

126 ; as South Australia, 138 ; as Queensland, 217 ; as New Zealand, 142 ; as Tasmania, 238.

188. The United Kingdom returns 650 members to the Imperial Parliament, viz., 485 for England, 60 for Scotland, and 105 for Ireland. The proportion of members to the population of the United Kingdom in 1881 was 1 to every 54,255 ; or, for England, 1 member to every 53,543 persons ; for Scotland, 1 member to every 62,240 persons ; and for Ireland, 1 member to every 45,332 persons.

Proportion of members of Imperial Parliament to population.

189. If Victoria were to be represented according to population in the same proportion as the United Kingdom, she would, instead of sending 86 members to Parliament, return only 16 ; if in the same proportion as England, she would also return 16 ; if in the same proportion as Ireland, about 19 ; and if in the same proportion as Scotland, 14.

Representation to population in Victoria and United Kingdom.

PART II.—FINANCE.

190. 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 Harbor Trust, which, for the sake of convenience, is treated in this work as a local body.

Public finance accounts.

Finance
account,
1880-1.

191. The financial year 1880-1* commenced with the large debit balance of £388,000; but the revenue of the year exceeded the expenditure by £77,000, and thus the deficiency was reduced to £311,000. The following are the exact figures:—

FINANCE ACCOUNT, 1880-1.†

	£	s.	d.
Receipts ‡	5,186,011	7	7
Expenditure	5,108,642	3	2
<hr/>			
Receipts in excess of expenditure	77,369	4	5
Debit balance of 1879-80 brought forward	388,654	5	7
<hr/>			
Debit balance	311,285	1	2
<hr/>			

Treasury
bonds.

192. This debit balance, which had been accumulating for years past, but had been most largely added to in the years of commercial depression, 1878-9 and 1879-80, it was deemed desirable to discharge, together with other anticipated liabilities, by means of Treasury bonds; and accordingly, on the 19th October 1880, such bonds were issued to the extent of £500,000, divided into three nearly equal portions, repayable in one, two, and three years respectively.§ If the amount thus raised be set against the deficit at the end of 1880-1, there would remain a net credit balance of nearly £189,000, or much more than sufficient for the repayment of the first instalment of the bonds, thus:—

Actual debit balance at end of 1880-1	£311,285
Treasury bonds	500,000
<hr/>	
Apparent credit balance	£188,715
<hr/>	

Excess of
receipts and
contrary.

193. It has been shown that during the year under review there was a surplus of revenue amounting to £77,369. If, however, recoups, &c.—which do not properly form part of the transactions of the year, but are included for the sake of convenience—be deducted, the actual surplus will be reduced to £11,769. This was only the second occasion during the last eight years in which the receipts were in excess of the expenditure. The following figures show the surplus or deficiency in

* Year ended 30th June 1880.

† According to the Treasurer's Finance Statement, made up whilst these pages were going through the press, but not yet audited, the revenue of 1881-2 was £5,592,362, and the expenditure was £5,617,661. The estimated mean population of the same twelve months was 880,280; so that the revenue per head was £6 7s. 1d., and the estimated expenditure per head £6 7s. 8d.

‡ Not including £500,000 raised by means of Treasury bonds.

§ For further particulars relating to these bonds, see paragraphs 296 to 298 *post*.

each of those years — the advances to be recouped and the recoups* being left out of the account :—

SURPLUS OR DEFICIENCY OF REVENUE, 1873-4 TO 1880-1.

	Receipts in Excess of Expenditure.	Expenditure in Excess of Receipts.
	£	£
1873-4	...	80,485
1874-5	...	126,949
1875-6	...	84,131
1876-7	177,599	...
1877-8	...	50,400
1878-9	...	274,504
1879-80	...	205,310
1880-1	11,769	...

194. According to these figures, the transactions of the octennial period resulted in a net debit balance of £632,411. Debit
balance in
eight years.

195. During the financial year under review the general revenue was augmented by the imposition, on the 1st November 1880, of tobacco and beer duties, which realized about £84,400; whilst stamp duties, which had only been in force for about 6½ months of 1879-80, produced £32,800 more than in that financial year. An increase, as compared with 1879-80, of £117,200 is thus directly attributable to the sources of revenue having been augmented by legislation.† Changes
effected by
legislation,
&c. In addition to this amount, accidental or exceptional increases occurred under the following heads—an increase of £40,000 in the revenue from estates of deceased persons, of £42,400 in that from the irregularly-paid land tax, and also a new item of £6,400 derived from the premium upon the sale of Treasury bonds. Moreover, the railways were extended by an average length of 44 miles over and above the extent open for traffic in the previous year; and if £1,250‡ per mile be allowed for such extension, the extra revenue derived therefrom would be £55,000. The revenue of 1880-1 is thus shown to have increased £117,200 by fresh legislation, £88,800 through accidental or exceptional causes, and £55,000 on account of the extension of railways—which together make a total of £261,000. It may be mentioned that the only exceptional item of any importance which appeared in the revenue of 1879-80 was £43,700, being the net revenue on account of 1878-9 derived from the Hobson's Bay Railways.

196. The total revenue raised in 1880-1 was £564,729 in excess of that in the previous year, but by making allowances for receipts from Revenue,
1879-80 and
1880-1 com-
pared.

* See paragraphs 205, 207, and 210 post.

† See also paragraph 237 post.

‡ See Part Interchange post.

sources not common to both years, as shown in the last paragraph, the increase is reduced to £299,024, as shown below :—

COMPARATIVE REVENUES, 1879-80 AND 1880-1.

			1879-80.	1880-1.
			£	£
Total revenue ...	...	...	4,621,282	5,186,011
Deduct recoups*	...	...	23,302	71,707
Revenue proper ...	...	...	£4,597,980	£5,114,304
Deduct amounts from sources not com- mon to both years †			43,700	261,000
Comparative amounts ...	...	...	£4,554,280	£4,853,304

Revenue,
1880-1 and
previous
years.

197. The revenue of 1880-1 was by far the largest ever raised in Victoria. It exceeded the revenue of 1876-7, which was the year in which the largest revenue had previously been realized, by nearly half a million sterling (£462,134), and exceeded the revenue of 1879-80, as already stated, by considerably more than half a million (£564,729).‡

Expenditure
1880-1 and
former
years.

198. The expenditure of 1880-1 was also far greater than that of any previous year.‡ Prior to 1853 the annual expenditure never exceeded one million sterling; from 1853 to 1872-3 it usually fluctuated between two and three millions; from 1873-4 to 1879-80 it was between four and four and three-quarter millions; and in the year under review, for the first time, it exceeded five millions. As compared with 1879-80, the increase in the total expenditure was £233,613; but the expenditure proper (*i.e.*, excluding amounts to be recouped) increased by as much as £299,245. This increased expenditure is more than accounted for by the payment of £200,000 due annually to the Railway Loan Liquidation and Construction Account,§ but which had not been paid in the previous year; an increase of £110,000 in the interest on the Public Debt, and of £47,000 under the head of Railways; or, in all, £357,000. This exceeds by £57,000 the amount by which the expenditure was above that of the previous year, therefore this sum may be considered as representing a saving in the ordinary branches of expenditure.

Revenue and
expenditure
per head,
1851 to
1880-1.

199. The revenue and expenditure per head for each year from that of separation from New South Wales to 1880-1 will be found in the following table :—

* See paragraphs 205 and 207 *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*.

§ See footnote (‡) on page 105 *post*.

REVENUE AND EXPENDITURE PER HEAD, 1851 TO 1880-1.*

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
1880-1	860,067	6	0	7	5	18	10

200. The revenue per head in 1880-1 was greater by 10s. 8d., and the expenditure by 2s. 10d., than in the previous year. The former, moreover, was larger than in any previous year since 1859; and the latter, larger than in any since 1860. It will be observed that, in proportion to population, both revenue and expenditure declined pretty steadily year by year from 1862 to 1872-3, but in 1873-4 an augmentation took place, which has been maintained ever since.

Revenue and expenditure per head in 1880-1 and former years.

201. In the seventeen and a half years ended with 1880-1 the revenue raised exceeded the Treasurer's estimate on ten occasions, or by £1,561,245; and was less than that estimate on eight occasions, or by £1,417,664. Deducting the latter from the former, the net amount by which the result exceeded the estimate is found to have been £143,581. The following table shows the revenue estimated and

Revenue estimated and raised.

* For amounts per head in 1881-2, see first footnote to paragraph 191 ante.

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

actually raised, also the difference between those amounts in each of the years :—

REVENUE ESTIMATED AND RAISED, 1864 TO 1880-1.

Year.	Revenue.		
	According to Treasurer's Estimate.	Actually Raised.	More (+) or less (-) than Estimate.*
	£	£	£
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	3,379,078	3,216,317	— 162,761
1868	2,963,050	3,230,754	+ 267,704
1869	3,241,500	3,383,984	+ 142,484
1870	3,529,100	3,261,883	— 267,217
1871 (6 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	4,236,423	— 22,712
1875-6	4,109,750	4,325,156	+ 215,406
1876-7	4,385,716	4,723,877	+ 338,161
1877-8	4,476,880	4,504,413	+ 27,533
1878-9	4,855,666	4,621,520	— 234,146
1879-80... ..	5,208,828	4,621,282	— 587,546
1880-1	5,093,647	5,186,011	+ 92,364

Years of excessive and defective estimates.

202. The year in which the revenue exceeded the estimate by the largest amount is shown to have been 1876-7, viz., by £338,161, whilst that in which it fell most short of the estimate was 1879-80, viz., by £587,546.

Expenditure authorized and incurred.

203. 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 amount voted and expended and the difference in each of the seventeen and a half years ended with 1880-1 :—

AMOUNTS VOTED AND EXPENDED.

Year.	Amounts—		Balance Unexpended.
	Voted.	Expended.	
	£	£	£
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	2,355,307	2,199,504	155,803
1869	2,378,772	2,202,798	175,974
1870	2,338,927	2,086,736	252,191
1871 (6 months) ...	1,077,228	1,004,283	72,945

* If extraordinary repayments and other 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.

AMOUNTS VOTED AND EXPENDED—continued.

Year.	Amounts—		Balance Unexpended.
	Voted.	Expended.	
	£	£	£
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 ...	3,226,289	2,869,488	356,801
1875-6 ...	3,074,198	2,917,422	156,776
1876-7 ...	2,996,676	2,815,361	181,315
1877-8 ...	3,369,151	3,040,060	329,091
1878-9 ...	3,423,656	3,186,240	237,416
1879-80...	3,699,552	3,499,089	200,463
1880-1 ...	3,775,604	3,628,061	147,543

204. By adding the figures in the last column, it is found that the sum of the unexpended balances in the seventeen and a half years amounted to four millions sterling, the exact amount being £4,003,295. Amount unexpended, 1864-81.

205. The following are the heads of revenue* in Victoria for the last seven financial years, and the amounts received under each head. Recoups and other items which do not properly form part of the revenue proper have been eliminated, and are added separately at the end of the table:— Heads of revenue.

HEADS OF REVENUE, 1874-5 TO 1880-1.

Heads of Revenue.	Year.	Amounts Received.	Heads of Revenue.	Year.	Amounts Received.
TAXATION.			TAXATION—continued.		
		£			£
Customs ...	1874-5	1,628,235	Licenses (business)	1874-5	10,714
	1875-6	1,657,788		1875-6	10,712
	1876-7	1,631,832		1876-7	11,688
	1877-8	1,487,448†		1877-8	17,150§
	1878-9	1,378,384		1878-9	20,116
	1879-80	1,377,782		1879-80	21,761
	1880-1	1,474,778		1880-1	23,906
Excise ...	1874-5	32,475	Duties on estates of deceased persons	1874-5	32,526
	1875-6	33,437		1875-6	48,963
	1876-7	34,768		1876-7	44,104
	1877-8	36,309		1877-8	72,500
	1878-9	36,088		1878-9	47,983
	1879-80	41,230		1879-80	37,928
	1880-1	136,661‡		1880-1	78,141
Ports and harbors	1874-5	19,935	Duties on bank notes	1874-5	...
	1875-6	22,104		1875-6	7,191||
	1876-7	20,993		1876-7	27,248
	1877-8	22,647		1877-8	26,672
	1878-9	20,310		1878-9	24,956
	1879-80	19,194		1879-80	22,470
	1880-1	20,577		1880-1	23,807

* 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.

† 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 Harbor Trust.

‡ Including revenue from beer and tobacco duties, amounting to £84,429. The duties were first imposed on the 1st November 1880.

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

HEADS OF REVENUE 1874-5 TO 1880-1—continued.

Heads of Revenue.	Year.	Amounts Received.	Heads of Revenue.	Year.	Amounts Received.
TAXATION— continued.			PUBLIC WORKS— continued.		
		£			£
Land tax * ...	1874-5	...	Water supply ...	1874-5	88,556
	1875-6	...		1875-6	92,947
	1876-7	...		1876-7	100,219
	1877-8	50,227		1877-8	104,819
	1878-9	202,251		1878-9	115,287
	1879-80	87,553		1879-80	117,871
	1880-1	129,990		1880-1	119,562
Stamp duty ...	1874-5	...	Public works (ex- clusive of tolls, railways, and water supply)	1874-5	5,897
	1875-6	...		1875-6	5,845
	1876-7	...		1876-7	5,638
	1877-8	...		1877-8	5,190
	1878-9	...		1878-9	5,879
	1879-80	83,005†		1879-80	4,142
	1880-1	115,844		1880-1	2,470
Tolls ...	1874-5	937	OTHER SOURCES.		
	1875-6	197	Post & telegraphs	1874-5	198,326
	1876-7	52		1875-6	209,213
	1877-8	...		1876-7	226,597
	1878-9	...		1877-8	239,002
	1879-80	...		1878-9	244,761
1880-1	...	1879-80		249,414	
LAND REVENUE.			1880-1	272,316	
Land sales (includ- ing rents counting towards purchase money)	1874-5	767,624	Mint charges ...	1874-5	7,504
	1875-6	782,069		1875-6	7,659
	1876-7	783,311		1876-7	7,512
	1877-8	756,674		1877-8	7,247
	1878-9	802,254		1878-9	7,906
	1879-80	694,321		1879-80	10,158
	1880-1	701,276		1880-1	10,197
Rents of Crown lands (not count- ing towards pur- chase money)	1874-5	173,601	Mint subsidy re- turned	1874-5	4,299
	1875-6	184,776		1875-6	10,695
	1876-7	208,872		1876-7	7,104
	1877-8	186,337		1877-8	447
	1878-9	163,207		1878-9	6,624
	1879-80	147,994		1879-80	6,350
	1880-1	133,913		1880-1	5,628
Penalties under Land Acts	1874-5	5,528	Fines, fees, and for- feitures (exclusive of Land Act penalties)	1874-5	111,304
	1875-6	53,167		1875-6	112,664
	1876-7	54,232		1876-7	121,676
	1877-8	14,704		1877-8	119,632
	1878-9	3,774		1878-9	113,177
	1879-80	1,749		1879-80	110,639
	1880-1	1,281		1880-1	113,736
PUBLIC WORKS.			Rents (ordinary)...	1874-5	749
Railways ...	1874-5	921,714		1875-6	674
	1875-6	983,033		1876-7	730
	1876-7	1,078,082		1877-8	824
	1877-8	1,202,280		1878-9	935
	1878-9	1,222,241		1879-80	799
	1879-80	1,468,909‡	1880-1	921	
	1880-1	1,578,432			

* The amount of land tax payable annually varies in the years named from £126,000 to £124,000. The fluctuations in the revenue above and below this limit are due to the irregular payment of the tax.

† For about six months and a half only. The duty was imposed on the 18th December 1879.

‡ Including, for the first time, revenue derived from the Melbourne and Hobson's Bay system—recently 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.

HEADS OF REVENUE, 1874-5 TO 1880-1—*continued.*

Heads of Revenue.	Year.	Amounts Received.	Heads of Revenue.	Year.	Amounts Received.
OTHER SOURCES— <i>continued.</i>		£	SUMMARY— <i>continued.</i>		£
Reimbursements in aid *	1874-5	28,981	Total public works revenue	1874-5	1,106,167
	1875-6	37,619		1875-6	1,081,825
	1876-7	34,372		1876-7	1,183,939
	1877-8	36,774		1877-8	1,312,289
	1878-9	28,637		1878-9	1,343,407
	1879-80	23,860		1879-80	1,590,922
	1880-1	31,290		1880-1	1,700,464
Interest and exchange	1874-5	75,025	Total revenue from other sources	1874-5	391,958
	1875-6	48,086		1875-6	442,927
	1876-7	95,106		1876-7	512,699
	1877-8	78,080		1877-8	502,459
	1878-9	43,483		1878-9	473,690
	1879-80	46,196		1879-80	472,071
	1880-1	98,454		1880-1	573,666
Miscellaneous receipts	1874-5	55,770†	TOTAL REVENUE PROPER	1874-5	4,169,700
	1875-6	16,317		1875-6	4,325,156
	1876-7	19,602		1876-7	4,513,738
	1877-8	20,449		1877-8	4,485,412
	1878-9	28,167		1878-9	4,516,420
	1879-80	24,655		1879-80	4,597,980
	1880-1	41,124		1880-1	5,114,304
SUMMARY.			Recoups‡ from loans and assets realized	1874-5	66,723
Total taxation ...	1874-5	1,724,822		1875-6	...
	1875-6	1,780,392		1876-7	210,139
	1876-7	1,770,685		1877-8	19,001
	1877-8	1,712,953		1878-9	105,100
	1878-9	1,730,088		1879-80	23,302
	1879-80	1,690,923		1880-1	71,707
	1880-1	2,003,704			
Total land revenue	1874-5	946,753	GRAND TOTAL REVENUE	1874-5	4,236,423
	1875-6	1,020,012		1875-6	4,325,156
	1876-7	1,046,415		1876-7	4,723,877
	1877-8	957,715		1877-8	4,504,413
	1878-9	969,235		1878-9	4,621,520
	1879-80	844,064		1879-80	4,621,282
	1880-1	836,470		1880-1	5,186,011

206. The amount of £41,124 set down under the head of "Miscellaneous receipts" for 1880-1 consists of the following items:—Sale of Government property, £7,550; transfers from trust funds to revenue, £17,725; Melbourne City Council, on account of park lands, £3,000; premium on Treasury bonds, £6,404; sale of debentures, £954; Harbor Trust, for collection of wharfage, £938; Customs overtime receipts, £699; income from Government Experimental Farm, £1,805; other receipts, £2,049.

Miscellaneous receipts, 1880-1.

* Embracing amounts received by departments which are not charged, or are only casually charged, with the collection of revenue, such as proceeds of the labor 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.

† Including "Immigration deposits," £23,074; and accumulation of pension fund transferred to revenue, £14,500.

‡ 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.

207. Of the amount recouped during 1880-1, £18,945 was received from other Governments on account of steam postal communication; £737 from mining companies on account of moneys advanced to assist in the development of the mining industry*; £51,945 was from loans; and £80 from other sources.

208. The following is a comparative statement for the last six financial years of the Customs revenue received under the principal heads. The table is supplemented by a column showing the rates of duty prevailing at the end of the period, all former changes in the tariff being referred to in footnotes :—

CUSTOMS REVENUE, 1875-6 TO 1880-1.

Heads of Revenue.	Rate of duty in June 1881.	Amounts Received.					
		1875-6.	1876-7.	1877-8.	1878-9.	1879-80.	1880-1.
		£	£	£	£	£	£
Spirits... ..	10s. gal.	520,557	499,568	489,236	455,157	420,872	430,909
Wine—							
Sparkling	†8s. „	37,716	39,139	37,893	31,462	†34,095	43,171
Other	†6s. „						
Beer and cider	9d. „	27,096	30,352	29,346	27,143	27,372	29,721
Tobacco—							
Manufactured	‡3s. lb.	100,001	97,034	82,830	75,161	59,384	‡53,379
Unmanufactured	1s. „						
Snuff	‡3s. „						
Cigars	§6s. „	14,295	16,929	17,639	17,818	16,404	§21,691
Tea	3d. „	74,225	69,907	69,628	68,703	68,541	76,540
Sugar and molasses	3s. cwt.	90,038	90,394	84,372	93,197	89,379	94,312
Coffee, chicory, cocoa, & chocolate	3d. lb.	17,069	15,622	14,814	13,380	13,153	13,882
Opium... ..	||20s. „	17,021	15,520	14,214	13,988	||18,877	21,645
Rice ... ..	||6s. cntl.	16,657	13,489	13,681	12,434	||15,555	23,136
Hops ... ..	||6d. lb.	6,412	9,934	7,586	8,277	||9,364	7,805
Malt ... ..	||3s. bsh.	16,810	14,129	12,870	12,710	||10,907	3,371
Fruits and vegetables, dried and preserved	2d. lb.	42,863	42,994	43,714	38,297	34,809	34,312
Live stock—							
Horses & cattle	5s. each	}	}	¶28,270	¶30,115	43,056	39,167
Sheep	¶6d. „						
Pigs... ..	2s. „						
Articles subject to <i>ad valorem</i> duties	vari's**	301,575	329,617	**268656	248,622	**273835	334,296
All other articles	„ **	268,126	238,167	**244810	205,391	**218053	222,800
Wharfage rates ... ..	...	107,327	109,037	††27,820	26,520	24,125	24,641
Export duty on timber	...	...	...	69	9	...	...
Grand total ... ..	...	1,657,788	1,631,832	1,487,448	1,378,384	1,377,781	1,474,778

* The total amount voted and advanced with this object was £19,550, viz., £500 in 1879-80, £18,800 in 1878-9, and £250 in 1877-8.

† Prior to 30th July 1879 the duty on wine was 6s. per gallon for sparkling and 4s. per gallon for other. ‡ The duty on manufactured tobacco prior to 27th October 1880, and on snuff prior to 25th February 1881, was 2s. per lb.

§ The duty on cigars prior to 4th November 1880 was 5s. per lb.

|| Prior to 30th July 1879 only half the present duties were chargeable on opium, rice, and hops, and that on malt was 2s. per bushel.

¶ The stock tax was imposed on the 17th August 1877. The rate for sheep, which was formerly 9d., was reduced to the present rate on the 26th October 1878.

** Extensive changes took place in the *ad valorem* duties and those on "all other articles" on the 17th August and the 30th July 1879, the tendency being at the former period towards reduced, and at the latter period towards increased, rates. See Tariff of Victoria in Appendix.

†† Wharfage rates for the port of Melbourne transferred to Harbor Trust.

209. It will be observed that the Customs revenue was about **£100,000** more in 1880-1 than in either of the two previous years, slightly less than in 1877-8, and much less than in the other years shown. Of the increase, as compared with the previous year, over **£60,000** was in *ad valorem* duties: **£9,000** under the head of wine, nearly **£3,000** under the head of opium, **£7,500** under the head of rice, and nearly **£5,000** under the items embraced in "all other articles," which increases are probably to be attributed to the largely increased rates of duty imposed in the previous year; but similarly increased rates on hops and malt, especially in the case of the latter, appear to have had a prohibitive tendency, as shown by the falling-off in the amounts received. The only items on which the rates of duty were altered within the year under review were cigars and manufactured tobacco (including snuff), in consequence of which the revenue from the former shows a satisfactory increase, but that from the latter continued, as in former years, to fall off, notwithstanding the increased rate. Spirits, which is by far the largest revenue-yielding item in the tariff—producing nearly a third of the entire Customs revenue—shows an improvement of **£10,000** on the previous year; but, with this exception, an uninterrupted decrease occurred in this item since 1875-6—amounting in 1880-1, as compared with that year, to no less than **£90,000**.

Customs revenue, 1880-1, and former years.

210. The following are the heads of expenditure* during the last seven financial years and the amounts expended under each head, distinguishing the expenditure specially appropriated by Acts of Parliament from that voted annually. The expenditure of amounts subsequently to be recouped has been kept separate from the ordinary disbursements, and appears at the end of the table:—

Heads of expenditure.

HEADS OF EXPENDITURE, 1874-5 TO 1880-1.

Heads of Expenditure.	Year.	Expenditure from—		Total.
		Votes.	Special Appropriations.	
		£	£	£
Legislature ...	1874-5	15,739	40,813	56,552
	1875-6	15,909	41,612	57,521
	1876-7	14,889	43,918	58,807
	1877-8	15,878	48,162	64,040
	1878-9	16,502	42,710	59,212
	1879-80	16,502	44,306	60,808
	1880-1	16,964	45,664	62,628

* See footnote (*) to paragraph 205 ante.

HEADS OF EXPENDITURE, 1874-5 TO 1880-1—continued.

Heads of Expenditure.	Year.	Expenditure from—		Total.
		Votes.	Special Appropriations.	
		£	£	£
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
	1880-1	...	24,509	24,509
Civil establishment † ...	1874-5	103,681	...	103,681
	1875-6	100,130	...	100,130
	1876-7	102,444	...	102,444
	1877-8	101,175	...	101,175
	1878-9	101,451	...	101,451
	1879-80	104,867	...	104,867
	1880-1	101,022	...	101,022
Judicial and legal ...	1874-5	156,558	16,417	172,975
	1875-6	154,469	16,125	170,594
	1876-7	154,932	16,750	171,682
	1877-8	154,498	16,567	171,065
	1878-9	158,056	14,000	172,056
	1879-80	157,664	14,000	171,664
	1880-1	142,444	15,047	157,491
Public instruction, science, &c. ‡	1874-5	405,662	9,000	414,662
	1875-6	463,776	9,000	472,776
	1876-7	481,409	9,000	490,409
	1877-8	510,175	9,000	519,175
	1878-9	560,673	9,000	569,673
	1879-80	557,579	11,250	568,829
	1880-1	572,477	9,000	581,477
State school buildings § ...	1874-5	181,440	...	181,440
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
	1880-1	241,907	...	241,907

* Including Governor's salary, and salaries of Ministers, Commissioners of Audit, Agent-General, and expenses of Executive Council, in all the years; also Public Worship until the middle of 1875-6, when State Aid was abolished.

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

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

§ Since 1874-5 the amount expended on school buildings has been paid entirely out of loans. See table following paragraph 213 *post*.

|| 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.

HEADS OF EXPENDITURE, 1874-5 TO 1880-1—continued.

Heads of Expenditure.	Year.	Expenditure from—		Total.
		Votes.	Special Appropriations.	
		£	£	£
Mining	1874-5	27,153	3,500	30,653
	1875-6	34,653	3,500	38,153
	1876-7	34,043	3,500	37,543
	1877-8	24,780	3,500	28,280
	1878-9	30,082	3,500	33,582
	1879-80	24,204	3,500	27,704
	1880-1	27,406	3,500	30,906
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
	1880-1	207,674	...	207,674
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
	1880-1	53,565	...	53,565
Mint *	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
	1880-1	...	20,000	20,000
Crown lands and survey ...	1874-5	140,246	...	140,246
	1875-6	139,070	...	139,070
	1876-7	164,011	...	164,011
	1877-8	150,248	...	150,248
	1878-9	149,976	...	149,976
	1879-80	155,951	...	155,951
	1880-1	117,189	...	117,189
Railways	1874-5	437,931	...	437,931
	1875-6	489,751	...	489,751
	1876-7	562,517	...	562,517
	1877-8	616,207	...	616,207
	1878-9	662,178	...	662,178
	1879-80	771,527	...	771,527
	1880-1	818,601	...	818,601
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
	1880-1	32,339	...	32,339

* The annual subsidy to the Mint is £20,000; portion of this sum, however, has been repaid each year to the revenue. See table following paragraph 205 *ante*, under the head "Mint subsidy returned."

HEADS OF EXPENDITURE, 1874-5 TO 1880-1—continued.

Heads of Expenditure.	Year.	Expenditure from—		Total.
		Votes.	Special Appropriations.	
		£	£	£
Public works * ...	1874-5	339,855	315,640	655,495
	1875-6	332,465	347,754	680,219
	1876-7	242,283	310,704	552,987
	1877-8	252,505	310,000	562,505
	1878-9	276,401	310,000	586,401
	1879-80	476,593†	155,000†	631,593
	1880-1	587,593	...	587,593
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
	1880-1	58,621	...	58,621
Harbors 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
	1880-1	23,448	...	23,448
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
	1880-1	78,732	...	78,732
Post and telegraphs ‡	1874-5	294,726	63,164	357,890
	1875-6	280,981	20,928	301,909
	1876-7	298,467	42,930	341,397
	1877-8	312,958	31,091	344,049
	1878-9	333,120	33,329	366,449
	1879-80	338,088	38,243	376,331
	1880-1	375,533	40,851	416,384

* 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 Harbor Trust fund; see next table.

† The provision of the Local Government Act 1874 authorizing the subsidy to municipalities having lapsed on the 31st December 1879, 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.

‡ In the years 1876-7 to 1879-80 the amounts under the head of Special Appropriations, which represent the expenditure on account of Steam Postal Communication (including gratuities to masters of vessels), show the net charge on account of the service of each year—the arrears paid by other Governments in each succeeding year on account of the previous one being deducted, and added at the foot of the table as an amount to be recouped. The expenditure for 1880-1 will be probably reduced from this circumstance by about £1,430.

HEADS OF EXPENDITURE, 1874-5 TO 1880-1—continued.

Heads of Expenditure.	Year.	Expenditure from—		Total.
		Votes.	Special Appropriations.	
		£	£	£
Retiring allowances and pensions*	1874-5	2,587	26,529	29,116
	1875-6	2,426	27,423	29,849
	1876-7	4,725	26,214	30,939
	1877-8	5,587	28,370	33,957
	1878-9	9,153	33,952	43,105
	1879-80	9,336	35,202	44,538
	1880-1	12,499	36,817	49,316
Gratuities, compensations, &c.*	1874-5	10,884	3,078	13,962
	1875-6	5,963	1,752	7,715
	1876-7	7,187	3,478	10,665
	1877-8	7,146	42,582	49,728
	1878-9	33,444	13,159	46,603
	1879-80	19,416	2,544	21,970
	1880-1	34,085	12,970	47,055
Redemption of loans ...	1874-5	...	35,000	35,000
	1875-6	...	...	...
	1876-7	...	...	...
	1877-8	...	...	...
	1878-9	...	...	...
	1879-80	...	...	...
	1880-1	...	...	...
Interest	1874-5	...	742,008	742,008
	1875-6	...	793,600	793,600
	1876-7	1,867	816,803	818,670
	1877-8	...	920,911	920,911
	1878-9	3,842	914,698	918,540
	1879-80	...	1,002,722	1,002,722
	1880-1	43,927†	1,068,223	1,112,150
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
	1880-1	7,499	...	7,499
Placed to railway loan liquidation and construction account ‡	1874-5	...	100,000	100,000
	1875-6	...	300,000	300,000
	1876-7	...	200,000	200,000
	1877-8	...	100,000	100,000
	1878-9	...	200,000	200,000
	1879-80	...	...	...
	1880-1	...	200,000	200,000

* Extensive reductions in the public service were made in the years 1877-8 to 1879-80, which caused an increase in the amount of retiring allowances, gratuities, and compensations.

† Interest and expenses in connection with the Melbourne and Hobson's Bay Railway Debentures.

‡ This account was created under the Land Act 1869 (33 Vict. No. 360, secs. 42 and 43), whereby it was provided that an amount of £200,000, proceeding from the alienation of land, should be placed annually to a trust account, the moneys standing to the credit of which should be available for the repurchase of debentures or the further construction of railways. The total amount which had been paid to this fund up to the 30th June 1881, all of which had been expended on the survey or construction of lines of railway, was £2,157,959 7s. 8d., viz., £2,000,000 paid in accordance with these provisions, and £157,959 7s. 8d. advanced from time to time under the Railway Loan Act 1876 (39 Vict. No. 581), section 11, and the Railway Loan Act 1878 (42 Vict. No. 608), section 11, which provide that advances to this fund out of the railway loans may be made in anticipation of the whole sum of money accruing and becoming available, viz., £2,200,000, up to the expiry of that clause of the Principal Act, on the 31st December 1880.

HEADS OF EXPENDITURE, 1874-5 TO 1880-1—continued.

Heads of Expenditure.	Year.	Expenditure from—		Total.
		Votes.	Special Appropriations.	
		£	£	£
Miscellaneous services * ...	1874-5	30,108	2,500	32,608
	1875-6	30,627	2,500	33,127
	1876-7	21,497	2,500	23,997
	1877-8	31,222	2,500	33,722
	1878-9	39,598	2,500	42,098
	1879-80	32,831	2,500	35,311
	1880-1	68,429	4,000	72,429
TOTAL EXPENDITURE PROPER	1874-5	2,848,016	1,448,633	4,296,649
	1875-6	2,753,866	1,655,421	4,409,287
	1876-7	2,812,405	1,523,7 4	4,336,139
	1877-8	2,973,565	1,562,247	4,535,812
	1878-9	3,164,440	1,626,484	4,790,924
	1879-80	3,446,295	1,356,995	4,803,290
	1880-1	3,621,954	1,480,581	5,102,535
Amounts to be recouped from loans, &c....	1874-5	21,472	...	21,472
	1875-6	163,556	...	163,556
	1876-7	2,956	19,001	21,957
	1877-8	66,495	32,042	98,537
	1878-9	21,800	20,655	42,455
	1879-80	52,794	18,945	71,739
	1880-1	6,107	...	6,107
GRAND TOTAL EXPENDITURE	1874-5	2,869,488	1,448,633	4,318,121
	1875-6	2,917,422	1,655,421	4,572,843
	1876-7	2,815,361	1,542,735	4,358,096
	1877-8	3,040,060	1,594,289	4,634,349
	1878-9	3,186,240	1,647,139	4,833,379
	1879-80	3,499,089	1,375,940	4,875,029
	1180-1	3,628,061	1,480,581	5,108,642

Votes more, appropriations less, than in other years.

211. It will be observed that in the last two years the total expenditure from Votes was much greater, but that from Special Appropriations much less, than in most of the preceding years. This is partly accounted for by the subsidy to local bodies having latterly been paid out of Votes, as explained in a footnote to the item "Public Works." The small expenditure from Special Appropriations in 1879-80 is also attributable to the non-payment in that year of the £200,000 due to the Railway Loan Liquidation and Construction Account.

Expenditure of loans, &c.

212. The following table shows the expenditure of amounts raised by means of loans during each of the seven years ended with the year under review; also the expenditure on the Port of Melbourne during each of the five years which have elapsed since the establishment of the Harbor Trust on 1st January 1877. This is intended to supplement the foregoing table by exhibiting those items which, having never

* 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.

been, or having ceased to be, a charge on the general revenue, are treated in separate accounts :—

EXPENDITURE OF PROCEEDS OF LOANS AND OF THE HARBOR TRUST FUND, 1874-5 TO 1880-1.

Purposes of Expenditure.	Amounts Expended.*						
	1874-5.	1875-6.	1876-7.	1877-8.	1878-9.	1879-80.	1880-1.
	£	£	£	£	£	£	£
Water supply ...	215,719	123,834	245,647	185,165	45,787	101,968	107,171
Railways ...	605,886	683,905	118,724	445,842	1,082,781	1,240,668	618,427
Public buildings ...	37,257	55,000	58,851	55,217	85,370	78,403	66,740
State school buildings	†	99,899	168,320	240,386	91,427	66,514	85,395
Alfred gravings-dock	31,411	1,406	2,442	225	...	...	...
Total from Loans	890,273	964,044	593,984	926,835	1,305,365	1,487,553	877,733
Maintenance and improvement of the Port of Melbourne†	†	†	16,940	92,136	91,014	103,540	93,890
Grand total ...	890,273	964,044	610,924	1,018,971	1,396,379	1,591,093	971,623

213. 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 eight years ended with 1880. As the financial year of Victoria terminates on the 30th June, the items for this colony are given for nine 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 except Queensland, in which the financial year also now ends on the 30th June, so the returns of it are twelve months behind those of Victoria and six months behind those of all the other colonies :—

Revenue and expenditure in Australasian 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 ...	1872-3	3,644,135	4 16 0	3,504,953	4 12 4
	1873-4	4,106,790	5 6 5	4,177,338	5 8 3
	1874-5	4,236,423	5 8 2	4,318,121	5 10 3
	1875-6	4,325,156	5 9 4	4,572,844	5 15 7
	1876-7	4,723,877	5 17 10	4,358,096	5 8 8
	1877-8	4,504,413	5 10 6	4,634,349	5 13 8
	1878-9	4,621,520	5 11 8	4,833,379	5 16 10
	1879-80	4,621,282	5 9 11	4,875,029	5 16 0
	1880-1	5,186,011	6 0 7	5,108,642	5 18 10

* These are the actual payments during the various years shown, whether made direct from the loans, &c., or indirectly through the general revenue to be subsequently recouped.

† The expenditure on State school buildings prior to 1875-6, and that on the Port of Melbourne prior to the middle of 1876-7, were chargeable to the general revenue, and are therefore included in the last table.

‡ The figures in this line apply to the years ended 31st December. For details of Harbor Trust expenditure, see table following paragraph 276 post.

REVENUE AND EXPENDITURE IN AUSTRALASIAN COLONIES—*continued.*

Colony.	Year.	Revenue.		Expenditure.	
		Total Amount.	Amount per Head.	Total Amount.	Amount per Head.
		£	£ s. d.	£	£ s. d.
New South Wales	1873	3,324,713	6 0 11	2,333,166	4 4 10
	1874	3,509,966	6 2 8	2,939,227	5 2 9
	1875	4,121,996	6 18 5	3,341,324	5 12 3
	1876	5,033,828	8 2 10	4,749,013	7 13 8
	1877	5,748,245	8 17 11	4,627,979	7 3 3
	1878	4,983,864	7 7 0	5,672,154	8 7 4
	1879	4,475,059	6 5 4	5,839,150	8 3 7
	1880	4,904,230	6 16 0	5,560,078	7 14 2
Queensland	1873	1,120,034	7 19 10	956,335	6 16 6
	1874	1,160,947	7 9 8	1,121,710	7 4 8
	1875	1,261,464	7 6 4	1,404,198	8 2 11
	1875-6	1,263,268	6 19 4	1,283,520	7 1 7
	1876-7	1,436,582	7 13 7	1,382,806	7 7 10
	1877-8	1,559,111	7 13 6	1,543,820	7 12 0
	1878-9	1,461,824	6 18 10	1,678,631	7 19 6
	1879-80	1,612,314	7 8 0	1,673,695	7 13 8
South Australia...	1873	937,648	4 16 1	839,152	4 6 0
	1874	1,003,820	4 19 8	1,051,622	5 4 5
	1875	1,143,312	5 10 2	1,176,412	5 13 4
	1876	1,320,204	6 1 1	1,323,337	6 1 4
	1877	1,441,401	6 4 8	1,443,653	6 4 10
	1878	1,592,634	6 11 2	1,620,310	6 13 5
	1879	1,662,498	6 10 10	1,847,256	7 5 5
	1880	2,027,963	7 13 11	1,923,605	7 6 0
Western Australia	1873	134,832	5 4 9	114,270	4 8 9
	1874	148,073	5 13 11	143,266	5 10 3
	1875	157,775	5 19 3	169,230	6 7 11
	1876	162,189	6 0 1	179,484	6 12 10
	1877	165,412	5 19 11	182,959	6 12 8
	1878	163,344	5 16 8	198,243	7 1 7
	1879	196,315	6 18 2	195,812	6 17 10
	1880	180,050	6 4 10	204,338	7 1 8
Tasmania	1873	324,257	3 2 7	303,947	2 18 8
	1874	333,732	3 4 0	325,195	3 2 5
	1875	342,606	3 5 11	388,090	3 14 8
	1876	327,017	3 2 6	341,889	3 5 4
	1877	366,118	3 8 11	352,461	3 6 4
	1878	385,936	3 11 1	379,232	3 9 11
	1879	375,570	3 7 6	481,216	4 6 6
	1880	439,780	3 17 5	423,745	3 14 7
New Zealand	1873	2,776,388	9 13 0	2,119,524	7 7 4
	1874	3,063,811	9 12 2	3,035,711	9 10 4
	1875	2,813,928	7 16 10	3,431,973	9 11 3
	1876	3,580,294	9 4 10	4,305,337	11 2 3
	1877	3,916,023	9 11 9	3,822,426	9 7 2
	1878	4,167,889	9 17 8	4,365,275	10 7 1
	1879	3,134,905	6 19 11	3,845,036	8 11 7
	1880	3,283,396	6 18 5	4,019,850	8 9 6

NOTE.—For revenue and expenditure of the neighboring colonies during 1881, see Summary of Australasian Statistics (third folding sheet) *ante*.

214. In the last year but one to which the table refers there was a considerable deficit in all the colonies except Western Australia, and in the last year there was also a deficit in all except Victoria, South Australia, and Tasmania. The large deficits in New South Wales and New Zealand during the past three years are very striking, the annual average deficit during the trienniad having amounted in the former colony to over £900,000 and in the latter to nearly £550,000. In explanation of the apparently lavish expenditure in New South Wales, it should be mentioned, however, that that colony had large surpluses remaining from previous years, which much more than counterbalanced the deficiencies of later ones. During the past eight years there has been a deficit thrice in New South Wales and Tasmania, four times in Queensland, five times in Western Australia and New Zealand, and six times in South Australia and Victoria.

Expenditure
greater
than
revenue in
colonies.

215. In the last year named in the table a larger revenue was raised in Victoria, Queensland, South Australia, and Tasmania than in any previous year, whilst in New South Wales and New Zealand, although less was raised than in the years 1876 to 1878,* the amounts were much greater than in 1879. As regards expenditure, the only colonies in which it was greater in the last than in any previous year are Victoria, South Australia, and Western Australia.

Revenue and
expenditure
in colonies,
1880 and
former
years.

216. The revenue per head was greater in the last year than in any of the previous ones in Victoria, South Australia, and Tasmania. In New South Wales, Queensland, and Western Australia it was below the average of the later years ; and in New Zealand the average in the last two years was much below that of the previous ones. The expenditure per head was greater in 1880 than in any previous year in Victoria, South Australia, and Western Australia.

Revenue and
expenditure
per head in
colonies.

217. 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 shown. In that year the revenue of Victoria exceeded that of New South Wales by nearly £300,000, but the expenditure of New South Wales exceeded that of Victoria by over £450,000. These are the only colonies which occupy different positions in the two groups. All the others follow the same order both in regard to revenue and to expenditure :—

Order of
colonies in
respect to
revenue
and expen-
diture.

* The unusually large figures in these years are due to land sales, the revenue from which fluctuates considerably from year to year. In New South Wales, for example, the amounts received from absolute and conditional land sales (exclusive of interest) has varied during the last six years from £1,177,393 in 1880 to £2,841,203 in 1877. Irrespective of this item, the revenue in that colony increased steadily from £2,441,653 in 1875 to £3,726,837 in 1880.

ORDER OF COLONIES IN REFERENCE TO REVENUE AND EXPENDITURE, 1880.

Revenue.		Expenditure.
1. Victoria.		1. New South Wales.
2. New South Wales.		2. Victoria.

218. In regard to the revenue and expenditure per head, Victoria occupied in the last year the same place she had held in the five previous years, viz., the sixth. South Australia was first in point of revenue per head, but in point of expenditure per head New Zealand headed the list. 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.

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

219. Adding together the amounts of revenue and likewise the amounts of expenditure for 1880, it will be found that the aggregate revenue of the colonies on the continent of Australia amounted to over 13½ millions, and their aggregate expenditure to nearly 14¼ millions sterling; also that the aggregate revenue of Australia, with the addition of Tasmania and New Zealand, amounted to over 17 millions, and the aggregate expenditure to over 18½ millions sterling. The deficit on the year's transactions was thus nearly a million sterling for Australia, and over 1½ millions for Australasia. The following are the exact figures, also the proportions per head of population :—

REVENUE AND EXPENDITURE OF AUSTRALIA AND AUSTRALASIA, 1880.

	Revenue.		Expenditure.	
	Total Amount.	Amount per Head.	Total Amount.	Amount per Head.
	£	£ s. d.	£	£ s. d.
Continent of Australia ...	13,345,839	6 7 11	14,236,745	6 16 6
Ditto, with Tasmania and New Zealand	17,069,015	6 7 8	18,680,340	6 19 9

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

Revenue and expenditure of Australasia.

220. It will be observed that the large revenue and expenditure of New Zealand more than counterbalanced the small revenue and expenditure of Tasmania, and hence the amounts per head for Australia were below those for all Australasia. It will also be noticed that in Victoria in 1880-1 the revenue per head was about 7s., and the expenditure per head was about £1 1s., less than the average of Australasia.

Revenue, &c., of Victoria and Australasia compared.

221. The following is a comparative statement of the amounts received under various heads of revenue in New South Wales and Victoria during the last year for which the total revenues were given in a previous table. The figures for New South Wales were derived from the Treasurer's annual statement respecting public accounts for the year 1880:—

Heads of revenue in Victoria and New South Wales.

REVENUE OF VICTORIA AND NEW SOUTH WALES COMPARED.

Heads of Revenue.	Victoria, 1880-1.	New South Wales, 1880.
TAXATION—	£	£
Customs	1,474,778	1,188,930
Excise	136,661	43,864
Ports and harbors	20,577	26,038*
Stamp duties †... ..	217,792	72,303‡
Licenses	23,906	112,197
Land tax	129,990	...
Total taxation	2,003,704	1,443,332§
LAND REVENUE—		
Alienation in fee simple or progressive	701,276	1,382,026||
Temporary occupation	133,913	242,877
Miscellaneous	1,281	21,533
Total land revenue	836,470	1,646,436
OTHER SOURCES—		
Railways	1,578,432	1,185,564
Post office and telegraphs	272,316	286,134
Mint receipts	10,197	11,576¶
Rents (exclusive of lands)	921	37,337
Public school fees ... ..	...	27,552
Fines, fees, and forfeitures	113,736	65,298
Miscellaneous	370,235	201,001
Total revenue	5,186,011	4,904,230

222. It will be observed that the land revenue is almost twice as large in New South Wales as in Victoria, but that this is the only item of importance from which a larger amount is derived in the former than in

Heads of revenue in Victoria and New South Wales compared.

* The head of revenue under which this is received is "Pilotage, Harbor and Light Rates and Fees."

† Including duties on estates of deceased persons, duties on bank notes, &c.

‡ For portion of the year only. In 1881, stamp duties produced £192,500.

§ The taxation of New South Wales here given is greater by £26,039 than that furnished by the colony and given in a subsequent table (see paragraph 252 post), since the item "Ports and Harbors" is not generally reckoned as taxation in New South Wales.

|| Including interest on land sold on credit.

¶ Including receipts for "Gold Escort," amounting to £1,363.

the latter colony. The total taxation of Victoria was greater than that of New South Wales by about £560,000, and the revenue from railways greater by about £400,000—or about a third more in both cases. Although under the head of taxation, the “Ports and Harbors” of New South Wales produced £5,400 more, and their “Licenses” £88,000 more, than the same items in Victoria, yet the Victorian Customs revenue was greater by about £300,000, excise by £93,000, and stamp duties by £145,000 (which, however, were only just re-imposed in New South Wales), whilst the Victorian land tax, which has no parallel in the neighboring colony, brought in a further sum of £130,000. Under other heads, the revenue from posts and telegraphs, the Mint, and especially rents (exclusive of lands), preponderated in favor of New South Wales, but “Fines, fees, and forfeitures” and miscellaneous sources in favor of Victoria.

Revenues of
British
dominions.

223. 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.

Country or Colony.	Year.	Revenue.	
		Gross Amount.	Average per Head.*
EUROPE.			
United Kingdom	1880-1	£ 84,041,288	£ 2 8 3
Gibraltar	1879	47,391	2 12 7
Malta	”	183,795	1 3 10
ASIA.			
India	1878-9	65,199,602	0 6 5
Ceylon	1879	1,382,688	0 10 1
Straits Settlements	”	387,313	0 18 4
Labuan	”	7,542	1 10 10
Hong Kong	”	200,853	1 5 9
AFRICA.			
Mauritius	1879	763,729	2 2 9
Seychelles	1878	15,569	1 3 4
Natal	1879	473,478	1 6 2
Cape of Good Hope	1878-9	5,661,160	4 17 2
St. Helena	1879	14,155	2 5 4
Lagos	”	54,940	0 18 3
Gold Coast	”	90,432	0 4 5
Sierra Leone	”	75,790	1 5 0
Gambia	”	28,505	2 0 2

* For populations on which these calculations have been based, see table following paragraph 110 *ante*.

REVENUES OF BRITISH DOMINIONS—*continued.*

Country or Colony.	Year.	Revenue.	
		Gross Amount.	Average per Head.*
AMERICA.			
Canada	1879	£ 4,691,121	£ 1 1 7
Newfoundland	"	261,865	1 12 5
Bermudas	"	30,813	2 4 2
Honduras	"	40,324	1 12 8
British Guiana	"	395,741	1 11 11
West Indies—			
Bahamas	"	44,853	1 2 11
Turk's Island	"	6,334	1 3 9
Jamaica	1878-9	547,003	0 19 7
St. Lucia	1879	31,872	0 17 1
St. Vincent	"	32,203	0 18 1
Barbadoes	"	121,751	0 14 2
Grenada	"	36,034	0 16 10
Tobago	"	11,891	0 12 7
Virgin Islands	"	1,589	0 4 9
St. Christopher	"	32,817	1 3 4
Nevis	"	11,187	0 19 2
Antigua	"	41,084	1 3 1
Montserrat	"	6,991	0 16 1
Dominica	"	19,380	0 13 9
Trinidad	"	425,094	2 15 6
AUSTRALASIA AND SOUTH SEAS.			
Australia, Tasmania, and New Zealand †	1880	17,069,015	6 7 8
Fiji	1879	67,771	0 11 1
Falkland Islands	"	9,611	6 14 4
Total ... ..	...	182,564,574	0 14 6

224. By this table it will be noticed that, out of the 183 millions sterling which represent the aggregate annual revenue of the British dominions, 91 per cent. is raised in the United Kingdom, India, and Australasia, the proportion contributed by each respectively being about one-half, one-third, and one-eleventh. Of the total amount, 46 per cent. is raised in Europe, $36\frac{3}{4}$ per cent. in Asia, 4 per cent. in Africa, $3\frac{3}{4}$ per cent. in America, and $9\frac{1}{2}$ per cent. in Australasia.

225. Besides the Australasian colonies and the comparatively insignificant possession of the Falkland Islands—in which the revenue from all sources, amounting to less than £10,000 per annum, bears an exceptionally high proportion to the population, which numbers only 1,400—the only colonies which raise a larger amount of revenue per head than the United Kingdom are the Cape of Good Hope, Trinidad, and Gibraltar.

* For populations on which these calculations have been based, see table following paragraph 110 *ante*.
See table following paragraph 213 *ante*.

Land revenue
in Austral-
asian
colonies.

226. 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. This will be more readily observed by reference to the following table, which shows the receipts from those sources and their proportion to the total revenue in each of the Australasian colonies during 1880:—

LAND REVENUE IN AUSTRALASIAN COLONIES.

Colony.	Year.	Revenue derived from Crown Lands for—			Proportion of Land Revenue to Total Revenue.
		Alienation in Fee-simple, and Progressive Alienation.	Temporary Occupation.	Total.	
		£	£	£	Per Cent.
Victoria † ...	1879-80	694,321	147,994	842,315	18·23
New South Wales ...	1880	1,319,575	229,861	1,549,436	31·58
Queensland ...	1879-80	272,828	5,072	277,900	17·24
South Australia ...	1880	604,745	84,950	689,695	34·01
Western Australia ...	„	12,493	23,259	35,752	19·85
Tasmania ...	„	35,636	17,777	53,413	12·14
New Zealand ...	„	211,705	141,927	353,632	10·77
Total ...	...	3,151,303	650,840	3,802,143	17·48

Prospective
diminution
of land
revenue in
colonies.

227. It will be noticed that over a sixth of the aggregate revenues of the Australasian colonies in 1880 was derived from Crown lands; and that the proportion reached a maximum of about a third in New South Wales and South Australia; approximates to a fifth in Victoria, Queensland, and Western Australia; whilst in Tasmania it falls to less than an eighth, and in New Zealand to less than a ninth. When, moreover, it is considered that in several of the colonies nearly all the land revenue is received for alienation in fee-simple, it is evident that in the course of a few years the rapid diminution of the public estate will necessitate a resort either to other modes of sustaining the revenue or to a considerable reduction in the expenditure.

Decrease of
land re-
venue in
Australasia.

228. The total land revenue of the Australasian colonies amounted in 1878 to £5,814,388, but in 1879 to only £3,565,349, and in 1880 to £3,802,143; in the first named year the proportion to the total revenue

* See table following paragraph 213 *ante*.

† In Victoria, in 1880-1, the land revenue was:—Alienation in fee-simple, £701,276; temporary occupation, £133,913; total, £835,189. The proportion to the total revenue was 16·10.

was 33 per cent., in the second 22½ per cent., and in the last only 17½ per cent. The large decrease in 1879 as compared with 1878 is almost entirely confined to New South Wales and New Zealand, in which colonies the falling-off amounted to £1,000,437 and £1,190,520 respectively.

229. In countries out of Australasia, calculations respecting the land revenue (revenue from domains and forests) appear to be generally made in connection with the total expenditure instead of the total revenue; but as these totals in most countries vary but little from each other, the result would probably be about the same as if the calculations were made according to the principle adopted for the Australian colonies, as shown in the last table. In the following statement, taken from *l'Almanach de Gotha*,* the proportion of the revenue from domains and forests to the total expenditure is given for some of the principal States of the world:—

LAND REVENUE IN PROPORTION TO TOTAL EXPENDITURE OF
VARIOUS COUNTRIES.

Countries.	Net Revenue from Domains and Forests in proportion to Total Expenditure.	Countries.	Net Revenue from Domains and Forests in proportion to Total Expenditure.
	Per Cent.		Per Cent.
Bavaria	15·9	Spain	2·2
Württemberg	9·9	Italy	2·0
Germany	9·1	France	1·9
Saxony	8·9	Holland... ..	1·3
Prussia	7·5	Belgium	·9
Denmark	4·6	Great Britain	·7
Sweden	4·5	Norway	·7
Baden	3·9	United States	·7
Greece	3·4	Russia	·4
Hungary	2·7	Austria	·2
Chili	2·3	Portugal	·2

230. According to these figures, the Empire of Germany, and some of the States it embraces within its dominions, are the only communities mentioned which derive more than 5 per cent. of their revenue (expenditure) from the public estate, and of these only Bavaria obtains as high a proportion as even New Zealand, which of all the Australian colonies is the one in which the land revenue bears the smallest proportion to the total revenue. Many of the countries named, and amongst them Great Britain, and—strange to say—the United States and Russia, do not obtain even 1 per cent. of their revenue from their lands.

* See *l'Almanach de Gotha*, 1880, page 1041. Gotha, Justus Perthes.

Revenues of
foreign
countries.

231. 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.

Country.	Year.	Revenues.	
		Gross Amount. (000's omitted.)	Amount per Head.*
EUROPE.			
Austro-Hungary	1880	£ 63,635,†	£ 1 14 1
Belgium	1880	11,457,†	2 1 11
Denmark	1879-80	2,587,	1 6 4
France	1878	126,942,	3 8 4
Germany ... ..	...	84,018,§	1 18 5
Greece	1878	1,334,	0 15 11
Holland	1879	9,652,	2 9 11
Italy	1878	51,955,	1 16 10
Portugal	1879-80	5,850,	1 8 11
Roumania	1878	4,855,	0 18 5
Russia	1878	92,374,	1 1 3
Spain	1879-80	31,139,	1 17 6
Sweden and Norway	1881	6,209,||	0 19 7
Switzerland	1879	1,643,	0 11 6
Turkey ... ..	...	12,000,¶	0 11 5
ASIA.			
Japan	1879-80	11,130,	0 6 6
AFRICA.			
Egypt	1880	8,562,	1 10 7
Tunis	1874-5	273,	0 2 7
AMERICA.			
Argentine Confederation	1879	3,378,	1 8 1
Brazil	1874-5	10,508,	0 19 10
Mexico	1874-5	3,741,	0 8 0
Peru	1875	10,220,	3 7 0
United States	1878-9	57,047,	1 2 9

* The populations of foreign countries on which these calculations are based are generally those given in paragraph 112 *ante*. The quotations of revenue are sometimes for later dates than those of population. The averages per head will not, however, be much affected thereby.

† This amount is made up of £40,000,000, revenue of Austria; £23,635,000, revenue of Hungary.

‡ Including local revenue.

§ This amount is made up of the revenue of the Empire, 1879-80, £22,521,257 (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, £1,986,758 in 1878-9; Anhalt, £451,150 in 1879; Baden, £1,709,921 in 1879; Bavaria, £11,243,609 in 1878-9; Bremen, £505,385 in 1879; Brunswick, £375,300 in 1879; Hamburg, £1,384,630 in 1879; Hesse, £1,011,762 in 1879; Lippe, £46,023 in 1878; Lübeck, £129,981 in 1879; Oldenburg, £347,790 in 1881; Prussia, £35,575,037 in 1879-80; Reuss-Greiz, £27,177 in 1878; Reuss-Schleiz, £36,480 in 1878; Saxe-Altenburg, £113,722 in 1879; Saxe-Coburg-Gotha, £292,833 in 1879; Saxe-Meiningen, £211,182 in 1879; Saxe-Weimar, £338,340 in 1879; Saxony, £3,071,571 in 1878-9; Schaumburg-Lippe, £25,236 in 1879; Schwarzburg-Rudolstadt, £88,613 in 1879; Schwarzburg-Sondershausen, £108,237 in 1879; and Würtemberg, £2,416,239 in 1877-8.

|| This amount is made up of £4,166,000 revenue of Sweden, and £2,043,000, revenue of Norway.

¶ This is merely a rough estimate, very little being known about the finances of Turkey.

232. According to this table and that following paragraph 223 *ante*, the country which raises the largest revenue of any in the world is France, next Russia, next the United Kingdom, and next Germany. After the revenues of these countries, the largest amounts are raised in British India, Austro-Hungary, the United States, 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, The Argentine Confederation, or Mexico, and is nearly as large as that of Portugal.

Countries raising largest revenue.

233. France and Holland are the only European countries named in the last table which raise more per head than the United Kingdom; not one of the countries raises so much per head as any of the Australasian colonies, and in only two countries (*viz.*, France and Peru) does the amount per head approximate even to that raised in Tasmania. In Victoria, more than half as much again is raised per head as in either of those two countries, and more than twice as much as in Holland or the United Kingdom.

Countries raising largest amounts per head.

234. The amounts of which revenue is made up are of two classes, *viz.*, those raised by taxation and those raised otherwise. In Victoria, the former class consisted in 1880-1 of Customs and Excise duties, wharfage rates, port and harbor dues, business licenses, duties on bank notes, duties on estates of deceased persons, a land tax, and stamp duties.* The latter class comprised amounts derived from the sale or occupation of Crown lands, from railways, water supply, and other public works, from post and telegraph offices, from fees, fines, and forfeitures, from the labor of prisoners, from the interest on the public account, &c. The following figures show the result of a division of the Victorian revenue upon this principle:—

Taxation.

TAXATION, 1880-1.

	£	s.	d.
Revenue raised by taxation ...	2,003,703	17	4
„ otherwise ...	3,182,307	10	3
Total ...	5,186,011	7	7

235. The amount raised by taxation divided by the estimated mean population of the financial year, already stated to have been 860,067, gives an average of £2 6s. 7d. 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 1852:—

Taxation per head.

* For amount under each of these heads during the last six years, see table following paragraph 280 *post.*

TAXATION, 1853 TO 1880-1.*

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	1868 ...	1,352,818	2 0 10	41·87
1854 ...	1,052,462	3 18 8	34·08	1869 ...	1,539,495	2 4 10	45·49
1855 ...	1,193,309	3 10 6	43·73	1870 ...	1,394,333	1 19 1	42·75
1856 ...	1,458,647	3 16 7	49·07	1871 (6 months)	724,261	0 19 10	42·82
1857 ...	1,331,362	3 1 10	40·00	1871-2	1,612,034	2 3 2	43·17
1858 ...	1,414,511	2 18 6	47·57	1872-3	1,784,056	2 7 0	48·96
1859 ...	1,414,760	2 14 8	43·38	1873-4	1,896,842	2 9 2	46·19
1860 ...	1,330,761	2 9 10	43·11	1874-5	1,724,822	2 4 0	40·71
1861 ...	1,244,389	2 6 1	42·15	1875-6	1,780,392	2 5 0	41·16
1862 ...	1,183,194	2 3 2	36·19	1876-7	1,770,685	2 4 2	37·48
1863 ...	1,158,219	2 1 2	41·74	1877-8	1,712,953	2 2 0	38·03
1864 ...	1,167,036	1 19 10	39·49	1878-9	1,730,088	2 1 10	37·44
1865 ...	1,214,479	1 19 9	39·47	1879-80	1,690,923	2 0 3	36·59
1866 ...	1,219,567	1 18 9	39·61	1880-1	2,003,704	2 6 7	38·64
1867 ...	1,516,231	2 7 1	47·14				

NOTE.—An export duty on gold existed from May 1855 to the end of 1867. The receipts from that source have not, for the purposes of this table, been considered as taxation.

236. It will be observed that a large increase took place in the gross amount produced by taxation in 1880-1, as compared with previous years. This amount was greater by £312,781 than in 1879-80, and by £106,862 than in 1873-4; the latter being the year in which the sum raised by taxation was next in amount to that in the year under review. The taxation per head was greater in 1880-1 than in any previous year since 1860, except 1867, 1872-3, and 1873-4; and the proportion of taxation to revenue was higher than in any year since 1875-6.

237. Of the increase of £313,000 in the total taxation 1880-1 as compared with the previous year, not less than £117,200‡ was derived from the operation of new imposts, viz., £84,400 from excise duties on beer and tobacco, and £32,800 being the increased amount yielded by stamp duties, first levied about the middle of the previous year;§ £82,400 was through accidental causes;§ and about £100,000 was from increased Customs revenue, which is probably the deferred result of increasing the rates of duty in the previous year.|| Numerous difficulties lie in the way of estimating 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 six years, which, although giving necessarily imperfect results, will afford some idea of the direc-

* According to the Treasurer's figures, made up whilst these pages were passing through the press, but not audited, the taxation in 1881-2 amounted to £2,317,706 or £2 12s. 8d. per head of the estimated mean population (880,280) of that financial year.

† For mean population of each year, see table following paragraph 199 *ante*.

‡ An increased duty on cigars, which is estimated to have realized £2,300, is not taken into account, as it is counterbalanced by a decrease in the revenue from tobacco, notwithstanding the increased rates levied on manufactured tobacco and snuff. See paragraphs 208 and 209 *ante*.

§ See paragraph 195 *ante*.

|| If this be the case—which there is no means of verifying—this amount also should be considered as “newly imposed taxation.” See paragraph 209 *ante*.

Comparison of taxation 1880-1, with former years.

Taxes repealed and imposed.

tion and extent in which the burdens of the people have been added to or reduced during the period :—

TAXES REPEALED AND IMPOSED, 1875-6 TO 1880-1.

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— <i>Increased.</i> —From 5 to 5-10 per cent. on estates over £20,000	*	*
				Tax on bank notes imposed... ..	7,200	27,000
1877	Nil ... ..	...	...	Nil ... ..	...	...
1878	Customs— Wharfage rates for port of Melbourne transferred to Harbor 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' license, 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
1881	Nil ... ..	...	...	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†
				Customs— Tobacco and snuff increased	(Revenue decr'sed) 2,300	*
				Cigars increased	2,300	3,500
				Excise— Tobacco duty imposed	21,872	65,000
				Beer ,, ,,	62,557	100,000

* Of this item no satisfactory estimate can be given.

† 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. See table following paragraph 208 *ante*.

Duty on bank notes.

238. 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.

Land tax.

239. 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

Extent of land assessed for land tax.

240. The extent of land assessed under this Act amounted in 1881 to nearly seven million acres, nearly half of which was placed in the lowest class, more than a third in the third class, less than an eighth in the second class, and not quite a twentieth in the first class.

Proportion of land assessed to total available and alienated land.

241. The land in Victoria suitable for occupation is estimated to amount to about 33,200,000 acres,* of which 19,800,000 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 21 per cent. of the available land in the colony, or to 35 per cent. of the area alienated or in process of alienation.

Number of estates assessed.

242. The number of estates assessed was 951. As some proprietors own more than one estate, their number is less than the number of estates, and is set down as 833. 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.

Average size of estates assessed.

243. The average size of all the estates assessed is 7,238 acres, which is slightly above the average of those in Class III. In Classes I. and II. the estates average between 3,000 and 4,000 acres, and in Class IV. nearly 13,000 acres.

Proprietors and number and size of estates assessed.

244. The following table shows, for each class, the number and area of estates assessed for land tax, the number of proprietors of such

* See Part Production *post*.

† The land in process of alienation amounted to about 7,700,000 acres, on which, on the average, half the purchase-money had been paid.

estates, and the average number of acres to each estate and to each proprietor:—

PROPRIETORS AND NUMBER AND SIZE OF ESTATES ASSESSED FOR LAND TAX.

(According to the Returns of the Half-year ended 27th February 1882.)

Class.	Number of Proprietors.*	Estates Assessed.				
		Number.	Area.		Average Area to each—	
			Total.	Percentage of each Class.	Proprietor.	Estate.
			Acres.		Acres.	Acres.
I.	100	112	339,120	4·95	3,391	3,028
II.	194	212	816,602	11·85	4,209	3,852
III.	325	371	2,499,479	36·32	7,690	6,737
IV.	214	256	3,227,614	46·88	15,082	12,608
Total	833	951	6,882,815	100·00	8,263	7,238

245. The capital value of the estates, according to the valuation prescribed by the Statute, is about 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 less than 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 assessed.

246. 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:— Valuation of estates of each class.

VALUE OF ESTATES ASSESSED FOR LAND TAX.

(According to the Returns of the Half-year ended 27th February 1882.)

Class.	Capital Value.	Value of Exemptions.	Net Taxable Value.	Proportion of Net Taxable Value to Capital Value.
		£	£	Per Cent.
I.	1,356,480	250,000	1,106,480	81·57
II.	2,449,806	485,000	1,964,806	80·20
III.	4,998,958	812,500	4,186,458	83·75
IV.	3,227,614	535,000	2,692,614	83·42
Total	12,032,858	2,082,500	9,950,358	82·69

247. The land tax payable varied from 9½d. per acre in Class I. to 2½d. per acre in Class IV., the average being about 4½d. per acre; the amount payable by each holder averaged £149, ranging from an average of £161 in Class III. to one of £127 in Class II.; and the amount Amount of land tax payable.

* See paragraph 242 ante.

payable for each estate averaged £131, and ranged from an average of £141 in Class III. to one of £116 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:—

LAND TAX PAYABLE ANNUALLY.

(According to the Returns of the Half-year ended 27th February 1882.)

Class.	Total Amount per Annum.	Amount per Acre.	Amount by each Holder.	Amount for each Estate.
	£	d.	£	£
I.	13,831	9·788	138·3	123·5
II.	24,560	7·218	126·6	115·8
III.	52,331	5·025	161·0	141·1
IV.	33,657	2·502	157·3	131·5
Total	124,379	4·337	149·3	130·8

Difference in payments in each class.

248. 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 about $2\frac{1}{2}$ d.; between II. and III. about $2\frac{1}{4}$ d.; and between III. and IV. about $2\frac{1}{2}$ d. It will also be noticed that the amount paid on behalf of each estate in Class III. is about 7 per cent. more than that paid on behalf of those in Class IV., notwithstanding that the average area of each estate in the latter class is, as is shown in a previous table, about double that in the former.

Cost of administering Land Tax Act. Stamp duties.

249. The cost of administering the Land Tax Act during the year 1880-1 amounted to £1,621, as against £5,451 in the previous year.

250. 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

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	£	s.	d.
...	0	0	1

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	£	s.	d.
... ..	0	5	0

IV.—ANNUAL LICENCE.

£ s. d.

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.

251. The amount collected by means of stamp duties during the financial year 1880–1 was £115,844 as compared with £83,005 in the previous year, which was, however, for a period of only 6½ months. During the calendar year 1881, according to the last report of the Post Office, the duty stamps issued or impressed on documents numbered 9,575,298, of a total value of £134,629. Of these as many as 9,044,637, valued at £37,686, were penny stamps—the remainder being of higher denominations. The expenses connected with the manufacture and issue of duty stamps during 1881 amounted to about £5,000.

252. 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 nine financial years, and in the other Australasian colonies during each of the eight years ended with 1880 :—

TAXATION IN AUSTRALASIAN COLONIES.

Colony.	Year.	Taxation.		
		Gross Amount.	Average per Head.	Percentage of Total Revenue.
		£	£ s. d.	
Victoria*	1872–3	1,784,056	2 7 0	48·96
	1873–4	1,896,842	2 9 2	46·19
	1874–5	1,724,822	2 4 0	40·71
	1875–6	1,780,392	2 5 0	41·16
	1876–7	1,770,685	2 4 2	37·48
	1877–8	1,712,953	2 2 0	38·03
	1878–9	1,730,088	2 1 10	37·44
	1879–80	1,690,923	2 0 3	36·59
	1880–1	2,003,704	2 6 7	38·64

* The financial year in Victoria ends on the 30th June.

TAXATION IN AUSTRALIAN COLONIES—*continued.*

Colony.	Year.	Taxation.		
		Gross Amount.	Average per Head.	Percentage of Total Revenue.
		£	£ s. d.	
New South Wales	1873	1,382,752	2 10 4	41·59
	1874	1,217,401	2 2 6	34·68
	1875	1,138,901	1 18 3	27·63
	1876	1,161,406	1 17 7	23·07
	1877	1,235,021	1 18 3	21·49
	1878	1,309,717	1 18 8	26·28
	1879	1,272,721	1 15 8	28·44
	1880	1,417,293	1 19 3	28·90
Queensland*	1873	546,732	3 14 6	48·81
	1874	552,758	3 11 3	47·61
	1875	562,227	3 5 3	44·57
	1875-6	568,776	3 2 9	45·02
	1876-7	609,861	3 5 2	42·45
	1877-8	694,062	3 8 4	44·52
	1878-9	631,289	3 0 0	43·19
	1879-80	600,236	2 15 1	37·23
South Australia	1873	362,246	1 17 1	38·63
	1874	370,440	1 16 9	36·90
	1875	339,103	1 12 8	29·66
	1876	445,548	2 0 10	33·75
	1877	499,885	2 3 2	34·68
	1878	519,254	2 2 9	32·60
	1879	526,366	2 1 5	31·66
	1880	529,450	2 0 2	26·11
Western Australia	1873	71,625	2 15 8	55·35
	1874	82,275	3 3 4	55·56
	1875	80,645	3 0 11	51·11
	1876	85,177	3 3 1	52·52
	1877	81,286	2 18 11	49·14
	1878	75,849	2 14 2	46·44
	1879	88,329	3 2 2	44·19
	1880	101,257	3 10 2	56·24
Tasmania	1873	199,480	1 18 6	61·52
	1874	215,126	2 1 4	64·46
	1875	212,336	2 0 10	61·98
	1876	216,405	2 1 5	66·18
	1877	236,777	2 4 6	64·67
	1878	247,583	2 5 7	64·15
	1879	236,404	2 2 6	62·95
	1880	304,546	2 13 7	69·25
New Zealand	1873	1,055,296	3 13 4	38·01
	1874	1,294,276	4 1 2	42·24
	1875	1,350,296	3 15 3	47·98
	1876	1,350,025	3 9 8	37·71
	1877	1,343,945	3 5 10	34·32
	1878	1,533,393	3 12 9	36·79
	1879	1,441,838	3 4 4	45·99
	1880	1,535,700	3 4 9	46·77

NOTE.—For returns of taxation in these colonies during 1881, see Summary of Australasian Statistics (third folding sheet) *ante*.

* Since 1875 the financial year in Queensland has ended on the 30th June.

253. 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. The following is the order in which the colonies stood in this respect during that year, the colony with the highest taxation per head being placed at the head, and that with the lowest at the bottom, of the list :—

Order of colonies in respect to taxation.

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

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

254. 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 seven-tenths of her revenue by taxation, Victoria and Queensland raised less than four-tenths, New South Wales less than three-tenths, and South Australia little more than a fourth. The following is the order in which they respectively stand in this particular, the colony in which the proportion raised by taxation is largest being placed first, and the remainder in succession :—

Order of colonies in respect to revenue raised by taxation.

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

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

255. If the gross totals of taxation in the different colonies raised in the last year 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 over four and a third millions sterling; and the total taxation of the colonies on the continent, added to that of Tasmania and New Zealand, amounted to over six 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.

TAXATION OF AUSTRALIA AND AUSTRALASIA, 1880.

	Taxation.		
	Gross Amount.	Average per Head.	Percentage of Total Revenue.*
	£	£ s. d.	
Continent of Australia	4,339,159	2 1 7	32·51
Ditto, with Tasmania and New Zealand	6,179,405	2 6 3	36·20

* For figures of revenue, see table following paragraph, 219 ante.

Comparison
of Victoria
and Aus-
traliasia.

256. By comparing the above figures with those of this colony, it will be found that in Victoria the taxation per head of the population is about the same, and the proportion of taxation to the total revenue is somewhat greater, than the same items in the Australasian colonies, taken as a whole.

Taxation
in British
possessions.

257. 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 or Colony.	Year.	Taxation.		
		Gross Amount.	Average Per Head.*	Percentage of Total Revenue.†
		£	£ s. d.	
United Kingdom... ..	1880-1	69,814,000	2 0 0	83·07
India	1877-8	24,715,392	0 2 7	41·91
Mauritius	1878	519,194	1 8 3	65·76
Cape of Good Hope	1878	1,216,332	1 4 2	58·39
Lagos	1878	44,037	0 14 7	86·54
Gambia	1878	22,971	1 12 5	89·27
Canada	1875-6	3,723,324	1 0 3	79·87
Newfoundland	1877	173,555	1 1 6	81·75
Bermudas	1877	23,267	1 13 8	86·48
West Indies—				
Jamaica	1878-9	386,293	0 13 10	70·57
Barbadoes	1878	119,358	0 13 7	90·98
Grenada	1878	29,175	0 13 10	85·61
Virgin Islands	1876	1,463	0 4 5	95·19
Antigua	1878	35,723	1 0 0	94·85
Dominica	1879	14,939	0 10 7	73·68
Trinidad	1877	205,913	1 17 7	43·76
Australia, Tasmania, and New Zealand ‡	1880	6,179,405	2 6 3	36·20
Fiji	1880	46,544	0 7 8	68·65

Taxation in
Austral-
asia and
other
British
possessions
compared.

258. It will be observed that the gross amount raised by taxation in Australasia is about a fourth of that raised in India, and nearly an eleventh of that raised in the United Kingdom, but is greater by nearly two-thirds than that in Canada. 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 with the Australasian colonies; for whilst they raise only 36 per cent. of their revenue by taxation—or by far the smallest proportion of any of the British possessions named—their average taxation per head is even greater by 6s. 3d. than in the United Kingdom, which raises 83 per cent. of its revenue by taxation,

* For figures of population, see table following paragraph 110 ante.

† For figures of revenue, see paragraph 223 ante.

‡ 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 255 ante.

and which is moreover, in proportion to population, more heavily taxed than any other of its dependencies of which particulars are at hand.

259. In Victoria, where the gross amount of taxation is somewhat more than half that in Canada, the average per head is 6s. 7d. higher than in the United Kingdom, whilst the taxation in proportion to revenue, being only a 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 Victoria and other British possessions compared.

260. 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 endeavor, 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.

TAXATION IN FOREIGN COUNTRIES.

Countries.	Year.	Taxation.		
		Gross Amount. (000's omitted.)	Average per Head.*	Percentage of Total Revenue.†
Austro-Hungary ...	1880	£ 44,403,‡	£ s. d. 1 3 1	69·78
Belgium ...	1880	8,081,§	1 9 6	70·53
Denmark ...	1879-80	1,953,	0 19 10	75·49
France ...	1878	109,611,	2 19 5	86·35
Greece ...	1878	1,069,	0 12 9	80·13
Holland ...	1879	7,551,	1 19 1	78·23
Italy ...	1878	40,929,	1 9 0	78·78
Japan ...	1879-80	10,020,	0 5 10	90·03
Portugal ...	1879-80	5,030,	1 4 10	85·98
Russia ...	1878	75,685,	0 17 5	81·93
Spain ...	1879-80	29,377,	1 15 4	94·34
Switzerland ...	1879	790,	0 5 6	48·08
United States ...	1878-9	53,658,	1 1 5	94·06

261. 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 Russia comes next in this respect; the United Kingdom || follows; then the United States, Austro-Hungary, and Italy, in the order named. The amount of taxation in the Australasian colonies, || taken as a whole, is somewhat greater than that levied in Portugal, but not so great as in Holland; whilst the amount in Victoria is much greater than that in Switzerland or Greece, about Gross amount of taxation in various countries.

* For figures of population, see table following paragraph 112 ante. The figures of taxation are generally for somewhat later dates than those of population.

† For figures of revenue, see table following paragraph 231 ante.

‡ This amount is made up of £27,578,000 taxation in Austria and £16,825,000 taxation in Hungary for the year 1880.

§ Including local taxation.

|| See table following paragraph 257 ante.

the same as that levied in Denmark, but considerably less than that in any other of the countries named.

Taxation per head in various countries.

262. The average amount of taxation per head is larger in France than in any other independent country, and that in the United Kingdom stands next. The taxation per head, however, in New Zealand and Western Australia, but in no other Australasian colony,* is larger than in France. The taxation per head in South Australia is only slightly more, and in New South Wales slightly less, than in the United Kingdom; but in Victoria and all the other Australasian colonies it is much higher than in the United Kingdom.†

Proportion of revenue raised by taxation in various countries.

263. 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,* on the other hand, with two exceptions—Tasmania and Western Australia—raise less than half from that source. The revenues of Spain and the United States appear to be almost entirely derived from taxation, and although the United Kingdom raises five-sixths of its revenue from that source, as many as five of the countries named raise a higher proportion. Tasmania and Western Australia are the only Australasian colonies in which the proportion is larger than in Switzerland.

Taxation by Customs duties in Australasian colonies.

264. 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 DUTIES IN AUSTRALASIAN COLONIES.

Colony.	Year.	Customs Revenue.		
		Amount.	Proportion to—	
			Total Taxation.	Total Value of Imports.
		Per Cent.	Per Cent.	
Victoria	1880-1	£ 1,450,137	72·37	9·96
New South Wales	1880	1,182,604	83·45	8·48
Queensland	1879-80	483,753	80·59	16·65
South Australia	1880	517,631	97·77	9·27
Western Australia	1880	93,218	92·06	26·36
Tasmania	1880	219,148	71·96	16·00
New Zealand	1880	1,264,807	82·36	20·52

265. It will be observed that in Victoria and Tasmania, during 1880, 72 per cent. of the taxation was raised through the Customs, and that

Customs revenue in proportion to total taxation.

* See table following paragraph 252 ante.

† See table following paragraph 257 ante.

this was a lower proportion than in any of the other colonies. The colonies in which the proportion was largest were South Australia and Western Australia, in the former of which all but $2\frac{1}{4}$ per cent., and in the latter all but 8 per cent., was levied through the Customs.

266. It will, moreover, be noticed that, in proportion to the imports, Victoria collected considerably less through the Customs than any other Australasian colony, except New South Wales and South Australia, in the former of which 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, this is probably owing to her importing, in a larger proportion than many of the others, raw, and consequently undutiable, material.

267. In the United Kingdom a very much smaller proportion of the taxation is raised through the Customs than in any Australasian colony; but in Canada and the Cape of Good Hope the proportion is about the same as in Victoria and Tasmania, but below that in any other Australasian colony. As compared with the imports, the proportion in the United Kingdom is about half that in Victoria, whilst in Canada, Jamaica, the Cape Colony, and Mauritius it is much greater than in Victoria, New South Wales, or South Australia. The following are the figures for these and other British possessions respecting which the information is at hand :—

TAXATION BY CUSTOMS DUTIES IN BRITISH DOMINIONS.

Country or Colony.	Year.	Customs Revenue.		
		Amount.	Proportion to—	
			Total Taxation.	Total Value of Imports.
		£	Per Cent.	Per Cent.
United Kingdom ...	1880-1	19,184,000	27·4	4·7
India ...	1878	2,622,290	10·6	4·5
Mauritius ...	1878	270,821	52·2	12·0
Cape of Good Hope ...	1878-9	923,597	75·9	14·0
Canada ...	1876	2,671,633	71·8	14·2
Barbadoes ...	1878	78,197	65·5	7·1
Jamaica ...	1878-9	232,285	60·10	15·6

268. Of six foreign countries respecting which information is available, only two, viz., Denmark and the United States, appear to raise as much as half their taxation through the Customs, but the proportion even in these is much less than in any of the Australasian colonies. The proportion of Customs revenue to the total value of imports is higher than in Victoria in two out of the six countries, and in four it is higher than in New South Wales, whilst in one, viz., the

Customs revenue in proportion to total imports.

Taxation by Customs duties in British dominions.

Taxation by Customs duties in foreign countries.

United States, it is higher than in any Australasian colony. The following are the particulars of the foreign countries alluded to:—

TAXATION BY CUSTOMS DUTIES IN FOREIGN COUNTRIES.

Countries.	Year.	Customs Revenue.		
		Amount.	Proportion to—	
			Total Taxation.	Value of Imports.
		£	Per Cent.	Per Cent.
Austro-Hungary ...	1879	2,396,900	5·40	2·31
Denmark ...	1878-9	1,019,700	52·18	8·95
France ...	1878	12,443,000	11·35	5·47
Italy ...	1878	4,338,900	10·60	9·42
Russia ...	1878	12,552,547	16·58	12·95
United States ...	1878	28,593,760	53·29	29·39

Revenue and expenditure of local bodies.

269. It has been already stated* that, in connection with the general revenue, taxation, and expenditure, the revenue, taxation, and expenditure of local bodies should be considered. There are at present two such bodies in Victoria, viz., the municipalities and the Melbourne Harbor Trust.

Municipal revenue and expenditure.

270. The following table gives a statement of the revenue and expenditure of municipalities in the year 1881, the amounts raised and expended in cities, towns, and boroughs being shown separately from those in shires:—

MUNICIPAL REVENUE AND EXPENDITURE, 1881.

				Cities, Towns, and Boroughs.	Shires.	Total.
REVENUE.				£	£	£
From Government	{	Endowment ...	...	47,369	282,710	330,079†
	{	Other receipts	...	13,148	20,136	33,284
„ rates	...	...	...	218,313	199,329	417,642‡
„ licenses	...	...	...	65,771	29,487	95,258
„ registration of dogs and goats	...	...	...	5,039	5,272	10,311
„ market dues	...	...	...	37,199	2,096	39,295
„ other sources	...	...	...	70,623	18,468	89,091
Total	...	...	...	457,462	557,498	1,014,960
EXPENDITURE.						
Public works	...	...	...	249,268	374,747	624,015
Salaries, &c.	...	...	...	42,397	61,690	104,087
Other expenditure	...	...	...	142,645	67,563	210,208
Total	...	...	...	434,310	504,000	938,310

* See paragraph 190 ante.

† This amount differs 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.

‡ Of this amount £30,648 was levied as special rates.

271. Although the appropriation of the sum of £310,000 to the endowment of municipalities under the Local Government Act 1874 (38 Vict. No. 506) ceased by effluxion of time at the end of 1879, equivalent amounts were voted by Parliament for the years 1880 and 1881. Endowment of municipalities.

272. 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 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 the first six months of 1881 was at the average annual rate of £1 7s. 4½d. to shires, and 13s. 8¼d. to cities, towns, and boroughs, for every £1 of rates; as compared with annual averages payable in the preceding six months of £1 9s. 4d. and 14s. 8d. respectively. Rate of endowment.

273. The total expenditure of municipalities exceeded the total revenue in 1880 by 11 per cent., and in 1881 by 4 per cent.; or the expenditure of cities, towns, and boroughs exceeded the revenue by 17 per cent. in 1880, and by 5 per cent. in 1881; and that of shires by 20 per cent. in 1880, and by 17 per cent. in 1881. Municipal expenditure in excess of revenue.

274. The expenditure was greater than the revenue in 33 of the 57 individual cities, towns, and boroughs, and in as many as 88 of the 117 individual shires, in 1880; but in no more than 18 cities, towns, and boroughs, and 32 shires, in 1881. Municipalities in which expenditure exceeded revenue.

275. Payments for salaries formed nearly 9 per cent. of the expenditure of cities, towns, and boroughs in 1880, and nearly 10 per cent. in 1881. The same item formed 13 per cent. of the expenditure of shires in the former, and 12 per cent. in the latter year. Salaries in municipalities.

276. Subjoined is a statement of the revenue and expenditure of the Melbourne Harbor Trust† during the five 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:— Harbor Trust receipts and expenditure.

* For ratings in municipalities, see paragraph 164 *et seq. ante*.

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

MELBOURNE HARBOR TRUST.—RECEIPTS AND EXPENDITURE,
1877 TO 1881.

	1877.	1878.	1879.	1880.	1881.
NET RECEIPTS.					
	£	£	£	£	£
Wharfage rates	43,106*	84,731	75,295	67,827	83,493
Leases	55	143	126	94	103
Licenses	1,072	1,140	1,789	2,670	2,738
Interest	82	687	1,116	445	...
Sundries	120	45	191	224	308
Total	44,435	86,746	78,517	71,260	86,642
EXPENDITURE.					
Plant	5,055	38,786	30,568	22,034	9,603
Harbor improvements and maintenance	111	894	5,027	15,065	7,128
Dredging, landing, and de- positing silt	4,872	9,872	31,276	40,179	43,513
Wharves and approaches ...	421	20,989	7,161	10,434	9,527
Special survey by Sir John Coode ... ..	...	4,635	3,005	...	...
Timber	371	3,412	764	218	8,698
General expenses	2,332	3,078	2,897	4,523	3,485
Contingent expenses	838	1,770	1,547	2,418	2,255
General management	2,940	5,720	6,322	6,744	7,066
Commissioners' fees ... ..	...	2,980	1,500	1,500	1,500
Interest ... ..	...	...	...	...	1,061
Sundries ... ..	...	...	947	425	54
Total	16,940	92,136	91,014	103,540	93,890

Receipts and
expenditure
compared.

277. In the five years the Trust has been in existence the receipts have amounted to £367,600, and the expenditure to £397,520, thus showing an apparent deficiency of £29,920. It will be observed that the total revenue and the revenue from wharfage rates, both of which underwent considerable diminution in 1879 and 1880, rose in 1881 to nearly the same amounts as were reached in 1878. The expenditure of the Trust may be condensed into three main divisions, the first being Plant, on which, during the five years the Trust has been in existence, £106,046 has been laid out, or rather more than a fourth of the whole expenditure; the second being Improvement and Maintenance of Harbor, Wharves and Approaches, on which £243,887 has been laid out, or upwards of three-fifths of the whole expenditure; and the third being Management, on which £47,585 has been expended, or nearly an eighth of the whole amount.

General and
local reve-
nue and
expendi-
ture.

278. A statement of the revenue and expenditure of the General Government added to those of the Municipalities during the last six years, and to those of the Melbourne Harbor Trust during the five years that body has been in existence, will be found in the following table. From the totals of municipal revenue and expenditure the amounts granted by the State have been deducted:—

* Wharfage rates did not form part of the revenue of the Trust until after the 30th June 1877.

**GENERAL AND LOCAL REVENUE AND EXPENDITURE,
1876 TO 1881.***

	Total Amounts Received and Expended.					
	1876.	1877.	1878.	1879.	1880.	1881.
REVENUE.						
General Government ...	£ 4,325,156	£ 4,723,876	£ 4,504,413	£ 4,621,520	£ 4,621,282	£ 5,186,011
Municipalities ...	684,691	674,436	639,428	624,681	616,132	651,597
Melbourne Harbor Trust ...	...	44,435	86,746	78,517	71,260	86,642
Total ...	5,009,847	5,442,747	5,230,587	5,324,718	5,308,674	5,924,250
EXPENDITURE.						
General Government ...	£ 4,572,843	£ 4,358,096	£ 4,634,349	£ 4,833,379	£ 4,875,029	£ 5,108,642
Municipalities ...	649,655	632,094	713,503	583,476	771,054	574,947
Melbourne Harbor Trust ...	...	16,940	92,136	91,014	103,540	93,890
Total ...	5,222,498	5,007,130	5,439,988	5,507,869	5,749,623	5,777,479

279. The next table gives the general and local revenue and expenditure per head in the same six years. It will be observed that in the last year named the local revenue, embracing that of the municipal bodies and that of the Harbor Trust, amounted to over 17s. per head, and the general and local revenue combined to nearly £7 per head:—

General and local revenue and expenditure per head.

**GENERAL AND LOCAL REVENUE AND EXPENDITURE PER HEAD,
1876 TO 1881.***

	Amounts Received and Expended per Head. †					
	1876.	1877.	1878.	1879.	1880.	1881.
REVENUE.						
General Government ...	£ s. d. 5 9 4	£ s. d. 5 17 10	£ s. d. 5 10 6	£ s. d. 5 11 8	£ s. d. 5 9 11	£ s. d. 6 0 7
Municipalities ...	0 17 4	0 16 10	0 15 8	0 15 1	0 14 8	0 15 2
Melbourne Harbor Trust ...	...	0 1 1	0 2 1	0 1 11	0 1 9	0 2 0
Total ...	6 6 8	6 15 9	6 8 3	6 8 9	6 6 4	6 17 9
EXPENDITURE.						
General Government ...	£ s. d. 5 15 7	£ s. d. 5 8 9	£ s. d. 5 13 8	£ s. d. 5 16 10	£ s. d. 5 16 0	£ s. d. 5 18 10
Municipalities ...	0 16 5	0 15 9	0 17 6	0 14 1	0 18 4	0 13 4
Melbourne Harbor Trust ...	...	0 0 5	0 2 3	0 2 3	0 2 6	0 2 2
Total ...	6 12 0	6 4 11	6 13 5	6 13 2	6 16 10	6 14 4

280. The amount of taxation under the General and Municipal Governments, and under the Melbourne Harbor Trust, is given in the following table for the same years, the items being specified in each

General and local taxation.

* 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 Harbor 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 199 ante) to calculate the amount of general revenue and general expenditure per head have been used to make these calculations. As the population varies very slightly, this will scarcely, if at all, affect the result.

case. 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 Harbor Trust consists only of wharfage rates :—

GENERAL AND LOCAL TAXATION, 1876 TO 1881.†

Heads of Taxation.	Amount Received.					
	1876.	1877.	1878.	1879.	1880.	1881.
	£	£	£	£	£	£
GENERAL GOVERNMENT TAXATION.						
Customs duties ...	1,550,461	1,522,795	1,459,628	1,351,864	1,353,656	1,450,137
Wharfage rates ...	107,327	109,037	‡ 27,820	26,520	24,125	24,641
Ports and harbors	22,104	20,993	22,647	20,310	19,194	20,577
Excise :—						
Spirits ...	33,437	34,768	36,309	36,088	41,230	52,232
Beer ...	...	...	...	...	...	62,557
Tobacco ...	...	...	...	...	...	21,872
Licenses (not territorial) ...	10,712	11,688	§ 17,150	20,116	21,762	23,906
Duties on estates of deceased persons	48,963	44,104	72,500	47,983	37,928	78,141
Duties on bank notes	7,191	27,248	26,672	24,956	22,470	23,807
Land tax ...	...	...	50,227	202,251	87,553	129,990
Stamp duty ...	...	...	...	...	83,005	115,844
Toll receipts ...	197	52	...	...	...	...
Total ...	1,780,392	1,770,685	1,712,953	1,730,088	1,690,923	2,003,704
MUNICIPAL TAXATION.						
Rates ...	359,266	381,580	401,208	398,303	401,096	417,642
Toll receipts ...	61,055	57,078	|| 13,895	...	...	...
Licenses ...	108,753	108,367	§ 102,732	98,441	94,713	95,258
Registration of dogs and goats ...	10,783	10,843	10,293	10,521	10,370	10,311
Market dues ...	31,248	32,742	32,776	32,095	37,451	39,295
Total ...	571,105	590,610	560,904	539,360	543,630	562,506
MELBOURNE HARBOR TRUST TAXATION.						
Wharfage rates ...	...	43,106	84,731	75,295	67,827	83,493
Total general & local taxation }	2,351,497	2,404,401	2,358,588	2,344,743	2,302,380	2,649,703

* See paragraph 234 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 Harbor Trust on the 31st December.

‡ Decrease caused by transfer of four-fifths of the wharfage rates for the port of Melbourne to the Melbourne Harbor Trust.

§ Owing to a proportion of certain license fees, formerly received in full by local bodies, having in 1878 been made payable to the general revenue, an increase under the head of licenses will be observed in the general taxation for that year, but a corresponding decrease in the local taxation.

|| The diminution under this head was due to the abolition of tolls on the 1st January 1878.

281. The aggregate amounts of taxation raised by the General Government and local bodies represented, in 1876, a proportion of £2 19s. 5d. to each individual in the community; in 1877, £3 0s. 0d.; in 1878, £2 17s. 10d.; in 1879, £2 16s. 8d.; in 1880, £2 14s. 9d.; and in 1881, £3 1s. 7d. General and local taxation per head.

282. The greater portion of the General Government taxation is derived from Customs duties.* The proportion from that source had been gradually decreasing from 89 per cent. in 1874-5, 87 per cent. in 1875-6, 86 per cent. in 1876-7, 81 per cent. in 1877-8, to 78 per cent. in 1878-9, and, although it rose in 1879-80 to 80 per cent., it again fell to as low as 72 per cent. in the year under review. Seventy-four per cent. of the Municipal taxation in each of the last three years, as against 71, 65, 61, and 63 per cent. respectively in the four previous years, was derived from rates. Chief sources of taxation.

283. The public debt of Victoria amounted on the 30th June 1881 † to £22,593,102, ‡ and consisted of— Public debt.

	£	s.	d.
Debentures	21,450,220	0	0
Stock	642,881	18	0
Treasury Bonds	500,000	0	0
Total	£22,593,101	18	0

284. The debentures are repayable at the following dates and places. It will be observed that the amount of £7,817,220 falls due within the next three years :— Repayment of debentures.

REPAYMENT OF DEBENTURES.

When Repayable.	Amount Repayable.		
	In Melbourne.	In London.	Total.
	£	£	£
1st October 1883	236,600	3,587,500	3,824,100
" 1884 ... ..	...	812,500	812,500
" 1885	580,620	2,600,000	3,180,620
" 1888	130,000	...	130,000
" 1889	276,100	...	276,100
1st January 1891 ... ..	...	850,000	850,000
" 1894	312,900	2,107,000	2,419,900
1st July 1899 ... ..	...	1,500,000	1,500,000
" 1901 ... ..	...	3,000,000	3,000,000
1st January 1904 ... ..	...	5,457,000	5,457,000
Total	1,536,220	19,914,000	21,450,220 †

* See also paragraph 264 ante.

† On the 30th June 1882 the public debt amounted to £22,121,202.

‡ This is exclusive of a liability of £291,500 (originally £465,300), incurred in the purchase of the Melbourne and Hobson's Bay United Railway Company's lines of railway for debentures falling due between 1st July 1881 and 1st January 1897; and a liability of £60,000 incurred in February 1873 upon the purchase of the Bendigo Water Works, to redeem, on the 31st March 1882, debentures to that amount issued by the City Council of Sandhurst, under Act No. 406. The interest on these debentures is 6 per cent. per annum, payable half-yearly on 31st March and 30th September. For particulars of the former liability, see Part V. Interchange post.

Rates of interest.

285. The following are the rates of interest payable on the various amounts of which the debt is composed. It may be remarked that all debentures falling due up to 1891 bear interest at the rate of 6 per cent.; those repayable in 1894 bear 5 per cent., and the remainder 4 and $4\frac{1}{2}$ per cent.* :—

Rates of Interest.					Amount at each Rate.		
					£	s.	d.
6 per cent.	...	...	...	...	9,073,320	0	0
5 per cent.	...	...	...	...	2,919,900	0	0†
$4\frac{1}{2}$ per cent.	...	...	...	...	5,000,000	0	0
4 per cent.	...	...	...	...	5,599,881	18	0
Total ...					£22,593,101	18	0

Purposes for which loans were incurred.

286. The public debt was authorized for the following purposes :—

					£	s.	d.
Railways	...	...	...	...	17,728,366	12	2‡
Water supply	}	Melbourne and suburbs (Yan Yean)			1,415,771	14	5
		Country waterworks			1,905,532	11	3§
Defences	...	...	...	...	100,000	0	0
Public works and buildings	...	...	...	...	587,663	0	5
State schools	...	...	...	...	800,000	0	0
Alfred graving dock	...	...	...	...	348,766	1	9
Melbourne and Geelong improvements ||	...	...	...	...	735,000	0	0
To make good deficiency on sale of stock	...	...	...	...	62,000	0	0
Increase by conversion of debentures into stock	...	...	...	...	13,101	18	0
In aid of ways and means...	...	...	...	...	500,000	0	0
					24,196,201	18	0
Deduct amounts repaid	...	...	...	...	1,603,100	0	0
Total ...					£22,593,101	18	0

Victorian stock.

287. Under the Public Works Loan Act 1872 (36 Vict. No. 428), 5 per cent. debentures to the value of £287,000, and 4 per cent. debentures to the value of £100,000, were converted into stock, but the whole was subsequently reconverted into debentures under Act 42 Vict. No. 611. Victorian Government stock was also authorized to be erected under the Public Works Loan Act 1872, and originally amounted to £1,113,000. On the 30th June 1881, however, it had become reduced to £642,882, as particularized below :—

* See paragraph 284 *ante*.

† Including £500,000 Treasury bonds.

‡ For detailed particulars of railway loans, see Part Interchange *post*.

§ Of this amount £620,306 is re-lent to municipal bodies, for local waterworks, the principal and interest being repaid by annual instalments—the former into a sinking fund, the latter into the general revenue.

|| 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. The whole has since been repaid.

VICTORIAN STOCK.

	£	s.	d.
Stock erected under Act 36 Vict. No. 428	1,113,000	0	0
Converted into stock under Act 36 Vict. No. 439 :—			
Six per cent. debentures	£76,680	0	0
Five ditto ditto	10,100	0	0
	<hr/>		
	86,780	0	0
Increase by conversion	13,101	18	0
	<hr/>		
	£1,212,881	18	0
Deduct stock converted into debentures :—			
Under Act 39 Vict. No. 531	£500,000	0	0
Under Act 42 Vict. No. 611	70,000	0	0
	<hr/>		
	570,000	0	0
	<hr/>		
Total on 30th June 1881	£642,881	18	0

288. Of the total amount of Victorian stock on the 30th June 1881 about two-fifths (£252,872) was held by the Treasurer, and the remaining three-fifths (£390,009) was held by the public. Stock held by Treasurer and public.

289. The whole of the Victorian stock bears interest at the rate of 4 per cent. per annum. The debentures into which portion of the stock was converted bear interest at the same rate. Interest on stock.

290. At the end of June 1881 there was a total balance of £1,255,886 to the credit of the various trust funds, of which £709,872, or 56 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, 1881.

TRUST FUNDS, 1880-1.

Accounts.	Balances at Credit, 30th June 1881.			Invested in Debentures, or Inscribed Stock.
	£	s.	d.	
Assurance fund	66,502	2	4	50,000
Suitors' fund	46,872	10	2	34,140
Police superannuation fund	72,885	12	5	70,000
Intestate estates	88,871	12	9	46,062
Municipalities	33,331	19	1	33,332
Melbourne and Hobson's Bay Railway Deposit account	9,338	0	0	9,338
Trustees, Executors, and Agency Com- pany	10,000	0	0	10,000
Exhibition Commissioners	646	15	8	...
Volunteers' ammunition fund	1,972	16	0	...
Post Office Savings Banks	894,129	10	10	} 457,000
Insolvency (unclaimed dividends)	3,160	1	9	
Customs officers' and goods overtime	1,203	10	4	
Loan redemption account	18,403	11	1	
Education result fund	7	0	1	
Sundries	45,755	15	0	...
	<hr/>			
	1,293,080	17	6	709,872
Deduct remittances and advances	37,194	14	5	...
	<hr/>			
Total	1,255,886	3	1	709,872

Trust funds,
1870 to 1881.

291. The next table shows the amount at credit of trust funds, together with the manner of its investment on the 30th June in each of the last twelve years. It will be noticed that the amount at credit has nearly trebled during the period :—

TRUST FUNDS, 1870 TO 1881.

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

Indebted-
ness per
head.

292. On the 30th June 1881 the estimated population of Victoria was 867,078. If the amount of debt at the same period (£22,593,102) be divided by this number, the proportionate indebtedness of each man, woman, and child in the colony will be shown to have been £26 1s. 2d. †

Increase of
debt, 1880-1.

293. The increase of the public debt during the year 1880-1 amounted to £2,536,502 2s. 1d., which was made up of a loan of £2,000,000, being the balance of the £5,000,000 authorized to be borrowed under the Railway Loan Act 1878 (42 Vict. No. 608); of the sum of £500,000 raised by means of Treasury bonds; and of £36,502 2s. 1d. resulting from the sale of Government stock. The increase of indebtedness per head of population was £2 9s. 5d. †

Floating of
£5,000,000
loan

294. The loan of £5,000,000 just referred to was raised in London by means of debentures bearing interest at the rate of 4½ per cent. per annum, and falling due on the 1st January 1904. The first portion of this loan, amounting to £3,000,000, was floated on the 13th March 1879, and the balance, viz., £2,000,000, on the 29th September 1880. The tenders for the latter numbered 872, and the amount tendered was £10,786,900. Eighteen tenders were accepted, of which the highest

* 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," and "charges on account finance of succeeding year," &c.

† On the 30th June 1882 the public debt was £22,121,202. At the same date the estimated population was 892,245. The amount of indebtedness per head was thus £24 15s. 10d.

was at the rate of £103 11s. 6d. per £100, and the lowest at the rate of £103 2s. The gross proceeds amounted to £2,063,709, which gives an average of £103 3s. 8½d.; and the net proceeds—after deducting all expenses, which amounted to £17,801, or 17s. 9½d. per cent.—were £2,045,908, or an average of £102 5s. 11d. per £100 debenture. The following is a comparison of these particulars with the corresponding ones for the loan floated in the previous year. The quotations are, in all cases, exclusive of accrued interest :—

PARTICULARS OF FLOATING LOAN OF 1879 AND 1880.

Particulars.	First Portion— £3,000,000.	Remaining Portion— £2,000,000.
When floated	13th March 1879	29th September 1880
Minimum price fixed per £100 £	96 16 1	100 0 0
Number of tenders	1,407	872
Amount tendered £	8,503,200	10,786,900
Number of tenders accepted	427	18
Highest tender per £100 £	101 1 1	103 11 6
Lowest tender accepted per £100 £	97 14 7	103 2 0
Gross proceeds, average per £100 £	97 17 5½	103 3 8½
Deduct expenses, ditto £	0 18 3	0 17 9½
Net proceeds, ditto £	96 19 2½	102 5 11

295. The following is a statement of the purposes for which this loan was authorized. It will be observed that about 4¼ millions sterling was set down for Railways, and nearly the whole of the remainder for Water Supply and other Public Works :—

Purposes
for which
raised.

LOAN OF 1879 AND 1880.—PURPOSES FOR WHICH RAISED.

Purposes for which authorized.	Amount authorized.
RAILWAYS :—	£
Towards purchase of Melbourne and Hobson's Bay United Railway	1,043,520
Construction of railways already authorized... ..	150,000
Rolling stock for railways	180,000
Railway station at Melbourne, &c.	150,000
Repaying to revenue certain sums expended and to be expended on railways, &c.	229,480
Construction of railways to be authorized	2,500,000
Total railways	£4,253,000
WATER WORKS :—	
Towards works in connection with Yan Yean water supply	125,000
For loans to Municipal Corporations for water supply	100,000
Total water works	£225,000

LOAN OF 1879 AND 1880.—PURPOSES FOR WHICH RAISED—
continued.

Purposes for which authorized.	Amount authorized.
PUBLIC WORKS :—	£
Towards construction of Houses of Parliament, Law Courts, and public offices	200,000
Erection of State school buildings	200,000
Bridge across Yarra in line of Swanston street, Melbourne	60,000
Total public works	£460,000
For repaying deficiency on sale of Victorian Government stock converted into debentures	£62,000
Grand Total	£5,000,000

296. In order to provide for a temporary deficit in the public finances,* Treasury bonds of the nominal value of £500,000 were issued towards the close of the year 1880. These bonds were legalized under Act 44 Vict. No. 663. Each bond was of the value of £100, and bore interest at the rate of 5 per cent. per annum. The bonds were divided into three lots of £166,600, £166,700, and £166,700, redeemable in one, two, and three years respectively, and were successfully disposed of on the 19th October 1880. The tenderers numbered 35, the tenders 78,† and the total amount tendered was £1,228,900. The whole of the bonds, however, with the exception of 291 of those for three years, were obtained by one Sydney firm. The price obtained for the one year's bonds was £101 5s. 2d.; for the two years', £101 10s. 2d.; and the average for the three years' was £101 2s. 4d. The proceeds of the first was £168,696; of the second, £169,215; and of the third, £168,564; or a total of £506,475. The money was thus obtained at the rate of $3\frac{3}{4}$ per cent., $4\frac{1}{4}$ per cent., and $4\frac{3}{5}$ per cent. per annum for the one, two, and three years' bonds respectively.

297. The bonds for one year (£166,600) were redeemed in due course on the 1st November 1881, and subsequently, on the 13th February 1882, the revenue being in a flourishing condition, the sum of £166,700 representing the whole of the bonds for two years, and the sum of £137,000, being portion of those for three years—or in all £304,300—was paid off. The balance outstanding was thus reduced to £29,100, which the Treasurer is prepared at any time to discharge.

* See paragraph 192 *ante*.

† There were 36 tenders for the one-year, 10 for the two-year, and 32 for the three-year bonds.

Issue of
Treasury
bonds.

Redemption
of Treasury
bonds.

298. As the Government receive only 3 per cent. from the banks for balances lying to their credit, but would have to pay the bondholders 5 per cent., there is evidently a saving on redemption of 2 per cent. The total amount saved by the transaction for the remaining period of 21 months may, therefore, be reckoned as follows :—

Saving of 2 per cent. on—

£137,600 for 21 months	...	...	£4,816	0	0
£166,700 for 9 months	...	...	2,500	0	0
Gross saving ...	...	...	...	...	£7,316 0 0
Less premium paid on redemption	...	...	...	...	3,804 0 0
Net saving	...	...	...	...	£3,512 0 0

299. 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 eight years ended with 1880; also the number of years' revenue the debt is equal to in each year :—

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 ...	1873	12,445,722	16 2 5	3·42
	1874	13,990,553	17 17 4	3·41
	1875	13,995,093	17 13 8	3·30
	1876	17,011,382	21 4 5	3·60
	1877	17,018,913	20 17 5	3·78
	1878	17,022,065	20 11 5	3·78
	1879	20,050,753	23 17 0	4·34
	1880*	22,060,749	25 13 0	4·77
New South Wales	1873	10,842,415	19 7 0	3·25
	1874	10,516,371	18 0 0	3·00
	1875	11,470,637	18 18 2	1·78
	1876	11,759,519	18 13 5	2·34
	1877	11,724,419	17 14 1	2·04
	1878	11,688,119	16 16 11	2·35
	1879	14,937,419	20 6 10	3·34
	1880	14,903,919	20 3 2	3·04
Queensland ...	1873	4,782,850	32 12 1	4·27
	1874	5,249,350	32 2 1	4·52
	1875	6,435,250	35 9 11	5·10
	1876	6,435,250	34 7 11	5·09
	1877	7,685,350	37 16 10	5·35
	1878	8,935,350	42 8 11	5·73
	1879	10,192,150	46 15 8	6·97
	1880	12,192,150	53 18 7	7·56

* For the figures on the 30th June 1882, see footnote to paragraph 293 ante.

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.	
South Australia ...	1873	2,174,900	10 19 7	2·17
	1874	2,989,750	14 12 3	2·98
	1875	3,320,600	15 15 7	2·85
	1876	3,837,100	17 0 1	2·91
	1877	4,737,200	20 0 0	3·29
	1878	5,329,600	21 8 5	3·35
	1879	6,605,750	25 9 2	3·97
	1880	9,865,500	36 17 5	4·86
Western Australia	1873	35,000	1 7 2	·26
	1874	119,000	4 10 10	·80
	1875	135,000	5 1 1	·86
	1876	135,000	4 18 10	·83
	1877	161,000	5 15 8	·97
	1878	184,556	6 11 0	1·13
	1879	361,000	12 11 10	1·84
	1880	361,000	12 8 9	2·00
Tasmania ...	1873	1,477,600	14 3 7	5·03
	1874	1,476,700	14 3 6	4·50
	1875	1,489,400	14 7 4	4·33
	1876	1,520,500	14 8 3	4·64
	1877	1,589,705	14 16 10	4·39
	1878	1,747,400	15 17 10	4·57
	1879	1,786,800	15 17 9	4·76
	1880	1,943,700	16 18 9	4·42
New Zealand * ...	1873	10,913,936	36 17 7	3·93
	1874	13,366,936	39 2 0	4·36
	1875	17,400,031	46 5 11	6·19
	1876	18,678,111	46 16 1	5·22
	1877	20,691,111	49 10 11	5·28
	1878	22,608,311	52 5 5	5·42
	1879	23,958,311	51 13 3	7·64
	1880	28,583,231	58 19 0	8·71

NOTE.—For public debts of the respective colonies at the end of 1881, see Summary of Australasian Statistics (third folding sheet) *ante*.

300. According to the returns of the last year named, by far the most heavily indebted colony, in proportion to population, was New Zealand, and next to it Queensland. Victoria was much less heavily indebted than either of these, and also less so than South Australia, but more so than any of the other colonies. 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. The order is the same as in the previous three years :—

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

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

* New Zealand has as a set-off against the debt an accrued sinking fund, which amounted on the 31st December 1880 to £2,000,000.

Order of colonies in respect to indebtedness.

301. The public debt in the different colonies varied in 1880 from an amount equal to $8\frac{3}{4}$ years' revenue in New Zealand and $7\frac{1}{2}$ years' revenue in Queensland to a sum equal to 2 years' revenue in Western Australia. Victoria occupied a central position amongst the colonies, her debt being equal to her revenue for $4\frac{3}{4}$ years. The following is the order in which the colonies stood in respect to this matter :—

Proportion of revenue to debt in Australasian colonies.

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

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

302. 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 over fifty-nine millions, being about seven millions more than in 1879, and the aggregate debt of Australia, with the addition of Tasmania and New Zealand, was nearly ninety millions sterling, being about twelve millions greater than in 1879. 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. 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 over £5 than such a proportion applied to the continental colonies alone, in explanation of which it will be remembered that whilst Tasmania is one of the most lightly, New Zealand is the most heavily, indebted colony of the group :—

Public debt of Australia and Australasia.

PUBLIC DEBT OF AUSTRALIA AND AUSTRALASIA, 1880.

	Public Debt.		
	Total Amount.	Amount per Head.*	Multiple of Revenue.†
	£	£ s. d.	
Continent of Australia	59,383,318	27 19 8	4·45
Ditto, with Tasmania and New Zealand	89,910,249	33 0 8	5·27

303. 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

Public debts of British dominions.

* For figures of population, see table following paragraph 108 ante.

† For figures of revenue, see table following paragraph 219 ante.

colony ; also the amount of debt per head of the population of each possession, and the number and fraction of a number the revenue of each would have to be multiplied with 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.

Country or Colony.	Year.	Public Debt.		
		Total Amount.	Amount per Head.*	Multiple of Revenue.†
		£	£ s. d.	
EUROPE.				
United Kingdom	1881	768,703,692	22 1 0	9·15
Malta	1879	325,616	2 2 3	1·77
ASIA.				
India	1878-9	150,995,962	0 14 5	2·31
Ceylon	1879	671,437	0 5 3	·48
AFRICA.				
Mauritius	1879	799,100	2 4 8	1·05
Natal	"	1,631,700	4 10 1	3·44
Cape of Good Hope... ..	"	10,017,409	8 12 0	1·77
Lagos	"	288	0 0 1	·005
Sierra Leone	"	104,000	1 14 2	1·37
AMERICA.				
Canada	1878-9	30,725,223	7 1 2	6·50
Newfoundland	1879	302,352	1 11 3	1·15
Bermudas	"	11,484	0 16 5	3·73
Honduras	"	1,111	0 0 11	·027
British Guiana	"	304,518	1 4 6	·77
West Indies—				
Bahamas	1879	61,000	1 11 1	1·36
Turk's Island	1875	1,000	0 3 9	·16
Jamaica	1879	718,609	1 5 9	1·25
St. Lucia	"	39,500	1 1 2	1·24
St. Vincent	"	3,000	0 1 8	·10
Barbadoes	1878	25,130	0 2 11	·21
Grenada	1879	13,500	0 6 3	·37
St. Christopher	"	4,200	0 2 11	·12
Nevis	"	Nil.	...	...
Antigua	"	60,687	1 14 0	1·40
Dominica	"	7,624	0 5 4	·39
Trinidad	"	264,380	1 14 6	·62
AUSTRALASIA.				
Australia, Tasmania, and New Zealand ‡	1880	89,910,249	33 0 8	5·27
Fiji	"	210,000	1 14 5	2·63
Total ... ..	...	1,055,912,771	4 4 0	5·81

* For population of Great Britain and the various colonies, see table following paragraph 110 ante.

† For revenue of Great Britain and the various colonies, see table following paragraph 223 ante.

‡ For public debts and amounts per head, and proportion of debt to revenue, in the various Australasian colonies, see table following paragraph 299 ante.

304. It will be observed that the total indebtedness of Great Britain and her dependencies exceeds a thousand millions sterling, and that nearly three-fourths of the amount is owing by Great Britain herself. Indebtedness of British dominions.

305. In Australasia, taken as a whole, the indebtedness, in proportion to population, is half as large again as that of the United Kingdom, which in this respect is far above any other of her dependencies. As regards individual colonies, the indebtedness per head of New Zealand is more than, and that of Queensland is nearly, two and a half times as large as the indebtedness per head of the United Kingdom; whilst that of South Australia is about two-thirds larger, and that of Victoria is larger by nearly a sixth. The two first-named colonies are, in proportion to population, by far the most heavily indebted countries in the world. Indebtedness per head of British dominions.

306. In proportion to revenue, the debt of Great Britain is far larger than that of any of its dependencies. Canada is the only one of these in which the debt is a greater multiple of its revenue than the united debt of the Australasian colonies is of their united revenues. Proportion of debts to revenues of British dominions.

307. 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.

PUBLIC DEBTS OF FOREIGN COUNTRIES.

Country.	Year.	Public Debt.		
		Total Amount.	Amount per Head.*	Multiple of Revenue.†
		£	£ s. d.	
EUROPE.				
Austro-Hungary	1878-9	342,131,000‡	8 17 6	5.38
Belgium... ..	1878	50,165,000	9 3 2	4.38
Denmark	"	9,710,000	4 18 7	3.75
France	"	794,481,000	21 10 7	6.26
Germany ... ..	...	229,008,000§	5 4 7	2.73
Greece	1879	11,557,000	6 17 8	8.66
Holland... ..	1878	79,548,000	20 11 8	8.24
Italy	1877	389,473,000	13 16 2	7.49
Portugal	1879	89,289,000	22 1 0	15.26

* For populations on which these calculations are based, see table following paragraph 112 ante.

† For revenues on which these calculations are based, see table following paragraph 231 ante.

‡ This amount is made up of £298,731,000, debt of Austria Proper, including debt of the whole empire; and £43,400,000, special debt of Hungary.

§ This amount is made up of the debt of the empire, £17,110,809, in 1879, together with the debts of the following States at the dates named, viz.:—Anhalt, £372,270 in 1878; Baden, £17,006,739 in 1879; Bavaria, £58,367 in 1878; Bremen, £4,519,276 in 1878; Brunswick, £4,593,722 in 1878; Hamburg, £6,283,926 in 1878; Hesse, £1,269,100 in 1879; Lippe, £70,000 in 1878; Lübeck, £1,284,214 in 1876; Mecklenburg-Schwerin, £2,100,000 in 1877; Oldenburg, £1,857,917 in 1878; Prussia, £62,317,573 in 1879; Reuss-Greiz, £65,475; Reuss-Schleiz, £100,027; Saxe-Altenburg, £249,331 in 1877; Saxe-Coburg-Gotha, £535,905 in 1878; Saxe-Meiningen, £526,416 in 1878; Saxe-Weimar, £531,800 in 1878; Saxony, £29,665,631 in 1878; Schaumburg-Lippe, £70,000 in 1879; Schwarzburg-Rudolstadt, £154,000; Schwarzburg-Sonderhausen, £180,216; and Würtemberg, £17,774,060 in 1878. As a set-off against the "Debt of the Empire" there exist various invested funds amounting to £43,274,396.

PUBLIC DEBTS OF FOREIGN COUNTRIES—*continued.*

Country.	Year.	Public Debt.		
		Total Amount.	Amount per Head.	Multiple of Revenue.
EUROPE— <i>continued.</i>				
		£	£ s. d.	
Roumania	1878	24,398,000	4 12 3	5·02
Russia	"	405,803,000 *	4 13 4	4·39
Spain	1880	430,367,000	25 17 9	13·82
Sweden and Norway	1879	17,774,000 †	2 16 1	2·86
Switzerland	1878	1,344,000 ‡	0 9 5	0·82
Turkey	"	257,982,000 §	12 5 9	21·50
ASIA.				
Japan	1880	72,666,000	2 2 3	6·53
AFRICA.				
Egypt	1880	97,953,000 ||	17 9 9	11·44
Tunis	"	5,000,000 ¶	2 7 8	18·31
AMERICA.				
Argentine Confederation	1878	21,468,000	8 18 11	6·36
Brazil	1879	78,612,000	7 8 3	7·48
Mexico	"	85,100,000	9 2 2	22·75
Peru	1872	53,010,000	17 7 7	5·19
United States	1879	422,335,000 **	8 8 5	7·40

Gross amount of debt in different countries.

308. 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 £25,800,000. Next to these in point of indebtedness are Spain, the United States, Russia, Italy, Austro-Hungary, Turkey, Germany, and British India, in the order named. Besides these, Egypt is the only country which has a larger debt than the present united debts of the Australasian colonies.††

Amount of debt per head in different countries.

309. In proportion to population, the most heavily indebted independent country is Spain, which is, however, in this respect only slightly in advance of Victoria and far behind the colonies of New Zealand, Queensland, and South Australia.‡‡ Besides Spain, Portugal, and the last-named colonies, no country has as large a debt per head as the United Kingdom, which is, however, in this respect, closely approached by France.

* Including the debt bearing no interest (probably forced paper currency, estimated at £162,000,000), the State's debt to the Imperial bank on open account, amounting to £68,701,000, and Treasury bonds to the amount of £34,200,000; but excluding the Railway debt (guaranteed by the State), amounting to £91,541,000.

† This amount is made up of £12,239,000, debt of Sweden; and £5,535,000, debt of Norway.

‡ There exists, as a set-off against this debt, State property ("federal fortune") valued at £1,400,000.

§ Consisting of foreign debt, £182,981,783, and estimated internal and floating debt, £75,000,000. Paper money estimated at £90,000,000 excluded.

|| Not including floating debt, estimated at over £5,000,000.

¶ Exclusive of a floating debt of at least £320,000.

** Exclusive of paper money, estimated at over £7,000,000.

†† See table following paragraph 303 *ante*.

‡‡ See table following paragraph 299 *ante*.

310. Mexico and Turkey are more heavily indebted in proportion to their revenues than any other country. The debts of Mexico, Turkey, Tunis, Portugal, Spain, and Egypt are all larger in proportion to their revenues than the debt of the United Kingdom* is to its revenue. The debts of the Australasian colonies † are much smaller in proportion to their respective revenues than the debts of most of the foreign countries named in the table are to theirs.

Proportion of debt to revenue in different countries.

311. Rather more than half of the interest on the public debt of Victoria is payable in October and April, and nearly all the remainder in July and January. Eight-ninths 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 1881 :—

Interest on debt.

INTEREST ON PUBLIC DEBT, 1881-2.

Rate per Cent.	When Due.	Amount Payable Annually—								
		In Melbourne.		In London.		Total.				
		£	s.	d.	£	s.	d.	£	s.	d.
6	July and January	...			51,000	0	0	51,000	0	0
5	" "	15,645	0	0	105,350	0	0	120,995	0	0
4½	" "	...			225,000	0	0	225,000	0	0
4	" "	...			180,000	0	0†	180,000	0	0
	Total ...	15,645	0	0	561,350	0	0	576,995	0	0
6	October and April	73,399	4	0	420,000	0	0	493,399	4	0
4	" "	25,715	5	6	...			25,715	5	6
	Total ...	99,114	9	6	420,000	0	0	519,114	9	6
5	May and November	20,835	0	0	...			20,835	0	0
	Grand Total ...	135,594	9	6	981,350	0	0	1,116,944	9	6

312. The total sum payable annually as interest is £1,116,944, as shown by the table; but as a portion of the debt only bore interest for part of the year 1880-1, and the interest on debentures held by the Government was left unpaid, the amount actually paid in that year was only £1,032,491.

Interest payable and paid.

313. The expenses connected with the public debt, consisting chiefly of premium on remittances to London and commission—viz., ½ per cent.

Expenses of debt.

* See table following paragraph 303 ante.

† See table following paragraph 299 ante.

‡ Exclusive of £18,280, payable on debentures which are held by the Government.

on interest payable thereat—amounted to £11,044 in 1880-1, as against £11,822 in the previous year.

Interest on
debt per
head.

314. The interest and expenses of the public debt of Victoria thus amounted in 1880-1 to £1,043,535, being in the proportion of £1 3s. 0½d. per head of population, and equal to about a fifth of the total expenditure. In a former issue of the *Victorian Year-Book** it was shown that in the Australasian colonies the interest and expenses of the public debt per head varied from £2 11s. in New Zealand and £1 17s. in Queensland to 15s. in New South Wales and 6s. in Western Australia, and that the proportion to the total expenditure varied from 27 and 25 per cent. respectively in the two former to 9 and 4 per cent. respectively in the two latter; also, that in only one of 29 of the principal countries in the world—viz., France—is the annual charge per head in respect to the public debt higher than in Victoria.

Municipal
debt.

315. Municipalities in Victoria are empowered by the Local Government Act† to borrow money for permanent works or undertakings, but the amount so borrowed is not to exceed ten times their average annual net income during the three years preceding the contraction 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 1881, also of the total amounts included therein. These amounts are exclusive of sums borrowed by the Municipalities through the General Government for waterworks (viz., £652,850, of which £18,404 has been repaid into a sinking fund)—they being included in the public debt of the colony‡:—

MUNICIPAL DEBT, 1881.

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... ..	32	£ 609,375
Shires	29	118,718
Total... ..	61	728,093

Rates of
interest
paid by
municipalities.

316. The rates of interest paid by municipalities were from 6 to 8 per cent., except in the case of two shires, in which the rate on portion of the loan and two in which the rate on all the loan was 5 per cent., and in one city (Melbourne), where the rates on portions of the loan

* See *Victorian Year-Book*, 1879-80, paragraph 255 *et. seq.*

† 38 Vict. No. 505.

‡ See paragraph 286 *ante.*

were 5 and $4\frac{1}{2}$ per cent. ; and of one borough, in which it was as high as 9 per cent.

317. If the municipal debts, as shown above, be added to the debt of the General Government, viz., £22,593,102,* it will appear that the total liability of the colony in 1881 was £23,321,195, or a proportion of £27 8s. 6d. per head of population.

General and
municipal
debt.

318. 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 five millions sterling have been expended by the State in giving effect to its provisions. Of this amount nearly a fourth was for the erection, maintenance, and rent of school buildings ; and the remainder, with the exception of £30,000, expended on pensions and gratuities, represented the cost of education. The following table shows the expenditure under those heads for each year, from 1872-3 to 1880-1, also the total for the period :—

Expenditure
on public
instruction.

EXPENDITURE ON PUBLIC INSTRUCTION, 1872-3 TO 1880-1.

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	112,599	536,848
1876-7 ...	439,723	2,155	178,337	620,215
1877-8 ...	469,547	2,760	248,649	720,956
1878-9 ...	519,545	6,134	98,944	624,623
1879-80 ...	503,923	10,366	82,413	596,702
1880-1 ...	515,644	6,726	105,189	627,559
Total ...	3,805,319	29,904	1,181,306	5,016,529

319. It will be observed that the annual cost of instruction has been fast increasing, and amounted to over half a million sterling in each of the last three years—the cost for the last year being, however, less by £3,901 than that for 1878-9. During the same three years, as a natural consequence of the system becoming matured, the expenditure on school buildings has considerably fallen off. I may remark that prior to 1872-3 the total annual expenditure on public instruction was under £200,000.

Cost of
system at
different
periods.

320. 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 much money to this object, little more than £10,000 having been spent on immigration during the

Expenditure
on immi-
gration.

* The debt of the General Government has since been increased to £22,121,202.

last nine years, and only £104 in the year ended with the 30th June 1881. The following are the amounts spent in introducing immigrants during each year, beginning with the one in which separation took place :—

EXPENDITURE ON IMMIGRATION, 1851 TO 1880-1.*

		£			£
1851	...	116,363	1868	...	32,549
1852	...	206,552	1869	...	50,637
1853	...	209,925	1870	...	33,313
1854	...	390,352	1871 (six months)		14,840
1855	...	187,355	1871-2	...	21,808
1856	...	115,716	1872-3	...	4,094
1857	...	115,877	1873-4	...	2,251
1858	...	59,023	1874-5	...	1,583
1859	...	48,809	1875-6	...	760
1860	...	6,948	1876-7	...	500
1861	...	63,739	1877-8	...	366
1862	...	115,209	1878-9	...	342
1863	...	50,081	1879-80	...	28
1864	...	47,887	1880-1	...	104
1865	...	41,808			
1866	...	35,813			
1867	...	38,402			
			Total ...		<u>£2,013,034</u>

Expenditure on immigration in Australasian colonies.

321. The expenditure on immigration in each of the Australasian colonies, together with the amount so expended per head of population, for 1879, is shown in the following table. It will be observed that Tasmania is not mentioned, as that colony does not now spend any money on the introduction of immigrants :—

EXPENDITURE ON IMMIGRATION IN THE AUSTRALASIAN COLONIES.

Colony.	Year.	Expenditure on Immigration.	
		Total Amount.	Amount per Head of Population.
		£	s. d.
Victoria	1878-9	342	0 0 $\frac{1}{10}$
New South Wales	1879	103,766	2 11
Queensland	1878-9	95,139	9 0 $\frac{1}{2}$
South Australia	1879	58,894	4 7 $\frac{3}{4}$
Western Australia	"	1,163	0 9 $\frac{3}{4}$
New Zealand	"	176,630	7 10 $\frac{1}{2}$
Total	...	435,934	...

Expenditure on immigration in Australasia.

322. It will be observed that four of the colonies still expend considerable amounts on immigration, and that nearly £436,000 was so expended by the whole group in a single year ; also that, per head of the population, the expenditure on immigration is over 9s. in Queensland, but amounts to only a small fraction of a penny in Victoria.

* 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.

323. During the last thirty-one years over forty millions sterling have been expended by the General Government of Victoria on public works, including railways, roads and bridges, water supply, and other works and buildings. Of this amount, nearly one and a quarter million were spent in 1881. The whole is exclusive of the sums expended by local 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 1881 :—

GOVERNMENT EXPENDITURE ON PUBLIC WORKS. †

Public Works.	Amount Expended.		
	Prior to 1881.	During 1881.	Total.
	£	£	£
Railways	19,727,933	782,134	20,510,067
Roads and bridges	6,930,984	31,631	6,962,615
Waterworks, Melbourne (Yan Yean)	1,611,517	39,929	1,651,446
„ country	1,876,225	40,267	1,916,492
Other public works	8,905,235	317,352	9,222,587
Total	39,051,894	1,211,313	40,263,207

324. The expenditure on the Melbourne Waterworks, as given in the above table, viz., £1,651,446, consists of £1,572,385 for “construction” and £79,061 for repairs. And from a return presented to Parliament in November 1881‡ it appears that, besides these items, the total cost of management since 1858 was £153,449; and the gross revenue received since the opening of the works in 1854 amounted to £1,634,750; also that if the net proceeds (*i.e.*, gross revenue, less expenses of management and repairs) had been invested at $4\frac{1}{2}$ per cent. compound interest, instead of being paid annually into the consolidated revenue, they would have accumulated at the end of June 1881 to a sum of £2,258,969.

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

* See table following paragraph 276 *ante*.

† The Railway returns are brought down to the 31st December; those of the other works to the 30th June of the year named.

‡ See Parliamentary Paper C. No. 4, Session 1881.

Age an element in certain cases only.

326. 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.

Pensions.

327. Of pensions there were in 1880-1 four in all, embracing allowances to two officers released from responsible offices 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 £2,933.

Superannuation allowances.

328. The persons entitled to superannuation allowances in the same year numbered 238. They consisted of three former judges of County Courts, of an ex-Surveyor-General, and 223 other ex-officers of the Civil Service, also of 10 ex-officers of the Lunacy Department. The aggregate amount of the allowances to these persons was £33,166, or an average of £139 7s. 1d. to each recipient.

Pensions, &c., 1880 and 1881.

329. Taken together, the pensions and superannuation allowances numbered 241, or 46 more than in the previous year, and amounted to £35,266, or £3,060 more than in that year. The average to each recipient was £146 6s. 7d., or £18 16s. 7d. less than in 1879-80.

Pensions, &c., 1880-1.

330. 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 during 1880-1, and the gross and average amount of the pensions and superannuation allowances payable, will be found in the following table:—

PENSIONS AND SUPERANNUATION ALLOWANCES, 1880-1.

Authority under which legalized.	Description of the Recipients.	Number of Persons on the List.	Amount Payable in 1880-1.*					
			Total.			Average to each Recipient.		
			£	s.	d.	£	s.	d.
PENSIONS.								
18 & 19 Vict. cap. 55 (Constitution Act, Schedule D)	Former Ministers of the Crown	2	1,833	6	8	916	13	4
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 Gov- ernor of Victoria	1	1,000	0	0	1,000	0	0

* These columns contain the amounts payable according to the Treasurer's statement. The sums actually paid were in some instances less, as the reductions in consequence of the deaths of recipients during the year are not taken into account in the figures.

PENSIONS AND SUPERANNUATION ALLOWANCES, 1880-1—
continued.

Authority under which legalized.	Description of the Recipients.	Number of Persons on the List.	Amount Payable in 1880-1.					
			Total.			Average to each Recipient.		
			£	s.	d.	£	s.	d.
SUPERANNUATION ALLOWANCES.								
21 Vict. No. 20 ...	Surveyor-General ...	1	1,000	0	0	1,000	0	0
33 Vict. No. 345 (County Court Statute)	County Court Judges ...	3	2,250	0	0	750	0	0
25 Vict. No. 160 (Civil Service Act)	Officers in the Civil Service	223	28,855	0	9	129	10	7
31 Vict. No. 309 (Lunacy Statute)	Officers in the Lunacy Department	10	227	4	6	22	14	6
Total ...		241	35,265	11	11	146	6	7

331. 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 consists of an annual income of £2,800, arising from the investment of £70,000 in Government stock. This is supplemented by an annual grant of £2,000 from the consolidated revenue; by fines imposed on, and penalties and damages awarded to, members of the force by magistrates; and, if necessary, by a deduction not exceeding 2½ per cent. from the pay of the members of the force. 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.

332. The number of recipients of police retiring allowances in 1880-1 was 110, the gross amount payable was £9,411 14s. 10d., or an average of £85 11s. 3d. to each recipient. In addition, gratuities in lieu of retiring allowances were paid in 20 instances. These gratuities amounted in the aggregate to £5,738 0s. 5d., or an average of £286 18s. to each recipient.

Number of police pensions and gratuities, 1880-1.

333. In the year under review, for the fourth 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 2½ per cent., or the full amount allowed by law, and realised £4,189. Even with this addition, however, the ordinary receipts proved insufficient, and, the balance from previous years having gradually dwindled away, it became necessary for Parliament in 1880-1 to vote a sum of £2,600 in aid of the fund.

Deduction from pay of police.

Retiring allowances granted for infirmity.

334. 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, 26 per cent. of those granted to civil servants, and as many as 55 per cent. of those granted to the police, were awarded in consequence of infirmity or disablement before the full age had been attained.

Allowances voted by Parliament.

335. Besides the superannuation allowances and pensions for which amounts are specially appropriated, certain allowances are voted by 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; and in addition, for the first time in 1880-1, pensions were voted to the widows of two constables who were shot by the Kelly gang of outlaws. Over two-thirds of the retired public servants referred to were prior to their retirement connected with the Education Department, chiefly as State school teachers. The number of retiring allowances voted in 1880-1, 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, 1880-1.

Department.	Number of Recipients.	Allowances Voted.					
		Total Amount Paid.			Average to each Recipient.		
		£	s.	d.	£	s.	d.
SUPERANNUATION ALLOWANCES.							
Railways	10	2,300	17	9	230	1	9
Public Works and Water Supply ...	15	1,559	1	5	103	18	9
Education	82	5,173	13	11	63	1	11
Chief Secretary	6	273	18	5	45	13	1
Government Printing Office	1	97	10	0	97	10	0
Trade and Customs	3	266	14	4	88	18	1
Crown Lands	1	75	0	0	75	0	0
PENSIONS.							
Widows of Constables shot by the Kelly gang of outlaws	2	152	5	10*	76	2	11
Total	120	9,899	1	8	82	9	10

* This is in addition to amounts paid out of the Police Superannuation Fund.

336. The following is a summary of the pensions and superannuation allowances, of all descriptions, payable out of the general revenue during the year 1880-1 :—

Summary of retiring allowances.

SUMMARY OF PENSIONS AND RETIRING ALLOWANCES PAYABLE *
FROM THE REVENUE, 1880-1.

	£	s.	d.
Former Ministers of the Crown	1,833	6	8
Lady Darling and Mrs. Petrie	1,100	0	0
Former judges of County Courts	2,250	0	0
" Surveyor-General	1,000	0	0
" officers of the Civil Service	28,855	0	9
" Lunacy department	227	4	6
" police	4,600	0	0†
Allowances voted by Parliament	9,899	1	8
Total	£49,764	13	7

PART III.—DEFENCES.

337. The paid Artillery Corps‡ having been disbanded on the 31st December 1880, the Land Forces of Victoria at present consist only of Volunteers, embracing the Cavalry, Artillery, Rifle, Engineer, and Torpedo and Signal arms of the service. The following table shows the designation, strength, and establishment of the various corps on the 31st December 1881 :—

LAND FORCES.—STRENGTH AND ESTABLISHMENT.

Branch of Service (all Volunteers).	Strength, 31st December 1881.				Total.	Wanting to Complete.	Establishment.
	Officers.	Ser-geants.	Rank and File.				
			Regular.	Supernumerary.			
Cavalry—							
Metropolitan Troop	4	4	21	...	29	13	42
Kyneton "	4	2	38	2	44	...	42
Sandhurst "	5	5	32	...	42	...	42
Ballarat "	5	5	45	13	55	...	42
Southern "	4	4	29	...	37	5	42
Castlemaine "	4	3	42	7	49	...	42
Artillery—							
E. Melbourne Corps	7	12	97	...	116	109	225
St. Kilda "	7	14	128	...	149	1	150
Metropolitan "	5	13	127	...	145	5	150
Williamstown "	10	9	141	...	160	40	200
Geelong "	5	12	99	...	116	34	150

* The amounts actually paid were in some instances less than these. See footnote to table following paragraph 330 ante.

† These figures represent the amount payable from the general revenue, which consist of the usual endowment of £2,000 and an additional amount of £2,600 which was voted by Parliament. For total of retiring allowances to the police from all sources, see paragraph 332 ante.

‡ This corps has recently been re-established with a total strength of 125 men.