made spirits was increased by 2s. per gallon. The quantity imported was 942,338 gallons in 1883-4, 885,574 gallons in 1884-5, and 907,788 gallons in 1885-6; and the quantity of Victorian spirits on which excise duty was paid was 178,128 gallons in 1883-4, 179,156 gallons in 1884-5, and 167,655 in 1885-6. The extra amount actually received on account of the increased duty on imported spirits was £74,972 in 1884-5, and £90,779 in 1885-6; and on account of excise duty on Victorian made spirits was £12,653 in 1884-5, and £17,765 in 1885-6. Altogether, the extra amount received at the increased rates in 1885-6 was £108,544; whereas, if the quantities had not fallen off since 1883-4, the increased amount would have been £112,200.

† See table of "Earnings and Expenses of Railways per mile open," in part "Interchange," *post*.

‡ See table following paragraph 234 *post*.

§ See last paragraph.

‖ Figures showing the revenue and expenditure in each year from the first settlement of the colony will be found in the Statistical Summary of Victoria (first folding sheet) *ante*.

and three-quarter millions; and in the two years ended with 1885-6 it exceeded six millions sterling.

228. The revenue and expenditure per head for each year from that of separation from New South Wales to 1885-6 will be found in the following table:—

Revenue and expenditure per head, 1851 to 1885-6.

REVENUE AND EXPENDITURE PER HEAD, 1851 TO 1885-6.*

Year.	Average Population of each Financial Year.	Revenue per Head.			Expenditure per Head.		
		£	s.	d.	£	s.	d.
1851	86,825	4	10	5	4	14	8
1852	132,905	12	5	11	7	7	4
1853	195,378	16	11	2	16	9	3
1854	267,371	11	11	0	15	13	1
1855	338,315	8	1	4	7	14	6
1856	380,942	7	16	1	7	0	1
1857	430,347	7	14	8	6	17	11
1858	483,827	6	2	11	6	7	10
1859	517,390	6	6	1	6	11	3
1860	534,055	5	15	5	6	4	2
1861	539,824	5	9	4	5	14	6
1862	548,080	5	19	3	5	10	11
1863	562,960	4	18	6	5	2	5
1864	586,450	5	0	9	4	19	11
1865	611,218	5	0	8	4	17	7
1866	629,038	4	17	11	5	2	5
1867	644,276	4	19	10	5	0	7
1868	663,092	4	17	5	4	16	2
1869	687,202	4	18	6	4	13	10
1870	713,195	4	11	5	4	16	2
1871 (six months)†	731,528	2	6	3	2	8	0
1871-2	747,412	4	19	11	4	17	11
1872-3	758,984	4	16	0	4	12	4
1873-4	772,039	5	6	5	5	8	3
1874-5	783,274	5	8	2	5	10	3
1875-6	791,399	5	9	4	5	15	7
1876-7	801,717	5	17	10	5	8	9
1877-8	815,494	5	10	6	5	13	8
1878-9	827,439	5	11	8	5	16	10
1879-80... ..	840,620	5	9	11	5	16	0
1880-81... ..	860,067	6	0	7	5	18	10
1881-2‡... ..	880,218	6	7	1	5	16	11
1882-3‡... ..	900,222	6	4	8	6	5	7
1883-4‡... ..	921,743	6	8	9	6	4	0
1884-5‡... ..	946,045	6	13	0	6	9	10
1885-6	971,145	6	13	6	6	14	2

Revenue and expenditure per head in 1885-6 and former years.

229. The revenue per head in 1885-6 was larger by 6d., and the expenditure per head was larger by 4s. 4d., than in the previous year, both being larger than in any year since 1857. It will be observed that, in proportion to population, both revenue and expenditure declined

* For amounts per head in 1886-7, see footnote to paragraph 220 *ante*.

† The financial year was changed in 1871, so as to terminate on the 30th June instead of on the 31st December as formerly.

‡ Figures altered since last publication, owing to amendment of estimates of population.

pretty steadily year by year from 1862 to 1872-3, but ever since the latter a gradual increase has taken place, which, with slight fluctuations, has been maintained up to the present time.

230. In the thirty and a half years ended with 1885-6 the revenue raised exceeded the Treasurer's estimate on seventeen occasions, or by £2,859,578; and was less than that estimate on fourteen occasions, or by £2,426,619. Deducting the latter from the former, the net amount by which the result exceeded the estimate is found to have been £432,959. The following table shows the revenue estimated and actually raised, also the difference between those amounts, in each of the years:—

REVENUE ESTIMATED AND RAISED, 1856 TO 1885-6.*

Year.	Revenue.		
	According to Treasurer's Estimate.	Actually Raised.	More (+) or less (-) than Estimate.†
	£	£	£
1856	2,738,600	2,972,496	+ 233,896
1857	3,005,130	3,328,303	+ 323,173
1858	3,197,900	2,973,382	- 224,518
1859	3,384,000	3,261,104	- 122,896
1860	3,150,000	3,082,461	- 67,539
1861	3,136,000	2,952,101	- 183,899
1862	3,113,105	3,269,079	+ 155,974
1863	2,945,600	2,774,686	- 170,914
1864	2,973,000	2,955,338	- 17,662
1865	3,095,400	3,076,885	- 18,515
1866	3,186,265	3,079,160	- 107,105
1867	3,439,078	3,216,317	- 222,761
1868	2,963,050	3,230,754	+ 267,704
1869	3,241,500	3,383,984	+ 142,484
1870	3,332,200	3,261,883	- 70,317
1871 (six months)	1,664,700	1,691,266	+ 26,566
1871-2	3,538,750	3,734,422	+ 195,672
1872-3	3,611,920	3,644,135	+ 32,215
1873-4	3,883,650	4,106,790	+ 223,140
1874-5	4,259,135	4,169,700	- 89,435
1875-6	4,109,750	4,325,156	+ 215,406
1876-7	4,385,716	4,513,738	+ 128,022
1877-8	4,672,880	4,485,412	- 187,468
1878-9	4,855,666	4,520,277	- 335,389
1879-80... ..	5,208,828	4,600,627	- 608,201
1880-81... ..	5,093,647	5,115,041	+ 21,394
1881-2	5,241,544	5,589,972	+ 348,428
1882-3	5,584,104	5,602,066	+ 17,962
1883-4	5,779,775	5,934,578	+ 154,803
1884-5	6,048,720	6,290,361	+ 241,641
1885-6	6,285,308	6,416,406	+ 131,098

NOTE.—Recoups are deducted for all the years since 1873-4, and consequently the figures in many cases differ from those given in previous editions of this work. See end of table following paragraph 240 *post*.

* The revenue for 1886-7 was estimated at £6,516,797, or about £217,000 below the actual result; the probable revenue for 1887-8 was estimated, in July, 1887, at £6,906,706.

† If certain sums which were not included in the Treasurer's estimate be deducted, the deficiency in 1866 would be increased to £149,250; the excess in 1868 would be reduced to £197,864, and that in 1873-4 to £181,473, whilst the excess in 1871 (6 months) would be changed to a deficit of £7,612.

231. The year in which the revenue exceeded the estimate by the largest amount is shown to have been 1881-2, viz., by £348,428, whilst that in which it fell most short of the estimate was 1879-80, viz., by £608,201. In the year under review, the excess over and above the estimate was not so large as in the two preceding years or than 1881-2, but was larger than in any other year since 1875-6.

Years of excessive and defective estimates.

232. The sums voted by the Legislature in any year exceed, as is well known, those actually spent, the difference being sometimes erroneously designated the "savings" of the year. The following table shows the amounts voted and expended and the difference, in each of the thirty and a half years ended with 1885-6 :—

Expenditure authorized and incurred.

AMOUNTS VOTED AND EXPENDED, 1856 TO 1885-6.*

Year.	Amounts—		Balance Unexpended.
	Voted.	Expended.	
	£	£	£
1856	2,588,086	2,327,919	260,167
1857	2,965,610	2,733,562	232,048
1858	3,343,812	2,764,350	579,462
1859	3,273,642	2,982,664	290,978
1860	3,065,784	2,818,107	247,677
1861	2,771,100	2,535,095	236,005
1862	2,617,664	2,359,280	258,384
1863	2,163,855	2,003,961	159,894
1864	2,153,324	1,968,053	185,271
1865	2,399,936	1,976,587	423,349
1866	2,493,213	2,227,297	265,916
1867	2,316,423	2,190,279	126,144
1868	2,255,307	2,199,504	155,803
1869	2,378,772	2,202,798	175,974
1870	2,338,927	2,086,736	252,191
1871 (six months)	1,077,228	1,004,283	72,945
1871-2	2,175,505	2,064,436	111,069
1872-3	2,405,238	2,074,127	331,111
1873-4	3,045,430	2,751,313	294,117
1874-5	3,197,493	2,848,016	349,477
1875-6	2,903,710	2,753,866	149,844
1876-7	2,993,036	2,812,405	180,631
1877-8	3,276,921	2,973,815	303,106
1878-9	3,418,656	3,183,240	235,416
1879-80	3,594,139	3,446,795	147,344
1880-81	3,765,422	3,621,954	143,468
1881-2	3,740,419	3,571,667	168,752
1882-3	4,538,516	4,228,871	309,645
1883-4	4,507,241	4,193,169	314,072
1884-5	4,683,259	4,437,036	246,223
1885-6	4,990,824	4,696,924	293,900

NOTE.—The figures for the years subsequent to 1873-4 have been corrected since last publication by deducting recoups.

233. By adding the figures in the last column, it is found that the sum of the unexpended balances in the thirty and a half years amounted to

Amount unexpended, 1856-86.

* The amount voted for 1886-7 was £5,055,629, and the approximate expenditure in that year was £4,871,828, leaving an unexpended balance of £183,800. The probable expenditure from votes in 1887-8 was estimated in July, 1887, at £5,449,287.

7½ millions sterling, the exact amount being £7,500,383 or to an average of about £245,900 per annum.

Heads of
revenue,
1884-5 and
1885-6.

234. The various sources from which the revenue of Victoria is derived may be grouped in five main divisions, viz.:—Taxation, Land, Public Works, Post and Telegraphs, and Other Sources. In 1885-6, £2,634,000, or 41 per cent. was derived from taxation; £564,000, or 8½ per cent. from land; £2,895,000, or 45¼ per cent. from what may be termed the commercial undertakings of the Government, viz.:—Public Works and Post and Telegraphs, to which the State Railways contributed as much as £2,307,000, or 36 per cent. of the total revenue; whilst the balance, amounting to £323,000, or about 5 per cent. of the whole was derived from other sources. Of the Land Revenue, amounting to £564,000, by far the greater proportion, or 7½ per cent. of the total revenue, was derived from the sale of public land, which being a receipt arising from the realization of one of the most valuable assets of the country is obviously not a permanent source of income. Portion of this amount is now properly treated as capital, for, on reference to the statement of expenditure, it will be seen that a sum of nearly £89,000 was paid towards the construction of Railways as directed by a recent Act of Parliament,* which provides that all proceeds arising from the sale of public lands by auction shall be paid to the credit of the Railway Construction Account. In 1885-6, however, the amount so paid represented only one-fifth of the total proceeds from land sales, the great bulk of land alienated, being disposed of otherwise than at auction. The following is a statement of the amounts received under various heads† in each of those divisions during the last two financial years, together with the increase or decrease under each head:—

HEADS † OF REVENUE, 1884-5 AND 1885-6.

Heads of Revenue.	Amounts Received.		Increase.	Decrease.
	1884-5.	1885-6.		
TAXATION.				
	£	£	£	£
Customs duties (including also wharfage rates)	1,919,539	2,004,460	84,921	...
Excise	141,225	137,709	...	3,516
Ports and harbours (chiefly tonnage dues)	31,176	32,710	1,534	...
Licences (business)	32,535	33,922	1,387	...
Duties on estates of deceased persons	124,370	104,907	...	19,463
Duties on bank notes	27,529	28,769	1,240	...

NOTE.—For further details of the revenue under each head, see table following paragraph 236 *post*, and for particulars of revenue in 1886-7, see Appendix B.

* Land Act 1884 (48 Vict. No. 812), section 78.

† The heads of Revenue and Expenditure are arranged according to a classification agreed upon at a conference of representatives of several of the Australian colonies upon the subject of statistics, which was held in Tasmania in January, 1875.—See Report of Conference, with introductory letter by the Government Statist of Victoria, Parliamentary Paper No. 11, Session 1875.

HEADS* OF REVENUE, 1884-5 AND 1885-6—continued.

Heads of Revenue.	Amounts Received.		Increase.	Decrease.
	1884-5.	1885-6.		
TAXATION—continued.				
Stamp duty †	£ 143,382	£ 165,313	£ 21,931	£ ...
Land tax	128,415	126,770	...	1,645
Total	2,548,171	2,634,560	86,389 †	...
LAND REVENUE.				
Land sales (including rents counting towards purchase money)	555,507	465,766	...	89,741
Rents of Crown lands (not counting towards purchase money)	110,777	97,658	...	13,119
Penalties under Land Acts	273	184	...	89
Total	666,557	563,608	...	102,949 †
PUBLIC WORKS.				
Railways	2,200,067	2,306,791	106,724	...
Water supply §	165,968	190,815	24,847	...
Other public works	3,325	3,364	39	...
Total	2,369,360	2,500,970	131,610 †	...
POST AND TELEGRAPHS.				
Postal receipts, &c. †	289,630	300,534	10,904	...
Telegraph receipts, &c. †	90,926	93,650	2,724	...
Total †	380,556	394,184	13,628 †	...
OTHER SOURCES.				
Mint charges	13,042	11,705	...	1,337
„ subsidy returned	5,304	4,613	...	691
Fees, fines, &c. (inclusive of fee stamps) †	123,428	128,523	5,095	...
Interest on public account	98,341	84,973	...	13,368
Rents (other than Crown lands)	2,031	14,905	12,874	...
Reimbursements in aid || ... ..	52,232	49,187	...	3,045
Miscellaneous receipts	31,339	29,178	...	2,161
Total	325,717	323,084	...	2,633 †
Total Revenue Proper	6,290,361	6,416,406	126,045 †	...
Recoups or assets realized ¶ ... ..	...	64,615	64,615	...
Grand Total	6,290,361	6,481,021	190,660 †	...

235. It will be observed that the increase in the revenue proper of 1885-6, as compared with that of the previous year, amounting in all to £126,000, was the net result of an increase of £86,300 under the head of Taxation, £131,600 under the head of Public Works, and £13,600

Increased revenue, 1885-6, under various heads.

* For further details see paragraph 236 post.

† Estimated by the Postal Authorities. Since the 1st January, 1884, the stamps hitherto used to denote stamp duty, postage, and fees have been made interchangeable, and only one class of stamps for all purposes is now issued; and since the 1st July, 1884, the telegraph revenue has also been collected by means of stamps. The "Postal receipts" include commission on money orders; also "poundage" on postal notes, from 1st January, 1885.

‡ Net figures. § Including interest on loans to local bodies for waterworks.

|| Embracing amounts received by departments which are not charged, or are only casually charged, with the collection of revenue, such as proceeds of the labour of prisoners, sums paid for the care of lunatics and of children in Industrial and Reformatory Schools; for the services of the police when specially applied for; for the sale of works by the Government Printer; for the storage of gunpowder; for quarantine expenses, &c.

¶ A recoup is a recovery in after years of moneys advanced in previous years from the revenue. It is included in the revenue in order to balance a similar amount charged to the expenditure of a previous year. Such advances are usually voted by Parliament in anticipation of a loan.

under the head of Post and Telegraphs; less a decrease of £102,900 in the Land Revenue, and £2,600 in the income from other sources. In the Public Works division the largest increase was £106,700 in the revenue from Railways, which, moreover, exceeds by over £70,000 the amount which might have been expected, viz., £35,500, from the increased length of lines open for traffic.* Notwithstanding the reductions made in the rates of postage on newspapers and packets, and in the charges for telegrams to the neighbouring colonies,† it is satisfactory to note a continued increase in the revenue from Post and Telegraphs; the total increase since 1883-4, before reductions were made in telegraphs, being £44,900, or 13 per cent. The increase in the amount raised by taxation will be subsequently referred to.‡ The decrease in the Land Revenue resulted from a falling-off of £89,700 in land sales, and a falling-off of £13,119 in the receipts from rents for temporary occupation, occasioned by delay in the issue of pastoral leases under the new Land Act which came into force on the 29th December, 1884.

236. The heads of revenue arranged in the preceding table are necessarily comprehensive, but, in order to give some idea of the subordinate items embraced therein, the details for the two years under some of the more important heads, except taxation, which will be dealt with later on,‡ are summarized below:—

HEADS OF REVENUE DETAILED, 1884-5 AND 1885-6.

Heads of Revenue.	1884-5.	1885-6.
LAND SALES.		
Sales by Auction	£ 109,064	£ 89,579 §
„ under Deferred Payments—Progress payments... ..	388,892	323,669
„ „ „ Final „	56,242	48,143
„ otherwise	1,309	4,375
Total	555,507	465,766
RENTS OF CROWN LANDS.		
Pastoral Occupation.—Rents of runs	} 55,599	43,989
„ „ „ Grazing licences		
„ „ „ Mallee pastoral leases		
Auriferous and Mineral Lands (including Miners' Rights)	19,809	16,735
Licences and Leases (not agricultural)	29,591	32,216
Business licences on gold-fields	339	320
Total	110,777	97,658
WATER SUPPLY, &c.		
Melbourne (Yan Yean)	127,826	139,058
Geelong	7,081	19,346
Gold-fields	19,019	7,348
Interest on Loans to Local Bodies	11,786	20,094
„ „ „ Water Trusts	256	4,969
Total	165,968	190,815

* See paragraph 224 ante.

† See *Victorian Year-Book* for 1883-4, paragraph 774; also that work for 1884-5, paragraph 1040

‡ See paragraph 287 et seq. post.

§ Including £908 for interest on deferred payments. The purchase money of land sold by auction may now be spread over three years with interest at 6 per cent. added.

HEADS OF REVENUE DETAILED—*continued.*

Heads of Revenue.	1884-5.	1885-6.
OTHER PUBLIC WORKS.		
Alfred Graving-dock	£ 3,057	£ 2,358
Fifty-ton Crane	268	315
Ferry Fares (from Harbour Trust) ... ..	...	691
Total	3,325	3,364
POST AND TELEGRAPHS.		
Postal receipts, &c.:—		
Postage (estimated)*	281,133	291,121
Commission on Money Orders	8,145	8,417
Poundage on Postal Notes †	352	996
Electric Telegraphs (estimated)	85,945	87,956
Telephones, &c.	4,981	5,694
Total	380,556	394,184
FINES, FEES, ETC.		
Fee Stamps sold (estimated)*	65,000	70,000
Fees, Preparation and Registration of Grants and Leases, and Survey of Lands	27,907	33,478
„ Customs and Harbour Departments	9,238	8,997
„ Law Courts	3,153	3,174
„ Curator of Estates of Deceased Persons	2,016	1,396
„ Mining Department	665	805
„ Other	3,227	4,290
Fines (principally in law courts)	12,222	6,383
Total	123,428	128,523
REIMBURSEMENTS IN AID.		
Towards Maintenance of Industrial School children, prisoners, and lunatics	17,469	19,018
Receipts for Miscellaneous services rendered (Police protection, &c.)	6,982	6,709
Sale of Books and Documents (Government Printer) ...	18,364	18,998
Aboriginal Stations—Sale of produce	82	1,066
Local Forces—Sale of Rifles, &c.	9,265	3,246
Other Reimbursements	152	150
Total	52,314	49,187
MISCELLANEOUS RECEIPTS.		
Sale of Government Property	3,976	4,546
Transfers from Trust Funds to Revenue	12,179	11,322
Melbourne City Council, &c. (on account of Park lands) ...	3,250	3,250
Immigration Tax on Chinese	460	1,080
Repayments to the Credit of Appropriations	966	2,799
Customs Overtime receipts	223	362
Government Experimental Farm	1,927	81
Contribution towards suppression of <i>Phylloxera</i> — New South Wales Government	6,667 ‡	...
Education Department—Sale of property, rents, &c. ...	298	243
Cost of Rations recovered from warders, &c. ... ..	...	4,226
Oriental Bank—Exchange, &c., refunded ... ..	...	243
Other Receipts	1,311	1,026
Total	31,257	29,178

237. No recoups were made to the revenue in 1884-5. The amounts Recoups, 1884-5 and 1885-6. recouped in 1885-6 were £50,000, expended in 1883-4 on rails for

* It is believed that this estimate is based on uncertain data. See also note (†) on page 119 *ante*.

† Postal notes were first issued on 1st January, 1885.

‡ In the previous year the South Australian Government contributed a similar amount.

re-construction or renewal of lines of railway, now charged to the Loan Account, and two amounts, viz., £8,050 and £6,565, advanced in 1884-5 for water supply in country districts, and railway construction respectively.

238. At the end of the financial year 1885-6, the total amount owing to the revenue was £143,274, as compared with £341,406 at the end of June 1885. The decrease shown is owing to a balance exceeding £200,000 which had been due by the Official Liquidator of the late Oriental Bank having been paid in full during the year 1885-6. Of the amount still owing, nearly six-sevenths was for interest due by local bodies on moneys lent for the construction of waterworks, it being arranged not only that the interest should be paid annually, but that a further amount, generally equal to about 2 per cent. upon the sum advanced, should be lodged each year to the credit of a sinking fund, in order that the debt might be eventually extinguished. The following are the particulars of the outstanding balances referred to:—

AMOUNTS DUE TO THE REVENUE, 30TH JUNE, 1886.

When advanced.	Particulars.	Balance Outstanding.
1874-5	Advanced to Labour Bureau	£ 760
1875-6 to 1879-80	„ Mining Companies, to assist in development of Mining industry, &c.	19,813
	Interest due by Corporations on Loans for Waterworks ...	75,757
1885-6	„ „ Trusts	7,195
	Ballarat Water Commission—Arrears of Interest on Loans capitalized	32,019
1885-6	Beechworth Shire—Arrears of Interest on Loans capitalized	1,902
	Balance of Compensation—to be refunded	208
	Lessees of Mallee blocks—For surveys	5,620
	Total	143,274

239. The amount owing to the Government by the Oriental Bank Corporation, on the 3rd May, 1884, the date at which it stopped payment, was £434,151, of which £204,196 was held in London, and £229,955 in Melbourne. Of the former £196,544 was part of the proceeds of the Loan, under Act No. 760, and of the latter £174,499 was held in cash. The first moiety, amounting to £217,076, was paid on the 10th March, 1885, and the balance on the 10th February, 1886, interest being allowed from the date the bank stopped payment at the rate of $1\frac{1}{4}$ per cent. per annum. The total amount of interest received was £7,129.

240. In the following table the heads of revenue* and the amounts received under each head are given for the last twelve financial years:—

* See footnote to paragraph 234 ante.

Unrecouped
advances,
1885-6.

Amount
owing and
paid by
Oriental
Bank.

Heads of
revenue,
1874-5 to
1885-6.

HEADS OF REVENUE, 1874-5 TO 1885-6.

Heads of Revenue.	Year.	Amounts Received.	Heads of Revenue.	Year.	Amounts Received.
TAXATION.		£	TAXATION—		£
	1874-5	1,628,235	<i>continued.</i>	1874-5	32,526
	1875-6	1,657,788		1875-6	48,963
	1876-7	1,631,832		1876-7	44,104
	1877-8	1,487,448*		1877-8	72,500
	1878-9	1,378,384		1878-9	47,983
Customs duties	1879-80	1,377,782	Duties on estates of	1879-80	37,928
(including also	1880-81	1,474,778	deceased persons	1880-81	78,141
wharfage rates)	1881-2	1,694,652		1881-2	74,368
	1882-3	1,769,004		1882-3	86,648
	1883-4	1,769,108		1883-4	77,154
	1884-5	1,919,539†		1884-5	124,370
	1885-6	2,004,460		1885-6	104,907
	1874-5	32,475		1874-5	...
	1875-6	33,437		1875-6	7,191||
	1876-7	34,768		1876-7	27,248
	1877-8	36,309		1877-8	26,672
	1878-9	36,088		1878-9	24,956
Excise ‡ ...	1879-80	41,230	Duties on bank	1879-80	22,470
	1880-81	136,661	notes	1880-81	23,807
	1881-2	216,547		1881-2	27,324
	1882-3	134,711		1882-3	28,685
	1883-4	123,654		1883-4	28,575
	1884-5	141,225		1884-5	27,529
	1885-6	137,709		1885-6	28,769
	1874-5	19,935		1874-5	...
	1875-6	22,104		1875-6	...
	1876-7	20,993		1876-7	...
	1877-8	22,647		1877-8	...
	1878-9	20,310		1878-9	...
Ports and harbours	1879-80	19,194	Stamp duties ¶ ...	1879-80	83,005
(chiefly tonnage	1880-81	20,577		1880-81	115,844
dues)	1881-2	26,263		1881-2	131,020
	1882-3	27,787		1882-3	133,433
	1883-4	30,871		1883-4	133,651
	1884-5	31,176		1884-5	143,382
	1885-6	32,710		1885-6	165,313
	1874-5	10,714		1874-5	...
	1875-6	10,712		1875-6	...
	1876-7	11,688		1876-7	...
	1877-8	17,150§		1877-8	50,227
	1878-9	20,116		1878-9	202,251
Licences (business)	1879-80	21,761	Land tax ** ...	1879-80	87,553
	1880-81	23,906		1880-81	129,990
	1881-2	25,977		1881-2	121,555
	1882-3	28,381		1882-3	125,606
	1883-4	31,623		1883-4	123,884
	1884-5	32,535		1884-5	128,415
	1885-6	33,922		1885-6	126,770

* During and after this year, four-fifths of the wharfage rates for the Port of Melbourne, which had previously formed part of the Customs revenue, were transferred to the Harbour Trust.

† Duty on spirits increased on 17th July, 1884.

‡ Beer and tobacco duties imposed on the 1st November, 1880, the former having expired by effluxion of time on the 31st August, 1882. Duty on spirits increased on 17th July, 1884.

§ Including a proportion, amounting to £4,600, of publicans' licence fees, &c., received, for the first time, under Act 40 Vict. No. 566, section 111.

|| For six months only.

¶ The duties were imposed on the 18th December, 1879, and consequently the amount received in 1879-80 was for only 6½ months. Since 1st January, 1884, the revenue therefrom has been estimated. See footnote (†) on page 119 *ante*. For particulars of the duties levied, see paragraph 312 *post*.

** The amount of land tax payable annually varied in the years named from £126,000 to £124,000. The fluctuations in the revenue above and below this limit were due to the irregular payment of the tax. Further particulars are given in subsequent paragraphs.

HEADS OF REVENUE 1874-5 TO 1885-6—continued.

Heads of Revenue.	Year.	Amounts Received.	Heads of Revenue.	Year.	Amounts Received.	
TAXATION— continued.			PUBLIC WORKS— continued.			
Tolls	1874-5	£ 937	Water supply† ...	1874-5	96,707	
	1875-6	197		1875-6	102,438	
	1876-7	52		1876-7	115,869	
<hr/>				1877-8	112,183	
LAND REVENUE.	1874-5	767,624		1878-9	120,346†	
Land sales (including rents counting towards purchase money)	1875-6	782,069		1879-80	121,103†	
	1876-7	783,311		1880-81	139,411	
	1877-8	756,674		1881-2	138,274	
	1878-9	802,254		1882-3	152,328	
	1879-80	694,321		1883-4	165,033	
	1880-81	701,276		1884-5	165,968	
	1881-2	697,558		1885-6	190,815	
	1882-3	563,790		Other Public works	1874-5	5,897
	1883-4	614,548			1875-6	5,845
	1884-5	555,507			1876-7	5,638
1885-6	465,766	1877-8			5,190	
Rents of Crown lands (not counting towards purchase money)	1874-5	173,601			1878-9	5,879
	1875-6	184,776			1879-80	4,142
	1876-7	208,872	1880-81		2,470	
	1877-8	186,337	1881-2		4,035	
	1878-9	163,207	1882-3		2,357	
	1879-80	147,994	1883-4		1,866	
	1880-81	133,913	1884-5	3,325		
	1881-2	126,268	1885-6	3,364		
	1882-3	114,845	<hr/>			
	1883-4	103,189	POST AND TELE- GRAPHS.	1874-5	198,326	
1884-5	110,777	Postage, tele- graphs, tele- phones, money orders, &c.§	1875-6	209,213		
1885-6	97,658		1876-7	226,597		
Penalties under Land Acts	1874-5		5,528	1877-8	239,002	
	1875-6		53,167	1878-9	244,761	
	1876-7		54,232	1879-80	249,414	
	1877-8		14,704	1880-81	272,316	
	1878-9		3,774	1881-2	297,701	
	1879-80		1,749	1882-3	324,967	
	1880-81		1,281	1883-4	349,278	
	1881-2		2,313	1884-5	380,556	
	1882-3	1,298	1885-6	394,184		
	1883-4	1,572	<hr/>			
1884-5	273	OTHER SOURCES.	1874-5	7,504		
1885-6	184	Mint charges ...	1875-6	7,659		
<hr/>			1876-7	7,512		
PUBLIC WORKS.	1874-5		921,714	1877-8	7,247	
Railways	1875-6		983,033	1878-9	7,906	
	1876-7		1,078,082	1879-80	10,158	
	1877-8		1,202,280	1880-81	10,197	
	1878-9		1,222,241	1881-2	10,917	
	1879-80		1,468,909*	1882-3	11,292	
	1880-81		1,578,432	1883-4	10,415	
	1881-2		1,715,260	1884-5	13,042	
	1882-3	1,838,284	1885-6	11,705		
	1883-4	2,079,249	<hr/>			
	1884-5	2,200,067				
1885-6	2,306,791					

* Including, for the first time, revenue derived from the Melbourne and Hobson's Bay system—purchased by the Government—amounting to £203,679. This amount consists of £43,728 net revenue for 1878-9 and £159,951 gross revenue for 1879-80.

† Including interest on loans to local bodies.

‡ Revised and corrected since last publication.

§ Partly estimated since 1882-3.

HEADS OF REVENUE, 1874-5 TO 1885-6—continued.

Heads of Revenue.	Year.	Amounts Received.	Heads of Revenue.	Year.	Amounts Received.
OTHER SOURCES— <i>continued.</i>		£	OTHER SOURCES— <i>continued.</i>		£
Mint subsidy re- turned	1874-5	4,299	Rents (other than Land)	1874-5	749
	1875-6	10,695		1875-6	674
	1876-7	7,104		1876-7	730
	1877-8	447		1877-8	824
	1878-9	6,624		1878-9	935
	1879-80	6,350		1879-80	799
	1880-81 [†]	5,628		1880-81	921
	1881-2	5,344		1881-2	997
	1882-3	4,103		1882-3	1,548
	1883-4	4,852		1883-4	3,058
	1884-5	5,304		1884-5	2,031
	1885-6	4,613		1885-6	14,905
Fees, fines, &c.*(ex- clusive of Land Act penalties)	1874-5	111,304	Reimbursements in aid	1874-5	28,981
	1875-6	112,664		1875-6	37,619
	1876-7	121,676		1876-7	34,372
	1877-8	119,632		1877-8	36,774
	1878-9	113,177		1878-9	28,637
	1879-80	110,639		1879-80	23,860
	1880-81	113,736		1880-81	31,290
	1881-2	120,768		1881-2	33,675
	1882-3	117,296		1882-3	33,570
	1883-4	111,695		1883-4	49,441
	1884-5	123,428		1884-5	52,232
	1885-6	128,523		1885-6	49,187
Interest on Public Account, &c.	1874-5	66,874	Miscellaneous re- ceipts [†]	1874-5	55,770
	1875-6	38,595		1875-6	16,317
	1876-7	79,456		1876-7	19,602
	1877-8	70,716		1877-8	20,449
	1878-9	42,281		1878-9	28,167
	1879-80	45,611		1879-80	24,655
	1880-81	78,605		1880-81	41,861 [†]
	1881-2	92,025		1881-2	27,131 [†]
	1882-3	55,922		1882-3	46,211
	1883-4	85,537		1883-4	36,325
	1884-5	98,341		1884-5	31,339
	1885-6	84,973		1885-6	29,178

SUMMARY.

Year.	Revenue derived from—					Total Revenue Proper.	Recoups from Loans and Assets realized.	Grand Total Revenue.
	Taxation.	Land.	Public Works.	Post and Telegraphs.	Other Sources.			
	£	£	£	£	£	£	£	£
1874-5	1,724,822	946,753	1,024,318	198,326	275,481	4,169,700	66,723	4,236,423
1875-6	1,780,392	1,020,012	1,091,316	209,213	224,223	4,325,156	...	4,325,156
1876-7	1,770,685	1,046,415	1,199,589	226,597	270,452	4,513,738	210,139	4,723,877
1877-8	1,712,953	957,715	1,319,653	239,002	256,089	4,485,412	19,001	4,504,413
1878-9	1,730,088	969,235	1,348,466 [†]	244,761	227,727	4,520,277 [†]	101,243	4,621,520
1879-80	1,690,923	844,064	1,594,154 [†]	249,414	222,072	4,600,627 [†]	20,655	4,621,282
1880-81	2,003,704	836,470	1,720,313	272,316	281,501	5,115,041 [†]	70,370	5,186,011 [§]
1881-2	2,317,706	826,139	1,857,569	297,701	290,357	5,589,972 [†]	2,390	5,592,362
1882-3	2,334,255	679,933	1,992,969	324,967	269,942	5,602,066	9,187	5,611,253
1883-4	2,318,520	719,309	2,246,148	349,278	301,323	5,934,578	109	5,934,687
1884-5	2,548,171	666,557	2,369,360	380,556	325,717	6,290,361	...	6,290,361
1885-6	2,634,560	563,608	2,500,970	394,184	323,084	6,416,406	64,615	6,481,021

* Partly estimated since 1882-3.

† Including "Immigration deposits," £23,074, and accumulation of pension fund transferred to revenue, £14,500, in 1874-5; and fire insurance on Government Printing Office, £12,000, in 1882-3.

‡ Revised and corrected since last publication.

§ Not including £500,000 raised by means of Treasury Bonds.

Heads of expenditure, 1884-5 and 1885-6.

241. Of the total expenditure of Victoria in 1885-6, £1,141,000— or $17\frac{1}{2}$ per cent.—was disbursed to defray the cost of Government, maintenance of law and order, and provision against foreign attack; £665,000—or 10 per cent.—was contributed towards public instruction and the advancement and dissemination of knowledge; £274,000—or over 4 per cent.—was expended on public charities, or devoted to the preservation of the public health; £102,000—or $1\frac{1}{2}$ per cent.—was expended on the management and survey of the Crown lands, being about £4,000 more than the gross annual rental therefrom; as much as £3,206,000—or 49 per cent.—was absorbed in connexion with the various commercial undertakings of the Government, viz., £1,359,000 on Railways and Waterworks, £565,000 on Post and Telegraphs, and £1,282,000 in interest upon loans raised chiefly for the construction of the former, £71,000 was the cost of collecting the revenue from Customs duties and Excise, £39,000 was spent on the maintenance of Ports and Harbours, and £156,000—or $2\frac{1}{2}$ per cent.—was granted in aid of the agricultural and mining industries. The amounts just enumerated, together with £85,000 expended on miscellaneous services, form the ordinary annual expenditure for the year; but besides this, an amount of £774,000—or 12 per cent. of the total expenditure—was spent on productive and unproductive public works of a permanent character, viz., £87,000 on Railways, and £687,000 on “Miscellaneous Public Works,” which embraces the cost of erection of public offices and buildings of all kinds, expenditure on roads and bridges, and municipal subsidies. These amounts appear as a set-off against the proceeds of land sales, before referred to,* which they even exceeded by £308,000. The following are the heads of expenditure† during the years 1884-5 and 1885-6, also the increase or decrease in the latter year:—

HEADS OF EXPENDITURE,‡ 1884-5 AND 1885-6.

Heads of Expenditure.	Amounts Expended.		Increase.	Decrease.
	1884-5.	1885-6.		
GENERAL GOVERNMENT.				
Civil list §	£ 41,055	£ 40,962	£ ...	£ 93
Legislature	56,903	64,136	7,233	...
Civil establishment ||	117,586	122,593	5,007	...
Retiring allowances and pensions	70,187	73,214	3,027	...
Gratuities, compensations, &c.	47,772	44,078	...	3,694
Total	333,503	344,983	11,480	...

* See paragraph 234 ante.

† See footnote (t) to paragraph 239 ante.

‡ For further details, see table following paragraph 243 post.

§ Including Governor's salary, and salaries of Ministers, Commissioners of Audit, Agent-General, expenses of Executive Council, and Public Service Board.

|| Including cost of the following departments:—Chief Secretary, Shorthand Writer, Agent-General's Office, Audit Office, Registrar of Friendly Societies, Treasury, Stores and Transport, and Government Printer.

HEADS OF EXPENDITURE,* 1884-5 AND 1885-6—continued.

Heads of Expenditure.	Amounts Expended.		Increase.	Decrease.
	1884-5.	1885-6.		
	£	£	£	£
LAW, ORDER, AND PROTECTION.				
Judicial and legal	183,297	191,290	7,993	...
Police	217,684	224,237	6,553	...
Gaols and penal establishments	57,311	60,644	3,333	...
Defences—Naval and Military †	198,773	319,938	121,165	...
Total	657,065	796,109	139,044	...
EDUCATION, SCIENCE, CHARITY, ETC.				
Public instruction, science, &c. ‡	610,026	665,442	55,416	...
Charitable institutions, medical, &c. §	262,359	273,705	11,346	...
Total	872,385	939,147	66,762	...
CROWN LANDS.				
Administration and survey	104,875	107,556	2,681	...
Agriculture, &c.	51,065	84,781	33,716	...
Mining	56,736	71,462	14,726	...
Total	212,676	263,799	51,123	...
PUBLIC WORKS.				
Railways—Working expenses	1,409,993	1,323,873	...	86,120
„ Construction account ... ..	...	88,667	88,667	...
Water supply	32,282	35,511	3,229	...
Other Public works || ... ..	640,555	686,825	46,270	...
Total	2,082,830	2,134,876	52,046	...
Post and Telegraphs ¶	534,373	564,620	30,247	...
PUBLIC DEBT.				
Interest and expenses—Railways	1,031,666	1,017,374	...	14,292
„ „ Water supply	141,472	157,428	15,956	...
„ „ Other works	98,769	107,208	8,439	...
Total	1,271,907	1,282,010	10,103	...
TRADE, NAVIGATION, ETC.				
Customs	71,710	70,925**	...	785
Harbours and lights	28,941	38,988	10,047	...
Total	100,651	109,913	9,262	...

* For further details, see table following paragraph 243 *post*.

† For expenditure on Defences, see also Part "Defences," *post*.

‡ Including expenditure under the following heads:—Education; Government Statist; Observatory; Government Botanist; Public Library, Museums, and National Gallery; Grants to Mechanics' Institutes, Free Libraries, &c.; and Grants to Schools of Mines and Design.

§ Including expenditure under the following heads:—Chief Medical Officer; Central Board of Health; Hospitals for Insane; Industrial and Reformatory Schools; and Grants to Charitable Institutions.

|| The cost of erecting and repairing Government Offices, and making and repairing furniture therefor, is not charged to the respective departments, but is placed under this head, which also embraces the cost of all Public Works, except Railways, Waterworks, and Telegraph lines, and works provided for out of loans; it also includes expenditure on Roads and Bridges, and the annual subsidy of £310,000 to Municipalities. For a summary of the various works, see detailed table, page 243 *post*.

¶ Including interest on Post Office Savings Banks deposits.

** Including £300, refunds of duty.

HEADS OF EXPENDITURE,* 1884-5 AND 1885-6—continued.

Heads of Expenditure.	Amounts Expended.		Increase.	Decrease.
	1884-5.	1885-6.		
OTHER EXPENDITURE.	£	£	£	£
Mint subsidy †	20,000	20,000	...	...
Aborigines	10,500	10,514	14	...
Miscellaneous services	29,851	47,569	17,718	...
Total	60,351	78,083	17,732	...
Total expenditure proper	6,125,741	6,513,540	387,799	...
Amounts to be recouped, &c.	14,615	...	...	14,615
Grand Total	6,140,356	6,513,540	373,184	...

NOTE.—For particulars of Expenditure in 1886-7, see Appendix B *post*.

Chief items
of increased
expenditure,
1885-6.

242. It will be observed that in 1885-6 an increase occurred under nearly all the heads of expenditure, the most striking increases being £121,100 appearing under the head of Defences; £88,700 under the Railway Construction Account (which item did not appear in the previous year's expenditure); £55,400 under Public Instruction; £46,300 under Other Public Works; £30,200 under Post and Telegraphs, notwithstanding the increase of only £13,600 in the revenue, before referred to; £17,700 under "Miscellaneous Services," of which nearly £10,000 was the cost of the Colonial and Indian Exhibition, and £4,600 was the increased amount paid for "Carriage of Volunteer Fire Brigades." The principal decreases were £86,100 in the working expenses of railways; £14,300 in the interest paid on the Railway debt, which, however, was more than compensated by an increase of £24,400 in that paid on the debt raised for "Other Purposes"; and £3,700 under the head of "Gratuities," &c., which also was nearly counterbalanced by an increase of £3,000 under the head of "Retiring Allowances." As compared with the previous year, the Railway finances apparently show much improvement, for not only did the working expenses fall off by £86,000, but the revenue increased by over £100,000. ‡ It should be pointed out, however, that the real improvement is not so great as it would thus appear, for the Railway expenditure of the preceding year was exceptionally high; but if the figures be compared with those of 1883-4, the Railway revenue will be found to show an increase of £227,500, and the Railway expenditure an increase of £216,800, or a net result of £10,700 in favour of the former.

* For further details, see table following paragraph 243 *post*.

† Although the annual subsidy to the Mint is £20,000, portion of that sum has been repaid each year to the revenue. See table following paragraph 234 *ante*, under the head "Mint subsidy returned."

‡ See table following paragraph 235 *ante*.

During the same period, the interest on the Railway Debt—owing chiefly to a renewal of the loans at a lower rate of interest—has increased by only £9,000.

243. The details of the expenditure for the same two years under several of the more important heads are as follow:—

Heads of expenditure detailed.

HEADS OF EXPENDITURE DETAILED, 1884-5 AND 1885-6.

Heads of Expenditure.	1884-5.	1885-6.
CIVIL LIST.		
Governor's Salary ...	£ 10,000	£ 10,000
Salaries of Ministers ...	15,500	15,262
Executive Council ...	1,412	1,482
Agent-General ...	2,500	2,500
Commissioners of Audit ...	2,450	2,525
Public Service Board ...	4,500	4,500
Protectorate of New Guinea—Contribution towards ...	4,693	4,693
Total ...	41,055	40,962
LEGISLATURE.		
Legislative Council ...	5,529	6,257
„ Assembly ...	10,782	10,645
Parliamentary Library ...	2,774	2,730
„ Refreshment Rooms ...	983	1,062
Victorian <i>Hansard</i>	2,149	2,225
Expenses of Members of the Legislative Assembly ...	22,675	20,890
Electoral Expenses... ..	12,011	20,327
Total ...	56,903	64,136
CIVIL ESTABLISHMENT.		
Public Service Board—Office ...	1,343	1,925
Chief Secretary's Office ...	9,211	8,205
Secretary to Premier ...	6,880	7,349
Shorthand Writer ...	2,886	2,669
Agent-General's Office ...	3,237	3,500
Audit Office ...	7,670	7,795
Treasury ...	32,363	30,864
Government Printer ...	52,739	53,818
„ „ Stamp printing ...	...*	4,832
Inspector of Stores... ..	...	512
Registrar of Friendly Societies † ...	303	405
Sundries ...	954	719
Total ...	117,586	122,593
DEFENCES.		
Special Appropriation authorized under Act 47 Vict. No. 777 (for 5 years)	110,000	110,000
Office Staff ...	1,528	2,034
Ammunition Fund—To replace loss on supply to Rifle Clubs, &c.	1,500	2,500
Purchase of Rifles and modern warlike stores ...	3,086‡	9,335 ‡
Cadet Corps ...	81	422
Mounted Rifles ...	...	2,480
Grants to Rifle Associations, &c., for prizes ...	525	850

* Included in this and former years under the head of Post and Telegraphs. The stamp printing was undertaken by the Government Printer on the 1st July, 1885.

† The statistical and actuarial work in connexion with Friendly Societies is performed in the office of the Government Statist, which is placed under the head of "Public Instruction, Science, &c.," *post*.

‡ This was the amount realized in the previous year on the sale of rifles and obsolete stores.

HEADS OF EXPENDITURE DETAILED—*continued.*

Heads of Expenditure.	1884-5.	1885-6.
DEFENCES—<i>continued.</i>		
	£	£
Compensation for injuries sustained ... ..	...	322
" damage to land at Queenscliff consequent upon Defence Works	510	...
Special Expenditure in connection with recent war preparations	...	41,916
Release of mortgage on Carlton Orderly-room	1,236	...
Sundries	316	79
	8,782	59,938
Defence Works and Buildings	79,991	150,000
Grand total	198,773	319,938
JUDICIAL AND LEGAL.		
Judges' Salaries (including Master-in-Equity)	16,381	18,025
" other Expenditure	3,721	4,690
Crown Law Officers	17,483	16,499
" Solicitor	6,023	7,659
Prothonotary	2,368	2,403
Master-in-Equity and Lunacy	3,875	4,693
Court of Insolvency	2,416	2,413
Registrar-General and Registrar of Titles	33,881	33,773
" " Purchase of land, &c., near Titles Office to insure safety of building	...	1,071*
Deputy Registrars	5,499	5,982
Sheriffs	21,943	25,318
County Courts, Courts of Mines, and General Sessions	26,204	22,394
Police Magistrates and Wardens	17,618	16,870
Clerks of Courts	16,538	20,897
Coroners	5,675	5,681
Curator of Estates of Deceased Persons	1,312	1,380
Land Tax Act Administration	1,164	1,221
Sundries	1,196	321
Total	183,297	191,290
PUBLIC INSTRUCTION, SCIENCE, ETC.		
State School Education †	546,623	586,124
University	11,000	20,500 ‡
Public Library, Museums, and National Gallery	19,566	19,951
Mechanics' Institutes, Public Libraries, &c.	11,000	13,000
Zoological and Acclimatisation Society, &c.	1,700	3,200
Royal Society	200	200
College of Pharmacy ... ..	...	1,000
Schools of Mines	4,000	6,000
" Design	1,400	1,400
Government Statist	6,418	6,651
" Astronomer	4,678	4,938
" Botanist	2,391	2,458
Grant in aid of a Scientific Exploration of New Guinea	1,000	...
Other Expenditure... ..	50	20
Total	610,026	665,442

* This amount was made available by Act 49 Vict. No. 835 out of the "Assurance Fund" under the *Transfer of Land Statute*.

† Including cost of maintenance of school buildings, amounting to £20,000 per annum, but exclusive of pensions and gratuities. See also table following paragraph 249 *post*.

‡ Including £14,500 as endowment (or £3,500 more than in 1884-5), and £6,000 for purchase of apparatus. In addition to this, a grant of £6,000 for buildings was also given during the year; see page 132, under the head of "Other Public Works."

HEADS OF EXPENDITURE DETAILED—*continued.*

Heads of Expenditure.	1884-5.	1885-6.
CHARITABLE INSTITUTIONS, MEDICAL, ETC.		
	£	£
Charitable Institutions—Grant in Aid	108,936	108,975
Industrial and Reformatory Schools... ..	43,594	43,045
Hospitals for the Insane	96,420	109,431
Central Board of Health and Quarantine, &c.	7,642	6,394
Vaccination Allowances	5,474	5,488
Claims and Expenses in connexion with alleged cases of Small-pox	57	100
Allowance to Instructor of the Blind, &c.	100	100
Other Expenditure	136	172
Total	262,359	273,705
CROWN LANDS.		
Survey, Sale, and Management of Crown Lands*	73,987	74,659
Parks, Gardens, &c.—		
Botanical Gardens and Reserves	6,793	8,029
Public Parks, Gardens, and Reserves in and around Melbourne	10,144	9,192
Public Parks and Gardens in Country Districts—Fencing and Improving	10,389	9,356
Surveys by contract, including surveys in Mallee districts † ... ..	...	5,620
Other Expenditure... ..	3,562	700
Total	104,875	107,556
AGRICULTURE, ETC.		
Grants to Agricultural and Horticultural Societies, &c.	16,898	16,723
Grant to Council of Agricultural Education ... ..	...	500
Special Prizes and Awards for invention of improvements in Agricultural machinery	720	705
State Forests and Nurseries	5,581	5,743
Government Experimental Farms	1,179	712
Eradication of Vine Diseases ‡	5,545§	2,439
Scab Prevention and Diseases in Stock	8,018	8,417
Extermination of Rabbits and Wild Animals	12,237	34,408
Cost of Rabbit-proof Fencing in the Mallee country ... ..	...	13,999
Departmental and other Expenditure	887	1,135
Total	51,065	84,781
MINING.		
Mining Department	20,202	20,870
Mining Boards	3,500	3,500
Purchase and Working of Diamond Drills	17,115	29,943
To assist Miners in Prospecting Operations	11,191	12,838
Grant to Geological Society of Australasia ... ..	...	250
Geological Surveys, &c.	168	746
Underground Surveys of Mines	656	1,004
Cutting Tracks and opening up unexplored areas	2,498	1,357
Miscellaneous	1,406	954
Total	56,736	71,462

* Including Land Titles Branch.

† This amount is to be recouped by the lessees.

‡ The Governments of South Australia and New South Wales contributed £6,667 each towards this. See Miscellaneous Receipts, page 121 *ante*.

§ Including £4,473 in 1884-5, but only £100 in 1885-6, additional compensation to persons whose vines have been destroyed. Moreover, £1,355 was paid in 1885-6 for trenching infected land.

HEADS OF EXPENDITURE DETAILED—*continued.*

Heads of Expenditure.	1884-5.	1885-6.
RAILWAYS.		
Commissioners' Salaries	£ 6,000	£ 6,000
Salaries and Wages	84,345	93,448
Contingencies	1,318,195	1,224,355
Other Expenditure... ..	1,453	70
Total Working Expenses	1,409,993	1,323,873
Paid to "Railway Construction Account"* ... ..	...	88,667
Total (including Capital Account)	1,409,993	1,412,540
WATER SUPPLY.		
Melbourne—Salaries and Maintenance	15,807	17,514
„ Surveys—Watts River and Upper Plenty Schemes	1,584	...
Country Waterworks—Salaries and Maintenance	11,490	12,062
„ „ Construction, &c.†	2,761	4,940
„ „ Water Trusts	640	995
Total	32,282	35,511
OTHER PUBLIC WORKS.		
Works and Buildings (including Furniture, Fittings, &c.)—		
Government House	2,497	2,588
Country Residence for Governor ... ..	...	6,017
Parliamentary Buildings	6,559	2,448
Public Offices, &c.—		
Public Offices, Melbourne	882	2,626
Printing Office—Fittings, Furniture for, &c.	241	74
Crown Law Offices ... ..	...	1,613
Registrar-General's Offices—Addition to Strong Room	4,874	8,988
Sandhurst Public Offices—Erection of	8,887	12,984
Ballarat Public Offices—Erection of ... ..	...	3,790
Rents and Furniture	22,997	26,504
Repairs and Additions	3,245	2,381
Insurance	651	343
Court Houses	14,835	13,691
Police Buildings, &c.	21,906	21,951
Gaols and Penal Establishments	1,888	3,312
University—Grant in aid of Buildings ... ..	...	6,000
Public Library, National Gallery, and Museums	10,730	5,359
Observatory	125	306
Lunatic Asylums	16,442	22,543
Industrial and Reformatory Schools	1,217	801
Cemeteries	1,047	728
Sanatory Station—Fencing, Repairs, &c.	3,524	720
Lands and Agriculture	1,667	7,432
Land adjoining Parliamentary Reserve—Purchase of	10,600	...
Raising Low-lying Lands, Draining Lands, Spreading Silt, &c.	43,047	20,021
Post and Telegraph Offices	36,059	38,344
Customs Buildings	1,905	309
Wharfs, Jetties, Harbours, Rivers, &c.	48,213	62,565
Lighthouses and Lightships	2,708	8,534
Miscellaneous	988	1,160
Total Works and Buildings	267,734	284,132†
Subsidy to Municipalities	310,000	310,000
Roads and Bridges	40,878	41,061‡
Other Expenditure (including Cost of Department)	21,943	51,632
Total	640,555	686,825

* See footnote (*) on page 138 *post.*

† Including the cost of conveying water by trains to districts suffering from drought in northern and north-western parts of the colony. † See next footnote.

‡ Including £34,838 for salaries and wages, which were formerly paid out of Votes for Contingencies, Roads, Defences, Works or Buildings, or out of Loans.

HEADS OF EXPENDITURE DETAILED—continued.

Heads of Expenditure.	1884-5.	1885-6.
POST AND TELEGRAPHS.		
Post and Telegraph Offices—Administration *	£ 278,207	£ 307,404†
Inland Mail Service	108,642	110,739‡
Steam Postal Communication §	64,975	69,309
Telegraph Lines—Construction, Repairs, &c.	26,717	17,793
Subsidy towards Duplicate Telegraph Cable (Port Darwin to Penang)	14,515	14,605
Subsidy to Eastern Extension Telegraph Co., Tasmania || ...	1,892	1,335
Interest on Post Office Savings Banks Deposits	38,631	43,029
Miscellaneous	794	406
Total	534,373	564,620
PUBLIC DEBT.		
Interest payable—		
In London	1,150,684	1,165,523
In Melbourne	105,631	89,205
Total Interest	1,256,315	1,254,728
Expenses of paying Interest in London—		
Commission to Banks of $\frac{1}{2}$ per cent.	3,569¶	3,598
Commission to Bank of from £450 to £500 per million for inscribing stock and paying interest thereon	3,541	5,798
Premium on remittances	5,782	10,702
Stamps, advertising, &c.	654	648
Total Expenses	13,546	20,746
Expenses of redeeming Loans, viz., Commission $\frac{1}{4}$ per cent., &c.	2,046	6,536
Grand total	1,271,907	1,282,010
MISCELLANEOUS SERVICES.		
Expenses of Commissions of Inquiry	2,495	4,385
Australian Convention—Expenses connected with	169	...
" Federal Council—Expenses of Attendance at ... ..	...	181
Tariff Conference in Tasmania, ditto	189	...
Legal Expenses in London, <i>re</i> claim against the Oriental Bank	469	...
Law Costs, Awards, &c.	478	1,439
Poisons and Pharmacy Act—Administration	300	440
Advertising	5,487	5,349
Transport, &c.	1,834	1,896
Expenses in connexion with International Exhibitions ...	257	134
" " Colonial and Indian Exhibition, London, 1886	...	9,978
Expenses incurred by the Exhibition Trustees	5,995	3,250
Powder Magazines... ..	1,067	1,238
Fisheries ... ..	...	746
Payments from Estates of Deceased Persons... ..	503	313
Refunds, &c.	166	3,286

* Exclusive of post and telegraph office buildings, which are included under the head "General Public Works."

† Excluding cost of printing stamps (£4,832), formerly included, but now entered with Government Printer under the head of "Civil Establishment."

‡ Of which £46,526 was paid to the Railway Department, and £64,213 to the private contractors, &c.

§ Including sums paid as gratuities to masters of vessels, £2,534 in 1885-6.

|| Paid to the Government of Tasmania, in accordance with joint guarantee to the company on account of reduction of rates for telegraphic messages to and from Victoria and Tasmania. The payment for 1884-5 relates to the period between 1st September, 1883, and the 30th June, 1885.

¶ The total commission payable was £4,444, but overcharges on account of the previous year amounting to £875 have been deducted.

HEADS OF EXPENDITURE DETAILED—*continued.*

Heads of Expenditure.	1884-5.	1885-6.
MISCELLANEOUS SERVICES— <i>continued.</i>		
Carriage of Volunteer Fire Brigades	£ 2,500	£ 7,126
Expenses in connection with the reception of His Excellency Sir H. B. Loch	564	...
Jubilee of Founding of the Colony—Grant towards Celebration of	250	...
Expenses of Military Funeral of late Sir P. H. Scratchley, High Commissioner for New Guinea	...	604
Expenses of Parliamentary Inspection of Fortifications	...	332
To S. Rakowski, for special services rendered to the colony	...	400
Other Expenditure *	7,128	6,472
Total	29,851	47,569

Heads of expenditure, 1874-5 to 1885-6.

244. The following are the heads of expenditure during the last twelve financial years and the amounts expended under each head, the expenditure specially appropriated by Acts of Parliament other than the Appropriation Act being distinguished from that sanctioned under that Act in accordance with the annual votes of the Legislature:—

HEADS OF EXPENDITURE, 1874-5 TO 1885-6.

Heads of Expenditure.	Year.	Expenditure from—		Total.
		Special Appropriations	Votes.	
		£	£	£
Civil list†	1874-5	70,984	...	70,984
	1875-6	71,227	...	71,227
	1876-7	29,604	...	29,604
	1877-8	29,564	...	29,564
	1878-9	29,636	...	29,636
	1879-80	27,728	...	27,728
	1880-81	24,509	...	24,509
	1881-2	28,469	3,000	31,469
	1882-3	29,926	...	29,926
	1883-4	31,127	...	31,127
	1884-5	36,362	4,693	41,055
1885-6	36,269	4,693	40,962	
Legislature	1874-5	40,813	15,739	56,552
	1875-6	41,612	15,909	57,521
	1876-7	43,918	14,889	58,807
	1877-8	48,162	15,878	64,040
	1878-9	42,710	16,502	59,212
	1879-80	44,306	16,502	60,808
	1880-81	45,664	16,964	62,628
	1881-2	39,677	16,810	56,487
	1882-3	47,768	18,020	65,788
	1883-4	35,930	17,751	53,681
	1884-5	38,801	18,102	56,903
1885-6	45,674	18,462	64,136	

* Including balance at credit of Pension Fund, returned to revenue, viz., £4,000 in each year.

† For particulars of the items included under these heads, see footnotes to table following paragraph 126 *ante*. State aid to religion is also included in "Civil List" prior to July, 1876, when it was abolished.

HEADS OF EXPENDITURE, 1874-5 TO 1885-6—*continued.*

Heads of Expenditure.	Year.	Expenditure from—		Total.
		Special Appropriations.	Votes.	
		£	£	£
Civil establishment * ...	1874-5	...	90,422	90,422
	1875-6	...	87,647	87,647
	1876-7	...	89,837	89,837
	1877-8	...	90,215	90,215
	1878-9	...	90,059	90,059
	1879-80	..	91,872	91,872
	1880-81	...	89,987	89,987
	1881-2	...	90,833	90,833
	1882-3	...	117,610	117,610
	1883-4	...	113,628	113,628
Retiring allowances and pensions † ...	1874-5	26,529	2,587	29,116
	1875-6	27,423	2,426	29,849
	1876-7	26,214	4,725	30,939
	1877-8	28,370	5,587	33,957
	1878-9	33,952	9,153	43,105
	1879-80	35,202	9,336	44,538
	1880-81	36,817	12,499	49,316
	1881-2	41,749	16,040	57,789
	1882-3	40,474	20,095	60,569
	1883-4	41,334	24,355	65,689
Gratuities, compensations, &c.	1874-5	3,078	10,884	13,962
	1875-6	1,752	5,963	7,715
	1876-7	3,478	7,187	10,665
	1877-8	42,582	7,146	49,728
	1878-9	13,159	33,444	46,603
	1879-80	2,544	19,416	21,970
	1880-81	12,970	34,085	47,055
	1881-2	9,299	22,828	32,127
	1882-3	2,911	25,345	28,256
	1883-4	10,173	20,889	31,062
Judicial and legal ...	1874-5	16,417	156,558	172,975
	1875-6	16,125	154,469	170,594
	1876-7	16,750	154,932	171,682
	1877-8	16,567	154,498	171,065
	1878-9	14,000	158,056	172,056
	1879-80	14,000	157,664	171,664
	1880-81	15,047	142,444	157,491
	1881-2	16,919	141,263	158,182
	1882-3	17,000	159,689	176,689
	1883-4	16,655	158,319	174,974
1884-5	16,381	166,916	183,297	
1885-6	19,096	172,194	191,290	

* See footnote (*) on preceding page.

† Including votes of £2,600 in 1880-81, of £5,000 in 1881-2, of £8,000 in 1882-3, and of £10,000 in each of the last three years, to meet deficiencies in the Police Superannuation Fund.

HEADS OF EXPENDITURE, 1874-5 TO 1885-6—continued.

Heads of Expenditure.	Year.	Expenditure from—		Total.
		Special Appropriations.	Votes.	
		£	£	£
Police	1874-5	...	198,312	198,312
	1875-6	...	199,738	199,738
	1876-7	...	197,371	197,371
	1877-8	...	207,119	207,119
	1878-9	...	209,041	209,041
	1879-80	...	233,732	233,732
	1880-81	...	207,674	207,674
	1881-2	...	201,063	201,063
	1882-3	...	204,561	204,561
	1883-4	...	216,973	216,973
	1884-5	...	217,684	217,684
1885-6	...	224,237	224,237	
Gaols and penal establishments	1874-5	...	60,469	60,469
	1875-6	...	61,051	61,051
	1876-7	...	60,008	60,008
	1877-8	...	58,132	58,132
	1878-9	...	58,442	58,442
	1879-80	...	56,636	56,636
	1880-81	...	53,565	53,565
	1881-2	...	53,032	53,032
	1882-3	...	57,128	57,128
	1883-4	...	55,836	55,836
	1884-5	...	57,311	57,311
1885-6	...	60,644	60,644	
Defences	1874-5	...	53,507	53,507
	1875-6	...	58,233	58,233
	1876-7	...	74,020	74,020
	1877-8	...	121,266	121,266
	1878-9	...	118,122	118,122
	1879-80	...	93,779	93,779
	1880-81	...	78,732	78,732
	1881-2	...	79,442	79,442
	1882-3	...	191,360	191,360
	1883-4	...	231,038	231,038
	1884-5	110,000	88,773	198,773
1885-6	110,000	209,938	319,938	
Public instruction, science, &c.*	1874-5	9,000	408,136	417,136
	1875-6	9,000	466,280	475,280
	1876-7	9,000	483,939	492,939
	1877-8	9,000	512,725	521,725
	1878-9	9,000	563,900	572,900
	1879-80	11,250	560,742	571,992
	1880-81	9,000	575,225	584,225
	1881-2	9,000	591,799	600,799
	1882-3	9,000	589,970	598,970
	1883-4	9,000	598,822	607,822
	1884-5	9,000	601,026	610,026
1885-6	9,000	656,442	665,442	
State school buildings † ...	1874-5	...	181,440	181,440

* For particulars of the items included under these heads, see footnotes to table following paragraph 126 ante.

† Since 1874-5 the amount expended on school buildings has been paid entirely out of loans.—See table following paragraph 247 post.

HEADS OF EXPENDITURE, 1874-5 TO 1885-6—continued.

Heads of Expenditure.	Year.	Expenditure from—		Total.
		Special Appropriations.	Votes.	
		£	£	£
Charitable institutions, medical, &c.*	1874-5	...	273,537	273,537
	1875-6	...	270,318	270,318
	1876-7	...	278,970	278,970
	1877-8	...	281,509	281,509
	1878-9	...	277,016	277,016
	1879-80	...	272,539	272,539
	1880-81	...	241,907	241,907
	1881-2	..	249,367	249,367
	1882-3	...	267,400	267,400
	1883-4	...	259,983	259,983
	1884-5	...	262,359	262,359
	1885-6	...	273,705	273,705
	Crown lands	1874-5	...	129,558	129,558
1875-6		...	128,026	128,026
1876-7		...	149,210	149,210
1877-8		...	130,519	130,519
1878-9		...	129,617	129,617
1879-80		...	136,889	136,889
1880-81		...	103,279	103,279
1881-2		...	99,169	99,169
1882-3		...	100,367	100,367
1883-4		...	98,209	98,209
1884-5		...	104,875	104,875
1885-6		...	107,556	107,556†
Agriculture, &c.		1874-5	...	21,473	21,473
	1875-6	...	21,023	21,023
	1876-7	...	24,878	24,878
	1877-8	...	28,139	28,139
	1878-9	...	31,398	31,398
	1879-80	...	31,953	31,953
	1880-81	...	32,382	32,382
	1881-2	...	50,311	50,311
	1882-3	...	54,834	54,834
	1883-4	...	42,418	42,418
Mining §	1874-5	3,500	27,153	30,653
	1875-6	3,500	34,653	38,153
	1876-7	3,500	34,043	37,543
	1877-8	3,500	25,030‡	28,530‡
	1878-9	3,500	48,882‡	52,382‡
	1879-80	3,500	24,704‡	28,204‡
	1880-81	3,500	27,406	30,906
	1881-2	3,500	39,379	42,879
	1882-3	3,500	38,940	42,440
	1883-4	3,500	44,334	47,834
1884-5	3,500	53,236	56,736	
1885-6	3,500	67,962	71,462	

* See footnote (*) on preceding page.

† Including £5,620 for surveys in mallee districts, &c., to be recouped by lessees.

‡ Revised and corrected since last publication.

§ Including amounts advanced to mining companies to assist in the development of the mining industry, &c., viz., £1,500 in 1875-6; £250 in 1877-8; £18,800 in 1878-9; and £500 in 1879-80. Only £1,237 in all has been repaid, and the balance due is £19,813.

HEADS OF EXPENDITURE, 1874-5 TO 1885-6—continued.

Heads of Expenditure.	Year.	Expenditure from—		Total.
		Special Appropriations.	Votes.	
		£	£	£
Railways * ...	1874-5	100,000	437,931	537,931
	1875-6	300,000	489,751	789,751
	1876-7	200,000	562,517	762,517
	1877-8	100,000	616,207	716,207
	1878-9	200,000	662,178	862,178
	1879-80	...	771,527	771,527
	1880-81	200,000	818,601	1,018,601
	1881-2	200,000	829,103	1,029,103
	1882-3	...	1,173,535	1,173,535
	1883-4	2,750	1,104,285†	1,107,035‡
	1884-5	6,000	1,403,993	1,409,993
1885-6	94,667	1,317,873	1,412,540	
Water supply ...	1874-5	...	17,013	17,013
	1875-6	...	17,192	17,192
	1876-7	...	18,099	18,099
	1877-8	...	22,621	22,621
	1878-9	...	28,501	28,501
	1879-80	...	26,053	26,053
	1880-81	...	32,339	32,339
	1881-2	...	40,869	40,869
	1882-3	...	34,534	34,534
	1883-4	...	31,472	31,472
1884-5	...	32,282	32,282	
1885-6	...	35,511	35,511	
Other public works §	1874-5	315,640	339,855	655,495
	1875-6	347,754	332,465	680,219
	1876-7	310,704	242,283	552,987
	1877-8	310,000	252,505	562,505
	1878-9	310,000	276,401	586,401
	1879-80	155,000	476,593||	631,593
	1880-81	...	587,593	587,593
	1881-2	...	550,681	550,681
	1882-3	...	636,611	636,611
	1883-4	...	617,148	617,148
1884-5	...	640,555	640,555	
1885-6	...	686,825	686,825	

* The amount entered under the head of Special Appropriations in 1885-6, with the exception of £6,000 for salaries of the Railway Commissioners, was paid into the "Railway Construction Account" in accordance with the direction of *The Land Act* 1884 (48 Vict. No. 812), sec. 78, whereby it is provided that all moneys arising from the sale by auction of Crown lands shall be placed to a trust account, the amount standing to the credit of which should be available for the construction of railways. The amounts entered prior to 1882-3 also represent the payment of moneys derived from the alienation of Crown lands, but fixed at £200,000 per annum, to a similar account (known as the "Railway Loan Liquidation and Construction Account"), which was created under *The Land Act* 1869 (33 Vict. No. 366); full particulars of which are given in the *Victorian Year-Book* 1885-6, page 123. The total amount paid into both these accounts up to the 30th June, 1886, was £2,288,667, all of which, with the exception of an unexpended balance of £88,667, has been expended on the survey or construction of lines of railway. The amounts entered under the head of "Votes" represent the working expenses of railways.

† Exclusive of £50,000 recouped in 1885-6.

‡ Revised and corrected since last publication.

§ Exclusive of school buildings and of all public works paid for out of loans, but including endowments of municipalities under the Local Government Act. The expenditure on the Port of Melbourne, included under this head prior to 1st January, 1877, has since been paid out of the Harbour Trust Fund. See tables following paragraphs 247 and 337 post.

|| The provision of the Local Government Act 1874 authorizing the annual subsidy of £310,000 to municipalities lapsed on the 31st December, 1879, but amounts equivalent to the subsidy have since been voted by Parliament. This accounts for the gradual transfer of this item of expenditure from Special Appropriations to Votes.

HEADS OF EXPENDITURE, 1874-5 TO 1885-6—continued.

Heads of Expenditure.	Year.	Expenditure from—		Total.
		Special Appropriations.	Votes.	
		£	£	£
Post and telegraphs †	1874-5	85,890	294,726	380,616
	1875-6	26,908*	280,981	307,889*
	1876-7	64,542	298,467	363,009
	1877-8	53,996	312,958	366,954
	1878-9	55,855	333,120	388,975
	1879-80	61,101	338,088	399,189
	1880-81	63,229	375,533	438,762
	1881-2	77,348	358,795	436,143
	1882-3	86,240	386,006	472,246
	1883-4	94,215	407,045	501,260
	1884-5	118,121	416,252	534,373
	1885-6	126,944	437,676	564,620
Interest and expenses of Public Debt †	1874-5	719,282	...	719,282
	1875-6	772,399	...	772,399
	1876-7	795,191	...	795,191
	1877-8	898,006	...	898,006
	1878-9	892,172	...	892,172
	1879-80	979,864	...	979,864
	1880-81	1,043,535	43,927	1,087,462
	1881-2	1,124,136	16,010	1,140,146
	1882-3	1,162,195	18,381	1,180,576
	1883-4	1,203,440	11,630	1,215,070
	1884-5	1,260,279	11,628	1,271,907
	1885-6	1,272,565	9,445	1,282,010
Redemption of loans	1874-5	35,000	...	35,000
	1875-6	...	...	...
	1876-7	...	...	...
	1877-8	...	...	...
	1878-9	...	...	...
	1879-80	...	...	...
	1880-81	...	...	...
	1881-2	...	...	...
	1882-3	...	...	...
	1883-4	...	...	...
Customs	1874-5	...	57,364	57,364
	1875-6	...	56,311	56,311
	1876-7	...	56,186	56,186
	1877-8	...	64,058	64,058
	1878-9	...	59,467	59,467
	1879-80	...	62,226	62,226
	1880-81	...	58,621	58,621
	1881-2	...	63,330	63,330
	1882-3	...	65,047	65,047
	1883-4	...	72,978	72,978
	1884-5	...	71,710	71,710
	1885-6	...	70,925	70,925

* Revised and corrected since last publication. In the year 1885-6, a change was made in the method of keeping the accounts of postal communication with Great Britain. Prior to that year the gross charge, but subsequently the net charge only, was entered. From the gross expenditure for 1885-6 were deducted not only the amount due by other Governments on account of that year, but also the arrears received for 1884-5 and previous years. Hence the small apparent expenditure from Special Appropriations set down against that year.

† Under this head the amounts paid out of Special Appropriations represent the net expenditure on account of Steam Postal Communication (including gratuities to masters of vessels), interest on Savings Bank deposits, and a subsidy for maintenance of the cable from Port Darwin to Penang.

‡ The expenditure under the head of Votes represents interest and expenses in connexion with the Melbourne and Hobson's Bay Railway Debentures, which are being gradually paid off and replaced by Government debentures.

HEADS OF EXPENDITURE, 1874-5 TO 1885-6—*continued.*

Heads of Expenditure.	Year.	Expenditure from—		Total.
		Special Appropriations	Votes.	
		£	£	£
Harbours and lights ...	1874-5	...	35,035	35,035
	1875-6	...	34,703	34,703
	1876-7	...	29,980	29,980
	1877-8	...	29,017	29,017
	1878-9	...	28,876	28,876
	1879-80	...	29,272	29,272
	1880-81	...	23,448	23,448
	1881-2	...	25,471	25,471
	1882-3	...	26,763	26,763
	1883-4	...	24,632	24,632
	1884-5	...	28,941	28,941
1885-6	...	38,988	38,988	
Mint subsidy* ...	1874-5	20,000	...	20,000
	1875-6	20,000	...	20,000
	1876-7	18,333	...	18,333
	1877-8	20,000	...	20,000
	1878-9	20,000	...	20,000
	1879-80	20,000	...	20,000
	1880-81	20,000	...	20,000
	1881-2	20,000	...	20,000
	1882-3	20,000	...	20,000
	1883-4	20,000	...	20,000
	1884-5	20,000	...	20,000
1885-6	20,000	...	20,000	
Aborigines ...	1874-5	...	6,209	6,209
	1875-6	...	6,100	6,100
	1876-7	...	7,500	7,500
	1877-8	...	7,464	7,464
	1878-9	...	10,499	10,499
	1879-80	...	7,500	7,500
	1880-81	...	7,499	7,499
	1881-2	...	7,498	7,498
	1882-3	...	7,498	7,498
	1883-4	...	10,857	10,857
	1884-5	...	10,500	10,500
1885-6	...	10,514	10,514	
Miscellaneous services † ...	1874-5	2,500	30,108	32,608
	1875-6	2,500	30,627	33,127
	1876-7	2,500	23,364	25,864
	1877-8	2,500	31,222	33,722
	1878-9	2,500	40,566	43,066
	1879-80	2,500	29,772	32,272
	1880-81	4,000	58,244	62,244
	1881-2	4,000	25,574	29,574
	1882-3	4,000	35,177	39,177
	1883-4	4,000	30,567	34,567
	1884-5	4,000	25,851	29,851
1885-6	4,000	43,569	47,569	

* The annual subsidy to the Mint is £20,000; portion of this sum, however, has been repaid each year to the revenue.—See page 125 *ante*, under the head "Mint subsidy returned."

† The amounts in the column for Special Appropriations are the unexpended balances of the Pension Fund (Schedule D, Part V.), repaid each year to the revenue.

HEADS OF EXPENDITURE, 1874-5 TO 1885-6—continued.

Heads of Expenditure.	Year.	Expenditure from—		Total.
		Special Appropriations	Votes.	
		£	£	£
TOTAL EXPENDITURE PROPER*	1874-5	1,448,633	2,848,016	4,296,649
	1875-6	1,640,200	2,753,866	4,394,066
	1876-7	1,523,734	2,812,405	4,336,139
	1877-8	1,562,247	2,973,815	4,536,062
	1878-9	1,626,484	3,183,240	4,809,724
	1879-80	1,356,995	3,446,795	4,803,790
	1880-81	1,478,271	3,621,954	5,100,225
	1881-2	1,574,097	3,571,667	5,145,764
	1882-3	1,423,014	4,228,871	5,651,885
	1883-4	1,472,124	4,193,169	5,665,293
	1884-5	1,688,706	4,437,035	6,125,741
1885-6	1,816,615	4,696,925	6,513,540	
Amounts to be recouped from loans, &c.*	1874-5	...	21,472	21,472
	1875-6	15,221	163,556	178,777
	1876-7	19,001	2,956	21,957
	1877-8	32,042	66,245	98,287
	1878-9	20,655	3,000	23,655
	1879-80	18,945	52,294	71,239
	1880-81	2,310	6,107	8,417
	1881-2	...	...	...
	1882-3	...	...	...
	1883-4	...	50,000	50,000
	1884-5	...	14,615	14,615
1885-6	...	...	...
GRAND TOTAL EXPENDITURE†	1874-5	1,448,633	2,869,488	4,318,121
	1875-6	1,655,421	2,917,422	4,572,843
	1876-7	1,542,735	2,815,361	4,358,096
	1877-8	1,594,289	3,040,060	4,634,349
	1878-9	1,647,139	3,186,240	4,833,379
	1879-80	1,375,940	3,499,089	4,875,029
	1880-81	1,480,581	3,628,061	5,108,642
	1881-2	1,574,097	3,571,667	5,145,764
	1882-3	1,423,014	4,228,871	5,651,885
	1883-4	1,472,124	4,243,169	5,715,293
	1884-5	1,688,706	4,451,650	6,140,356
1885-6	1,816,615	4,696,925	6,513,540	

245. Of the increase in the expenditure proper during 1885-6, as compared with the previous year, amounting to £388,000 in all, £128,000 was under the head of Special Appropriations, and therefore formed portion of the amount not required to be voted by Parliament for the year's supply. This increase is chiefly accounted for by the appearance

Increased expenditure under special appropriations.

* Revised and corrected since last publication.

† Not including £471,900 in 1881-2, £18,000 in 1882-3, and £10,100 in 1883-4, towards the redemption of Treasury bonds.

of a new item of £88,600 in 1885-6—being the first payment under *The Land Act* 1884 to the Railway Construction Account of the proceeds arising from the sale of Crown lands by auction;* whilst an increase of £12,300 occurred under the head of Interest on the Public Debt; of £9,100 under the head of Retiring Allowances, Gratuities, &c., which, however, is merely a transfer from expenditure under Votes to that under Special Appropriations—there being a corresponding decrease under the former head; of £8,800 under the head of Post and Telegraphs, nearly made up by £4,300 increased cost of Steam Postal Communication, and £4,400 increased interest payable on Post Office Savings Bank Deposits; of £6,900 under the head of Legislature, more than accounted for by increased electoral expenses; and of £2,700 under the head of Judicial and Legal, including half a year's salary (£1,500) of an extra Judge for the Supreme Court.

New special appropriations.

246. The total annual amount authorized to be added permanently, or for a fixed number of years, to Special Appropriations under Acts passed during the last three financial years is £262,000; but of this amount an appropriation of £110,000, for Defences, is authorized for only five years; and £89,000 is merely the re-investment of portions of the land revenue in the Government railways. The following is a statement of the new appropriations referred to:—

ADDITIONAL SPECIAL APPROPRIATIONS AUTHORIZED,
1883-4 TO 1885-6.

Authorization.		Purpose for which Authorized.	Approximate Annual Amount.
Year.	Act.		
1883-4 ...	47 Vict. No. 767	Victorian Railways Commissioners—Salaries	£ 6,000
	47 Vict. No. 773	Victorian Railways—Pensions, &c. Public Service Board—Salaries ...	13,500† 4,500
	47 Vict. No. 777	Defences—Works, &c. ...	10,000† 110,000‡
	47 Vict. No. 780	Salary of Additional Minister ...	1,100† 1,500
	47 Vict. No. 781	Subsidy towards maintenance of telegraphic communication between Port Darwin and Penang	20,000†
		Total ...		166,600

* See footnote (*) on page 138 *ante*.

† Previously paid from annual votes. Only £14,600 of the £20,000 authorized for the maintenance of the Port Darwin cable has been required in each of the last two years.

‡ This amount is authorized for five years only.

ADDITIONAL SPECIAL APPROPRIATIONS AUTHORIZED, 1883-4
TO 1885-6—continued.

Authorization.		Purpose for which Authorized.	Approximate Annual Amount.
Year.	Act.		
1884-5	48 Vict. No. 807 48 Vict. No. 812	Addition to Agent-General's salary Proceeds of land sales by auction paid to "Railway Construction Account"	£ 500
			89,000*
	Total		89,500
1885-6	49 Vict. No. 835 49 Vict. No. 844	Interest on payment out of Assur- ance Fund (Government Trust Fund) for purchase of land near Titles Office	3,000
			3,000 230*
	Total		6,230
Total increase in three years			262,330

NOTE.—Besides the amounts specified in the table, a grant of £3,000 was authorized and paid in 1885-6 to the widow of the late Hon. J. M. Grant.

247. In addition to the ordinary expenditure from revenue, large sums are annually disbursed for various purposes from amounts raised by means of loans. The following table shows the details of such expenditure prior to 1880-81 and during each subsequent year. This is intended to supplement the last table by exhibiting those items which, having never been, or having ceased to be, a charge on the general revenue, are treated in separate accounts:—

Expenditure
of loans,
&c.

EXPENDITURE OF NET PROCEEDS OF LOANS TO 30TH JUNE, 1886.

Purposes of Expenditure.	Amounts Expended.†							
	Prior to 1880-81.	1880-81	1881-2.	1882-3.	1883-4.	1884-5.	1885-6.	Total.
	£	£	£	£	£	£	£	£
Railways	14,963,973	618,427	794,468	2,187,183	1,191,132	848,358	1,401,511	22,005,052
Water Supply	3,155,240	63,415	149,903	367,416	304,585	172,465	235,485	4,448,509
Alfred Graving Dock ..	341,819	..	..	..	..	..	..	341,819
Law Courts and Parlia- ment Houses	214,128	63,821	67,952	44,860	45,505	568	12,153	448,987
Public Offices	162,269	11	..	..	..	..	..	162,280
Defences	98,299	..	..	..	..	..	..	98,299
State School Buildings ‡	669,402	84,831	50,693	56,651	36,923	69,995||	45,438	1,013,933
Yarra Bridge .. .. .	..	..	1,500	300	8,382	3,663	16,271	30,116
Harbour Works, &c. ..	..	..	..	400	13,706	46,077	20,976	81,159
Total	19,605,130	830,505	1,064,516	2,656,810	1,600,233	1,141,126||	1,731,834	28,630,154

NOTE.—The figures in this table, which have been obtained from the various Government departments, differ slightly from those given in the Treasurer's Finance Statements, in consequence of an overlapping of the accounts.

* This represents the amount payable in 1885-6.

† These are the actual payments during the various years shown, whether made direct from the loans, or indirectly by means of advances from the general revenue—to be subsequently recouped.

‡ The expenditure on State school buildings prior to 1875-6 were chargeable to the general revenue, and are therefore included in the table following paragraph 244 ante.

§ Including an expenditure in 1885-6 of £3,060 on works for opening the entrance to the Gippsland lakes, making a total of £16,813 up to the end of that year.

|| Corrected since last publication.

Annual
subsidies,
grants, &c.

248. Nearly a tenth of the expenditure payable from the General Revenue consists of subsidies, grants, endowments, &c. The whole amount payable in this manner is close upon £640,000, of which nearly half is paid to municipalities, and over a sixth to charitable institutions. This does not include the grant for free public instruction, which amounts annually to nearly £600,000; or for the maintenance of the Government charitable institutions—such as the hospitals for the insane and the industrial and reformatory schools—which cost annually over £150,000. The following is a statement of the amounts payable under the various heads:—

ANNUAL SUBSIDIES, GRANTS, ENDOWMENTS, ETC.				
Subsidy to Municipalities	...	...	...	£310,000
<i>Educational Grants, &c.—</i>				
Melbourne University—Endowment under Act	...	...	...	9,000
" " Additional Endowment voted	...	...	...	5,500
" " Grant in aid of buildings	...	...	...	6,000
Schools of Mines	...	...	...	6,000
" Design	...	...	...	1,400
Public Libraries, &c.—Grant for purchase of books	...	...	...	7,500
" " Grant in aid of building funds	...	...	...	8,000
Grant to Royal Society	...	...	...	200
" College of Pharmacy	...	...	...	1,000
" Geological Society of Australasia	...	...	...	250
" Zoological and Acclimatisation Society, &c...	...	...	...	3,200
Grant to Charitable Institutions	...	...	...	110,000
<i>Post and Telegraphs—</i>				
Subsidy—Foreign Mail Service (net amount payable by Victoria)	...	...	...	66,800 *
" Maintenance of telegraph line between Port Darwin and Penang	...	...	...	14,600
" Eastern Extension Telegraph Co., Tasmania	...	...	...	1,340
<i>Mining, Agricultural, and other Industries—</i>				
Mining Boards	...	...	...	3,500
Mint Subsidy	...	...	...	20,000
Diamond Drills—Purchase and working expenses of	...	...	...	30,000
Grant to assist miners in prospecting operations	...	...	...	12,850
" Agricultural Societies	...	...	...	15,000
" Council of Agricultural Education	...	...	...	500
" Horticultural Societies	...	...	...	500
" Poultry and Dog Society	...	...	...	200
Rewards for invention of improvements in agricultural machinery, &c.	...	...	...	700
<i>Defences—</i>				
Prizes to Rifle Associations, &c	...	...	...	850
Supply of Ammunition to Rifle Clubs, Cadet Corps, &c.	...	...	...	2,500
Total	...	...	...	£637,390

Expenditure
on public
instruction.

249. The system of free public instruction, which was legalized under Act 36 Vict. No. 447, came into force on the 1st January, 1873, and since that date over eight millions sterling have been expended by the

* A set-off against this amount appears in the account of Postal Revenue, under the head of "Postages Collected," which reduces the ultimate net cost to about £40,000.

State in giving effect to its provisions. Of this amount nearly a fifth was for the erection, maintenance, and rent of school buildings; and the remainder, with the exception of £85,000 expended on pensions and gratuities—viz., $6\frac{1}{2}$ millions—represents the cost of education—including the cost of office staff, inspection, instruction, and contingencies—for the last fourteen years. The following table shows the expenditure under those heads for each year from 1872–3 to 1885–6, also the total for the period:—

EXPENDITURE ON PUBLIC INSTRUCTION,* 1872–3 TO 1885–6.

Year.	Cost of Instruction, including Salaries and Contingencies.	Pensions and Gratuities.	Cost of Erection † and Maintenance, and Rent of School Buildings.	Total.
	£	£	£	£
1872–3 ...	217,704	208	8,759	226,671
1873–4 ...	347,641	500	154,976	503,117
1874–5 ...	367,898	500	191,440	559,838
1875–6 ...	423,694	555	126,700	550,949
1876–7 ...	439,723	2,155	172,890	614,768
1877–8 ...	469,547	2,760	245,454	717,761
1878–9 ...	519,545	6,134	96,769	622,448
1879–80 ...	503,923	10,366	81,884	596,173
1880–81 ...	515,644	6,726	104,625	626,995
1881–2 ...	526,397	8,321	76,911	611,629
1882–3 ...	517,849	9,167	82,225	609,241
1883–4 ...	522,063	9,849	62,015	593,927
1884–5 ...	524,226	13,036	92,393‡	629,655‡
1885–6 ...	563,426	14,271	68,136	645,833
Total ...	6,459,280	84,548	1,565,177	8,109,005

250. It will be observed that the actual cost of instruction increased rapidly until 1878–9; that during the seven years, 1878–9 to 1884–5, it remained tolerably uniform at £520,000 per annum, but in 1885–6 it increased by nearly £40,000. During the last eight years the annual expenditure on school buildings varied from £62,000 in 1883–4 and £68,000 in 1885–6 to £105,000 in 1880–81. It may be remarked that prior to 1872–3 the total annual expenditure on public instruction was under £200,000.

251. Since the separation of Victoria from New South Wales upwards of two millions sterling have been expended on the introduction of immigrants from the United Kingdom. Of late years, however, it has not been the policy of the State to devote money to this object, and only £60 was so spent during the last five years. The following are the amounts spent in introducing immigrants during each year, beginning with the one in which separation took place:—

* Further details for the last two years are given in Part Social Condition *post*.

† Including expenditure from loans.

‡ Figures corrected since last issue of the *Victorian Year-Book*.

EXPENDITURE ON IMMIGRATION, 1851 TO 1885-6.*

£			£			£		
1851	...	116,363	1864	..	47,887	1876-7	...	500
1852	...	206,552	1865	...	41,808	1877-8	...	366
1853	...	209,925	1866	...	35,813	1878-9	...	342
1854	...	390,352	1867	...	38,402	1879-80	...	28
1855	...	187,355	1868	...	32,549	1880-81	...	104
1856	...	115,716	1869	...	50,637	1881-2	...	...
1857	...	115,877	1870	...	33,313	1882-3	...	11
1858	...	59,023	1871 (6 months)	...	14,840	1883-4	...	47
1859	...	48,809	1871-2	...	21,808	1884-5	...	2
1860	...	6,948	1872-3	...	4,094	1885-6	...	...
1861	...	63,739	1873-4	...	2,251			
1862	...	115,209	1874-5	...	1,583	Total	...	£2,013,094
1863	...	50,081	1875-6	...	760			

Expenditure on immigration in Australasian colonies.

252. Up to the end of 1885, all the Australasian colonies except Victoria had continued to expend considerable sums on the introduction of immigrants, but as a whole they spent nearly £30,000 less in 1885 than in the previous year. Over two hundred and sixty thousand pounds were spent by the colonies on immigration in 1885, of which Queensland contributed over one-half, and New South Wales one-fifth. In proportion to population, the expenditure was far the highest in Queensland, where it averaged 9s. 1d. per head, whilst in South Australia it was 2s. 4d. per head, the average for the whole of Australasia being 1s. 7d. per head. The following are the total amounts, and the amounts per head, expended in each colony in 1884 and 1885:—

EXPENDITURE ON IMMIGRATION IN THE AUSTRALASIAN COLONIES, 1884 AND 1885.

Colony.	Expenditure on Immigration.			
	Total Amount.		Amount per Head of Population.	
	1884.	1885.	1884.	1885.
	£	£	s. d.	s. d.
Victoria	2	...	...	...
New South Wales	50,810	52,036	1 2	1 1
Queensland	73,219	140,679	4 11	9 1
South Australia	33,641	36,043	2 2	2 4
Western Australia... ..	20,000†	...	12 5	...
Tasmania... ..	13,679	4,779	2 2	0 9
New Zealand	98,232	27,010	3 7	0 11
Total	289,583	260,547	1 9	1 7

Expenditure on immigration in Australasian colonies, 1871-85.

253. During the fifteen years ended with 1885 the subjoined amounts were spent on immigration in the following colonies:—Victoria, £80,049‡; New South Wales, £686,010; South Australia, £610,465‡; New Zealand, £2,147,241.§

* Prior to 1870 the figures denote the whole expenditure in connection with immigration, but from that date onwards it has not been possible to include the amounts for salaries and contingencies, in consequence of the Immigration Department having been amalgamated with the departments of Mercantile Marine and Distilleries.

† This amount was not actually expended during the year, but was appropriated to form an "Immigration Fund."

‡ For 15½ years.

§ Including £74,410 expenditure by the Provincial Governments during the years 1871-6.

254. During the last thirty-six years nearly fifty-one millions sterling have been expended—partly out of loans and partly out of the general revenue—by the Government of Victoria on public works including railways, roads and bridges, water supply, and other works and buildings. Of this amount, two and a half millions were spent in 1885–6. The whole is inclusive of loans to local bodies for the construction of waterworks, but exclusive of the sums expended by such bodies on public works, roads, &c., and on the Port of Melbourne* since the 1st January, 1877. The following table gives the amounts expended by the State prior to and during 1885–6 :—

GOVERNMENT EXPENDITURE ON PUBLIC WORKS.

Public Works.	Amount Expended.		
	Prior to 1885–6.	During 1885–6.	Total.
	£	£	£
Railways—Construction	22,914,449	1,443,364	24,357,813
„ Maintenance	2,976,131	275,699	3,251,830
Roads and bridges	7,174,765	41,061	7,215,826
Waterworks, Melbourne—Construction	1,933,719	84,455	2,018,174
„ „ Maintenance	103,323	5,706	109,029
„ Country	2,505,156	144,875	2,650,031
Other public works	10,747,831	505,445	11,253,276
Total	48,355,374	2,500,605	50,855,979

255. According to this table, the total expenditure to the 30th June, 1886, on the construction and maintenance of the Melbourne Waterworks was £2,127,203. And from a return presented to Parliament in November, 1886,† it appears that, besides these items, the cost of management since 1858 has been £197,470, making a total cost of £2,324,673; as against which the gross revenue received since the opening of the works in 1854 has amounted to £2,241,121. During 1885–6 the ordinary revenue of the waterworks amounted to £138,553, as against £127,344 in the previous year; and the expenditure, including maintenance, to £17,559, as against £15,881 in the previous year. The net revenue was thus £120,994, being equivalent to 6·12 per cent. of the mean capital cost;‡ as compared with £111,463, or 5·86 per cent., in 1884–5. A reference to a subsequent table§ will show that the loans were borrowed at the average nominal rate of only 4·10 per cent.

256. The total revenue and expenditure, and the amount of each per head of the living population, in each of the Australasian colonies are shown in the following table for the five years ended with 1885. As

* See table following paragraph 337 *post*.

† Parliamentary Paper, A—No. 7; Session 1886.

‡ Or the mean of the capital cost at the beginning and end of the year.

§ See table following paragraph 360 *post*.

the financial year of Victoria terminates on the 30th June, the items for this colony are given for six years, the last year but one being six months behind, and the last year being six months in advance, of the latest period in respect to which returns are given for the other colonies :—

REVENUE AND EXPENDITURE IN AUSTRALASIAN COLONIES.

Colony.	Year.	Revenue.			Expenditure.				
		Total Amount.	Amount per Head.		Total Amount.	Amount per Head.			
		£	£	s.	d.	£	£	s.	d.
Victoria *	1880-81	5,186,011	6	0	7	5,108,642	5	18	10
	1881-2	5,592,362	6	7	1	5,145,764	5	16	11
	1882-3	5,611,253	6	4	8	5,651,885	6	5	7
	1883-4	5,934,687	6	8	9	5,715,293	6	4	0
	1884-5	6,290,361	6	13	0	6,140,356	6	9	10
	1885-6	6,481,021	6	13	6	6,513,540	6	14	2
New South Wales	1881	6,707,963	8	15	10	5,890,580	7	14	5
	1882	7,410,737	9	5	5	6,347,810	7	18	10
	1883	6,470,341	7	13	5	8,048,319	9	10	10
	1884	7,117,592	7	19	0	6,853,189	7	13	1
	1885	7,584,593	8	2	11	8,573,288	9	4	2
Queensland	1880-81	2,023,668	9	8	2	1,757,654	8	3	5
	1881-2	2,102,095	9	5	3	1,904,201	8	7	9
	1883	2,583,444	9	12	11	2,242,971	8	7	6
	1884	2,673,554	8	19	0	2,751,851	9	4	3
	1885	2,840,960	9	4	0	2,875,609	9	6	3
South Australia...	1881	2,171,988	7	10	4	2,054,285	7	2	4
	1882	2,087,076	7	4	0	2,146,599	7	8	1
	1883	2,060,140	6	17	10	2,330,079	7	15	10
	1884	2,024,928	6	11	3	2,398,191	7	15	5
	1885	2,309,592	7	7	6	2,454,808	7	16	10
Western Australia	1881	254,313	8	11	4	197,386	6	13	0
	1882	250,372	8	4	9	205,451	6	15	3
	1883	284,364	9	2	1	240,566	7	14	1
	1884	290,319	8	19	7	291,307	9	0	3
	1885	323,213	9	9	9	308,849	9	1	4
Tasmania	1881	505,872	4	6	3	468,613	3	19	11
	1882	551,213	4	11	4	502,771	4	3	4
	1883	562,189	4	10	5	533,036	4	5	9
	1884	549,262	4	5	7	584,047	4	11	0
	1885	571,397	4	6	6	585,767	4	8	8
New Zealand	1881	3,757,493	7	12	3	3,675,797	7	9	0
	1882	3,917,160	7	13	10	3,824,735	7	10	2
	1883	3,871,267	7	6	3	3,924,005	7	8	3
	1884	3,707,488	6	14	2	4,101,318	7	8	5
	1885	3,859,996†	6	16	4†	4,282,901	7	11	4

NOTE.—For revenue and expenditure of the neighbouring colonies during 1886, see Summary of Australasian Statistics (third folding sheet) *ante*; also Appendix A *post*.

257. It should be pointed out that the Victorian returns of revenue and expenditure are prepared on a somewhat different principle from

Victorian statements differ from those of New South Wales.

* The amounts per head in the three financial years ended with 1884-5 have been amended since last publication, in consequence of a reduction made in the population estimates.

† The figures of revenue for New Zealand published in Appendix A of the last edition of the *Victorian Year-Book* were incorrect, as they erroneously included a loan of £237,000. This error has been now corrected.

those of New South Wales, the over-payments to the revenue, afterwards refunded, being in the Victorian statements deducted therefrom, and the net amounts only dealt with. In New South Wales, on the other hand, the refunds are not deducted from the revenue, but are placed under the head of expenditure, both revenue and expenditure being swelled thereby. It is not easy from the official statements of public accounts in New South Wales to ascertain the full extent to which this expansion of both sides of the account occurs; but by a superficial analysis of the accounts, sums can be traced amounting in the aggregate to nearly £500,000, which are included in and go to swell both the revenue and expenditure of that colony, whereas they would not be so included in Victoria, and this may possibly not be the full extent to which such differences occur. It is not known whether a similar system of cross-entry prevails in the other Australasian colonies, but it is probable such entries are not so rigidly excluded in any of the colonies as they are in Victoria.

258. In the last year named in the table Western Australia was the only colony in which there was a surplus of revenue over expenditure. In Victoria the deficiency was small, amounting only to £32,500, but in some of the colonies the deficiencies were unusually heavy, amounting to £989,000 in New South Wales, to £423,000 in New Zealand, and to £145,000 in South Australia; whilst the total deficiencies for all the colonies together in 1885 was £1,441,000. During the years named there has been a surplus four times in Victoria and Western Australia, three times in New South Wales, Queensland, and Tasmania, twice in New Zealand, and once in South Australia.

Revenue and expenditure compared.

259. In the last year named in the table a much larger revenue than in any previous year was raised in all the colonies except New Zealand. The expenditure was also much greater in the last than in any previous year in all the colonies except Tasmania, where the increase on the expenditure of the previous year was only slight.

Revenue and expenditure in colonies, 1885 and former years.

260. Victoria and Western Australia were the only colonies in which the revenue per head was larger in the last year than in any of the previous years named. The colonies in which the expenditure per head was greatest in the last year were Victoria, Queensland, South Australia, Western Australia, and New Zealand.

Revenue and expenditure per head in colonies.

261. Although, as has been already stated,* the returns of Victoria and New South Wales are not strictly comparable, there can be no doubt that in all the years shown in the table the revenue and expenditure of New South Wales exceeded that of Victoria. In both these respects the two colonies named stood much above all the others of the

Order of colonies in respect to revenue and expenditure.

* See paragraph 257 *ante*.

group. The following is the order in which the respective colonies stood in regard to the total amount they raised and expended in the last year named:—

ORDER OF COLONIES IN REFERENCE TO REVENUE AND
EXPENDITURE, 1885.

1. New South Wales.	5. South Australia.
2. Victoria.	6. Tasmania.
3. New Zealand.	7. Western Australia.
4. Queensland.	

Order of colonies in respect to revenue, &c., per head.

262. In regard to the revenue and expenditure per head, Victoria occupied the same place in all the years, viz., the sixth. In 1885 Western Australia was first in regard to revenue per head, and third in point of expenditure per head; whilst Queensland and New South Wales were respectively second and third in point of revenue, and first and second in point of expenditure per head. The following is the order in which the colonies stood in these respects:—

ORDER OF COLONIES IN REFERENCE TO AMOUNTS OF REVENUE AND
OF EXPENDITURE PER HEAD, 1885.

Revenue per Head.	Expenditure per Head.
1. Western Australia.	1. Queensland.
2. Queensland.	2. New South Wales.
3. New South Wales.	3. Western Australia.
4. South Australia.	4. South Australia.
5. New Zealand.	5. New Zealand.
6. Victoria.	6. Victoria.
7. Tasmania.	7. Tasmania.

Revenue and expenditure of Australia and Australasia.

263. Adding together the amounts of revenue and likewise the amounts of expenditure for 1885,* it will be found that on the continent of Australia the former amounted to over 19 millions, and the latter to over 20 millions; also that the aggregate revenue of Australia, with the addition of that of Tasmania and New Zealand, amounted to over 23 $\frac{3}{4}$ millions, and the aggregate expenditure to nearly 25 $\frac{1}{4}$ millions, sterling. In Continental Australia there was a deficiency on the year's transactions of a million, and in the Australasian colonies as a whole there was a deficiency of nearly 1 $\frac{1}{2}$ millions, which deficiencies were partly made good by means of balances carried forward from previous years. The following are the exact amounts of revenue and expenditure, also the proportions per head of population:—

REVENUE AND EXPENDITURE OF AUSTRALIA AND AUSTRALASIA,
1885.

	Revenue.		Expenditure.	
	Total Amount.	Amount per Head.	Total Amount.	Amount per Head.
	£	£ s. d.	£	£ s. d.
Continent of Australia ...	19,348,719	7 12 9	20,352,910	8 0 8
Ditto, with Tasmania and New Zealand	23,780,112	7 6 0	25,221,578	7 16 2

* In the case of Victoria, the figures for 1884-5 have been taken.

264. A comparison of the aggregate revenue of the colonies upon the Australian continent in 1873 and in 1885 shows that, in the twelve years, it had risen from £9,161,000 to £19,349,000, the increase being over 10 millions sterling, or 111 per cent. If the revenues of Tasmania and New Zealand be added, the sum shows an aggregate revenue for the whole of Australasia of £12,262,000 at the former and of £23,780,000 at the latter period, the increase being 11½ millions, or 94 per cent. In the same twelve years, the population of the Australian continent increased from 1,702,840 to 2,538,900, or 49 per cent., and the population of the whole of Australasia increased from 2,103,000 to 3,231,300, or 54 per cent.

Increased revenue of Australasia in twelve years.

265. The following is a comparative statement of the amounts received, under various heads of revenue, in the respective Australasian colonies during the most recent year for which the particulars are available. The figures have all been derived from official sources:—

Heads of revenue of Australasian colonies.

HEADS OF REVENUE IN AUSTRALASIAN COLONIES, 1885.*

Heads of Revenue.	Victoria (1885-6).	New South Wales.	Queensland (1885-6).	South Australia (1885-6).	Western Australia.	Tasmania.	New Zealand.
TAXATION.	£	£	£	£	£	£	£
Customs, &c. ...	2,004,460	1,759,955	1,004,754	544,661	134,116	276,101	1,422,052
Excise † ...	137,709	116,497	56,016	2,323	...	14,438	54,403
Licences (business) ...	33,922	122,695	47,553	27,480	5,051	12,838	} 237,300
Stamp duties, &c. ‡ ...	298,989	253,504	121,007	24,129	6,575	22,606	
Land and property taxes	126,770	...	...	203,073	...	§31,882	281,257 ||
Tonnage, &c. ...	32,710	...	...	...	...	...	...
Miscellaneous ...	...	...	...	60	93	8,253	...
Total ...	2,634,560	2,252,651	1,229,330	801,726	145,835	366,118	1,995,012¶
LAND REVENUE.							
Alienation in fee-simple and progressive **	465,766	1,314,357	315,866	127,077	24,874	48,820	156,056
Pastoral and mining occupation	65,122	} 562,095	285,118	148,343	{ 73,602	} 17,658	{ 233,251††
Miscellaneous ...	32,720							{ 2,074	{ 6,437
Total ...	563,608	1,876,452	600,984	275,420	100,550	66,478	395,744

* The figures for Victoria, Queensland, and South Australia are for the year ended 30th June, 1886; those for the other colonies for the year ended 31st December. For a summary of the revenue for a later year in some of the colonies, see Table IV., Appendix A, *post*.

† The excise duties were collected on spirits and tobacco in Victoria and New South Wales; on spirits, beer, and cedar in Queensland; on spirits only in South Australia; and on beer in Tasmania and New Zealand.

‡ Including duties on estates of deceased persons, duties on bank notes, on cheques and receipts, &c. In Victoria, New Zealand, and some of the other colonies, it has been necessary to estimate the revenue under this head, as 'Stamp duties,' 'Postage,' and 'Fines, fees, &c.' are now collected by only one kind of stamp.

§ Including "Dividend tax," amounting to £10,308.

|| This amount is larger by £216,500 than that received in 1884, but it is probable that a large amount of arrears were received in 1885. The amount payable annually is about £150,000.

¶ The amount of taxation in New Zealand, as given in the table, is lower by over £101,000, but the postal and telegraph revenue is higher by about £71,000 than that furnished by the colonial authorities, and published in the *Australasian Statistics* for 1885. The figures in the table were carefully made up in the office of the Government Statist, Melbourne, from a statement of the actual receipts, and, so far as it can be checked by returns of previous years, appears to be substantially correct.

** Including interest on land sold on credit.

†† Including "Gold duty," £23,084.

HEADS OF REVENUE IN AUSTRALASIAN COLONIES, 1885—continued.

Heads of Revenue.	Victoria (1885-6).	New South Wales.	Queens- land (1885-6).	South Australia. (1885-6).	Western Aus- tralia.	Tas- mania.	New Zealand.
PUBLIC WORKS.	£	£	£	£	£	£	£
Railways and tramways	2,306,791	2,492,691*	668,619	556,963	27,179	37,182	1,016,925
Water Supply ...	190,815	...	...	70,478	...	...	14,498
Other Public Works ...	3,364	...	...	...	...	...	...
Total ...	2,500,970	2,492,691	668,619	627,441	27,179	37,182	1,031,423
POST AND TELEGRAPHS.							
Postal receipts † ...	300,534	329,724	100,683	107,033	12,039	34,792‡	207,010
Telegraph receipts ...	93,650	142,840	80,902	79,957	4,985	10,455	87,918
Total ...	394,184	472,564	181,585	186,990	17,024	45,247	294,928§
OTHER SOURCES.							
Mint receipts ...	16,318 ||	7,631	...	...	...	...	...
Fees, fines, &c. † ...	128,523	103,581	32,917	52,061	6,283	16,079	118,651
Interest on Public Account	84,973	59,000	104,482	52,341	7,827	19,006	16,589
Rents (other than land)	14,905	51,258	3,026	987	5,431	3,646	...
Pilotage, harbour, and light rates	¶	55,078	19,206	14,053	3,032	...	2,423
Public school fees ...	...	58,925	...	13,880	...	...	...
Miscellaneous ** ...	142,980 ¶	154,762	28,146	254,139	10,052	17,641	5,226
Total ...	387,699	490,235	187,777	387,461	32,625	56,372	142,889
Grand total ...	6,481,021	7,584,593	2,868,295††	2,279,038††	323,213	571,397	3,859,996‡‡

Land tax in
Victoria
and the
other
colonies.

266. It will be noticed that land or property taxes exist in four of the colonies, and that the amount derived therefrom in 1885 in South Australia and New Zealand was very much in excess of that received from the land tax in Victoria. It is believed, however, that the large amount appearing under that head in the New Zealand revenue includes arrears, and that the amount payable annually does not exceed £150,000.

Heads of
revenue in
Victoria
and New
South
Wales com-
pared.

267. It will further be remarked that the land revenue was three and one-third times as large in New South Wales as in Victoria, which item alone accounts for the larger total revenue of the former colony. Indeed,

* Including £19,585, collected for, and repaid to, the Victorian Government for traffic beyond Albury.
† Some of the amounts in this line have been estimated. See latter part of footnote (†) on previous page. The postal receipts include "Commission on money orders."
‡ Including contributions from the Victorian and Imperial Governments, amounting to £7,093. In Victoria such amounts are usually deducted at once from the revenue.
§ See footnote (¶) on previous page.
|| Including £4,613, being unexpended balance of Mint subsidy returned to revenue.
¶ In Victoria, the pilotage collected at the port of Melbourne is paid direct to the pilots, whilst the small amount received at the outports (£351) is included with "Tonnage, &c.," under the head of "Taxation."
** Of the miscellaneous revenue of Victoria, £64,615 was not strictly revenue, being merely a repayment of moneys advanced to the Loan Account; and of that of New South Wales, £59,055 consisted of repayments to the credit of appropriations and transfers from Trust Funds.
†† In table following paragraph 256 ante the figures of revenue for Queensland and South Australia are for the calendar year 1885, and therefore do not agree with these, which are for the financial year ended 30th June, 1886.

‡‡ The total revenue of New Zealand, as here given, is less by £237,000 than the amount furnished in the first instance by the authorities of that colony, and published in the *Australasian Statistics* for 1885, the proceeds of a loan having been erroneously included.

if the land revenues be deducted from the total revenues of the two colonies, the revenue of Victoria, notwithstanding the cross entries in the New South Wales returns already alluded to, would exceed the revenue of that colony by £209,000, the respective amounts for 1885 being £5,917,000 and £5,708,000. It also appears that, whilst the railway revenue of Victoria is less by £180,000 than that of New South Wales, in the former it forms much more than one-third, and in the latter nearly one-third, of the total revenue. The total taxation of Victoria was greater than that of New South Wales by about £382,000, or more than a sixth; under which head, "Licences" produced £89,000 more in New South Wales than in Victoria, but the Customs revenue of the latter was the greater by nearly £244,000, the revenue from Excise by £21,000, and the revenue from Stamp duties by £45,500, whilst the Victorian Land tax, which has no parallel in the neighbouring colony, brought in a further sum of £127,000. Under other heads, the revenue from Post and Telegraphs, Rents (exclusive of lands), and Miscellaneous sources, preponderated in favour of New South Wales; but Mint receipts, Fees and Fines, and Interest in favour of Victoria.*

268. In 1885 the aggregate land revenue of the Australasian colonies Land revenue in Australasian colonies. amounted to £3,879,000, of which nearly £2,500,000 was received for alienation, and over £1,400,000 for temporary occupation, &c. The following table—derived from the preceding one—shows the receipts from the sale and occupation of Crown lands and their proportion to the total revenue in each Australasian colony during 1885. The colonies are arranged in order according to that proportion:—

LAND REVENUE IN AUSTRALASIAN COLONIES, 1885.

Colony.	Revenue derived from Crown Lands for—			Proportion of Land Revenue to Total Revenue.
	Alienation in Fee-simple, and Progressive Alienation.	Temporary Occupation, and Miscellaneous.	Total.	
	£	£	£	Per Cent.
1. Western Australia ...	24,874	75,676	100,550	31·11
2. New South Wales ...	1,314,357	562,095	1,876,452	24·74
3. Queensland (1885-6) ...	315,866	285,118	600,984	20·95
4. South Australia (1885-6) ...	127,077	148,343	275,420	12·08
5. Tasmania ...	48,820	17,658	66,478	11·63
6. New Zealand ...	156,056	239,688	395,744	10·25
7. Victoria (1885-6) ...	465,766	97,842	563,608	8·69
Total ...	2,452,816	1,426,420	3,879,236	16·19

* The Victorian returns of revenue are prepared on a somewhat different principle from those of New South Wales. See paragraph 257 *ante*.

Prospective
diminution
of land
revenue in
colonies.

269. It will be noticed that nearly a sixth of the aggregate revenues of the Australasian colonies in 1885 was derived from Crown lands; and that the proportion amounted to only a twelfth in Victoria; between an eighth and a tenth in South Australia, Tasmania, and New Zealand; about a fifth in Queensland; nearly a fourth in New South Wales; and nearly a third in Western Australia. It will also be remarked that in all the colonies, except Western Australia, South Australia, and New Zealand, the bulk of the land revenue was derived from alienation in fee-simple.

Land re-
venue in
Australasia,
1878-1885.

270. In 1885, as compared with 1884, a decrease of £120,000 occurred in the land revenue of South Australia, of £103,000 in that of Victoria, and of £32,000 in that of New Zealand; but, on the other hand, an increase amounting to £123,000 took place in that of New South Wales, and slight increases in those of the other colonies. Taking the colonies as a whole, considerable fluctuations will be observed in the land revenue during the eight years ended with 1885, as shown in the following table:—

LAND REVENUE OF AUSTRALASIAN COLONIES, 1878 TO 1885.

Years.	Land Revenue.	
	Total Amount.	Proportion of Total Revenue.
1878	£ 5,814,388	33·00
1879	3,565,349	22·33
1880	3,802,143	17·50
1881	5,744,306	27·00
1882	5,458,963	25·00
1883	4,042,722	18·75
1884	4,001,028	17·50
1885	3,879,236	16·19

Sources of
revenue in
Australasia.

271. Of the $23\frac{3}{4}$ millions sterling which formed the total revenue of the Australasian colonies in 1885, $9\frac{1}{4}$ millions—or considerably over one-third—was raised by taxation, chiefly through the Customs; over 7 millions—or nearly one-third—was derived from Railways, 4 millions from Crown lands, and $1\frac{1}{2}$ millions from Post and Telegraphs. The following are the exact figures, also the amounts per head, distinguishing those relating to Continental Australia from those relating to the Australasian colonies taken as a whole:—

HEADS OF REVENUE IN AUSTRALIA AND AUSTRALASIA, 1885.

Heads of Revenue.	Continent of Australia.		Australia, with Tasmania and New Zealand.	
	Amount.	Amount per Head.	Amount.	Amount per Head.
Taxation--	£	£ s. d.	£	£ s. d.
Customs	5,489,799	2 2 5	7,187,952	2 3 5
Other Taxes...	1,406,416	0 12 0	2,069,393	0 13 5
Total	6,896,215	2 14 5	9,257,345	2 16 10
Crown Lands	3,667,969	1 9 0	4,088,680	1 5 1
Railways	6,068,893	2 7 11	7,123,000	2 3 9
Post and Telegraphs ...	1,242,751	0 9 10	1,582,926	0 9 9
Other Sources	1,472,891	0 11 7	1,728,161	0 10 7
Total	19,348,719	7 12 9	23,780,112	7 6 0

NOTE.—For similar figures for 1886, see Appendix A *post*.

272. The following is a comparative statement of the amounts expended under a few of the principal heads in the respective colonies during the most recent year for which the particulars are available:—

Heads of expenditure of Australasian Colonies.

HEADS OF EXPENDITURE IN AUSTRALASIAN COLONIES, 1885.*

Heads of Expenditure.	Victoria (1885-6.)	New South Wales.	Queensland (1885-6.)	South Australia.	Western Australia.	Tasmania.	New Zealand.
	£	£	£	£	£	£	£
Railways	1,323,873	1,727,621	467,340	410,725	28,188	61,520	736,009
Post and Telegraphs	564,620	574,309	292,116	196,335	29,851	55,915	282,912
Interest on Public Debt, &c. †	1,282,010	1,267,608	811,565	664,941	49,280	148,598	1,698,599
Immigration ‡	...	52,036	7,639	36,043	...	...	...
Other Services	3,343,037	4,951,714	1,511,499	1,146,764	201,530	319,734	1,565,381
Total	6,513,540	8,573,288	3,090,159§	2,454,808	308,849	585,767	4,282,901

273. It will be observed that the Railway expenditure was larger by £400,000 in New South Wales than in Victoria, where it amounted to close on 1½ millions sterling, or about a fifth of the total expenditure; but the amount of interest payable on the Public debt and the expenditure on Post and Telegraphs differed but little in these two colonies, the former being somewhat the larger in New South Wales, and the latter somewhat the larger in Victoria. The interest on the Public debt in Victoria, however, was not nearly so large as in New Zealand,

Heads of expenditure in Australasian Colonies compared.

* The figures for Victoria and Queensland are for the year ended 30th June, 1886, those for the other colonies for the year ended 31st December, 1885. For later figures, see Appendix A *post*.

† Borrowed chiefly for the construction of Railways and other reproductive Works.

‡ Further amounts on the introduction of immigrants were expended during the year out of loans, as follows:—Queensland, £140,679; Tasmania, £4,779; New Zealand, £27,010. See Table VI. *Victorian Year-Book* 1884-5, page 654.

§ In table following paragraph 256 *ante*, the figures of expenditure in Queensland are for the calendar year 1885, and therefore do not agree with these, which are for the financial year ended 30th June, 1886.

where it amounted to nearly £1,700,000, or to nearly two-fifths of the total expenditure. The expenditure on immigration should be considered in conjunction with that expended during the year from loans.*

274. The following is a summary of the aggregate expenditure under the various heads referred to for Australia and Australasia :—

HEADS OF EXPENDITURE IN AUSTRALIA AND AUSTRALASIA, 1885.

Heads of Expenditure.	Continent of Australia.		Australia, with Tasmania and New Zealand.	
	Amount.	Amount per Head.	Amount.	Amount per Head.
	£	£ s. d.	£	£ s. d.
Railways	4,020,667	1 11 9	4,818,196	1 9 10
Post and Telegraphs	1,631,335	0 12 10	1,970,162	0 12 2
Interest on Public Debt, &c....	4,010,301	1 11 8	5,857,498	1 16 3
Immigration †	88,079	0 0 8	88,079	0 0 7
Other Services	10,602,528	4 3 9	12,487,643	3 17 4
Total	20,352,910	8 0 8	25,221,578	7 16 2

NOTE.—The amounts in this table are summarized from statements of the various colonies for the year ended 31st December, 1885, except in the case of Victoria, for which colony the amounts for the year ended 30th June, 1885, have been taken. For later figures, see Appendix A *post*.

275. In addition to the expenditure of amounts derived from the General Revenue, as shown in the last two tables, all the colonies spend large amounts of borrowed money, chiefly on railways and waterworks, but, also, in some instances, on the construction of electric telegraphs, harbour works and lighthouses, defence works, roads and bridges, school buildings and other public works, and on immigration. The following table shows the total loan expenditure of the various colonies during 1885, also the amounts per head :—

EXPENDITURE FROM LOANS IN AUSTRALASIAN COLONIES, 1885.

Name of Colony.	Expenditure from Loans during 1885.	
	Total Amount.	Amount per Head.
	£	£ s. d.
Victoria	1,153,065	1 4 5
New South Wales	3,896,145	4 3 9
Queensland	1,711,724	5 10 10
South Australia	1,136,446	3 12 7
Western Australia	162,992	4 15 8
Total	8,060,372	3 3 8
Tasmania	465,448	3 10 5
New Zealand	1,778,884	3 2 10
Grand Total	10,304,704	3 3 9

NOTE.—In this table the figures for Victoria relate to the year ended 30th June, 1885, those for the other colonies to that ended 31st December. For later information see Appendix A *post*.

* See table following paragraph 277 *post*.

† For further amounts, expended from loans during the year, see table following paragraph 277 *post*.

Heads of expenditure in Australasia.

Loan expenditure in Australasian colonies, 1885.

276. It will be observed that the aggregate loan expenditure of the Australasian colonies, in 1885, was not far short of 10½ millions sterling, nearly 4 millions of which was spent by New South Wales, that amount being much more than three times as large as that spent by Victoria. It will also be noticed that the loan expenditure per head of population was much lower in Victoria, but much higher in Queensland, than in any other colony.

Loan expenditure of different colonies compared.

277. Of the loan expenditure of the Australasian colonies during 1885, nearly two-thirds, or £2 1s. 2d. per head of population, was spent in the construction of railways; about one-thirteenth, or 5s. per head, in waterworks; nearly £172,500, or 1s. 1d. per head, on the introduction of immigrants, and the balance for other services. The following are the amounts and the amounts per head expended under each of these heads in Australia and Australasia respectively during 1885:—

Heads of Loan expenditure in Australia and Australasia.

HEADS OF LOAN EXPENDITURE IN AUSTRALIA AND AUSTRALASIA, 1885.

Heads of Loan Expenditure.	Continent of Australia.		Australia, with Tasmania and New Zealand.	
	Amount.	Amount per Head.	Amount.	Amount per Head.
	£	£ s. d.	£	£ s. d.
Railways	5,867,960	2 6 4	6,650,360	2 1 2
Water Supply	829,843	0 6 7	829,843	0 5 1
Immigration	140,679	0 1 1	172,468	0 1 1
Other Services	1,221,890	0 9 8	2,652,033	0 16 5
Total	8,060,372	3 3 8	10,304,704	3 3 9

NOTE.—See note to last table.

278. The following table gives a statement of the public revenues of the United Kingdom and the various British possessions throughout the world, according to the latest official information available; also the average amount of revenue to each person in the population of the different countries and colonies named. All the calculations have been made in the office of the Government Statist, Melbourne:—

Revenues of British dominions.

REVENUES OF BRITISH DOMINIONS, 1885.

Country or Colony.	Revenue.	
	Gross Amount.	Average per Head.*
	£	£ s. d.
EUROPE.		
United Kingdom	89,581,301	2 8 6
Gibraltar	44,440	2 8 4
Malta	213,311	1 7 3

* For populations on which most of these calculations have been based, see table following paragraph 141 ante.

REVENUES OF BRITISH DOMINIONS, 1885—*continued.*

Country or Colony.	Revenue.			
	Gross Amount.	Average per Head.*		
	£	£	s.	d.
ASIA.				
India	70,690,681	0	7	1
Ceylon	1,186,018	0	8	5
Straits Settlements	628,530	1	1	0
Labuan	4,491	0	14	3
Hong Kong	260,810	1	7	4
AFRICA.				
Mauritius	730,923	2	0	5
Natal	662,915	1	9	11
Cape of Good Hope	3,327,578†	2	13	2
St. Helena	9,049	1	15	7
Lagos	63,505	0	14	7
Gold Coast	130,457	0	4	0
Sierra Leone	67,760	1	2	5
Gambia	20,258	1	8	8
AMERICA.				
Canada	6,914,712	1	10	2
Newfoundland	210,255	1	1	9
Bermuda	28,693	1	18	2
Honduras	52,246	1	18	1
British Guiana	434,813	1	12	2
West Indies—				
Bahamas	45,466	1	0	11
Turk's Island	9,757	2	1	3
Jamaica	612,398	1	0	6
St. Lucia	38,493	0	18	7
St. Vincent	23,857	0	11	1
Barbados	145,758	0	17	0
Grenada	41,894	0	18	1
Tobago	10,826	0	11	2
Virgin Islands	1,753	0	6	8
St. Christopher }	35,443	0	17	3
Nevis ... }				
Antigua	41,957	1	4	0
Montserrat	5,430	0	9	9
Dominica	15,841	0	11	0
Trinidad	429,307	2	9	11
AUSTRALASIA AND SOUTH SEAS.				
Australia, Tasmania, and New Zealand ‡ ...	23,780,022	7	7	2
Fiji	76,669	0	12	1
Falkland Islands	10,438	6	14	5
Total	200,588,055	0	15	9

Aggregate
revenue of
British
dominions.

279. It will be noticed that, out of the 200 millions sterling which represent the aggregate annual revenue of the British dominions, 92 per cent. is raised in the United Kingdom, India, and Australasia, the

* For populations on which most of these calculations have been based, see table following paragraph 142 *ante*.

† Exclusive of loans, which appear to have been included in the previous year.

‡ For the revenue of each Australasian colony, see table following paragraph 256 *ante*.

proportion contributed by each respectively being 45 per cent., 35 per cent., and 12 per cent. Of the total amount, 45 per cent. is raised in Europe, 36 per cent. in Asia, $2\frac{1}{2}$ per cent. in Africa, $4\frac{1}{2}$ per cent. in America, and 12 per cent. in Australasia.

280. The very large amount of revenue in proportion to population raised in every one of the Australasian colonies, as compared with other British possessions, will be at once noticed.* It will, however, be remembered that these colonies possess an immense territory, scantily peopled, and that a considerable revenue is derived from the usufruct of the unsold lands, which is not generally the case elsewhere; also, that the revenues are swelled by the large sums which are received annually from the alienation of Crown lands in fee-simple and from the working of the State railways.†

Large revenues per head in Australasian colonies.

281. Besides the Australasian colonies and the comparatively insignificant possession of the Falkland Islands—in which the revenue is exceptionally high in proportion to population—there are only two other colonies, viz., Trinidad and the Cape of Good Hope, which raise larger amounts per head than the United Kingdom.

Revenue per head in colonies and United Kingdom.

282. The following table shows the actual or estimated revenues of the principal Foreign countries at recent dates, according to the best information obtainable. In most cases sums raised by means of loans and other extraordinary receipts have been eliminated. The calculations in the last column have been made in the office of the Government Statist, Melbourne:—

Revenues of Foreign countries.

REVENUES OF FOREIGN COUNTRIES.

Country.	Year.	Revenue.	
		Gross Amount. (000's omitted.)	Amount per Head.‡
EUROPE.			
Austria-Hungary	1883-4	£ 74,552,§	£ s. d. 1 18 0
Belgium	1886	12,822,	2 4 6
Denmark	1883-4	3,132,	1 11 10
France	1885	138,193,	3 13 10
Germany	1883-5	105,808,||	2 6 9
Greece	1884	3,445,	1 14 10
Holland	1885	10,115,	2 8 6
Italy	1884-5	59,343,	2 0 5

* See table following paragraph 256 *ante*.

† For a comparison of the railway revenues and land revenues of the Australasian colonies with the total revenues, see paragraphs 268, and 272 to 274, *ante*.

‡ The populations of Foreign countries on which these calculations are based are generally those given in paragraph 144 *ante*.

§ This amount is made up of £45,201,000, revenue of Austria in 1883; £29,351,000, revenue of Hungary in 1884.

|| This amount is made up of the estimated ordinary revenue of the Empire for 1884-5, £23,626,200 (exclusive of contributions by the States), and of the revenues of the following States, according to their budget estimates, for the dates named, viz.:—Alsace-Lorraine, £1,980,590 in 1883-4; Anhalt, £946,320 in 1883-4; Baden, £2,009,830 in 1883; Bavaria, £11,435,266 in 1883; Bremen, £545,133 in 1883; Brunswick, £463,645 in 1884; Hamburg, £1,764,565 in 1883; Hesse, £877,910 in 1884; Lippe, £48,821 in 1884; Lübeck, £145,718 in 1883; Oldenburg, £296,374 in 1884; Prussia, £54,152,894 in 1883-4; Reuss-Greiz, £36,577 in 1884; Reuss-Schleiz, £65,106 in 1884; Saxe-Altenburg, £120,908 in 1883; Saxe-Coburg-Gotha, £294,280 in 1884-5; Saxe-Meiningen, £250,083 in 1884; Saxe-Weimar, £315,261 in 1884; Saxony, £3,499,076 in 1884; Schaumburg-Lippe, £26,784 in 1883; Schwarzburg-Rudolstadt, £96,438 in 1883; Schwarzburg-Sondershausen, £105,969 in 1883; and Würtemberg, £2,699,329 in 1884-5.

REVENUES OF FOREIGN COUNTRIES—*continued.*

Country.	Year.	Revenue.	
		Gross Amount. (000's omitted.)	Amount per Head.*
EUROPE— <i>continued.</i>			
Portugal	1885-6	£ 6,973,	£ s. d. 1 12 5
Roumania	1885	5,155,	0 19 2
Russia in Europe	1886	62,217, †	0 14 2
Spain	1884-5	35,213,	2 1 8
Sweden and Norway	1883-4	6,659, ‡	0 17 1
Switzerland	1885	1,839,	0 12 11
Turkey	1883-4	14,681,	0 12 1
ASIA.			
Japan	1884-5	15,197,	0 8 0
AFRICA.			
Egypt	1885	9,108,	1 6 9
Tunis	1884-5	594,	0 5 8
AMERICA.			
Argentine Confederation	1885	7,283,	2 7 4
Brazil	1885	13,288,	1 0 5
Mexico	1884-5	5,446,	0 10 5
Peru	1876	13,012,	4 6 6
United States	1885	67,435,	1 6 9

Countries
raising
largest
revenue.

283. According to this table and that following paragraph 278 *ante*, the country which raises the largest revenue of any in the world is France; then Germany, the United Kingdom, and Austria-Hungary, in the order named. After the revenues of these countries, the largest amounts are raised in British India, the United States, Russia, Italy, and Spain. These are the only countries whose revenues exceed the united revenues of the Australasian colonies. The revenue of Victoria is larger than that of Denmark, Greece, Roumania, Switzerland, Tunis, or Mexico; and nearly as large as that of Portugal, Sweden and Norway, or the Argentine Confederation.

Countries
raising
largest
amounts
per head.

284. Omitting Peru, in which it is understood that the nominal revenue is sustained by large issues of paper money and other irregular means, France is the only country named in the table which raises more per head than the United Kingdom, where it is almost the same as in Holland, Germany, and the Argentine Confederation. In Victoria, nearly twice as much per head is raised as in France, and more than two and a half times as much as in the United Kingdom.

Taxation.

285. The amounts of which revenue is made up may be divided into two classes, viz., those raised by taxation and those raised otherwise. In Victoria, the former class consists of Customs and Excise duties, wharfage rates, port and harbour dues, business licences, duties on bank

* See footnote (†) on preceding page.

† Exclusive of *Recettes d'ordre*, &c.; also of loans and advances repaid amounting to £6,530,000.

‡ This amount is made up of £4,389,777 revenue of Sweden in 1882-3, and £2,268,920 revenue of Norway in 1883-4.

notes, duties on estates of deceased persons, a land tax, and stamp duties. The latter class comprises amounts derived from the sale or occupation of Crown lands, from railways, from water supply, from post and telegraph offices, from the Mint, from fees, fines, and forfeitures, from the interest on the public account, from the labour of prisoners, &c. The following figures show the result of a division of the Victorian revenue upon this principle:—

TAXATION, 1885-6.

				£
Revenue raised by taxation ...	...	...	...	2,634,560
" otherwise ...	...	...	...	<u>3,846,461</u>
Total ...	...	...	...	<u>6,481,021</u>

286. In 1885-6 about 41 per cent. of the total revenue was raised by taxation; and if the amount so raised be divided by the estimated mean population of the financial year, already stated to have been 971,145, an average will be obtained of £2 14s. 3d. to each individual. The following table contains a statement of the gross amount of taxation, the average amount per head, and the proportion of taxation to the total revenue, during each year since 1853:—

TAXATION, 1853 TO 1885-6.*

Year.	Taxation.			Year.	Taxation.		
	Gross Amount.	Average per Head.†	Percentage of Total Revenue.		Gross Amount.	Average per Head.†	Percentage of Total Revenue.
	£	£ s. d.			£	£ s. d.	
1853 ...	800,577	4 1 11	24·74	1871 (6 months)	724,261	0 19 10	42·82
1854 ...	1,052,462	3 18 8	34·08	1871-2	1,612,034	2 3 2	43·17
1855 ...	1,193,309	3 10 6	43·73	1872-3	1,784,056	2 7 0	48·96
1856 ...	1,458,647	3 16 7	49·07	1873-4	1,896,842	2 9 2	46·19
1857 ...	1,331,362	3 1 10	40·00	1874-5	1,724,822	2 4 0	40·71
1858 ...	1,414,511	2 18 6	47·57	1875-6	1,780,392	2 5 0	41·16
1859 ...	1,414,760	2 14 8	43·38	1876-7	1,770,685	2 4 2	37·48
1860 ...	1,330,761	2 9 10	43·11	1877-8	1,712,953	2 2 0	38·03
1861 ...	1,244,389	2 6 1	42·15	1878-9	1,730,088	2 1 10	37·44
1862 ...	1,183,194	2 3 2	36·19	1879-80	1,690,923	2 0 3	36·59
1863 ...	1,158,219	2 1 2	41·74	1880-81	2,003,704	2 6 7	38·64
1864 ...	1,167,036	1 19 10	39·49	1881-2	2,317,706	2 12 8	41·44
1865 ...	1,214,479	1 19 9	39·47	1882-3	2,334,255	2 11 10‡	41·60
1866 ...	1,219,567	1 18 9	39·61	1883-4	2,318,520	2 10 4‡	39·07
1867 ...	1,516,231	2 7 1	47·14	1884-5	2,548,171	2 13 10‡	40·51
1868 ...	1,352,818	2 0 10	41·87	1885-6	2,634,560	2 14 3‡	40·65
1869 ...	1,539,495	2 4 10	45·49				
1870 ...	1,394,333	1 19 1	42·75				

NOTE.—An export duty on gold existed from May, 1885, to the end of 1867. The receipts from that source have not, for the purposes of this table, been considered as taxation.

* According to figures contained in a statement distributed to Members of the Legislative Assembly by the Honorable the Treasurer on the 20th July, 1887, the taxation in 1886-7 amounted to about £2,734,000, or £2 14s. 6d. per head of the estimated mean population (1,003,043) of that financial year.

† For mean population of each year, see table following paragraph 223 *ante*.

‡ Figures amended since last publication in consequence of a reduction in the estimates of population.

Comparison
of taxation
1885-6
with former
years.

287. It will be observed that, whilst an increase of over £86,000 took place in the gross amount produced by taxation in 1885-6, as compared with the preceding year, the taxation per head was only 5d. more than in 1884-5; it was, however, higher than in any previous year since 1859. The proportion of taxation to revenue was somewhat higher than in the two previous years, but lower than in 1882-3 or 1881-2.

Heads of
taxation.

288. The following is a statement of the amounts received under the various heads of taxation during each of the last eight years:—

HEADS OF TAXATION, 1878-9 TO 1885-6.*

Heads of Taxation.	Amount Received.							
	1878-9.	1879-80.	1880-81.	1881-2.	1882-3.	1883-4.	1884-5.	1885-6.
	£	£	£	£	£	£	£	£
Customs duties	1,351,864	1,353,656	1,450,137	1,667,306	1,740,467	1,741,053	1,887,718	1,968,640
Wharfage rates†	26,520	24,125	24,641	27,346	28,537	28,055	31,821	35,820
Excise:—								
Spirits	36,088	41,230	52,232	52,620	52,522	53,638	68,930	67,250
Beer .. ..	..	..	62,557	98,955	11,256	..	..	..
Tobacco .. ..	..	..	21,872	64,972	70,933	70,016	72,295	70,459
Ports and Harbours † ..	20,310	19,194	20,577	26,263	27,787	30,871	31,176	32,710
Licences (not territorial) ..	20,116	21,762	23,906	25,977	28,381	31,623	32,535	33,922
Duties on estates of deceased persons	47,983	37,928	78,141	74,368	86,648	77,154	124,370	104,907
Duty on bank notes	24,956	22,470	23,807	27,324	28,685	28,575	27,529	28,769
Stamp duty .. ..	..	83,005	115,844	131,020	133,433	133,651	143,382	165,313
Land tax	202,251	87,553	129,990	121,555	125,806	123,884	128,415	126,770
Total	1,730,088	1,690,923	2,003,704	2,317,706	2,334,255	2,318,520	2,548,171	2,634,560

Heads of
taxation, in
1884-5 and
1885-6 com-
pared.

289. It will be observed that during the three years prior to 1884-5, the amounts received under the head of taxation were almost identical, but in that year there was an increase of £229,600, and a further increase of £86,400 in 1885-6, the total increase in the two years being thus £316,000. About £100,000|| of this increase was attributable to fresh taxation—imposed about the beginning of 1884-5 in the form of increased customs and excise duties on spirits; whilst the balance represents the natural growth of the interests by which the sources of taxation are affected. The increase in 1885-6 took place chiefly under the heads of Customs duties and stamp duty; the former showing an increase of £81,000, and the latter of £22,000; besides which there was an increase of £4,000 under wharfage rates, and of smaller amounts under ports and harbours, licences, and bank note duty. On

* See also footnotes to table following paragraph 240 *ante*.

† Consisting, chiefly, of one-fifth of the total amount of wharfage rates collected at the Port of Melbourne. Since the 30th June, 1877, the remaining portion of these rates has formed part of the revenue of the Melbourne Harbour Trust.

‡ Chiefly tonnage dues.

§ Estimated.

|| If the quantity of spirits on which duty was paid had remained constant, the increase would have been £113,000; but there was a falling off. See table following paragraph 297 *post*.

the other hand, a decrease, amounting to £19,500, occurred in the revenue from estates of deceased persons (a fluctuating source of income), but still the amount received was larger by over £18,000 than in any year prior to 1884-5; whilst there were also slight decreases in the receipts from excise duties on spirits and tobacco, and from the land tax. No change whatever in the incidence of taxation was made during the year.

290. The greater portion of the Government taxation is derived from Customs duties. The proportion from that source, however, has gradually decreased from 89 per cent. in 1874-5, and 87 per cent. in 1875-6, to as low as 72 per cent. in 1881-2, and between 74 and 75 per cent. in the last four years. The revenue derived from Customs duties during 1885-6 was equivalent to a charge of $10\frac{3}{4}$ per cent. on the estimated total value of imports during the same year.*

291. The following is a comparative statement for the same eight financial years of the principal heads under which taxation was levied by means of Customs duties:—

TAXATION BY CUSTOMS DUTIES, † 1878-9 TO 1885-6.

Articles.	Amounts Received.							
	1878-9.	1879-80.	1880-81.	1881-2.	1882-3.	1883-4.	1884-5.	1885-6.
	£	£	£	£	£	£	£	£
Spirits	455,157	420,872	430,909	443,431	468,746	472,259	518,370	545,170
Wine	31,462	34,095	43,171	45,112	44,100	39,096	42,101	41,086
Beer and cider ..	27,143	27,372	29,721	29,770	32,372	33,845	35,210	37,904
Tobacco and snuff	75,161	59,384	53,379	71,525	85,844	97,420	108,405	121,476
Cigars	17,818	16,404	21,691	24,927	29,453	31,311	34,299	33,583
Tea	68,703	68,541	76,540	81,706	80,298	73,970	88,093	87,544
Sugar and molasses	93,197	89,379	94,312	103,466	108,087	119,248	118,031	115,796
Coffee, chicory, co- coa, and chocolate	13,380	13,153	13,882	14,491	14,883	15,665	16,930	16,990
Opium	13,988	18,877	21,645	21,359	20,897	21,389	19,517	15,266
Rice	12,434	15,555	23,136	20,169	20,576	16,607	18,824	19,710
Hops	8,277	9,364	7,805	14,948	8,318	4,416	4,326	4,455
Malt	12,710	10,907	3,371	4,272	1,750	3,301	2,302	3,633
Fruits and vege- tables, dried and preserved	38,297	34,809	34,312	47,510	48,418	43,973	53,348	47,806
Live stock	30,115	43,056	39,167	34,948	32,945	38,359	30,064	37,741
Articles subject to <i>ad valorem</i> duties	248,622	273,835	334,296	434,532	444,038	441,470	490,677	494,512
All other articles..	205,391	218,053	222,800	275,140	299,742	288,724	307,221	345,968
Export duty on timber	9	..	..	..	..	..	..	..
Total	1,351,864	1,353,656	1,450,137	1,667,306	1,740,467	1,741,053	1,887,718	1,968,640

292. It will be observed that in 1885-6 the Customs revenue exceeded that in 1884-5 by £80,900, and was also in excess of that in

* See also table following paragraph 326 *et seq. post.*

† Wharfage rates, which form part of the Customs revenue, are not included in this table.

any previous year by a much larger amount. This increase is made up chiefly of £26,800 under the head of spirits, £2,700 under beer, £12,300 under tobacco and cigars, £7,700 under live stock, £1,300 under malt, £4,200 under articles subject to *ad valorem* duties, and £38,700 under all other heads; but against these must be set a decrease of £5,500 under fruits and vegetables—on which the amount received in 1884-5, however, was exceptionally large—£4,200 under opium, and £2,200 under sugar. It will also be remarked that, doubtless owing to increased production within the colony, the revenue from hops and malt has of late years been much less than it was formerly. The only article on the list affected by an alteration in the Tariff within the last four years is spirits, on which the duty was raised by one-fifth on the 17th July, 1885, viz., from 10s. to 12s. per gallon, the result being an increased revenue from spirits amounting to about £73,000 annually.

Taxation on chief articles of import.

293. The relative importance of the various heads of Imports as sources of Customs revenue is shown in the following table, which gives a statement of the total amount and the amount per head of the population, of duty received in 1885-6 from each of the principal groups of articles; also the proportionate amount received from the articles embraced in each group to the total amount received:—

TAXATION ON CHIEF ARTICLES OF IMPORT, 1885-6.

Articles.	Duty received 1885-6.			Proportion of Total Duty received.	
	Total Amount.	Amount per Head of Population.			
	£	£	s.	d.	Per cent.
Spirits, wine, beer, and cider	624,160	0	12	10	31·70
Tobacco, snuff, and cigars	155,059	0	3	2	7·88
Hops and malt	8,088	0	0	2	·41
Sugar and molasses	115,796	0	2	4	5·88
Tea, coffee, chicory, cocoa, and chocolate	104,534	0	2	1	5·31
Rice	19,710	0	0	5	1·00
Fruits and vegetables	47,806	0	1	0	2·43
Opium	15,266	0	0	4	·78
Live stock	37,741	0	0	9	1·92
Articles subject to <i>ad valorem</i> duties ...	494,512	0	10	2	25·12
All other articles	345,968	0	7	3	17·57
Total	1,968,640	2	0	6	100·00

Customs revenue, estimated and received, 1884 to 1886.

294. The following table shows, for the three years ended with 1885-6, the amount of Customs revenue estimated beforehand by the Treasurer and the amount actually received under each head:—

CUSTOMS REVENUE ESTIMATED AND RECEIVED, 1883-4 TO 1885-6.

Sources of Revenue.	1883-4.		1884-5.		1885-6.	
	Estimated Receipts.	Actual Net Receipts.	Estimated Receipts.	Actual Net Receipts.	Estimated Receipts.	Actual Net Receipts.
	£	£	£	£	£	£
CUSTOMS DUTIES.						
Spirits	460,000	471,814	545,000	518,388	526,000	545,481
Wine	45,000	39,041	40,000	42,110	41,000	41,077
Beer and cider... ..	33,000	33,845	33,000	35,209	35,000	37,904
Tobacco and snuff	80,000	97,408	100,000	108,415	111,000	121,456
Cigars	25,000	31,310	31,000	34,301	35,500	33,603
Tea	84,000	73,573	75,000	87,701	85,000	88,107
Sugar and molasses	114,000	118,774	117,000	118,224	114,000	115,938
Coffee, chicory, cocoa, and chocolate	15,000	15,651	15,000	16,928	16,000	16,881
Opium	21,000	21,389	21,000	19,517	20,000	15,262
Rice	21,000	16,523	16,000	18,862	19,000	19,695
Hops	8,000	4,311	4,000	4,434	3,000	4,459
Malt	2,000	3,301	3,000	2,302	3,000	3,633
Fruits and vegetables, dried and preserved	50,000	43,724	44,000	53,171	55,000	48,146
Live stock	35,000	38,010	25,000	30,957	26,000	37,989
Articles subject to <i>ad valorem</i> duties	482,000	440,799	436,000	490,755	484,000	495,232
All other articles	309,000	287,927	293,000	308,132	303,000	344,781
Total	1,784,000	1,737,400	1,798,000	1,889,406	1,876,500	1,969,644
EXCISE.						
Spirits distilled in Victoria	52,000	53,717	68,000	68,854	72,000	67,126
Tobacco duty	75,000	69,966	70,000	72,295	73,000	70,459
Beer duty ... ..	...	...	...	...	...	...
Licences—						
Tobacco and cigars	1,500	1,387	1,250	1,438	1,200	1,213
Other	1,000	774	800	828	1,000	817
Total	129,500	125,844	140,050	143,415	147,200	139,615
MISCELLANEOUS.						
Wharfage rates	27,000	28,070	28,000	31,843	30,000	35,896
Tonnage	29,000	30,818	30,000	31,197	31,000	32,687
Fees	8,500	7,530	7,000	7,429	7,300	7,163
Fines	500	87	300	247	300	366
Miscellaneous	4,000	7,061	6,800	5,940	5,000	7,777
Total	69,000	73,566	72,100	76,656	73,600	83,889
Grand total	1,982,500	1,936,810	2,010,150	2,109,477	2,097,300	2,193,148

NOTE.—The receipts, as shown in this and the two following tables, having been obtained from the Customs, will be found to differ somewhat from those shown in the previous table and other tables in this Part, which are based upon the Treasurer's statements. The reason of the difference is that the Treasury accounts are closed absolutely on the 30th June, whereas the Customs accounts are not closed until returns from all the ports in the colony are received in a complete state, so as to embrace transactions up to the last day of the financial year.

295. In four of the nine years ended with 1885-6, the total amounts received through the Customs exceeded the Treasurer's estimate, and in five of those years the receipts were below that estimate. Over the

Customs Revenue estimated and received 1878 to 1886.

whole period the receipts exceeded the estimate by £219,000, as is shown in the following table :—

CUSTOMS REVENUE ESTIMATED AND RECEIVED, 1877-8 TO 1885-6.

Year.	Customs Revenue.		
	Estimate.	Net Receipts.	Net Receipts more (+) or less (-) than Estimate.
	£	£	£
1877-8	1,606,500	1,565,905	- 40,595
1878-9	1,539,450	1,449,793	- 89,657
1879-80	1,458,700	1,454,138	- 4,562
1880-1	1,561,420	1,649,467	+ 88,047
1881-2	1,809,000	1,950,479	+ 141,479
1882-3	1,974,580	1,949,388	- 25,192
1883-4	1,982,500	1,936,810	- 45,690
1884-5	2,010,150	2,109,477	+ 99,327
1885-6	2,097,300	2,193,148	+ 95,848
Total	16,039,600	16,258,605	+ 219,005

Cost of collecting Customs Revenue.

296. In the same nine years, the cost of collecting the Customs Revenue ranged from £2 18s. 2d. per £100 of the net amount collected in 1885-6 to £3 18s. 3d. per £100 in 1879-80, the cost per £100 over the whole period being £3 5s. 1d. :—

COST OF COLLECTING CUSTOMS REVENUE, 1877-8 TO 1885-6.

Year.	Customs Revenue.		
	Net Receipts.	Charges of Collection.	
		Total.	Per £100 collected.
	£	£	£ s. d.
1877-8	1,565,905	53,651	3 8 6
1878-9	1,449,793	54,150	3 14 8
1879-80	1,454,138	56,917	3 18 3
1880-1	1,649,467	56,004	3 7 10
1881-2	1,950,479	57,615	2 19 1
1882-3	1,949,388	60,688	3 2 3
1883-4	1,936,810	62,145	3 4 2
1884-5	2,109,477	64,242	3 0 11
1885-6	2,193,148	63,808	2 18 2
Total	16,258,605	529,220	3 5 1

Taxes repealed and imposed.

297. Difficulties lie in the way of estimating accurately the extent to which the various heads of revenue are affected by the imposition, increase, or reduction of taxes. An attempt has, however, been made to

form such an estimate in the following table for the last eleven years, which, although giving necessarily imperfect results, will afford some idea of the direction in which the direct contributions of the people have been added to or reduced, also the extent of such increase or reduction during the period :—

TAXES REPEALED AND IMPOSED, 1875-6 TO 1885-6.

Year ended 30th June.	Taxes Repealed or Reduced.				Taxes Imposed or Increased.			
	Heads of Taxation.	Estimated Loss to the Revenue—		Heads of Taxation.	Estimated Gain to the Revenue—			
		During the Financial Year.	In Complete Years.		During the Financial Year.	In Complete Years.		
		£	£		£	£		
1876	Nil ... ..	...	...	Succession duties increased from 5 to 5-10 per cent. on estates over £20,000	3,000	10,700
				Tax on bank notes imposed... ..	7,200	27,000		
1877	Nil ... ..	...	...	Nil ... ..	...	...
1878	Customs— Wharfage rates for port of Melbourne transferred to Harbour Trust ...	(85,000)*	(85,000)*	Land tax imposed...	50,000	124,000		
	Various alterations resulting in a net remission of about	26,000	85,000†	Excise— Percentage of publicans' licence fees from municipal bodies ...	(4,600)*	(4,800)*		
1879	Nil ... ..	...	...	Customs— Stock tax imposed	28,300	37,000
1880	...	...	...	Nil ... ..	...	...
	Customs— (See contra) ...	...	...	Stamp duties imposed	83,005	120,000
				Customs— Duties increased on— Wine, opium, rice, hops, and malt; several 10 per cent. and 20 per cent. <i>ad valorem</i> duties increased by 5 per cent., besides numerous other alterations, for the most part in the direction of increased duties, about	47,800	53,000†		

* These amounts, being merely transfers of revenue from one Public Fund to another, do not affect the general taxation of the country.

† This amount has been arbitrarily assumed to be the difference in the average annual revenue from those items on which the duty has been altered during the two years preceding and following the date of the alteration in the Tariff.

TAXES REPEALED AND IMPOSED, 1875-6 TO 1885-6—continued.

Year ended 30th June.	Taxes Repealed or Reduced.				Taxes Imposed or Increased.			
	Heads of Taxation.	Estimated Loss to the Revenue—		Heads of Taxation.	Estimated Gain to the Revenue—			
		During the Financial Year.	In Complete Years.		During the Financial Year.	In Complete Years.		
		£	£		£	£		
1881	Nil ... ..	...	...	Customs— Tobacco and snuff increased ...	(Revenue decreased) 2,300	* 3,500
		...	...	Cigars increased	2,300	3,500
1882	Customs — Duty on undressed rice reduced...	3,000	3,500	Excise— Tobacco duty imposed ...	21,872	65,000		
		...	...	Beer " "	62,557	100,000
1883	Excise—Beer duty remitted ...	88,000	100,000	Nil ... ..	...	...
1884	Nil ... ..	...	...	Nil ... ..	...	...
1885	Nil ... ..	...	...	Customs—Duty on spirits increased...	74,972†	94,500
		...	...	Excise — Duty on spirits increased...	12,653	18,400
1886	Nil ... ..	...	...	Nil ... ..	...	...

298. From the above table it would appear that whilst no fresh or additional taxation was imposed on the colony in 1886, the taxation during the previous ten years imposed or increased, less that repealed or reduced, has amounted to a net annual addition to the burdens of the people of nearly half a million sterling, † thus —

Taxation imposed or increased	Estimated Annual Amount.
£653,100	
„ repealed or reduced	188,500
Net amount imposed, &c.	£464,600

299. The tax on bank notes was imposed under the Act 39 Vict. No. 526, which came into operation on the 1st January, 1876. It is at the rate of £2 on every £100 of the average amount of notes circulated by any bank between the 1st July and the 30th June of each financial year.

* Of this item no satisfactory estimate can be given.

† This is the proportion actually received in 1884-5 at the increased rate of duty, but it does not correspond with the increased revenue from spirits, viz., £46,100, according to the table following paragraph 274 ante, owing to the quantity imported having fallen off by 6 per cent. The amount received from the increased duty was, moreover, much affected by an unusually large proportion—viz., 15 per cent. of the total quantity imported—having passed through the Customs during the first seventeen days of the financial year, and consequently at the lower rate of duty.

‡ This result has been obtained by adding together the amounts estimated to be receivable in the first complete year of the operation of each tax, and deducting therefrom the sum of the amounts of the repealed taxes. In some instances the net amounts receivable would be less, and in others much more in subsequent years. Mere transfers of revenue (see footnote * on last page) have been omitted.

Amount of taxation imposed in last eleven years.

Duty on bank notes.

300. The Act for imposing a land tax (41 Vict. No. 575) came into operation on the 28th August, 1877. It provides that all estates over 640 acres in extent, valued at upwards of £2,500, whether consisting of one block or several blocks of land not more than five miles apart, shall be taxed at the rate of one and a quarter per cent. upon their capital value after deducting therefrom the sum of £2,500—only one exemption, however, being allowed in the case of a proprietor holding more than one estate. For the purpose of ascertaining the capital value, the estates in question are divided into four classes, the value being estimated according to the number of sheep they are able to carry, as follows :—

		Value per Acre.	
Class I.,	carrying 2 or more sheep per acre ...	... £4	
Class II.,	„ 3 sheep to 2 acres ...	... 3	
Class III.,	„ 1 sheep per acre ...	... 2	
Class IV.,	„ under 1 sheep per acre ...	... 1	

301. The extent of land assessed under this Act amounted in 1886 to nearly 7,100,000 acres, nearly half of which was placed in the lowest class, more than a third in the third class, about a ninth in the second class, and not quite a twentieth in the first class. Extent of land assessed for land tax.

302. The area of Victoria is 56,245,760 acres,* of which 22,360,000 acres either had been alienated in fee-simple or were in process of alienation† when the year commenced. The area assessed for land tax thus amounted to nearly 13 per cent. of the area of the colony, or to nearly 32 per cent. of the area alienated or in process of alienation. Proportion of land assessed to total available and alienated land.

303. The number of estates assessed was 1,063, or 6 more than in 1885. As some proprietors own more than one estate, their number is less than the number of estates, and is set down as 858. It is, however, actually less than this, as, whilst the returns show where the proprietor holds more than one estate in the same class, they do not distinguish cases of proprietors holding estates embraced in two or more classes. Number of estates assessed.

304. The average size of all the estates assessed is about 6,656 acres, which is somewhat above the average of those in Class III. In Classes I. and II. the estates average 2,800 and 3,500 acres respectively, and in Class IV., 10,400 acres. Average size of estates assessed.

305. The following table shows, for each class, the number and area of estates assessed for land tax, the number of proprietors of such estates, and the average number of acres to each estate and to each proprietor :— Proprietors and number and size of estates assessed.

* Exclusive of the *Mallee country*, roads, reserves, and State forests, &c. See Part "Production" *post*.

† The land in process of alienation amounted to over 7,900,000 acres, on which, on the average, half the purchase-money had been paid.

PROPRIETORS AND NUMBER AND SIZE OF ESTATES ASSESSED FOR
LAND TAX, 1887.*

Class.	Number of Proprietors.	Estates Assessed.				
		Number.	Area.		Average Area to each—	
			Total.	Percentage of each Class.	Proprietor.	Estate.
I.	102	116	Acres. 326,245	4·61	Acres. 3,198	Acres. 2,812
II.	203	227	801,846	11·33	3,949	3,532
III.	306	388	2,502,730	35·38	8,178	6,450
IV.	247	332	3,444,258	48·68	13,944	10,374
Total	858	1,063	7,075,079	100·00	8,246	6,656

Valuation of estates assessed.

306. The capital value of the estates, according to the valuation prescribed by the Statute, is over twelve millions sterling; but, after deducting the exemptions allowed, viz., £2,500, from the value of the estate or estates of each proprietor, the net taxable value is reduced to ten millions sterling. It may be pointed out that, although it may perhaps have been necessary to fix arbitrarily a scale for valuing estates for purposes of taxation, yet there is no doubt that the taxable value so arrived at is, in most cases, very much below the actual value of the estate.

Valuation of estates of each class.

307. The capital value of the estates in each class, according to their estimated carrying capacity, the value of the exemptions, and the net taxable value after deducting these, and the proportion of the net taxable value to the capital value, are given in the following table:—

VALUE OF ESTATES ASSESSED FOR LAND TAX, 1887.*

Class.	Capital Value.	Value of Exemptions.	Net Taxable Value.	Proportion of Net Taxable Value to Capital Value.
	£	£	£	Per Cent.
I.	1,304,980	255,000	1,049,980	80·46
II.	2,405,538	507,500	1,898,038	78·90
III.	5,005,460	765,000	4,240,460	84·72
IV.	3,444,258	617,500	2,826,758	82·07
Total	12,160,236	2,145,000	10,015,236	82·36

Amount of land tax payable.

308. The land tax payable varied from 9 $\frac{2}{3}$ d. per acre in Class I. to 2 $\frac{1}{2}$ d. per acre in Class IV., the average being about 4 $\frac{1}{4}$ d. per acre; the amount payable by each holder averaged £146, ranging from an average of £173 in Class III. to one of £117 in Class II.; and the amount payable for each estate averaged £118, and ranged from an average of £137 in Class III. to one of £104 in Class II. Subjoined is a statement of the total amount payable annually in respect to the estates of each class; also the average amount payable per acre, per holder, and per estate:—

* According to the returns of the half-year ended February 27th, 1887.

LAND TAX PAYABLE ANNUALLY, 1887.*

Class.	Total Amount per Annum.	Amount per Acre.	Amount by each Holder.	Amount for each Estate.
	£	d.	£	£
I.	13,125	9·66	128·7	113·1
II.	23,725	7·10	116·9	104·5
III.	53,006	5·08	173·2	136·6
IV.	35,334	2·46	143·1	106·4
Total	125,190	4·25	145·9	117·8

309. It will be observed that, although the average amount payable per acre goes, as may be supposed, in regular succession, according to classes, the difference between the acreable payment by each class and its successor is very marked; thus, between Classes I. and II. it is more than 2½d.; between II. and III., 2d.; and between III. and IV. about 2½d. It will also be noticed that the amount paid on behalf of each estate in Class III. is 28 per cent. more than that paid on behalf of those in Class IV., notwithstanding that the average area of each estate in the former class is, as is shown in a previous table, one-third smaller than that in the latter.

Difference in payments in each class.

310. The first general hearing of the appeals against the land tax was concluded in 1880. Since then the number of proprietors has increased by 40, and the area of the estates assessed by 180,000 acres, but the taxable value has decreased by £10,600. The increases, except as regards the number of proprietors, have all taken place in the fourth class, the other classes showing decrease, as is shown in the subjoined table :—

ESTATES ASSESSED FOR LAND TAX, 1880 AND 1887.

	Classes.				Total.
	I.	II.	III.	IV.	
Number of proprietors, 1880	98	196	315	209	818
” ” 1887	102	203	306	247	858
Increase	4	7	...	38	40
Decrease	...	...	9	...	...
Area of estates, 1880	acres 339,303	acres 816,505	acres 2,525,222	acres 3,213,717	acres 6,894,747
” ” 1887	326,245	801,846	2,502,730	3,444,258	7,075,079
Increase	...	...	...	230,541	180,332
Decrease	13,058	14,659	22,492	...	...
Net taxable value, 1880	£ 1,112,212	£ 1,959,515	£ 4,262,944	£ 2,691,217	£ 10,025,888
” ” 1887	1,049,980	1,898,038	4,240,460	2,826,758	10,015,236
Increase	...	...	...	135,541	...
Decrease	62,232	61,477	22,484	...	10,652

* According to the returns of the half-year ended 27th February, 1887.

Cost of administering Land Tax Act.
Stamp duties.

311. The cost of administering the Land Tax Act during the year 1885-6 amounted to £1,221, as against £1,164 in the previous year.

312. Stamp duties were first imposed during the year 1879-80, under Act 43 Vict. No. 645, which came into force on the 18th December, 1879. The following, in a condensed form, are the particulars of the duties levied thereunder, together with a list of the chief exemptions:—

STAMP DUTIES.

I.—BILLS OF EXCHANGE AND PROMISSORY NOTES.		£	s.	d.
Bills of exchange, payable on demand, cheques, &c., each ...	...	0	0	1
All other kinds (except bank notes)—				
For every £25 or fraction thereof of the total value up to £100		0	0	6
For every additional £50 or fraction thereof ...	...	0	1	0
(The maximum duty chargeable on any bill of exchange or promissory note, whatever be its amount or value, to be £10.)				

II.—RECEIPTS.

Receipts or discharges for payment of £5 or upwards, each	...	0	0	1
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III.—CONVEYANCE ON SALE OF ANY REAL PROPERTY, APPLICATIONS, CONSENTS, AND TRANSFERS UNDER TRANSFER OF LAND STATUTE.

For every £50 of consideration or fraction thereof after deducting the first £50	...	0	5	0
--	-----	---	---	---

IV.—ANNUAL LICENCE.

Fire, fidelity guarantee, or marine assurance or insurance company—				
For every £100 of premiums received or fraction thereof, a licence-fee per annum of	...	1	10	0

EXEMPTIONS.

Class I.—Cheques drawn on public accounts, or on those of a registered building or friendly society; drafts or instruments affecting the transmission of public moneys; drafts, orders, &c., of post office or other savings banks; and Government or municipal debentures.

Class II.—Receipts for moneys paid to or from public accounts for municipal rates, for deposits in banks in current account, or for moneys paid into a charitable institution, a registered friendly society, a fire, life, fidelity guarantee, or marine insurance (or assurance) company, or into a post-office or other savings bank.

Class III.—Crown grants; instruments for conveyance of property to the Crown or a public department, to a registered friendly society, or to a religious, charitable, or educational association; and marriage settlements.

Class IV.—Any private guarantee fidelity insurance scheme promoted amongst and sustained solely for the benefit of the officers and servants of any one particular public department, company, firm, or person, or of the officers or members of a registered friendly society.

313. The estimated revenue from stamp duties during the financial year 1885-6 has already been shown* to have been £165,313 as compared with £143,382 in the previous year.

314. The following table shows the gross amount raised by taxation, the amount of taxation per head, and the proportion of taxation to the total revenue, in Victoria during each of the last six financial years, and in the other Australasian colonies during each of the five years ended with 1885:—

Revenue from stamp duties.

Taxation in Australasian colonies.

* See table following paragraph 288 *ante*.

TAXATION IN AUSTRALASIAN COLONIES.

Colony.	Year.	Taxation.		
		Gross Amount.	Average per Head.	Percentage of Total Revenue.
		£	£ s. d.	
Victoria* ...	1880-81	2,003,704	2 6 7	38·64
	1881-2	2,317,706	2 12 8	41·44
	1882-3	2,334,255	2 11 10	41·60
	1883-4	2,318,520	2 10 4	39·07
	1884-5	2,548,171	2 13 10	40·51
	1885-6	2,634,560	2 14 3	40·65
New South Wales ...	1881	1,770,848	2 6 5	26·40
	1882	1,903,413	2 7 7	25·68
	1883	1,891,708	2 4 10	29·24
	1884	2,152,855	2 8 1	30·25
	1885	2,252,651	2 8 5	29·70
Queensland † ...	1880-81	657,753	3 1 2	32·50
	1881-2	806,719	3 11 1	38·38
	1883	929,430	3 9 5	35·98
	1884	1,090,445	3 13 0	40·79
	1885	1,200,111	3 17 9	42·24
South Australia ...	1881	557,188	1 18 7	25·65
	1882	653,864	2 5 1	31·33
	1883	637,751	2 2 8	30·96
	1884	563,841	1 16 7	27·84
	1885	749,447	2 7 11	32·45
Western Australia ...	1881	109,199	3 13 7	42·94
	1882	134,658	4 8 7	53·78
	1883	126,131	4 0 9	39·82
	1884	127,338	3 18 9	43·86
	1885	145,835	4 5 8	45·11
Tasmania ‡ ...	1881	350,146	2 19 8	69·22
	1882	370,856	3 1 5	67·28
	1883	388,406	3 2 6	69·09
	1884	344,192	2 13 7	62·66
	1885	366,118	2 15 5	64·07
New Zealand ...	1881	1,881,024	3 16 3	50·66
	1882	1,999,000	3 18 6	51·03
	1883	2,080,084	3 18 7	53·73
	1884	1,869,496	3 7 8	50·42
	1885	1,995,012§	3 10 6	51·68

NOTE.—For returns of taxation in these colonies during 1886, see Summary of Australasian Statistics (third folding sheet) *ante*; also Appendix A *post*.

315. The amount of taxation per head in the last year referred to in the table was lower in Victoria than in any of the other colonies except New South Wales and South Australia, whilst in Western Australia it was higher than in any other colony. The following is the order in

Order of colonies in respect to taxation.

* The financial year of Victoria ends on the 30th June. Some of the averages per head have been amended since last publication, in consequence of a reduction in the estimates of population.

† Since 1875 the financial year of Queensland has ended on the 30th June. The figures for the last three years, however, are for the year ended 31st December.

‡ The figures for Tasmania for the last year are subject to future revision.

§ This amount differs from that published in the *Australasian Statistics* 1885. See footnote (¶) to table following paragraph 265 *ante*.

which the colonies stood in this respect during that year, the colony with the highest taxation per head being placed at the top, and that with the lowest at the bottom, of the list :—

ORDER OF COLONIES IN REFERENCE TO AMOUNT OF TAXATION
PER HEAD.

1. Western Australia.	5. Victoria.
2. Queensland.	6. New South Wales.
3. New Zealand.	7. South Australia.
4. Tasmania.	

Order of colonies in respect to revenue raised by taxation.

316. The colonies differ considerably in respect to the proportion that the amount raised by taxation bears to the total revenue. Thus, in the last year named, whilst Tasmania raised nearly two-thirds of her revenue by taxation, New Zealand raised one half, Queensland and Victoria about two-fifths, and New South Wales and South Australia less than a third. The following is the order in which they respectively stand in this particular, the colony in which the proportion of revenue raised by taxation is largest being placed first, and the remainder in succession :—

ORDER OF COLONIES IN REFERENCE TO PROPORTION OF REVENUE
RAISED BY TAXATION.

1. Tasmania.	5. Victoria.
2. New Zealand.	6. South Australia.
3. Western Australia.	7. New South Wales.
4. Queensland.	

Taxation of Australia and Australasia.

317. If the gross amounts raised by taxation in the different colonies during 1885* of which particulars are given in the table be added together, it will be found that the total taxation levied on the continent of Australia amounted to nearly seven millions sterling; and the total taxation of the colonies on the continent, added to that of Tasmania and New Zealand, amounted to nine and a quarter millions sterling. The exact figures will be found in the following table, also the average amount of taxation per head of the population, and the proportion that the taxation bore to the total revenue :—

TAXATION OF AUSTRALIA AND AUSTRALASIA, 1885.

	Taxation.		
	Gross Amount.	Average per Head.	Percentage of Total Revenue.†
	£	£ s. d.	
Continent of Australia	6,896,215	2 14 5	35·64
Ditto, with Tasmania and New Zealand	9,257,345	2 16 10	38·93

Comparison of Victoria and Australasia.

318. By comparing the above figures with those of this colony, it will be found that in Victoria the taxation per head of the population

* In the case of Victoria, the figures for 1884-5 have been taken.

† For figures of revenue, see table following paragraph 263 ante.

is somewhat less, but the proportion of taxation to the total revenue is somewhat higher, than the corresponding item in the Australasian colonies taken as a whole.

319. The taxation in the United Kingdom and the few British possessions respecting which particulars are at hand is given in the following table:—

TAXATION IN BRITISH POSSESSIONS.

Country.	Year.	Taxation.		
		Gross Amount.	Average Per Head.	Percentage of Total Revenue.
EUROPE.				
United Kingdom... ..	1885-6	£ 74,927,000	£ s. d. 2 0 7	83·64
ASIA.				
India	1882-3	29,077,564	0 2 11	41·47
Straits Settlements	1885	530,385	0 19 8	84·38
AFRICA.				
Mauritius	1878	519,194	1 8 3	65·76
Natal	1882	278,097	0 13 6	42·28
Cape of Good Hope	1878	1,216,332	1 4 2	58·39
Lagos	1878	44,037	0 14 7	86·54
Gambia	1884	21,638	1 10 7	86·79
AMERICA.				
Canada	1881-2	5,740,600	1 6 7	82·53
Newfoundland	1877	173,555	1 1 6	81·75
Bermuda	1885	23,236	1 10 11	80·99
West Indies—				
Turk's Island	1884	7,158	1 10 3	68·34
Jamaica	1885	494,729	0 16 7	80·79
St. Lucia	1884	33,324	0 16 5	72·26
Barbados	1885	108,068	0 10 2	74·14
Grenada	1883	36,863	0 16 2	84·00
Tobago	1883	10,294	0 10 0	72·62
Virgin Islands	1885	1,060	0 3 10	60·47
Antigua	1884	33,558	0 19 2	74·09
Montserrat	1883	5,415	0 10 0	92·36
Dominica	1885	12,526	0 8 8	79·07
Trinidad	1885	291,753	1 13 11	66·41
AUSTRALASIA.				
Australia, Tasmania, and New Zealand*	1885	9,257,345	2 16 10	38·93
Fiji	1885	62,985	0 9 11	82·15

320. It will be observed that nearly two-thirds more is raised by taxation in Australasia as in Canada†; but that the amount raised by taxation in India is more than three times, and in the United Kingdom about eight times, as large as that so raised in Australasia. It might be supposed that those countries which depended almost entirely on taxation for their revenue would be more heavily taxed than countries which had other ample resources. The reverse, however, is the case

* For gross amount of taxation and taxation per head, and proportion of taxation to total revenue, in the various Australasian colonies, see table following paragraph 314 *ante*.

† The information for Canada is, however, for a much earlier year than that for Australasia.

Taxation
in British
possessions.

Taxation in
Australasia
and
other
British
possessions
compared.

with the Australasian colonies; for whilst they raise only 39 per cent. of their revenue by taxation—or the smallest proportion of any of the British possessions named—their average taxation per head exceeds by 16s. 9d. that in the United Kingdom, which raises 84 per cent. of its revenue by taxation, and is, moreover, in proportion to population, more heavily taxed than any of its dependencies of which particulars are at hand, except the Australasian colonies.

Taxation in
Victoria
and other
British
possessions
compared.

321. In Victoria, the gross amount of taxation is more than twice that in the Cape of Good Hope, but is not quite half that in Canada. The average per head is 13s. 5d. higher than in the United Kingdom; but, in proportion to revenue, the taxation of Victoria being very little higher than the average of Australasia, is extremely low when compared with the other portions of the British dominions of which information is available.

Taxation in
Foreign
countries.

322. From the manner in which the statistical returns of Foreign countries are compiled, it is not always easy to separate the items of taxation from other sources of revenue. An endeavour, which it is believed is fairly successful, has, however, been made to do this in the case of the countries named in the following table:—

TAXATION IN FOREIGN COUNTRIES.

Countries.	Year.	Taxation.		
		Gross Amount. (000's omitted.)	Average per Head.*	Percentage of Total Revenue.†
EUROPE.				
Austria-Hungary ...	1883-4	£ 41,764,‡	£ 1 1 4	56·02
Belgium ...	1886	6,594,	1 2 10	51·43
Denmark ...	1883-4	2,745,	1 5 2	87·64
France ...	1885	125,938,	3 7 4	91·13
Greece ...	1884	2,736,	1 7 8	81·74
Holland ...	1883	7,920,	1 17 11	85·50
Italy ...	1883	40,826,	1 8 8	71·40
Portugal ...	1885-6	6,004,	1 7 8	86·53
Russia ...	1886	56,408,	0 12 10	90·66
Spain ...	1884-5	31,828,	1 17 8	91·39
Switzerland ...	1885	796,	0 5 7	43·28
Turkey ...	1883-4	12,712,	0 10 4	86·59
ASIA.				
Japan ...	1883-4	14,051,	0 7 9	92·92
AFRICA.				
Egypt ...	1885	7,672,	1 2 7	84·23
AMERICA.				
Argentine Confederation	1884	5,445,	1 17 0	83·87
Brazil ...	1885	9,921,	0 15 3	74·66
Mexico ...	1883-4	5,680,	0 11 7	81·94
United States ...	1885	61,256,	1 4 3	90·84

* For figures of population, see table following paragraph 143 *ante*.

† For figures of revenue, see table following paragraph 282 *ante*.

‡ This amount is made up of £22,560,820 taxation in Austria for the year 1883, and £19,203,000 taxation in Hungary for the year 1884.

323. It will be observed* that the gross amount raised by taxation is larger in France than in any other country of which information is given, and that the United Kingdom comes next in this respect; the United States follow; then Russia, Austria-Hungary, Italy, Spain, and British India in the order named. The amount of taxation in the Australasian colonies, taken as a whole, is half as large again as that levied in Belgium or Portugal, considerably larger than in Egypt or Holland, and nearly as large as in Brazil; whilst the amount in Victoria is more than three times as large as that levied in Switzerland, and nearly the same as that levied in Greece and Denmark, but considerably below that in any other of the countries named.

Gross amount of taxation in various countries.

324. The taxation per head is larger in the United Kingdom than in any other independent country except France, and in this respect Holland, Spain, and the Argentine Confederation stand next. The taxation per head, however, in all the Australasian colonies† is larger than in the United Kingdom; and in three of those colonies, Queensland, Western Australia, and New Zealand, it is larger than in France.

Taxation per head in various countries.

325. It will be observed that, with one exception—Switzerland—all the countries named in the last table raise more than half their revenue by taxation; whilst the Australasian colonies as a whole raise less than two-fifths from that source. The revenues of France, Russia, Spain, Japan, and the United States appear to be almost entirely derived from taxation; and, although the United Kingdom raises over five-sixths of its revenue from that source, as many as ten of the countries named raise a higher proportion.

Proportion of revenue raised by taxation in various countries.

326. In all the Australasian colonies the principal part of the taxation is raised through the Customs. In the following table the amount so raised in each of those colonies is given for a recent year, together with the proportion of such revenue to the total taxation and the total imports:—

Taxation by Customs in Australasian colonies.

TAXATION BY CUSTOMS IN AUSTRALASIAN COLONIES, 1885.

Colony.	Customs Revenue.‡		
	Amount.§	Proportion to—	
		Total Taxation.	Total Value of Imports.
	£	Per Cent.	Per Cent.
Victoria	2,004,460	76·08	10·97
New South Wales	1,759,955	78·13	7·50
Queensland	1,004,754	81·72	15·64
South Australia	544,661	67·94	9·82
Western Australia... ..	134,116	91·96	20·62
Tasmania... ..	276,101	75·41	15·71
New Zealand	1,422,052	71·28	19·01

* See also tables following paragraph 314 and 319 *ante*. † See table following paragraph 314 *ante*.

‡ Including, besides duties, a few items in some of the colonies, such as wharfage rates, rents of bonded warehouses, &c.

§ See table following paragraph 65 *ante*.

327. It will be observed that in New South Wales, Victoria, and Tasmania during 1885 about three-fourths of the taxation was raised through the Customs. The colony in which the proportion was highest was Western Australia, in which all but about 8 per cent. was levied through the Customs; and that in which it was lowest was South Australia, where the proportion was little more than two-thirds.

328. It will, moreover, be noticed that in Victoria the tax on the import trade as a whole was equivalent to an average duty of 11 per cent. *ad valorem*; which proportion was considerably lower than in any of the other Australasian colonies, except South Australia and New South Wales, in the former of which the rates of duty are not high, and in the latter the dutiable articles are comparatively few in number. Since the duties on manufactured articles are for the most part much higher in Victoria than in any of the other colonies, the small proportion which the Customs revenue bears to the value of imports is probably owing to her importing, in a larger proportion than the others, raw, and consequently undutiable, material. The proportion of Customs duties to imports is seen to be highest in Western Australia, New Zealand, Tasmania, and Queensland, ranging from about 19 or 20 per cent. in the two first to about 16 per cent. in the two last named colonies.

329. In a previous issue of the *Victorian Year-Book** it was shown that in the United Kingdom only 27 per cent. of the taxation was raised through the Customs, or a very much smaller proportion than in any Australasian colony; that in Canada the proportion—78 per cent.—was somewhat larger at that time than in Victoria, Tasmania, and New Zealand, but below that in the other Australasian colonies. Also, that, as compared with the imports, the proportion in the United Kingdom— $4\frac{3}{4}$ per cent.—was only half that in Victoria, but that in the great majority of British possessions, especially the West India Islands, it was much above that in Victoria, New South Wales, or South Australia.

330. It was also shown that out of ten Foreign countries respecting which information was available, only two, viz., Denmark and the United States, appeared to raise as much as half their taxation through the Customs, but the proportions (52 and 60 per cent. respectively) even in these are much less than in any of the Australasian colonies; also that the proportion of Customs revenue to the total value of imports was higher than in Victoria in four out of the ten countries, and in five it was higher than in New South Wales, whilst in Spain—where it amounted to nearly a fifth—it was higher than in any Australasian colony except

* See *Victorian Year-Book*, 1883-4, par. 291.

Western Australia, and in the United States—where it was as high as 29 per cent.—it was much higher than in Western Australia.

331. The following table gives a statement of the revenue and expenditure of municipalities in the year 1886, the amounts raised and expended in cities, towns, and boroughs being shown separately from those in shires :—

MUNICIPAL REVENUE AND EXPENDITURE, 1887.

Heads of Revenue and Expenditure.				Cities, Towns, and Boroughs.	Shires.	Total.
				£	£	£
REVENUE.						
From Government	{	Endowments...	...	37,515	281,823	319,338*
		Other receipts	...	20,874	31,341	52,215
„ Rates—General and separate			...	276,455	236,672	513,127
„ „ Special			...	32,527	1,176	33,703
„ Licences			...	64,843	25,651	90,494
„ Registration of dogs and goats			...	5,918	7,920	13,838
„ Market and weighbridge rents and dues			...	52,601	2,657	55,258
„ Other sources			...	124,879	27,885	152,764
Total			...	615,612	615,125	1,230,737
EXPENDITURE.†						
Public works			...	400,230	432,142	832,372
Salaries, &c.			...	55,265	81,599	136,864
Other expenditure			...	210,347	89,371	299,718
Total			...	665,842	603,112	1,268,954

332. Although the appropriation of the sum of £310,000 for the endowment of municipalities, under the Local Government Act 1874 (38 Vict. No. 506), ceased by effluxion of time at the end of 1879, an equivalent amount has since been annually voted by Parliament.

333. According to the Act just mentioned, the endowment payable to any city, town, or borough was not to exceed £2,000; and if the rate levied in a municipality exceeded one shilling in the pound, the endowment was to be calculated on an amount which bears the same proportion to the total amount of rates received as one shilling bears to the rate levied.‡ Subject to these conditions, the endowment was paid to shires in the proportion of £2, and to cities, towns, and boroughs in the proportion of £1, for every £1 of general rates collected. This is also the basis on which the equivalent subsidy, voted after the

* This amount differs slightly from that named in the next paragraph, the reason being that the financial year of the municipalities terminates in September, whilst that of the General Government ends in June.

† Including expenditure of proceeds of loans. For amount of outstanding loans, see paragraph 395 post.

‡ For ratings in municipalities, see paragraph 190 et seq. ante.

appropriation terminated, was calculated. Where the rates levied in municipalities were in excess of one shilling in the pound, the amount of subsidy payable during 1886 was at the rate of £1 2s. 1½d. to shires, and 11s. 0¾d. to cities, towns, and boroughs, for every £1 of rates; as compared with averages payable in the preceding year of £1 3s. 0½d. and 11s. 6d. respectively.*

Municipal expenditure in excess of revenue.

334. The expenditure of cities, towns, and boroughs exceeded the revenue by 11 per cent. in 1885, and by 8 per cent. in 1886. On the other hand, the revenue of shires exceeded the expenditure slightly in the first and by 2 per cent. in the last of those years. The total expenditure of municipalities exceeded the total revenue by 5 per cent. in the former and by 3 per cent. in the latter year.

Municipalities in which expenditure exceeded revenue.

335. The expenditure was greater than the revenue in 29 of the 60 individual cities, towns, and boroughs, and in 50 of the 123 individual shires, in 1885; and in 21 out of 59 cities, towns, and boroughs, and in 45 out of 125 shires, in 1886.

Salaries in municipalities.

336. Payments for salaries formed 8 per cent. of the expenditure of cities, towns, and boroughs, and over 13 per cent. of the expenditure of shires in both of the last two years.

Harbour Trust receipts and expenditure.

337. Subjoined is a statement of the revenue and expenditure of the Melbourne Harbour Trust† during the nine and a half years which have elapsed since the Act was passed under which that body was created. The net receipts here shown are less than the gross receipts by about one-fifth, that being the proportion payable by the Commissioners of the Trust into the consolidated revenue:—

MELBOURNE HARBOUR TRUST.—ORDINARY RECEIPTS AND EXPENDITURE, 1877 TO 1886.

	1877.	1878.	1879.	1880.	1881.	1882.	1883.	1884.	1885.	1886.
NET RECEIPTS.	£	£	£	£	£	£	£	£	£	£
Wharfage rates ...	43,106	84,731	75,295	67,827	83,493	105,854	98,809	108,019	120,587	136,134
Leases ...	55	143	126	94	103	99	95	95	35	20
Licences ...	1,072	1,140	1,789	2,670	2,738	4,487	4,575	4,521	4,757	5,384
Interest ...	82	687	1,116	445	...	...	...	...	...	6,624
Spencer-street ferry fares ...	...	...	...	...	...	...	...	84	798	644
Sundries ...	120	45	191	224	308	409	456	422	1,099	673
Total ...	44,435	86,746	78,517	71,260	86,642	110,849	103,935	113,141	127,276	149,479

* An exception to the rule was, however, made in the case of thirteen shires, which, in consequence of their being newly formed or of a mountainous character, received £3 for every £1 of rates.

† For a short account of the objects of the Trust, and improvements made, see Part Interchange *post*.

‡ Exclusive of sums received as net premiums on loans raised, viz., £14,562 in 1884, and £10,459 in 1886.

MELBOURNE HARBOUR TRUST.—ORDINARY RECEIPTS AND EXPENDITURE,
1877 TO 1886—*continued.*

—	1877.	1878.	1879.	1880.	1881.	1882.	1883.	1884.	1885.	1886.
EXPENDITURE.	£	£	£	£	£	£	£	£	£	£
Plant ...	5,055	38,786	30,568	22,034	9,603	18,220	55,158	70,881	46,014	26,724
Harbour improvements and maintenance ...	111	894	5,027	15,065	7,128	13,571	18,082	43,741	46,508	47,407
Dredging, landing, and depositing silt ...	4,872	9,872	31,276	40,179	43,513	48,116	58,596	85,629	71,554	76,428
Wharves, and ap- proaches: Construc- tion and maintenance	421	20,989	7,161	10,434	9,527	16,249	23,246	59,072	48,289	30,861
Special survey by Sir John Coode ...	...	4,635	3,005	...	...	...	...	...	...	318
Timber ...	371	3,412	764	218	8,698	7,551	15,512	19,667	18,218	35,958
General expenses ...	2,332	3,078	2,897	4,523	3,485	5,452	16,183	15,023	15,231	13,060
Contingent expenses ...	838	1,770	1,547	2,418	2,255	1,695				
General management ...	2,940	5,720	6,322	6,744	7,066	7,879	1,542	1,700	1,700	1,700
Commissioners' fees ...	...	2,980	1,500	1,500	1,500	1,500	1,241	7,354	19,672	39,123
Interest ...	...	...	...	...	1,061	1,332	13	* 213	8	32
Sundries ...	...	...	947	425	54	15				
Total ...	16,940	92,136	91,014	103,546	93,890	121,580	189,573	303,280	267,194	271,611

338. In the nine and a half years the Trust has been in existence, the net receipts have amounted to £972,280, and the expenditure to £1,550,758, or £578,478 in excess of the receipts. To meet this excess loans amounting to £750,000 have been raised. It will be observed that the revenue, which had fallen to a minimum in 1880, has since greatly improved, and the amount received in 1885, which had been much greater than in any previous year, was very greatly exceeded in 1886. The expenditure of the Trust may be condensed into three main divisions, the first being Plant, on which, during the period the Trust has been in existence, £323,158 has been laid out, or rather more than a fifth of the whole expenditure; the second being the Improvement and Maintenance of the Harbour, together with the Wharves and Approaches, on which £998,925 has been laid out, or nearly two-thirds of the whole expenditure; and the third being the Management and Interest on Loans, on which £223,356 has been expended, or about one-seventh of the whole amount. The balance on hand on 31st December was £220,139; and the liabilities under contracts in progress, £82,977.

339. The Commissioners floated their first loan, amounting to £250,000, in London, on the 17th July, 1883, by means of debentures, bearing interest at the rate of 5 per cent., and due in 1908. The minimum price fixed for tenders was £100 *ex* accrued interest, and the

Receipts and
expenditure
compared.

Harbour
Trust Loans
First loan.

* Working expenses of Spencer-street ferry. They have been deducted from receipts for 1885 and 1886.

average obtained was £100 6s. 9d. The amount tendered was £355,000, at prices ranging from £100 to £104.

Second loan. 340. On the 16th July, 1884, a second loan—also of £250,000—was floated by the Melbourne Harbour Trust, in London, by the issue of debentures having a currency of 25 years, and bearing interest at the same rate as the previous loan, viz., 5 per cent. per annum. In this instance the minimum was fixed at £105, and 170 tenders, amounting to £760,000, were received, at prices ranging from the minimum to £110. The average price obtained was £106 13s. 2d.—the average price *ex* accrued interest being £106 12s. 9d., the Trust having thus to pay a fraction over 4 per cent. for their money.

Third loan. 341. A third loan of £250,000, for a term of 30 years, and bearing interest, from the 1st January, 1886, at the rate of 4½ per cent. per annum, was successfully floated in London on the 18th November, 1885. Tenders amounting to £2,150,000 were received, ranging from £101, which was the minimum fixed, to £105 13s. The average price obtained was £105 7s. 8d., which is equivalent to a rate of £4 3s. 8d. per £100 on a loan floated at *par*.

General and local revenue and expenditure. 342. A statement of the revenue and expenditure of the General Government added to those of the Municipalities and of the Melbourne Harbour Trust during the last seven years will be found in the following table. From the totals of municipal revenue and expenditure the amounts granted by the State have been deducted. The expenditure of the proceeds of loans is entirely left out of account in the Government returns, but is included in the municipal expenditure:—

**GENERAL AND LOCAL REVENUE AND EXPENDITURE,
1880 TO 1886.***

	Total Amounts Received and Expended.						
	1880.	1881.	1882.	1883.	1884.	1885.	1886.
REVENUE.	£	£	£	£	£	£	£
Government ...	4,621,282	5,186,011	5,592,362	5,611,253	5,934,687	6,290,361	6,481,021
Municipalities	616,132	651,597	653,891	693,167	756,966	789,429	859,184
Melbourne Harbour Trust ...	71,260	86,642	110,849	103,935	113,141	127,276	149,479
Total ...	5,308,674	5,924,250	6,357,102	6,408,355	6,804,794	7,207,066	7,489,684
EXPENDITURE.							
Government ...	4,875,029	5,108,642	5,145,764	5,651,885	5,715,293	6,140,356	6,513,540
Municipalities	771,054	574,947	583,037	730,745	839,007	847,977	897,399
Melbourne Harbour Trust ...	103,540	93,890	121,580	189,573	303,280	267,194	271,611
Total ...	5,749,623	5,777,479	5,850,381	6,572,203	6,857,580	7,255,527	7,682,550

* The financial year of the General Government ends on the 30th June; that of Melbourne and Geelong on the 31st August; that of other municipalities on the 30th September; and that of the Melbourne Harbour Trust on 31st December.

343. The next table gives the general and local revenue and expenditure per head of population in the same seven years. It will be observed that in the last year named the local revenue, embracing that of the Municipal Bodies and that of the Harbour Trust, amounted to £1 0s. 9d. per head, and the general and local revenue combined to £7 14s. 3d. per head :—

GENERAL AND LOCAL REVENUE AND EXPENDITURE PER HEAD,
1880 TO 1886.*

	Amounts Received and Expended per Head. †																				
	1880.			1881.			1882.			1883. ‡			1884. ‡			1885. ‡			1886.		
REVENUE.	£	s.	d.	£	s.	d.	£	s.	d.	£	s.	d.	£	s.	d.	£	s.	d.	£	s.	d.
Government ...	5	9	11	6	0	7	6	7	16	4	8	6	8	9	6	13	0	6	13	6	
Municipalities	0	14	8	0	15	2	0	14	10	0	15	5	0	16	5	0	16	8	0	17	8
Melbourne Harbour Trust ...	0	1	9	0	2	0	0	2	6	0	2	4	0	2	6	0	2	8	0	3	1
Total ...	6	6	4	6	17	9	7	4	5	7	2	5	7	7	8	7	12	4	7	14	3
EXPENDITURE.																					
Government ...	5	16	0	5	18	10	5	16	11	6	5	7	6	4	0	6	9	10	6	14	2
Municipalities	0	18	4	0	13	4	0	13	3	0	16	3	0	18	3	0	17	11	0	18	6
Melbourne Harbour Trust ...	0	2	6	0	2	2	0	2	8	0	4	2	0	6	7	0	5	7	0	5	7
Total ...	6	16	10	6	14	4	6	12	10	7	6	0	7	8	10	7	13	4	7	18	3

344. It has been already stated that in the last two tables the expenditure of the proceeds of loans contracted by the General Government is not included. If, however, it be desired to know the total amount of public money spent in the colony, this must be added, which having been done, the result, together with the amount per head of the average population, is given in the following table for the eight years ended with 1886 :—

GENERAL, LOCAL, AND LOAN EXPENDITURE, 1879 TO 1886.

Year.	Expenditure.			Expenditure per Head. ‡		
	General and Local.	From Loans.	Total.	General and Local.	From Loans.	Total.
	£	£	£	£ s. d.	£ s. d.	£ s. d.
1879 ...	5,507,869	1,278,217	6,786,086	6 13 2	1 10 11	8 4 1
1880 ...	5,749,623	1,507,778	7,257,401	6 16 10	1 15 10	8 12 8
1881 ...	5,777,479	830,505	6,607,984	6 14 4	0 19 4	7 13 8
1882 ...	5,850,381	1,064,516	6,914,897	6 12 11	1 4 2	7 17 1
1883 ...	6,572,203	2,656,810	9,229,013	7 6 0	2 19 0	10 5 0
1884 ...	6,857,580	1,600,233	8,457,813	7 8 10	1 14 9	9 3 7
1885 ...	7,255,527	1,141,126	8,396,653	7 13 4	1 4 5	8 17 9
1886 ...	7,682,550	1,731,834	9,414,384	7 18 3	1 15 8	9 13 11

* The financial year of the General Government ends on the 30th June; that of Melbourne and Geelong on the 31st August; that of other municipalities on the 30th September; and that of the Melbourne Harbour Trust on 31st December.

† Although the financial years of the respective bodies named in this table terminate at different dates (see last footnote), the same populations as have already been taken (see table following paragraph 227 ante) to calculate the amount of general revenue and general expenditure per head have been used to make these calculations. As the population varies but slightly in so short a period, this will scarcely, if at all, affect the result.

‡ The calculations in these columns have been amended since last publication.

General and local revenue and expenditure per head.

General Local and Loan Expenditure 1879-86.

Public money spent in 1886 and other years.

345. It will be noticed that the total amount of public money spent per head ranged from £7 13s. 8d. in 1881 to £10 5s. in 1883; also that, in consequence of the loan expenditure having been smaller, the amount in 1886 was less than in 1883 but in no other year.

General and local taxation.

346. The amount of taxation under the General Government, under the Municipal Bodies, and under the Melbourne Harbour Trust, is given in the following table for the same years, the items being specified in the last two cases. The principle upon which the items of taxation are separated from the general revenue has been already explained.* The local taxation is separated from the whole municipal revenue by rejecting—besides all grants received from the General Government—rents of buildings and land, proceeds of the letting of halls, &c., the balance being considered as taxation. The taxation levied by the Harbour Trust consists only of wharfage rates:—

GENERAL AND LOCAL TAXATION, 1880 TO 1886.†

Heads of Taxation.	Amounts Received.						
	1880.	1881.	1882.	1883.	1884.	1885.	1886.
GOVERNMENT TAXATION } ‡	£ 1,690,923	£ 2,003,704	£ 2,317,706	£ 2,334,255	£ 2,318,520	£ 2,548,171	£ 2,634,560
MUNICIPAL TAXATION.							
Rates	401,096	417,642	422,033	445,961	473,412	503,474	546,830
Licences	94,713	95,258	94,731	92,610	87,925	92,204	90,495
Registration of dogs and goats ...	10,370	10,311	10,961	11,767	12,144	15,851	13,837
Market dues ...	37,451	39,295	38,088	43,795	47,392	51,697	55,258
Total	543,630	562,506	565,813	594,133	620,873	663,226	706,420
MELBOURNE HARBOUR TRUST TAXATION.							
Wharfage rates ...	67,827	83,493	105,854	98,809	108,019	120,587	136,134
Total general & local taxation } §	2,302,380	2,649,703	2,989,373	3,027,197	3,047,412	3,331,984	3,477,114

General and local taxation per head.

347. The aggregate amounts of taxation raised by the Government and the municipalities represented, in 1880, a proportion of £2 14s. 9d. to each individual in the community; in 1881, £3 1s. 7d.; in 1882, £3 7s. 11d.; in 1883, £3 7s. 3d.; in 1884, £3 6s. 1d.; in 1885, £3 10s. 5d.; in 1886, £3 11s. 7d.

Chief sources of taxation.

348. It has already been pointed out that by far the greater portion of the General Government taxation is derived from Customs duties §—the proportion varying in different years from 72 to 89 per cent.

* See paragraph 285 *ante*.

† The financial year of the General Government ends on the 30th June; that of Melbourne and Geelong on the 31st August; that of other municipalities on the 30th September; and that of the Melbourne Harbour Trust on the 31st December.

‡ For details of Government taxation, see table following paragraph 288 *ante*.

§ See paragraph 290 *ante*.

Seventy-four per cent. of the Municipal taxation in 1879, 1880, 1881, and 1882, 75 per cent. in 1883, 76 per cent. in 1884 and 1885, and 77 per cent. in 1886, was derived from rates.

349. The public debt of Victoria amounted on the 30th June, 1886,* Public debt. to £30,110,935, consisting of moneys—

	£				
Borrowed in Victoria	...	...	...	1,696,935	†
„ Great Britain	...	...	...	28,414,000	
Total	...	...	...	£30,110,935	†

350. The aggregate amount of the loans raised up to the 30th June, 1886, was £40,031,255 ; but a total of £9,920,320 having been repaid, viz., £2,103,100 out of the general revenue, and £7,817,220 out of the proceeds of redemption loans—the balance outstanding on the 30th June, 1886, was reduced to £30,110,935. The amount of public debt borrowed under each of the purposes for which the debt was incurred, the amount paid off, and the amount outstanding on the 30th June, 1886, are shown in the following table:—

PURPOSES FOR WHICH LOANS WERE RAISED.

Purposes.	Total Amount Borrowed.	Amount Paid off.	Amount Outstanding on 30th June, 1886.‡
	£	£	£
Railways ...	23,145,747	68,100	23,077,647 §
Water supply—			
Melbourne ...	2,083,684	800,000	1,283,684
Country ...	3,043,078	...	3,043,078 ||
Graving-dock ...	350,464	...	350,464
Law courts and Parliament houses	600,713	...	600,713
Public offices ...	166,195	...	166,195
Defences ...	100,000	...	100,000
State schools ...	1,105,557	...	1,105,557
Yarra bridge ...	108,043	...	108,043
Harbours, &c. ...	275,554	...	275,554
Melbourne and Geelong improvements	735,000 ¶	735,000	...
Treasury bonds ...	500,000	500,000	...
	32,214,035	2,103,100	30,110,935
Redemption of loans ...	7,817,220	7,817,220	...
Total ...	40,031,255	9,920,320	30,110,935

* On the 30th June, 1887, the public debt amounted to £33,119,164.

† This is inclusive of a liability of £183,900 (originally £465,300) for debentures falling due between 1st July, 1892, and 1st January, 1897, which were taken over by the Government upon their purchase of the Melbourne and Hobson's Bay United Railway Company's lines of railway. The interest on these debentures is 5 per cent. per annum, payable half-yearly. In the years prior to 1884-5 this liability was not included with the public debt.

‡ For expenditure of the net proceeds of these amounts, see table following paragraph 247 *ante*; and for further details of the expenditure of railway loans, see portion relating to Railways in Part "Interchange" *post*.

§ Inclusive of £183,900 of late Melbourne and Hobson's Bay United Railway Co.'s debentures.

|| Of this amount, £660,063 was authorized to be re-lent to municipal bodies, and £562,048 to Water Trusts, for local waterworks, the principal and interest being repaid by annual instalments—the former into a sinking fund, the latter into the general revenue. For accumulation of Sinking Fund (Loan Redemption Account), see table following paragraph 398 *post*.

¶ This amount was borrowed in 1854 by the city of Melbourne and town of Geelong, the principal and interest being guaranteed out of the general revenue of the colony.

Loans
authorized,
but not
issued.

351. In addition to the totals shown in the last table, the borrowing of further sums amounting to £6,516,447, viz., £6,500,000* being the balance of a loan of £8,000,000 † to be floated in London, and £16,447 being the balance of unsold stock forming part of a loan of £167,600 negotiated in Melbourne, had been authorized but had not taken place up to the 30th June, 1886.*

Public debt,
when
authorized.

352. Of the debt outstanding on the 30th June, 1886, a sum of about £200,000 was authorized as early as 1857, nearly 4 millions during the ten years ended with 1870, over 10 millions in the next decade, and over 15½ millions—more than half, however, being for purposes of redemption—in the five years ended with 1885, as will be seen by the following table, which shows the years in which the various amounts of which the debt is composed were authorized and the number of the Act by which such authorization was given:—

AUTHORIZATION OF THE PUBLIC DEBT.

Authorization.			Rate of Interest.	Amount Outstanding on the 30th June, 1886.
Year.	Act.		Per Cent.	£
1857	...	21 Vict. No. 36	6	182,780
1862	...	25 Vict. No. 150	6	300,000
1865	...	20 Vict. No. 287	6	850,000
1868	...	32 Vict. Nos. 331 and 332	5	2,717,000
1870	...	34 Vict. No. 371	4	100,000
1872	...	36 Vict. Nos. 428 and 439	4	1,113,000
1873	...	37 Vict. No. 468	4	1,500,000
1876	...	39 Vict. No. 531	4	2,500,000
1878	...	42 Vict. No. 608	4½	5,000,000
1881	...	45 Vict. No. 717	4	4,000,000
1882	...	46 Vict. No. 741	4	151,153 ‡
1882	...	46 Vict. No. 739	4	2,000,000
1883	...	47 Vict. No. 760	4	4,000,000
1884	...	48 Vict. No. 805	4	4,000,000
1885	...	49 Vict. No. 845	4	1,500,000
Increase of debt by conversion of 6 and 5 per cent. debentures into 4 per cent. stock			4	13,102
Debentures of late M. & H. B. U. Railway Co.			5	183,900
Total			...	30,110,935

Growth of
the public
debt.

353. The gross total of the public debt increased from £5,000,000 in 1860 to nearly £12,000,000 in 1870, and again to over £22,000,000 in

* A further instalment of £3,000,000 was floated on the 20th January, 1887. See paragraph 365 *post*.

† The purposes for which this loan is required will be found in table following paragraph 364 *post*.

‡ This is the amount of stock issued up to the 30th June, 1886; but the amount authorized, not then issued, was £16,447, making a total of £167,600 in all.

1880–81—the amount at the end of each decennial period being about double that at the commencement. During the five years subsequent to 1880–81, a net amount of £7,517,800 was added to the debt. The whole increase in 23 years was in a much greater ratio than the increase of population, for the indebtedness per head gradually rose from £9 10s. in 1860 to £30 10s. in 1885–6. A considerable increase also took place as compared with the total revenue, for whilst in 1860, or three years after the colony commenced to borrow, the debt was equivalent to only $1\frac{2}{3}$ year's revenue, in 1870 it was equivalent to $3\frac{2}{3}$ years', and in 1885–6 to over $4\frac{2}{3}$ years' revenue. The amount of debt outstanding, together with the average per head and the multiple of revenue at the end of 1860 and the two following decennial periods, and of the three years ended with 1885–6, are shown in the following table:—

GROWTH OF THE PUBLIC DEBT, 1860 TO 1885–6.*

At end of the Financial Year.	Amount Outstanding.	Average per Head.			Multiple of Revenue.
	£	£	s.	d.	
1860	5,118,100	9	10	4	1·66
1870	11,924,800	16	8	5	3·66
1880–81	22,593,102	26	1	2	4·36
1883–4	28,325,112†	30	6	6	4·90
1884–5	28,576,787‡	29	16	0	4·54
1885–6	30,110,935	30	10	2	4·69

NOTE.—On the 30th June, 1887, the public debt was £33,119,164. At the same date, the estimated population was 1,019,106. The amount of indebtedness per head was thus £32 10s.; and the multiple of the revenue was 4·92.

354. During the year 1885–6, stock was issued to the value of £1,573,048, of which all but £73,048 was sold in London; but, as a set-off against this, a portion of the Hobson's Bay Railway debentures, amounting to £38,900,§ were paid off in due course on the 1st January, 1886. The net increase of debt during the year was thus £1,534,148, which will be found to agree with the difference in the "amounts outstanding," as shown in the two lower lines of the last table. Moreover, a loan of £3,180,620—of which £2,600,000 was repayable in London, and £580,620 in Melbourne—was also paid off in due course on the 1st October, 1885, but as the necessary funds for such

Increase of debt, 1885–6.

* For amount of the public debt at the end of each year, see first folding sheet *ante*.

† Including a redemption loan of £812,500 for the repayment of debentures falling due in 1884–5.

‡ Including, for the first time, £222,800, being the amount of debentures of the late M. & H. B. U. Railway Co., but exclusive of a redemption loan of £3,180,620 for the repayment of debentures which fell due on 1st October, 1885.

§ The funds for the redemption of these debentures were provided for out of the proceeds of stock issued.

redemption were provided by a loan floated in the previous year the nominal amount of the debt of the colony was not affected thereby.

Repayment
of debt.

355. The debt is composed of debentures—some of which are inscribable as stock—and a small amount of permanent stock, registered in Melbourne, which is liable to be paid off at any time after the 28th November, 1897, by giving a year's notice in the *Government Gazette*. The following are the dates and places at which the various amounts of which the debt is composed are repayable:—

REPAYMENT OF DEBT.

Under Act No.	When Repayable.	Rate of Interest per cent.	Amount Repayable.		
			In Melbourne.	In London.	Total.
	<i>Debentures.</i>		£	£	£
36	1st October, 1885 (paid off)	6	580,620	2,600,000	3,180,620
"	" 1888 ...	"	130,000	...	130,000
150	" 1889 ...	"	276,100	...	276,100
287	1st January, 1891 ...	"	...	850,000	850,000
331-2	" 1894 ...	5	312,900	2,107,000	2,419,900
468	1st July, 1899 ...	4	...	1,500,000	1,500,000
531	" 1901 ...	"	...	3,000,000	3,000,000
608	" " ...	4½	...	5,000,000	5,000,000
611	1st January, 1904 ...	4	...	457,000	457,000
717	1st July, 1907*...	"	...	4,000,000	4,000,000
739	1st April, 1908*...	"	...	2,000,000	2,000,000
760	1st October, 1913*...	"	...	4,000,000	4,000,000
	<i>Stock† (London Register).</i>				
805	1st October, 1919 ...	4	...	4,000,000	4,000,000
845	" 1920 ...	"	...	1,500,000	1,500,000
	<i>Stock (Melbourne Register).</i>				
428 } 439 } 741 }	Permanent debt ‡ ...	4	794,035	...	794,035
	Total ...	...	1,513,035	28,414,000	29,927,035
—	Debentures of M. & H. B. U. Railway Co.	...	...	...	183,900
	Grand Total ...	...	...	...	30,110,935

Reduced rate
of interest
on loans.

356. Loans paid off on the 1st October, 1883, and the same date in 1884 and 1885, amounting together to £7,817,220, bore interest at the rate of 6 per cent. By these repayments the portion of the debt

* Convertible into inscribed stock at option of holders. The amount so inscribed to the 15th June, 1886, was £8,141,800.

† See also stock referred to in preceding footnote.

‡ But subject to be paid off in sums of not less than £5,000 at any one time after 28th November, 1897, after one year's notice.

bearing 6 per cent. interest has become reduced to £1,256,100. The redemption loans bear only 4 per cent. interest, and the saving in the annual interest payable by the substitution of these for the 6 per cent. loans paid off during the last three years amounts to over £156,000 per annum.

357. Victorian Government stock on the Melbourne register was first authorized under the Public Works Loan Act 1872 (36 Vict. No. 428), and originally amounted to £1,500,000. Owing to portion of this being converted into debentures, as being more readily negociable by the Government in a case of emergency, which operation was counter-balanced to some extent by re-conversions and fresh issues—the amount outstanding became reduced on the 30th June, 1886, to £794,035*; at which date, however, a further authorized amount of £16,447 had not been issued. In the case of the first three loans issued in London since the 1st January, 1883—amounting to £10,000,000—the option was given to holders of converting their debentures into stock, to be registered in London; whilst the last two of those loans—amounting to £5,500,000—were issued as stock in the first instance. The privilege referred to, according to advices received up to the 30th June, 1886, had been availed of to the extent of £8,141,800, so that the stock then outstanding upon the London register amounted to £13,641,800. The total amount of stock on the two registers combined was thus £14,435,835. The whole of the stock bears interest at the rate of 4 per cent. per annum.

358. Over two-thirds of the public debt bears interest at 4 per cent., and the balance at higher rates up to 6 per cent. The following are the rates of interest payable on the various amounts of which the public debt of Victoria was composed on the 30th June, 1886 :—

Rates of Interest.						Amount at each Rate.
6 per cent. ...	...	...	...	...	...	£1,256,100
5 per cent. ...	...	...	...	...	...	2,603,800
4½ per cent. ...	...	...	...	...	...	5,000,000
4 per cent. ...	...	...	...	...	...	21,251,035
						<hr/>
				Total	...	£30,110,935
						<hr/>

359. Nearly three-fifths of the interest on the debt is payable in July and January, and the remainder in October and April. In connexion with this, Messrs. W. Westgarth and Co., whilst admitting the inconvenience to the colony of having large interest amounts falling due at one time, have pointed out that the greatest degree of

* Of this amount, £463,597 is held by the public, and £330,439 by the Government on account of Trust Funds invested.

negociability for the stock can only be attained by making the periods of payment uniform for all loans. About eleven-twelfths of the interest is payable in London, and the remainder in Melbourne. The following table shows the amounts payable during the ensuing financial year at those times and places on the debt existing on the 30th June, 1886 :—

INTEREST ON PUBLIC DEBT.

Rate per Cent.	When Due.	Amount Payable Annually—					
		In Melbourne.		In London.		Total.	
		£	s.	d.	£	s.	d.
6	July and January	...			51,000	0	0
5	„ „	15,645	0	0	105,350	0	0
4½	„ „	...			225,000	0	0
4	„ „	...			418,280	0	0*
	Total ...	15,645	0	0	799,630	0	0
6	October and April	24,366	0	0	...		
4	„ „	31,761	7	11	400,000	0	0
	Total ...	56,127	7	11	400,000	0	0
	Grand Total ...	71,772	7	11	1,199,630	0	0
	Melbourne & Hobson's Bay Railway Debentures	...			...
	Grand Total ...	...			...
							9,195 0 0†
							1,280,597 7 11

NOTE.—The figures in this table represent the amounts of interest payable in 1886-7 on the debt (viz., £30,110,935) as it stood at the commencement of that year. The fresh loan raised in January, 1887, will add £120,000 per annum to the interest payable, but the first half-yearly instalment does not accrue until 1887-8. Moreover, stock in hand, but unsold at the end of 1885-6, will, when disposed of, add £658 to the annual interest.

Interest on loans for different works.

360. The annual interest payable on the public debt, as it existed at the end of the financial year 1885-6, was equivalent to an average rate of about £4 5s. 1d. per cent., the rates on the amounts borrowed for the different works in most cases varying from 4 to 4½ per cent. No money has been borrowed at 6 per cent. since 1866; and the 5, 4½, and 4 per cent. loans floated since, together with the substitution of 4 per cent. debentures for the 6 per cents. which had become due, have

* Inclusive of £18,280, payable on debentures which are held by the Government on account of Trust Funds invested.

† Of which about one-fourth is payable in Melbourne and the remainder in London.

gradually brought down the rate of interest, so that at the end of 1885-6 it averaged only $4\frac{1}{4}$ per cent. as just stated. The following are the particulars of the amounts borrowed for the different works, and the amount and average rate of interest payable thereon annually:—

INTEREST ON LOANS FOR DIFFERENT WORKS.

Purpose for which Raised.	Amount Outstanding on 30th June, 1886.	Interest Payable Annually.	
		Amount.	Average Rate.
	£	£	Per cent.
Railways ...	23,077,647*	979,920	4·25
Water Supply {	Melbourne ...	52,610	4·10
	Country ...	133,840	4·40
Graving-dock ...	350,464	15,307	4·37
Law Courts and Parliament Houses	600,713	25,265	4·20
Public Offices ...	166,195	6,789	4·09
Defences ...	100,000	6,000	6·00
State Schools ...	1,105,557	45,222	4·09
Yarra Bridge ...	108,043	4,622	4·28
Harbours, &c. ...	275,554	11,022	4·00
Total ...	30,110,935	1,280,597	4·25

361. By the last two tables it appears that the total sum payable annually as interest is £1,280,597; but as interest on debentures held by the Government is not paid, and as a portion of the debt did not bear interest during the whole of the year, the amount actually paid in 1885-6 was only £1,254,728, viz., £1,165,523 in London and £89,205 in Melbourne. Interest payable and paid.

362. The payment of interest in Melbourne is not attended with any expense; but in connexion with the payment of interest in London expenses are incurred, consisting chiefly of premium on the remittance of money and commission to the Banks. These charges amounted in 1885-6 to £20,746, which is equivalent to a proportion of over $1\frac{3}{4}$ (1·78) per cent. on the total amount paid in London, viz., £1,165,523, as just stated; as compared with only £14,420, or $1\frac{1}{4}$ (1·25) per cent. in 1884-5. This large increase, amounting to £6,327, was due to the premiums on remittances having increased by £4,900, in consequence of the rate of exchange being exceptionally high during the year; also to the increase of stock (by conversion and new issues) on the London Expenses of paying interest on debt.

* This is inclusive of £183,900, amount outstanding on the Melbourne and Hobson's Bay United Railway Company's debentures, the interest on which is £9,349 annually.

Registers, the management of which is much more costly than that of debentures; for whereas the commission for the payment of debenture coupons is only $\frac{1}{2}$ per cent. on the amount of interest payable, the charge for the inscription and management of stock and payment of interest thereon is equivalent to between $1\frac{1}{8}$ and $1\frac{1}{4}$ per cent. The following figures show the items of which the expenses were made up during the last two years:—

EXPENSES OF PAYING INTEREST ON LOANS, 1884-5 AND 1885-6.

	1884-5.	1885-6.
	£	£
Commission of $\frac{1}{2}$ per cent. on debenture coupons payable	4,444	3,598
Commission of £500 or £450 per million* for inscription of stock and payment of interest (= $1\frac{1}{4}$ or $1\frac{1}{8}$ per cent. on interest payable)	3,541	5,798
Premium on remittances	5,782	10,701
Stamps, advertising, &c.	653	649
Total Expenses	14,420	20,746
Interest paid in London †	1,150,684	1,165,523

Interest on debt per head.

363. The interest and expenses of the public debt of Victoria thus amounted in 1885-6 to £1,275,474,† being in the proportion of £1 6s. 3d. per head of population, and equal to nearly a fifth of the total expenditure. In the other Australasian colonies, in 1886, the interest and expenses of the public debt per head varied from £3 in New Zealand and £2 9s. in Queensland to £1 7s. 3d. in New South Wales and £1 2s. 6d. in Tasmania; and the proportion to the total expenditure varied from 40 and 26 per cent. respectively in the two former, to 16 per cent. in Western Australia, and 15 per cent. in New South Wales.§ In a former issue of the *Victorian Year-Book* || it was also shown that in only one of 29 of the principal countries in the world—viz., France—was the annual charge per head in respect to the public debt as high as in Victoria.

Loans authorized, 1885 and 1886.

364. A loan of £8,000,000—to be floated in instalments as required—was authorized on the 14th December, 1885.¶ It was provided that

* £500 is charged for the first 10 millions of stock inscribed, £450 for the second 10 millions, and £400 for subsequent amounts.

† See under head of "Public Debt" on page 127 *ante*.

‡ This amount differs by £6,536 from that shown in the table following paragraph 243 *ante*, since the latter includes the cost of redeeming loans in London.

§ See *Australasian Statistics* for 1885, Table V.

|| See *Victorian Year-Book* 1879-80, paragraph 260 *et seq.*

¶ Under the Railway Loan Act 1885 (49 Vict. No. 845).

this loan should have a currency of 35 years, and be issued either as debentures or as inscribed stock, interest to be payable half-yearly, the rate of which—not to exceed 4 per cent.—was left to be determined by an order of the Governor in Council prior to the time of issue. The following are the amounts authorized to be devoted to the respective purposes for which the loan was to be raised :—

LOAN AUTHORIZED 1885.

Purposes.	Amounts Authorized under Act 49 Vict. No. 845.
	£
Railways... ..	6,000,000
Tramways (in country districts)	200,000
Water Supply—Melbourne	500,000
Irrigation Works, &c.	1,300,000
Total	8,000,000
Amount raised to 30th June, 1887	4,500,000
Balance not yet floated	3,500,000
When due	1st Oct., 1920

365. The first two instalments of the £8,000,000 loan just referred to, viz., £1,500,000 and £3,000,000, were floated in London on the 2nd February, 1886, and 20th January, 1887, respectively, the interest being fixed at 4 per cent. in both cases. The minimum price fixed for which tenders would be received was £102 for every £100 stock, which, after allowing for interest accruing on the deferred payments, was equivalent to £101 3s. 3d. net for the former, and £101 6s. 3d. for the latter. The number of tenderers for the first issue was 643, and for the second issue 817; whilst the amount tendered was between 10 and 11 millions sterling on each occasion. The gross average prices obtained were £106 9s. and £102 19s. 3 $\frac{3}{4}$ d. respectively—being equivalent, *ex* accrued interest, to £105 12s. 3d. and £102 5s. 6 $\frac{3}{4}$ d.; but, if expenses be also deducted, the price would be reduced to about £104 9s. and £101 2s. 9d. As the first instalment of the loan has a currency of 35 years, this is equivalent to the money being obtained at a little over 3 $\frac{3}{4}$ per cent. (£3 15s. 5d. per £100), which is the lowest rate of interest at which any Australian loan has yet been floated, and the loan referred to is the first Victorian 4 per cent. loan floated above par. As the second

Loan floated
1886 and
1887.

instalment has a currency of 34 years, the money was obtained in that case for £3 18s. 9d. per £100, or 3s. 4d. more than in the case of the previous loan. It is believed that the lowest actual rate of interest at which any loan of New South Wales has yet been floated is £3 18s. per £100, which is the rate payable on the last of the nominal $3\frac{1}{2}$ per cent. loans issued in that colony.* According to a promise made in the last prospectus issued, no further instalment of the Victorian loan referred to is to be floated during the current year (1887).

Net proceeds of recent loans. 366. The following is a statement of the leading particulars of the last six loans floated in London, to which is added, in the last line, a statement of the Bank of England minimum rate of discount at the time of floating each loan:—

PARTICULARS OF LOANS FLOATED, 1883 TO 1887.

Particulars.	£4,000,000, 4 per cent.— Inscribable. (45 Vict. No. 717.)	£2,000,000, 4 per cent.— Inscribable. (46 Vict. No. 739.)	£4,000,000, 4 per cent.— Inscribable. (47 Vict. No. 760.)	£4,000,000, 4 per cent.— Stock. (48 Vict. No. No. 805.)	£3,000,000, 4 per cent.— Stock. (49 Vict. No. 845.)	
					First Issue, £1,500,000.	Second Issue, £3,000,000.
When floated ...	9th-17th Jan, and 6th March, 1883	3rd July, 1883	29th Jan., 1884	13th May, 1885.	2nd Feb., 1886.	20th Jan., 1887.
Minimum price fixed per £100	£98 13 7	£96 13 3	£98 2 8	£97 4 9½	£101 3 3	£101 6 3
Number of tenders	735	684	529	1,178	643	817
Amount tendered	£9,421,400	£5,137,700	£5,561,700	£11,553,900	£10,834,250	£10,191,500
Number of suc- cessful tenders†	494	362	428	224	27	62
Highest tender per £100	£101 3 7	£98 18 3	£100 7 8	£100 9 9½	£105 15 9	£102 18 9
Lowest successful tender per £100	£98 13 7	£97 8 9	£98 4 2	£98 17 9½	£105 11 9	£102 5 9
Gross proceeds, average per £100	£98 16 8½	£97 14 1½	£98 5 7	£98 18 6½	£105 12 3¼	£102 5 6½
Deduct expenses, ditto	£1 3 1	£1 3 2	£1 2 10¾	£1 2 9	£1 3 3¼	£1 2 9¼
Net proceeds, ditto	£97 13 7½	£96 10 11½	£97 2 8¼†	£97 15 9½	£104 9 0	£101 2 9
Bank of England minimum rate of discount per cent.	5-3	4	3	3½	3	5

NOTE.—The quotations in this table are exclusive of accrued interest.

* See paragraph 373 *post*.

† Wholly or partly successful.

‡ Price depreciated fully 5s. per cent., in consequence of the unusual occurrence of large shipments of gold from London to Australia.

367. The total expenses connected with floating Victorian loans from 1855 (the time the first loans were authorized) to the 30th June, 1886, including bank charges, brokerage, &c., have amounted to £399,481, which figures furnish a proportion of a fraction over 1 per cent. (1·034) on the gross amount borrowed to that date. On the loans recently floated, however, the expenses averaged 1·15 per cent., as will be seen by figures in the last table. It should be mentioned that another charge, not taken into account, is the Banks' commission (including brokerage) of $\frac{1}{4}$ per cent. for the earlier debenture loans, and $\frac{1}{8}$ per cent. for the more recent inscribable loans, besides exchange on remittances for redemption of the debentures when they arrive at maturity.

Expenses of floating and redemption of loans.

368. The minimum price for tenders for a loan is fixed after due inquiry from those supposed to be best acquainted with the state of the money market. The results, however, are very various, and in the case of the loans from 1874 onwards the amounts obtained per £100 debenture or stock have ranged from 2s. 7d. to as much as £4 9s. above the minimum fixed, as is shown in the last column of the following table:—

Prices fixed and obtained for loans.

VICTORIAN LOANS.—PRICES FIXED AND OBTAINED, 1874 TO 1887.

When Raised.	Price per £100, <i>ex</i> Interest.		Amount above Minimum obtained.
	Minimum Fixed.	Average Obtained.	
	£ s. d.	£ s. d.	£ s. d.
1874	90 0 0	90 2 7	0 2 7
1876	93 0 0	94 16 10 $\frac{3}{4}$	1 16 10 $\frac{3}{4}$
1879	96 16 1	97 17 5 $\frac{1}{2}$	1 1 4 $\frac{1}{2}$
1880	100 0 0	103 3 8 $\frac{1}{2}$	3 3 8 $\frac{1}{2}$
1883	98 13 7	98 16 8 $\frac{1}{2}$	0 3 1 $\frac{1}{2}$
"	96 13 3	97 14 1 $\frac{1}{2}$	1 0 10 $\frac{1}{2}$
1884	98 2 8	98 5 7	0 2 11
1885	97 4 9 $\frac{1}{2}$	98 18 6 $\frac{1}{2}$	1 13 9
1886	101 3 3	105 12 3 $\frac{1}{4}$	4 9 0 $\frac{1}{4}$
1887	101 6 3	102 5 6 $\frac{3}{4}$	0 19 3 $\frac{3}{4}$

369. Particulars respecting the amounts, nominal rates of interest, due dates of, and average prices obtained for, the various loans forming part of the public debt of Victoria, raised in London from 1859 to 1887, are given in the following table; also the average prices obtained after deducting expenses of floating, as well as of accrued interest; the rates of interest to which such prices are equivalent, which are really those payable by the colony on the moneys actually available (net proceeds) for the purposes for which the loans were raised; to which is added, in the last column, the minimum rate of discount, with a view of showing the state of the money market at the time of floating the respective loans:—

Particulars of loans floated in London.

VICTORIAN LOANS FLOATED IN LONDON, 1859 TO 1887.

Act No.	When Raised.	Amount of Loan.*	Nominal Rate of Interest. Per Cent.	When due.	Average price obtained per £100 Debenture.		Actual Rate of Interest per £100. ‡	Bank of England Minimum Rate of Discount at time of Floating.
					Ex Accrued Interest.	Ex Interest and Expenses. † (Net proceeds.)		
		£			£ s. d.	£ s. d.	£ s. d.	Per cent.
36	1859 ...	1,000,000	6	1883	105 1 11 ³ / ₄	104 1 11 ³ / ₄	5 13 9	2 ¹ / ₂
"	" ...	750,000	"	"	107 17 7 ¹ / ₄	106 17 7 ¹ / ₄	5 9 10	2 ¹ / ₂
"	1860 ...	1,837,500	"	1884 }	104 17 10 ¹ / ₂	103 17 10 ¹ / ₂	5 14 1	4 ¹ / ₂ -5
"	" ...	812,500	"					
"	1861 ...	1,000,000	"	1885	103 1 6 ¹ / ₄	102 1 6 ¹ / ₄	5 16 10	6
"	1862 ...	1,600,000	"	"	102 19 7	101 19 7	5 16 11	2 ¹ / ₂
287	1866 ...	850,000	"	1891	100 8 11 ³ / ₄	99 8 11 ³ / ₄	6 0 10	4 ¹ / ₂
331	1869 ...	588,600	5	1894	98 4 2 ³ / ₄	97 4 2 ³ / ₄	5 4 0	3
"	1870 ...	1,518,400	"	"	100 17 6 ¹ / ₂	99 17 6 ¹ / ₂	4 19 10	3
468	1874 ...	1,500,000	4	1899	90 2 7	89 2 7	4 15 3	3-4
531	1876 ...	3,000,000	"	1901	94 16 10 ³ / ₄	93 18 11 ³ / ₄	4 8 1	2
611	1878 ...	457,000	"	1904	...	...	...	...
608	1879 ...	3,000,000	4 ¹ / ₂	"	97 17 5 ¹ / ₂	96 19 2 ¹ / ₂	4 14 0	2 ¹ / ₂
"	1880 ...	2,000,000	"	"	103 3 8 ¹ / ₂	102 5 11	4 6 11	2 ¹ / ₂
717	1883 ...	4,000,000	4	1907	98 16 8 ¹ / ₂	97 13 7 ¹ / ₂	4 3 0	5-3
739	" ...	2,000,000§	"	1908	97 14 1 ¹ / ₂	96 10 11 ¹ / ₂	4 4 6	4
760	1884 ...	{ 2,636,600\$ 1,363,400 }	"	1913	98 5 7||	97 2 8 ¹ / ₄	4 3 3	3
805	1885 ...	{ 3,180,620\$ 819,380 }	"	1919	98 18 6 ¹ / ₂ ¶	97 15 9 ¹ / ₂	4 2 5	3 ¹ / ₂
845	1886 ...	1,500,000	"	1920	105 12 3 ¹ / ₄	104 9 0	3 15 5	3
"	1887 ...	3,000,000	"	1920	102 5 6 ³ / ₄	101 2 9	3 18 9	5
	Total	38,414,000**						

NOTE.—All Victorian loans floated prior to 1884 have originally a currency of 25 years; the loan of 1884 has a currency of 30 years, and the subsequent loans a currency of about 35 years.

Terms upon which loans have been obtained.

370. It will be noticed that all the 6 per cent. loans, one of the 5 per cent. loans, and the second portion of the 4¹/₂ per cent. loan of 1879-80, were floated at a premium; but only the last two of the 4 per cent. loans realized a higher rate than par. It will also be noticed that a most remarkable and unprecedented advance in the value of Victorian securities took place in 1886, for whereas a *discount* of over 1 per cent. was demanded for the loans raised in the preceding years, the loan raised in 1886 realized a *premium* of over 5¹/₂ per cent. Compared with 12 years previously, the improvement is still more marked; for in 1874 the first of the 4 per cent. loans could only be floated at a discount of 10 per cent. The falling-off in the price realized for the subsequent loan—floated in 1887—is no doubt chiefly attributable to the

* The loans referred to in the first six lines have been paid off by means of more recent loans.

† For loans raised prior to 1876, the expenses have been uniformly assumed to have been 1 per cent. See paragraph 367 *ante*.

‡ Based on the prices given in the previous column. These results have been derived from "The Investors' Sinking Fund and Redemption Tables," by Robert Lucas Nash, London; Effingham Wilson, Royal Exchange.

§ Redemption loans.

¶ It is believed that a higher price by fully 5s. per £100 would have been obtained but for the unusual occurrence of the shipment of large quantities of gold to Australia, which took place just prior to the loan being floated.

¶ Money market much affected at time of issue of this loan by a misunderstanding with Russia and the supposed probability of war with that country.

** Including redemption loans amounting to £7,817,220, of which £7,000,000 was for loans falling due in London. This being deducted, the net amount borrowed there is reduced to £31,414,000.

unfavorable state of the market as indicated by the high rate of Bank of England discount then prevailing.

371. By the last column but one of the table, it appears, in respect to the earlier loans, that, although the nominal rate of interest was 6 per cent., the money was usually obtained for about $5\frac{3}{4}$ per cent., the lowest rate being $5\frac{1}{2}$ per cent. in 1859, and the highest a small fraction over 6 per cent. in 1866. Since that year, however, the credit of the colony has considerably improved, for in 1870—or four years later—it was able to secure the money for a little less than 5 per cent., in the early part of 1883 a loan was obtained for $4\frac{3}{20}$ per cent., and in 1886 for a small fraction over $3\frac{3}{4}$ per cent., which, notwithstanding the nominal rate of interest is only 4 per cent., is the lowest actual rate at which any Victorian—or, in fact, any Australasian—loan has yet been raised. Actual rate of interest on loans.

372. The following table, giving similar information respecting the loans of New South Wales, is taken in substance, as regards the earlier portion, from the *Sydney Morning Herald*, but in the case of the last six lines the figures were compiled in the office of the Government Statist, Melbourne, from official documents:— New South Wales loans.

NEW SOUTH WALES LOANS, 1858 TO 1886.

Date of Loan.	Years' Currency.	Amount of Loan.	Amount raised.	Average rate per cent. less charges, &c.*	Nominal Interest per cent.	Actual Interest per £100.
		£	£			£ s. d.
1858	30	130,400	125,888	90·59	5	5 13 3
1859	30	818,100	916,778	99·09	5	5 1 3
1860	30	560,900	560,654	99·20	5	5 1 0
1861	30	206,960	205,887	98·85	5	5 1 7
1862	30	495,500	485,391	97·22	5	5 3 10
1863	30	610,000	613,247	99·78	5	5 0 3
1864	30	288,300	287,609	90·01	5	5 1 5
1865	30	292,800	269,974	91·49	5	5 11 6
1866	30	1,001,900	899,216	88·49	5	5 16 4
1867	30	312,800	267,448	84·32	5	5 2 1
1868	30	1,500,000	1,430,204	88·52	5	5 16 4
1869	...	1,000,000	981,655	96·85	5	5 4 2
1870 } 1871 }	30	985,100	973,696	97·91	5	5 2 11
1872	30	406,800	422,666	103·90	5	4 15 0
1873	Inter.	222,284	217,270	97·74	4	4 2 0
1874	Inter.	282,955	268,808	95·00	4	4 5 11
1875	30	1,000,000	900,581	89·12	4	4 13 0
1876	30	901,500	837,180	92·22	4	4 9 4
1879	30	3,249,500	3,099,443	97·81	4	4 2 8
1881	30	2,050,000	2,120,697	102·86	4	3 16 10†
1882	50	2,000,000	2,042,916	101·06	4	3 19 0
1883	50	3,000,000	3,001,067	97·68	4	4 2 3
"	50	3,000,000	3,018,780	98·08	4	4 1 10
1884	40	5,500,000	5,152,386	91·17	$3\frac{1}{2}$	3 18 11
1885	40	5,500,000	5,042,041	89·01	$3\frac{1}{2}$	4 1 3
1886	38	5,500,000	5,247,690	91·99	$3\frac{1}{2}$	3 18 0

* The quotations respecting New South Wales for 1883 and subsequent years were carefully computed in the office of the Government Statist, Melbourne, and are exclusive of accrued interest as well as expenses; but, for the loans prior to 1883, it is believed no allowance has been made for accrued interest (or—what amounts to the same thing—for discount on deferred instalments). This is often considerable, and, in the case of the last five loans, varied from something less than £1 to nearly £2 per £100.

† See next paragraph.

Success of
recent New
South Wales
loans.

373. By this table it appears that during the last four years New South Wales has floated five loans, amounting in the aggregate to £24,500,000. The loan of 1882 was issued in the form of debentures, but with right of inscription as stock; whilst all the subsequent loans were issued as inscribed stock. It would appear, if the figures taken from the *Sydney Morning Herald* are correct, that as early as 1881 and 1882 New South Wales was able to borrow, allowing for all charges, for less than 4 per cent.—the loan floated in 1881 being set down as costing only £3 16s. 10d. per £100 per annum. There is reason to believe, however, that this is not the case, and that if accrued interest were allowed for,* as is done in regard to subsequent loans, the rate would be found to reach, or to be above, 4 per cent. But in the case of the last five loans all allowances have been made, and it will be seen that only on two occasions was the money obtained for less than 4 per cent. The last three loans, it will be observed, were launched nominally at 3½ per cent.; New South Wales being the first Australasian, and the second British, colony† to issue loans bearing a lower nominal rate of interest than 4 per cent. The actual rate of interest payable on the first and third of these was respectively £3 18s. 11d. and £3 18s. per £100 borrowed, but the actual rate of interest payable on the second one was slightly over 4 per cent.

Prices
obtained for
loans of
Victoria and
New South
Wales
compared.

374. It has already been shown‡ that the most successful Victorian loan was the 4 per cent. loan for £1,500,000—having a currency of 34 years—floated in 1886 at an average net price, *ex* accrued interest and expenses, of £105 12s. 3¼d per £100; and that the most successful one of New South Wales was the 3½ per cent. loan for £5,500,000—having a currency of 38 years—floated also in 1886, at a net average price of £91 18s. 7¼d.; also, that the actual rate of interest payable per £100 is £3 15s. 5d. in the former case, and £3 18s. in the latter. Victoria, with a nominal 4 per cent. loan, thus pays per annum 2s. 7d. less interest per £100 than New South Wales, with a nominal 3½ per cent. issue. Moreover, if the price realized for the Victorian loan be reduced to the same basis as that on which the New South Wales loan was floated—viz., a nominal rate of 3½ per cent., and principal redeemable in 38 years—it will be found that the price realized for the Victorian loan was £3 9s. per £100 higher than that realized for the loan of New South Wales; thus—

* See footnote (*) on previous page.

† Canada was the first British colony to float a 3½ per cent. loan, viz., in June, 1884, or only about four months before New South Wales. According to Messrs. Westgarth & Co., this Canadian loan was disposed of at a price which, with various allowances, actually yields to the investors £3 17s. 6d. per cent. But if allowances were made for cost of floating, &c., as is done in the case of the New South Wales loan, the latter would probably be found the more successful of the two loans from the borrowers' standpoint. Canada has since reverted to 4 per cent. loans.

‡ See paragraphs 365, 371, and 372 *ante*.

COMPARATIVE PRICES OF LOANS RAISED IN 1886 ON A UNIFORM
3½ PER CENT. BASIS.

(Loans assumed to be redeemable in 38 years.)

		£	s.	d.
Victoria ...	(Actual interest = £3 15s. 5d. per £100) ...	95	7	8
New South Wales (	" = £3 18s. 0d. "	91	18	7½
Difference in favour of Victoria ...		£3	9	0¾

375. The expenses of floating loans have lately been much greater in the case of the loans of New South Wales than in regard to those of Victoria. Thus, the expenses of floating Victorian loans averages barely £1 3s. per £100 debenture, but it varies from £1 2s. to over £1 14s. in the case of New South Wales—the average being close on £1 9s. The following are the average expenses of floating loans in the two colonies during the four years ended with 1885 :—

Cost of floating loans of Victoria and New South Wales compared.

EXPENSES OF FLOATING LOANS OF VICTORIA * AND NEW SOUTH WALES, 1882 TO 1885.

Year.	Amount of Loan.		Expenses per £100 Debenture or Stock in—					
	Victoria.	New South Wales.	Victoria.		New South Wales.			
	£	£	£	s.	d.	£	s.	d.
1882 ...	...	2,000,000	...			1	1	9
1883 (1st loan)	4,000,000	3,000,000	1	3	1	1	1	10
„ (2nd loan)	2,000,000	3,000,000	1	3	2	1	6	5
1884 ...	4,000,000	5,500,000	1	2	11	1	11	2
1885 ...	4,000,000	5,500,000	1	2	9	1	14	5
Total ...	14,000,000	19,000,000	1	2	11	1	8	11

376. The annual charge made by the Bank of England for the inscription and management of the stock of New South Wales is £600 per million stock ; whereas for the same services the Victorian Government pays the London and Westminster Bank per million stock per annum only £500 for the first ten millions, £450 for the second ten millions, and £400 for subsequent amounts.

Annual cost of managing stock of Victoria and New South Wales.

377. The following table shows the total amount of debt, and the indebtedness per head, in Victoria and the other Australasian colonies on the 31st December of each of the five years ended with 1885 ; also the number of years' revenue the debt is equal to in each year :—

Debts of Australasian colonies.

PUBLIC DEBTS OF THE AUSTRALASIAN COLONIES.

Colony.	Year.	On the 31st December.				
		Total Amount of Debt.	Amount of Indebtedness per Head.	Number of Years' Revenue Debt is equal to.		
		£	£	s.	d.	
Victoria ...	1881	22,426,502	25	9	7†	4·32
	1882	22,103,202	24	11	1†	3·95
	1883	24,308,175	26	7	5†	4·33
	1884	27,526,667	29	1	11†	4·64
	1885	28,628,588	29	9	7	4·55

* See also table following paragraph 366 ante.

† Figures amended since last publication.

PUBLIC DEBTS OF THE AUSTRALASIAN COLONIES—*continued.*

Colony.	Year.	On the 31st December.		
		Total Amount of Debt.	Amount of Indebtedness per Head.	Number of Years' Revenue Debt is equal to.
		£	£ s. d.	
New South Wales	1881	16,924,019	21 14 8	2·52
	1882	18,721,219	23 1 9	2·53
	1883	21,632,459	25 4 5	3·34
	1884	30,101,959	33 6 0	4·23
	1885	35,564,259 *	37 2 8	4·69
Queensland	1881	13,245,150	58 7 1	6·55
	1882	13,125,350	52 17 5	6·24
	1883	14,907,850	51 17 2	5·77
	1884	16,419,850	52 19 6	6·14
	1885	19,320,850	61 4 10	6·80
South Australia	1881	11,196,800	38 3 6	5·16
	1882	12,472,600	42 9 10	5·98
	1883	13,891,900	45 12 5	6·74
	1884	15,473,800	49 9 5	7·64
	1885	17,020,900	54 6 2	7·37
Western Australia	1881	511,000	17 0 6	2·01
	1882	511,000	16 12 2	2·04
	1883	611,000	19 5 6	1·93
	1884	765,000	23 4 3	2·64
	1885	1,288,100	36 12 4	3·99
Tasmania	1881	2,003,000	16 16 10	3·96
	1882	2 050,600	16 14 10	3·72
	1883	2,385,600	18 18 0	4·24
	1884	3,202,300	24 10 7	5·83
	1885	3,357,000	25 1 10	5·88
New Zealand †	1881	29,659,111	59 4 2	7·89
	1882	30,235,711	58 8 1	7·72
	1883	31,385,411	58 0 6	8·11
	1884	32,860,982	58 4 8	8·86
	1885	35,790,422	62 4 3	8·74

NOTE.—For public debts of the respective colonies at the end of 1886, see Summary of Australasian Statistics (third folding sheet *ante*), which gives a statement of the debts of the respective colonies at the end of each of the fourteen years 1873 to 1886; also Appendix A *post*.

Order of colonies in respect to indebtedness.

378. In 1885, as compared with the previous year, all the colonies, except Victoria and Tasmania, show a large increase of indebtedness per head, varying from £4 in New South Wales and New Zealand to £8 in Queensland, and as much as £13 in Western Australia. According to the returns of the same year, by far the most heavily-indebted colony, in proportion to population, was New Zealand, with £62, and

* Including a loan of £5,500,000 raised in October, 1885. Although £1,810,000 of this loan was not actually received until after the end of 1885, yet, as the interest accrued from the 1st October, 1885, the whole amount is considered as part of the liability of the colony at the end of 1885.

† New Zealand, as a set-off against the debt, has an accrued sinking fund, which amounted on the 31st December, 1885, to £3,217,930. The net liability was thus £32,572,492, or £56 12s. 6d. per head, and was equal to 7·95 times the revenue.

next to it Queensland, with £61, per head. Victoria, in proportion to population, was less than half as heavily indebted as either of these, and was, moreover, much less indebted than any of the other colonies except Tasmania. The following is the order in which the colonies stood in respect to their indebtedness per head, the most heavily-indebted colony being placed first :—

ORDER OF COLONIES IN REFERENCE TO AMOUNT OF INDEBTEDNESS PER HEAD.

- | | |
|---------------------|-----------------------|
| 1. New Zealand. | 5. Western Australia. |
| 2. Queensland. | 6. Victoria. |
| 3. South Australia. | 7. Tasmania. |
| 4. New South Wales. | |

379. The public debt in the different colonies varied, in 1885, from an amount equal to nearly 9 years' revenue in New Zealand to a sum equal to 4 years' revenue in Western Australia. Victoria occupied a lower, and consequently more favorable, position in this respect than any of the colonies, except Western Australia, her debt being equal to her revenue for 4½ years. The following is the order in which the colonies stood in respect to this matter:—

Order of colonies in respect to proportion of revenue to debt.

ORDER OF COLONIES IN REFERENCE TO PROPORTION OF REVENUE TO PUBLIC DEBT.

- | | |
|---------------------|-----------------------|
| 1. New Zealand. | 5. New South Wales. |
| 2. South Australia. | 6. Victoria. |
| 3. Queensland. | 7. Western Australia. |
| 4. Tasmania. | |

380. If the amounts of debt at the latest period shown in the table be added together, it will be found that the aggregate debt of the colonies on the continent of Australia was nearly one hundred and two millions, being eleven and a half millions more than in 1884; and the aggregate debt of Australia, with the addition of Tasmania and New Zealand, was close upon one hundred and forty-one millions sterling, being over fourteen and a half millions more than in 1884. The following are the exact figures, also the proportion of indebtedness per head of the population, and the proportion the aggregate debt bore to the aggregate revenue of the colonies within the same limits:—

Public debt of Australia and Australasia.

PUBLIC DEBT OF AUSTRALIA AND AUSTRALASIA, 1885.*

	Public Debt.		
	Total Amount.	Amount per Head.	Multiple of Revenue.
	£	£ s. d.	
Continent of Australia	101,822,697	39 5 4	5·26
Ditto, with Tasmania and New Zealand	140,970,119	42 13 10	5·87

* For later figures, see Appendix A post.

Debt per head higher in Australasia than in Australia.

381. It will be observed that a combination of the indebtedness of the insular colonies with that of the colonies upon the Australian continent gives a proportion of debt per head higher by £3 8s. 6d. than such a proportion applied to the continental colonies alone, in explanation of which it will be remembered that although Tasmania is almost the most lightly, New Zealand is the most heavily, indebted colony of the group.

Increase of debt in Australasia in twelve years.

382. During the year 1885, the public debt of Australasia, taken as a whole, increased by over fourteen and a half millions—or by more than one-ninth—whilst the amount per head of population increased by £3; and during the twelve years ended with 1885, the public debt increased by nearly one hundred millions—or much more than three-fold—whilst the proportion per head was more than doubled. The debt also increased in a much greater ratio than the public revenue, for whereas in 1873 it was equal to the income of the colonies for only about three and a half years, in 1885 it was equal to their income for nearly six years. This will be observed by the following figures:—

INCREASE OF PUBLIC DEBT OF AUSTRALASIA, 1873 TO 1885.

Year.	Public Debt of Australia, Tasmania, and New Zealand.		
	Total Amount.	Amount per Head.*	Multiple of Revenue.
	£	£ s. d.	
1873	42,672,423	20 7 1	3·46
1884	126,350,558	39 13 3	5·67
1885	140,970,119	42 13 10	5·87
Increase, 1873-85 ...	98,297,696	22 6 9	2·41
„ 1885 ...	14,619,561	3 0 7	0·20

Purposes for which debts of Australasian colonies were contracted.

383. The major portion of the public debt of each of the Australasian colonies was contracted for the purpose of railway construction, but smaller amounts were borrowed for water supply, immigration, electric telegraphs, harbour and defence works, roads and bridges, school-houses, and other public works. Up to the end of 1885, New South Wales had borrowed a larger amount for railway construction than any other colony, the amount being close on £30,000,000, as against nearly £22,000,000 borrowed for the same purpose by Victoria, £10,500,000 by Queensland, and £9,400,000 by South Australia. The amount set down as having been borrowed by New Zealand

* In 1873, the population was 2,096,560; in 1884, 3,185,483; and in 1885, 3,302,174.

for railway construction is £12,400,000, but the purposes for which £12,500,000* of the debt—consisting chiefly of old provincial debts—(nearly a third of the whole New Zealand debt at the end of 1885)—were contracted are not accurately known, and possibly some portion of this may have been devoted to railways, although not a large amount, as the total cost of railways in New Zealand, including 41 miles of private line, is returned as £12,349,100, or £10,000 less than the amount known to have been borrowed for State railways. Victoria has borrowed much more for water supply than any other colony, the total amount being £3,800,000, as against £1,550,000 borrowed by New South Wales, and £1,200,000 borrowed by South Australia for the same object. No portion of the public debt of Victoria, South Australia, or Western Australia has been contracted for the promotion of immigration; but, up to the end of 1885, New Zealand has borrowed over two millions and Queensland nearly two millions for immigration purposes, whilst New South Wales and Tasmania had spent smaller sums. In the following table, the amounts borrowed for railways, water supply, immigration, and other purposes, to the end of 1885, are given for each of the Australasian colonies:—

PURPOSES FOR WHICH PUBLIC DEBTS OF AUSTRALASIAN COLONIES
WERE RAISED.

(Debts on the 31st December, 1885.†)

Colony.	Amount of Public Debt contracted for—				Total.
	Railways.	Water Supply.	Immigra- tion.	Other Purposes.	
	£	£	£	£	£
Victoria	21,868,973	3,803,365	...	2,956,250	28,628,588
New South Wales ...	29,663,319	1,549,807	387,663	3,963,470	35,564,259
Queensland	10,454,335	406,126	2,049,397	6,410,992‡	19,320,850
South Australia ...	9,389,428	1,206,650	...	6,424,822	17,020,900
Western Australia ...	858,675	...	...	449,425	1,288,100
Tasmania	1,324,528	...	227,814	1,804,658	3,357,000
New Zealand	12,359,083	551,261	2,105,617	20,774,461*	35,790,422

384. Of the total amount borrowed by the colonies on the Australian continent to the end of 1885, not quite three-fourths was for railways, Purposes for which debt of Australasia was contracted.

* Including unspent balances of loan moneys at the end of the year, amounting to £1,454,673; and the old provincial debts of New Zealand taken over by the Central Government, amounting to £11,060,028. It is now impossible to determine accurately the purposes for which the latter amount was contracted; it is probable that a considerable portion of it was spent in carrying on wars with the Maoris.

† Similar information to the end of 1886 will be found in Appendix A *post*.

‡ Including unexpended balances of loan moneys, amounting to £2,441,520.

nearly a fourteenth was for waterworks, nearly a fortieth for immigration, and nearly a fifth for other purposes. Of the amount borrowed by the continental and insular colonies combined (so far as it can be apportioned in the absence of complete information respecting New Zealand*), the proportions for railways and water supply are considerably less, but those for immigration and for other purposes are considerably more, than the proportions for like objects relating to the continental colonies alone. This is shown in the following table:—

PURPOSES FOR WHICH DEBTS OF AUSTRALIA AND AUSTRALASIA WERE CONTRACTED.

(Debts on the 31st December, 1885.)

Purposes for which Debt was contracted.	Continent of Australia.		Australia with Tasmania and New Zealand.	
	Amount of Debt.	Proportions per Cent.	Amount of Debt.	Proportions per Cent.
	£		£	
Railways	72,214,730	70·92	85,898,341	60·93
Water Supply, &c. ...	6,965,948	6·84	7,517,209	5·33
Immigration	2,437,060	2·39	4,770,491	3·39
Other purposes† ...	20,204,959	19·85	42,784,078	30·35
Total	101,822,697	100·00	140,970,119	100·00

Public debts of British dominions.

385. The next table shows the amounts of public debt in Great Britain and her various possessions at latest dates, so far as the information can be gathered from official documents existing in this colony; also the amount of debt per head of the population of each possession, and the number the revenue of each would have to be multiplied by in order to make an amount equal to its debt. All the calculations have been made in the office of the Government Statist, Melbourne:—

PUBLIC DEBTS OF BRITISH DOMINIONS, 1885.

Country or Colony.	Public Debt.		
	Total Amount	Amount per Head.‡	Multiple of Revenue.§
EUROPE.			
United Kingdom	£ 742,282,411	£ 20 2 3	8·28
Malta	380,186	2 8 6	1·78
ASIA.			
India	173,752,206	0 17 6	2·46
Ceylon	2,284,094	0 18 3	1·93
Straits Settlements ...	48,800	0 1 10	·08

* See footnote (*) on previous page.

† Including £2,441,520 for Australia, and £14,956,221 for Australasia, of which the purposes for which contracted cannot be ascertained. See footnote (*) to last table.

‡ For population of Great Britain and the various colonies, see table following paragraph 142 ante.

§ For revenue of Great Britain and the various colonies, see table following paragraph 278 ante.

PUBLIC DEBTS OF BRITISH DOMINIONS, 1885—*continued.*

Country or Colony.	Public Debt.		
	Total Amount.	Amount per Head.*	Multiple of Revenue.†
AFRICA.			
	£	£ s. d.	
Mauritius	756,750	2 1 11	1·04
Natal	3,762,060	8 9 7	5·68
Cape of Good Hope... ..	21,672,162	17 6 1	6·51
St. Helena	6,750	1 6 7	·75
Lagos	441‡	0 0 1	·01
Sierra Leone	58,000	0 19 2	·86
AMERICA.			
Canada	40,918,269§	8 18 8	5·92
Newfoundland	447,833	2 5 2	2·13
Bermuda	5,284	0 7 0	·18
British Guiana	347,329	1 5 9	·80
West Indies—			
Bahamas	83,126	1 18 2	1·83
Jamaica	1,499,481	2 10 3	2·45
St. Lucia	34,200	0 16 6	·89
St. Vincent	1,520	0 0 9	·06
Barbados	19,000	0 2 3	·13
Grenada	5,440	0 2 4	·13
Tobago	1,000	0 1 0	·09
St. Christopher }	1,200	0 0 7	·03
Nevis }			
Antigua	15,671	0 9 0	·38
Montserrat	4,100	0 7 5	·75
Dominica	13,400	0 9 0	·85
Trinidad	580,920	3 8 0	1·35
AUSTRALASIA.			
Australia, Tasmania, and New Zealand ||	140,970,119	42 13 10	5 87
Fiji	264,025	2 1 1	3·44
Total	1,130,215,777	4 8 8	5·65

386. It will be observed that the total indebtedness of Great Britain and her dependencies reaches beyond eleven hundred and thirty millions sterling; that nearly two-thirds of this amount is owing by Great Britain herself, and nearly one-eighth by the Australasian colonies. Indebtedness of British dominions.

387. In Australasia, taken as a whole, the indebtedness, in proportion to population, is more than twice as large as that of the United Kingdom, which in this respect is far above any of its other dependencies. As regards individual colonies, the indebtedness per head of New Indebtedness per head of British dominions.

* For population of Great Britain and the various colonies, see table following paragraph 142 *ante*.

† For revenue of Great Britain and the various colonies, see table following paragraph 278 *ante*.

‡ The figures for Lagos relate to the year 1882.

§ Total net liabilities of the Dominion and Provincial Governments, after deducting the assets.

|| For public debts and amounts per head, and proportion of debt to revenue, in the various Australasian colonies, see table following paragraph 377 *ante*.

Zealand or Queensland is over three times, and that of South Australia is more than two and a half times, as large as the indebtedness per head of the United Kingdom; whilst that of New South Wales and Western Australia is nearly twice as large, and that of Victoria is larger by nearly a half. The two first-named colonies are, in proportion to population, by far the most heavily-indebted countries in the world. It may be observed that the indebtedness per head of Canada—which moreover includes its provincial debts—is considerably less than one-fourth of that of Australasia.

Proportion of debts to revenues of British dominions.

388. In proportion to revenue, the debt of Great Britain is far larger than that of any of her dependencies, of which the Cape of Good Hope stands first and Canada next in this respect. Besides Canada and the Cape of Good Hope, there is no other possession in which the debt is so high a multiple of its revenue as the united debts of the Australasian colonies are of their united revenues.

Increased indebtedness of British dominions.

389. During the year 1885 the public indebtedness of the British dominions increased by £34,000,000, of which two millions was added to the debt of the United Kingdom, eleven millions was borrowed by India, fourteen millions by Australasia, and three millions by Canada.

Public debts of Foreign countries.

390. The public debts of Foreign countries at the latest dates are next shown, so far as the information is available. The calculations as to the amount of indebtedness per head and the multiple of the revenue of each country have all been made in the office of the Government Statist, Melbourne:—

PUBLIC DEBTS OF FOREIGN COUNTRIES.

Country.	Year.	Public Debt.		
		Total Amount (000's omitted).	Amount per Head.*	Multiple of Revenue.
EUROPE.				
Austria-Hungary ...	1883	£ 458,884,†	£ s. d. 11 5 4‡	6·16
Belgium... ...	1884	70,674,	12 1 6‡	5·51
Denmark ...	1882-3	6,339,	3 4 5	2·02
France ...	1884	789,374,	21 2 1	5·71
Germany ...	1882-3	294,668,§	6 10 3	2·71
Greece ...	1883	15,921,	8 0 11	7·12
Holland ...	1884	84,916,	20 6 11	9·16
Italy ...	1883	440,381,	15 9 6	7·70

* For populations on which these calculations are based, see table following paragraph 144 *ante*.

† This amount is made up of £277,309,000, general debt of the whole empire; £65,125,000, special debt of Austria Proper; and £116,450,000, special debt of Hungary.

‡ Figures revised, and slightly altered since last publication.

§ This amount is made up of the debt of the empire, together with the debts of the various States, for particulars of which see *Victorian Year-Book* 1883-4, footnote (†) to table following paragraph 343. A large proportion of the debts of the German states was contracted for the construction of railways. As a set-off against the "Debt of the Empire," there exist various invested funds amounting to £35,965,828.

PUBLIC DEBTS OF FOREIGN COUNTRIES—*continued.*

Country.	Year.	Public Debt.		
		Total Amount (000's omitted)	Amount per Head.*	Multiple of Revenue.
EUROPE—<i>continued.</i>				
		£	£ s. d.	
Portugal	1884	106,463,	24 14 4	15·27
Roumania	1885	27,354,	5 5 9‡	5·31
Russia	1885	707,347,†	9 1 8	11·37
Spain	1881	512,000,	30 9 2	16·35
Sweden and Norway ...	1883-4	18,666,§	2 10 1	2·80
Switzerland	1884	1,319,||	0 9 3	·72
Turkey	1878	292,830,¶	11 19 2	19·87
ASIA.				
Japan	1883	67,073,	1 16 11	4·43
AFRICA.				
Egypt	1885	103,677,**	15 4 8	11·31
Tunis	1884	5,000,††	2 7 7	8·42
AMERICA.				
Argentine Confederation ...	1884	45,000,	15 5 11	6·93
Brazil	1885	68,600,	5 6 2‡	5·16
Mexico	1880	28,290,	2 14 1‡	4·08
Peru ... ..	...	43,000,‡‡	14 5 10	3·45
United States	1884	302,094,	5 8 9‡	4·48

391. The public debt of the United Kingdom is larger than that of any other country in the world except France, which is the larger by £47,000,000. Next to these in point of indebtedness are Russia, Spain, Austria-Hungary, Italy, the United States, Germany, Turkey, and British India, in the order named. These are the only countries which have larger debts than the present united debts of the Australasian colonies. §§

392. In proportion to population, the most heavily-indebted independent country is Spain, which is, however, in this respect far behind all the Australasian colonies, except Victoria and Tasmania. ¶¶ The debt per head in the United Kingdom is much smaller than in Spain or Portugal, about the same as in France or Holland, but larger than in any other country outside Australasia.

* For populations on which these calculations are based, see table following paragraph 144 *ante*.

† Including the debt bearing no interest, consisting of paper currency amounting to £86,300,000, and the State's debt to the Imperial bank on open account, amounting to £68,701,000, also Treasury bonds to the amount of £34,200,000; but excluding the Railway debt (guaranteed by the State), amounting to £91,541,000. According to the *London Statist*, the debt of Russia was increased by nearly £200,000,000 in the last 10 years.

‡ Figures revised and slightly altered since last publication.

§ This amount is made up of £12,789,210, debt of Sweden; and £5,877,100, debt of Norway.

|| The above amount excludes the debts of the various Cantons, amounting in the aggregate to about £12,000,000. There exists, as a set-off against the debt, State property ("federal fortune") valued at £20,000,000.

¶ Consisting of foreign debt, £217,830,000, and estimated internal and floating debt, £75,000,000. Paper money estimated at £90,000,000 excluded.

** Not including the Turkish debt secured upon the Tribute of £11,918,800, or the floating debt, estimated at over £5,000,000.

†† Exclusive of a floating debt of at least £822,468.

‡‡ Exclusive of an internal floating debt of an unknown amount.

§§ See table following paragraph 385 *ante*.

¶¶ See table following paragraph 377 *ante*.

Gross amount of debt in different countries.

Amount of debt per head in different countries.

Proportion
of debt to
revenue in
different
countries.

393. Turkey, Spain, and Portugal are much more heavily indebted in proportion to their revenues than any other country. The debts of the countries just named, together with Russia, Egypt, Holland, and Tunis are all larger in proportion to their revenues than the debt of the United Kingdom* is to its revenue. The united debts of the Australasian colonies* are much smaller in proportion to their united revenues than the debts of Italy, Germany, or the Argentine Confederation, as well as those of the countries previously so mentioned, are to their respective revenues; but such proportion in Australasia closely approximates to that in Austro-Hungary and France.

Objects of
Austral-
asian and
other debts.

394. In comparing the indebtedness of the Australasian colonies with that of other countries, it should be borne in mind that whereas the latter was mainly incurred for war purposes, the former was, as a rule, contracted for the construction of railways, water supply, and other works of a reproductive character.

Municipal
debt.

395. Municipalities in Victoria are empowered by the Local Government Act (38 Vict. No. 506) to borrow money for permanent works or undertakings, but the amount so borrowed—except in the case of cities, which have additional powers†—is not to exceed ten times their average annual net income during the three years prior to the raising of the loan. The following is a statement of the number of cities, towns, and boroughs, and the number of shires, which had loans outstanding in September, 1886, also of the total amounts included therein. These amounts are exclusive of sums borrowed by the municipalities through the General Government for waterworks (viz., £660,063, towards the redemption of which £52,038 has been repaid into a sinking fund)—they being included in the public debt of the colony‡:—

MUNICIPAL DEBT, 1886.

Municipalities.	At the end of the Municipal Financial Year.	
	Number of Districts which had Loans outstanding.	Total Amount of outstanding Loans.
Cities, towns, and boroughs... ..	39	£ 1,318,225
Shires	27	160,934
Total... ..	66	1,479,159

Rates of
interest
paid by
municipalities.

396. The rates of interest paid by municipalities were from 5 to 7 per cent., except in the case of two boroughs in which the rate was as

* See table following paragraph 385 *ante*.

† Under the Local Government Act Amendment Act 1883 (47 Vict. No. 786), section 26.

‡ See table following paragraph 350 *ante*, also footnote (ll) to that table.

high as 8 per cent., and in one shire in which it was between $7\frac{1}{2}$ and 8 per cent.; and in one city (Melbourne), where the nominal rates on portions of the loan were as low as $4\frac{1}{2}$ and 4 per cent. No municipality pays a higher rate than 8 per cent. for a loan.

397. If the municipal debts, as shown above, together with the Harbour Trust debt of £750,000,* be added to the Government debt on the 30th June, 1886, viz., £30,110,935,† it will appear that the total liability of the colony was £32,340,094, or a proportion of £32 15s. 4d. per head of population.

398. At the end of June, 1886, there was a total balance of £1,770,513 to the credit of the various trust funds, of which £787,439, or 44 per cent., was invested in debentures or inscribed stock, bearing interest at the rate of 4 per cent. The following are the particulars of each fund:—

TRUST FUNDS, 1886.

Accounts.	Credit Balances, 30th June, 1886.	Invested in Debentures or Inscribed Stock.
	£	£
Assurance fund	37,578‡	35,743
Suitors' fund	62,314	29,988
Police Superannuation fund ...	82,569	70,000
Intestate estates	119,447	62,264
Municipal Investments account ...	47,264	47,264
Melbourne and Hobson's Bay Railway Deposit account	11,548	11,548
Three Trustees, Executors, and Agency Companies, and two Insurance Com- panies	40,000	40,000
Defences—Discipline Act 1883 ...	11,848	}
„ Ammunition and Deferred Pay fund, &c.	2,538	
Post Office Savings Banks	1,273,049	}
Insolvency (unclaimed dividends) ...	3,961	
Customs Goods overtime	634	
Municipalities Sinking Fund and Re- demption account	52,038	
Survey Fees account	14,749	
Security account	3,850	
Licensing Act 1885	1,212	
Sundries	43,364	490,632
Total	1,807,963§	787,439
Deduct remittances and advances ...	37,450	...
Total	1,770,513	787,439

* See paragraphs 339 to 341 *ante*.

† On the 30th June, 1887, the debt of the General Government had increased to £33,119,164.

‡ It should be pointed out that the balance at the credit of this Fund was reduced in 1885-6 by £66,478, advanced towards the purchase of land adjoining the Titles Office (under Act 49 Vict. No. 835), on which amount the Assurance Fund receives 4 per cent. per annum from the general revenue.

§ Exclusive of the amount of £66,478 referred to in the preceding footnote, but including £6,546 advanced to the Bungaree Loan Liquidation Account.

Trust funds,
1870 to 1886.

399. In 1886, as compared with the previous year, an increase of over £93,000 took place in the total amount at credit of trust funds. This is chiefly accounted for by an increase of £110,000 in the amount to the credit of the Post Office Savings Banks Fund, of £20,000 in the investment accounts of Trustees Executors and Agency, and Insurance, Companies, of £14,000 in the Intestate Estates Fund, and of £12,000 in the Defence Fund, which appears for the first time, and consists of unspent balances of the annual appropriation of £110,000 for Defence purposes. From these must be deducted a decrease of £56,000 in the amount to the credit of the Assurance Fund, which, however, is only a nominal decrease,* and of £9,000 in the Municipal Investments Account. The following table shows the amount at credit of the funds, and the manner of its investment, at the end of each of the last seventeen financial years:—

TRUST FUNDS, 1870 TO 1886.

On the 30th June.		Amount at Credit of Trust Funds.			
		Invested in Debentures or Inscribed Stock.	Deposited in Banks.	Held otherwise.†	Total.
		£	£	£	£
1870	...	129,000	320,181	...	449,181
1871	...	250,000	267,421	...	517,421
1872	...	297,000	390,877	...	687,877
1873	...	553,600	347,035	...	900,635
1874	...	605,574	361,799	...	967,373
1875	...	608,454	237,090	76,451	921,995
1876	...	613,344	89,909	240,370	943,623
1877	...	626,844	290,645	66,249	983,738
1878	...	642,746	155,005	200,048	997,799
1879	...	675,423	114,628	316,518	1,106,569
1880	...	690,511	...	308,616	999,127
1881	...	709,872	546,014	...	1,255,886
1882	...	725,045	574,984	281,351	1,581,380
1883	...	726,186	394,851	332,887	1,453,924
1884	...	756,980	673,736	84,395	1,515,111
1885	...	766,095	904,073	7,133	1,677,301
1886	...	787,439	976,528	6,546	1,770,513

Retiring
allowances.

400. The retiring allowances paid from the Victorian revenue are, as has been pointed out in previous issues of this work, of two kinds, viz., those awarded to persons without reference to whether they are old or

* See footnote (‡) on previous page.

† In agent's hands, London; owing by other Governments; advanced on account of Stock Act in anticipation of sales; advanced on account of loans; "deficiency met," "charges on account finance of succeeding year," &c.

disabled, or are still fit for duty, in consideration of eminent services rendered to the State either by themselves or their relatives; and those granted only to public servants who, by reason of age or infirmity, are incapacitated from the performance of duty. The first are strictly pensions; the second, although often called pensions, are, properly speaking, not so, but superannuation allowances.

401. The amount of a pension does not depend upon the age of the recipient, or whether the service for which it is granted has extended over a long period or a short one. The recipient of a superannuation allowance, unless suffering from infirmity supposed to be incurable, must have reached a certain minimum age, and must have served for not less than a certain time, the amount of his allowance depending upon the position attained in the service and the number of years served.

Age an element in certain cases only.

402. Superannuation allowances or gratuities on retirement from the Public Service are granted on the scale allowed by the Civil Service Act (25 Vict. No. 160) to all public officers, including State school teachers—classified or unclassified—who entered prior to the passing of the *Pensions Abolition Act* (45 Vict. No. 710), viz., on the 24th December, 1881; but no persons entering the Public Service after that date, except Judges of the Supreme and County Courts, and officers and members of the police force (for whose benefit a special superannuation fund is maintained), are entitled to a retiring allowance or gratuity of any kind whatsoever.

Abolition of retiring allowances, &c.

403. Of pensions as before defined, there were in 1885–6 five in all, embracing allowances to three former Ministers released from office on political grounds, to the widow of a former Governor of Victoria, and to the daughter of an eminent explorer of the Australian coasts. The total amount included in these pensions was £3,435.

Pensions.

404. The persons entitled under Act of Parliament to superannuation allowances in the same year numbered 420, and consisted of five former judges of County Courts, a late Clerk of Parliaments, a late Master-in-Equity, a late Commissioner of Audit, 381 ex-officers of the Public Service, 17 ex-officers of the Lunacy Department, 6 ex-officers of the Railway Department, and 8 others. The aggregate amount of the allowances to these persons was £47,250, or an average of £112 10s. to each recipient.

Superannuation allowances under Acts of Parliament.

405. Taken together, the pensions and superannuation allowances numbered 425, or 133 more than in the previous year, and amounted to £50,685, or £8,999 more than in that year. The average to each recipient was £119 5s. 2d., or as much as £23 10s. less than in 1884–5.

Pensions, &c. under Acts, 1885 and 1886

It may be mentioned that the increase in the number and amount of these allowances is more apparent than real, it being due chiefly to the circumstance that a large proportion of allowances which were formerly voted annually are now paid under Act. Omitting police pensions, the actual increase was 42 in the number and £2,932 in the amount of pensions and retiring allowances of all kinds.

Pensions, &c.,
1885-6.

406: The different authorities under which pensions and superannuation allowances are legalized, and the recipients to whom they were awarded, also the number on the list, and the gross and average amount of the pensions and superannuation allowances not subject to annual votes paid during 1885-6, will be found in the following table:—

PENSIONS AND SUPERANNUATION ALLOWANCES,* 1885-6.

Authority under which legalized.	Description of the Recipients.	Number of Persons on the List.	Amount Paid.					
			Total.			Average to each Recipient.		
			£	s.	d.	£	s.	d.
PENSIONS.								
18 & 19 Vict. cap. 55 (Constitution Act, Schedule D)	Former Ministers of the Crown	3	2,335	9	7*	778	9	10
21 Vict. No. 20 ...	Daughter of the late Captain Flinders, R.N.	1	100	0	0	100	0	0
33 Vict. No. 362 ...	Widow of a former Governor of Victoria	1	1,000	0	0	1,000	0	0
SUPERANNUATION ALLOWANCES.								
18 & 19 Vict. cap. 55	Clerk of Parliaments ...	1	500	0	0	500	0	0
33 Vict. No. 345 (County Court Statute)	County Court Judges ...	5	3,660	14	3	732	2	10†
37 Vict. No. 435 ...	Master-in-Equity ...	1	750	0	0	750	0	0
49 Vict. No. 870 ...	Commissioner of Audit	1	228	12	7	228	12	7
25 Vict. No. 160 (Civil Service Act)	Officers in the Public Service	260	33,634	14	9	129	7	4
47 Vict. No. 773 (Public Service Act)	Ditto ...	121	6,771	7	8	55	19	2
31 Vict. No. 309 (Lunacy Statute)	Officers in the Lunacy Department	17	392	13	9	23	1	11
47 Vict. No. 767 (Victorian Railways Act)	Officers in the Railway Department	6	855	2	8	142	10	6
47 Vict. No. 777 (Discipline Act)	Officers of the Defence Force	8	456	7	11	57	1	0
Total ...		425	50,685	3	2	119	5	2

* Not including those voted annually, for which see paragraph 411 *post*.

† This is the actual amount paid. The *annual* amount payable was £2,667, but one pensioner drew his pension for only a portion of the year 1885-6.

‡ The *annual* amount payable to each was £750, but one having died during the year the average became reduced.

407. Superannuation allowances to the police are not included in the foregoing statement, as they are paid under the Police Regulations Statute (37 Vict. No. 476) out of a fund called the Police Superannuation Fund, which is maintained by an annual income of £2,800 arising from the investment of £70,000 in Government stock; by an annual subsidy of £2,000 from the consolidated revenue; by a moiety of the fines inflicted by courts of Petty Sessions under various Statutes; and, if necessary, by a deduction not exceeding $2\frac{1}{2}$ per cent. from the pay of the members of the force, and a further grant in aid from the consolidated revenue. In all cases of a police superannuation allowance being granted, the option is given to the retiring member to commute it for a gratuity equal to one month's pay for each year of service.

Police pensions, how granted.

408. The number of recipients of police retiring allowances in 1885-6 was 206, the gross amount payable was £17,616, or an average of £85 10s. 3d. to each recipient. It should be mentioned, however, that the actual amount paid in 1885-6 was £17,963, probably in consequence of arrears being included. In addition, gratuities in lieu of retiring allowances were paid in 19 instances, amounting in the aggregate to £5,483, or an average of £288 11s. 7d. to each recipient.

Number of police pensions and gratuities, 1885-6.

409. In the year under review, for the ninth time, a deduction was made from the pay of the police for the purpose of enabling the superannuation fund to meet the demands made thereon. The deduction made was at the rate of $2\frac{1}{2}$ per cent., or the full amount allowed by law, and realized £4,410. Even with this addition, however, the ordinary receipts have proved insufficient, and, the large balance which existed in the earlier years of the fund's existence having gradually become exhausted, it became necessary for Parliament to vote in aid of the fund a sum of £2,600 in 1880-81, of £5,000 in 1881-2, of £8,000 in 1882-3, and of £10,000 in each of the last three years. The balance at credit of the fund at the beginning of the year was £10,400, and at the end of the year it increased to £12,600.

Deduction from pay of police, and votes in aid

410. Except in cases of infirmity of mind or body, the minimum age at which retiring allowances are granted to members of the civil service is sixty years, and to members of the police force fifty-five years. Of the existing retiring allowances, however, 39 per cent. of those granted to civil servants, and as many as 53 per cent. of those granted to the police, were awarded in consequence of infirmity or disablement before the full age had been attained.

Retiring allowances granted for infirmity.

411. Besides the superannuation allowances and pensions for which amounts are specially appropriated, certain allowances are voted by

Allowances voted by Parliament.

Parliament each year to retired public servants who, whilst in the employment of the State, were attached to the unclassified branches of the service, and consequently were not comprehended in any of the several Statutes under which retiring allowances are legalized; in addition to which there was voted a grant in aid of the Police Superannuation Fund, and pensions to eight persons—two being the widows of constables who were shot by the Kelly gang of outlaws. The number of retiring allowances voted in 1885-6, the gross amount paid, and the average to each recipient, also the departments in which the several recipients served, will be found in the following table:—

SUPERANNUATION ALLOWANCES AND PENSIONS VOTED BY
PARLIAMENT, 1885-6.

Department.	Number of Recipients.	Allowances Voted.			
		Total Amount Paid.	Average to each Recipient.		
		£	£	s.	d.
SUPERANNUATION ALLOWANCES.					
Chief Secretary	7	503	71	17	1
Minister of Public Instruction ...	73	5,187	71	1	1
Attorney-General	1	240	240	0	0
Treasurer	1	68	68	0	0
Commissioner of Crown Lands and Survey	1	75	75	0	0
Commissioner of Public Works ...	16	1,569	98	1	3
Commissioner of Trade and Customs ...	2	550	275	0	0
Postmaster-General... ..	4	181	45	5	0
Commissioner of Railways	10	1,823	182	6	0
PENSIONS.					
Widows of Constables shot by the Kelly gang of outlaws	2	87*	43	10	0
Ex-Constables of Police	5	142*	28	8	0
Pioneer of overland route to India and Australia	1	104	104	0	0
	123	10,529	85	12	0
Grant in aid of Police Superannuation Fund	...	10,000	...	...	...
Total ... ..	...	20,529	...	...	...

412. The following is a summary of the pensions, superannuation allowances, compensations, and gratuities, paid out of the general revenue during the year 1885-6, distinguishing those paid from special appropriations from annual votes or otherwise:—

* In addition to amounts paid out of Police Superannuation Fund.

**PENSIONS, RETIRING ALLOWANCES, COMPENSATIONS, AND GRATUITIES
PAID 1885-6.**

Pensions, Compensations, &c.	Annual Allowances.	Compensations and Gratuities.	Total.
	£	£	£
<i>Under Special Appropriations—</i>			
Constitution Act	2,835	...	2,835
County Court Judges	3,661	...	3,661
Master-in-Equity	750	...	750
Commissioner of Audit	229	...	229
Railway Department	855	12,578	13,433
Public Service *	41,255	6,637	47,892
Others (Lady Darling, Mrs. Petrie, and Widow of late Hon. J. M. Grant)	1,100	3,000	4,100
Total	50,685	22,215	72,900
<i>Under Annual Votes—</i>			
Railway Department	1,823	12,877	14,700
Public Service	8,373	8,986	17,359
Others	333	...	333
Total	10,529	21,863	32,392
Total, exclusive of Police Pensions ...	61,214	44,078	105,292
<i>To the Police—</i>			
Endowment and amount voted £12,000† } From Police Superannuation Fund 11,446 }	17,963	5,483	23,446
Grand total	79,177	49,561	128,738
<i>Less amount derived from Police Superannuation Fund</i>	...	...	11,446
Amount paid by State ... ..	...	...	£117,292‡

413. Taking into account pensions, retiring allowances, compensations, and gratuities of all kinds, whether specially appropriated or voted, the amount paid by the State was less by £667 in 1885-6 than in the previous year.

Retiring allowances, &c., 1884-5 and 1885-6.

PART III.—VITAL STATISTICS.

414. In pursuance of the provisions of Act 28 Vict. No. 246, records are kept of all marriages, births, and deaths which are known to occur in Victoria. The marriages are recorded by registrars of marriages or by clergymen throughout the colony, and the births and deaths by deputy registrars. The marriage registrations are made in

Registration system for marriages, births, and deaths.

* Including allowances to officers under the Civil Service and Public Service Acts, the Lunacy Statute, and the Discipline Act.

† These figures represent the amount paid from the general revenue, which consists of the usual endowment of £2,000, and an additional grant of £10,000 voted by Parliament.

‡ See table following paragraph 241 *ante*.