

PART III.—FINANCE.

238. The following is a statement of the revenue and expenditure of Victoria in the financial year ended on the 30th June, 1889; the excess of the former over the latter; the credit balance brought forward from 1887-8, and that carried forward to 1889-90:—

FINANCE ACCOUNT OF VICTORIA, 1888-9.*

(Exclusive of recoups and advances to be recouped.)†

	£	s.	d.
Receipts	8,675,989	17	7
Expenditure	7,919,902	0	1
Receipts in excess of expenditure	756,087	17	6
Credit balance from 1887-8	948,758	4	7†
Credit balance carried forward to 1889-90 ...	1,704,846	2	1

239. It is thus shown that during the financial year under review there was a surplus of revenue amounting to £756,088, which being added to a credit balance of £948,758 brought forward from 1887-8, a total is arrived at of £1,704,846 to be carried forward to 1889-90. This exceeds by close on £1,100,000 the largest credit balance ever previously remaining in Victoria at the end of any financial year.

240. With reference to this credit balance, it should be stated that sums amounting in the aggregate to £658,936—as set forth in the report of the Commissioners of Audit upon the Treasurer's Accounts for the year 1888-9—were expended during the financial year 1888-9 over and above the amounts voted for the services to which such sums were applied, and which therefore could not be legally charged to the expenditure of that year. These being deducted, the credit balance is at once reduced to £1,045,910; and if a deduction be also made of the amount of interest on the public debt which had accrued to the 30th June, 1889—viz, £540,998 payable on the 1st July, and £113,546 payable on the 1st October following, or £654,544 in all—the

* According to a statement distributed to members of the Legislative Assembly in July, 1890, by the Honorable the Treasurer, the revenue of 1889-90 was £8,511,105, and the expenditure was £9,750,204, the latter thus exceeding the former by £1,239,099, which amount being deducted from the balance at the beginning of the financial year leaves a credit balance of £465,747 to be carried forward. This credit balance would have been increased to £983,000, but for an alteration in the method of charging the expenditure. See first footnote on next page. The estimated mean population of the same twelve months was about 1,118,200; so that the revenue per head was £7 12s. 3d., and the expenditure per head £8 14s. 5d. These figures are not final. Further details are given in an Appendix published at the end of this volume.

† In consequence of recoups being excluded, as explained in the last edition of this work, the balance carried forward from 1887-8 is here set down as £948,758, instead of £893,493, as shown in the Treasurer's Finance Statement. For particulars of recoups, etc., see paragraph 266, and tables following paragraph 260 *et seq. post.*

credit balance is still further reduced to £391,366. It should, however, be pointed out that the system of carrying forward sums expended but not voted, and making no allowance for interest accrued but not yet payable, has prevailed for years past,* the amounts so treated in the previous financial year (1887-8) being as follow:—Sums expended in the year carried forward to 1888-9, £507,123;† interest accrued in the year, but not due until 1888-9, £603,994 or £1,111,117 in all.

241. In the following table the receipts and expenditure, exclusive of advances recouped and to be recouped, are given for each of the fifteen financial years ended with 1888-9; also the surplus or deficiency of revenue in each year, and the credit or debit balances carried forward from year to year:—

NET PUBLIC REVENUE AND NET PUBLIC EXPENDITURE,
1874-5 TO 1888-9.

Year.	Excluding Advances Recouped and to be Recouped.‡			
	Public Revenue.	Public Expenditure.	Surplus (+). Deficiency (-).	Balances carried forward. Credit (+). Debit (-).
	£	£	£	£
1874-5	4,169,700	4,296,649	-126,949	+120,155
1875-6	4,325,156	4,394,066	-68,910	+51,245
1876-7	4,513,738	4,336,139	+177,599	+228,844
1877-8	4,485,412	4,536,062	-50,650	+178,194
1878-9	4,520,277	4,809,724	-289,447	-111,253
1879-80	4,600,627	4,803,790	-203,163	-314,416
1880-81	5,115,041	5,100,225	+14,816	-299,600
1881-2	5,589,972	5,145,764	+444,208	+144,608
1882-3	5,602,066	5,643,885	-41,819	+102,789
1883-4	5,934,578	5,653,293	+281,285	+384,074
1884-5	6,290,361	6,121,564	+168,797	+552,871
1885-6	6,416,406	6,513,540	-97,134	+455,737
1886-7	6,733,826	6,561,251	+172,575	+628,312
1887-8	7,607,598	7,287,151	+320,447	+948,758
1888-9	8,675,990	7,919,902	+756,088	+1,704,846

242. As the amounts of revenue and expenditure as given in this table are exclusive of recoups and advances to be recouped, the figures will not agree with those in the first folding sheet published in the second volume of this work, or in the next table, in which the gross amounts are given.

* The same principle in regard to the charging of interest has been followed since the first loan was floated thirty years ago. The Treasurer in his budget speech, delivered on the 31st July, 1890, stated that he proposed thenceforth to alter the system of charging expenditure forward, and accordingly brought down supplementary estimates to provide for the change; the system of charging interest to the year in which it is paid, is, however, to be continued.
† See Report of the Commissioners of Audit upon the Treasurer's Accounts for the year 1887-8.
‡ For particulars of advances and recoups, see tables following paragraphs 260 and 264 *post*.

243. The following, according to the folding sheet just referred to,* are the amounts of surplus or deficiency of revenue in each year, and the balances carried forward from year to year from 1856 to 1888-9:—

**GROSS SURPLUS OR DEFICIENCY OF REVENUE, AND BALANCES,
1856 TO 1888-9.**

Year.	Including Advances Recouped and to be Recouped.†		Year.	Including Advances Recouped and to be Recouped.†	
	Surplus (+). Deficiency (-).	Balances carried forward. Credit (+). Debit (-).		Surplus (+). Deficiency (-).	Balances carried forward. Credit (+). Debit (-).
	£	£		£	£
1856 ...	+ 303,662	+ 249,994	1871-2...	+ 74,888	+ 101,858
1857 ...	+ 359,645	+ 609,639	1872-3...	+ 139,182	+ 241,040
1858 ...	- 119,337	+ 490,302	1873-4...	- 70,548	+ 170,492
1859 ...	- 132,842	+ 357,460	1874-5...	- 81,698	+ 88,794
1860 ...	- 232,846	+ 124,614	1875-6...	- 247,688	- 158,894
1861 ...	- 139,920	- 15,306	1876-7...	+ 365,781	+ 206,887
1862 ...	+ 229,582	+ 214,276	1877-8...	- 129,936	+ 76,951
1863 ...	- 108,251	+ 106,025	1878-9...	- 211,859	- 134,908
1864 ...	+ 26,435	+ 132,460	1879-80	- 253,747	- 388,655
1865 ...	+ 93,108	+ 225,568	1880-81	+ 77,369	- 311,286
1866 ...	- 142,865	+ 82,703	1881-2...	+ 446,598	+ 135,312
1867 ...	- 25,501	+ 57,202	1882-3...	- 40,632	+ 94,680
1868 ...	+ 41,432	+ 98,634	1883-4 ..	+ 219,394	+ 314,074
1869 ...	+ 157,819	+ 256,453	1884-5...	+ 150,005	+ 464,079
1870 ...	- 166,499	+ 89,954	1885-6...	- 32,519	+ 431,560
1871 ^{six} mths	- 62,984	+ 26,970	1886-7...	+ 172,575	+ 604,135
			1887-8...	+ 289,358	+ 893,493
			1888-9...	+ 811,353	+ 1,704,846

244. It will be noticed that the gross revenue showed a surplus in seventeen and a deficiency in sixteen of the years named; a deficiency also in the six months ended with June, 1871. On the whole, the deficiencies were smaller than the surpluses, as the balance carried forward at the end of the last year exceeded that at the end of the first year of the period by £1,454,852. By far the largest surplus of revenue was in the year under review (1888-9), when it exceeded by over one-third of a million sterling that in 1881-2, which came next. The credit balance carried forward at the end of 1888-9 was also much larger than that in 1887-8, which in turn was much larger than in any previous year. The largest deficiency of revenue was in

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

† See footnote to the last table.

1879-80, that being also the year at the end of which the largest debit balance was carried forward.

Changes in
sources of
revenue.

245 During the year 1888-9 no changes were made affecting the incidence of taxation, or tending to increase or diminish the amounts derived from other sources of revenue, excepting the railway income. As the railways were extended by an average length of 197 miles during the year, the extra revenue derivable therefrom, allowing £1,000 per mile,* should have been £197,000. Moreover an unforeseen increase of £84,600, as compared with 1887-8, occurred in the amount received from duties on estates of deceased persons—a source of income which is naturally subject to fluctuations. Thus, in consequence of the extension of railways and accidental circumstances, the receipts of 1888-9, as compared with those of the previous twelve months, show an increase of £281,600.†

Revenue
1887-8 and
1888-9
compared.

246. The total revenue raised in 1888-9 was about £1,070,000 in excess of that in the previous year; but by making allowances for receipts from sources not common to both years, as shown in the last paragraph, the excess is reduced to £787,000, thus :—

COMPARATIVE REVENUES, 1887-8 AND 1888-9.

	1887-8. £	1888-9. £
Revenue proper (<i>i.e.</i> , exclusive of recoups,‡ etc.) ...	7,607,598	8,675,990
Deduct amonnts from sources not common to both years ...	...	281,600
Comparative amounts	<u>£7,607,598</u>	<u>8,394,390</u>

Revenue
1888-9 and
previous
years.

247. The revenue of 1888-9 was by far the largest ever raised in Victoria. It exceeded the revenue of 1887-8, which was the year in which the largest revenue had previously been realized, by £1,070,000, as already stated; and exceeded the revenue of 1886-7, which was the year in which the next highest revenue had been raised, by over £940,000.§ In the ten years ended with the year under review the revenue increased from £4,600,000 to £8,700,000, or by 89 per cent., the population during the same period having increased by only about 29 per cent.

Expenditure
1888-9 and
former
years.

248. The expenditure of 1888-9 was also much above that of any previous year, it being larger than in 1887-8—the year in which the

* See table of "Earnings and Expenses of Railways per mile open," in part "Interchange," in the second volume.
† There was also a small increase of about £2,600 in consequence of the Government Telephone Exchange having been open for two months longer than in 1887-8.
‡ See table following paragraph 260 *post*.
§ 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) published in the second volume of this work.

next largest expenditure occurred—by over £630,000, larger than in 1886-7, which came next by about £1,360,000.* Prior to 1853, the annual expenditure never exceeded one million sterling; from 1853 to 1872-3 it was usually nearly up to or slightly over three millions; from 1873-4 to 1879-80 it was between four and four and three-quarter millions; from 1880-81 to 1883-4 it ranged from five to nearly five and three-quarter millions, and from 1884-5 to 1888-9, it increased from six to close on eight millions sterling.

249. The revenue and expenditure per head for each year from that of separation from New South Wales to 1888-9 will be found in the following table:—

Revenue
and expen-
diture per
head, 1851
to 1888-9.

REVENUE AND EXPENDITURE PER HEAD, 1851 TO 1888-9.†

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

* 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) published in the second volume of this work.

† For amounts per head in 1889-90, see footnote to paragraph 238 *ante*.

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

REVENUE AND EXPENDITURE PER HEAD, 1851 TO 1888-9—continued.

Year.			Average Population of each Financial Year.	Revenue per Head.			Expenditure per Head.		
				£	s.	d.	£	s.	d.
1879-80	...	...	840,620	5	9	11	5	16	0
1880-81	...	...	860,067	6	0	7	5	18	10
1881-2	...	...	880,218	6	7	1	5	16	11
1882-3	...	...	900,222	6	4	8	6	5	7
1883-4	...	...	921,743	6	8	9	6	4	0
1884-5	...	...	946,045	6	13	0	6	9	10
1885-6	...	...	971,145	6	13	6	6	14	2
1886-7	...	...	1,003,100	6	14	3	6	10	10
1887-8	...	...	1,038,130	7	6	7	7	0	5
1888-9	...	...	1,085,630	7	19	10	7	5	11

250. The revenue per head in 1888-9 was larger by 13s. 3d., and the expenditure per head larger by 5s. 6d., than in the previous year. Both were larger than in any year since 1855. 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 ever since the latter a gradual increase has taken place, which, with slight fluctuations, has been maintained up to the present time.

251. In the thirty-three and a half years ended with 1888-9 the revenue raised exceeded the Treasurer's estimate on twenty occasions, or by £4,598,865; and was less than that estimate on fourteen occasions, or by £2,426,619. Deducting the latter from the former, the net amount by which the result exceeded the estimate is found to have been £2,172,246. The following table shows the revenue estimated and actually raised, also the difference between those amounts, in each of the years :—

REVENUE ESTIMATED AND RAISED, 1856 TO 1888-9.

Year.				Revenue.		
				According to Treasurer's Estimate.	Actually Raised.	More (+) or Less (–) than Estimate.*
				£	£	£
1856	...	...	...	2,738,600	2,972,496	+ 233,896
1857	...	...	...	3,005,130	3,328,303	+ 323,173
1858	...	...	...	3,197,900	2,973,382	– 224,518

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

REVENUE ESTIMATED AND RAISED, 1856 TO 1888-9—*continued*.

Year.	Revenue.		
	According to Treasurer's Estimate.	Actually Raised.	More (+) or Less (-) than Estimate.
	£	£	£
1859	3,384,000	3,261,104	— 122,896
1860	3,150,000	3,082,461	— 67,539
1861	3,136,000	2,952,101	— 183,899
1862	3,113,105	3,269,079	+ 155,974
1863	2,945,600	2,774,686	— 170,914
1864	2,973,000	2,955,338	— 17,662
1865	3,095,400	3,076,885	— 18,515
1866	3,186,265	3,079,160	— 107,105
1867	3,439,078	3,216,317	— 222,761
1868	2,963,050	3,230,754	+ 267,704
1869	3,241,500	3,383,984	+ 142,484
1870	3,332,200	3,261,883	— 70,317
1871 (six months)	1,664,700	1,691,266	+ 26,566
1871-2	3,538,750	3,734,422	+ 195,672
1872-3	3,611,920	3,644,135	+ 32,215
1873-4	3,883,650	4,106,790	+ 223,140
1874-5	4,259,135	4,169,700	— 89,435
1875-6	4,109,750	4,325,156	+ 215,406
1876-7	4,385,716	4,513,738	+ 128,022
1877-8	4,672,880	4,485,412	— 187,468
1878-9	4,855,666	4,520,277	— 335,389
1879-80	5,208,828	4,600,627	— 608,201
1880-81	5,093,647	5,115,041	+ 21,394
1881-2	5,241,544	5,589,972	+ 348,428
1882-3	5,584,104	5,602,066	+ 17,962
1883-4	5,779,775	5,934,578	+ 154,803
1884-5	6,048,720	6,290,361	+ 241,641
1885-6	6,285,308	6,416,406	+ 131,098
1886-7	6,516,797	6,733,826	+ 217,029
1887-8	6,968,706	7,607,598	+ 638,892
1888-9	7,792,624	8,675,990	+ 883,366

NOTE.—Recoups are deducted for all the years since 1873-4. See summary at end of table following paragraph 260 *post*.

The revenue for 1889-90 was estimated at £8,328,270, or about £183,000 below the actual result. The probable revenue for 1890-91 was estimated, in July, 1890, at £8,631,345.

252. The year in which the revenue exceeded the estimate by the largest amount is shown to have been that under review, the excess being £883,366, which is £240,000 larger than in 1887-8, and over two and a-half times as large as the next largest excess (£348,428) in 1881-2; whilst that in which it fell most short of the estimate was 1879-80, viz., by £608,201.

Years of excessive and defective estimates.

253. The sums voted by the Legislature in any year exceed, as is well known, those actually spent, the difference being sometimes erroneously designated the “savings” of the year. The following table shows the amounts voted and expended and the difference, in each of the thirty-three and a half years ended with 1888-9:—

Expenditure authorized and incurred.

AMOUNTS VOTED AND EXPENDED, 1856 TO 1888-9.*

Year.	Amounts—		Balance Unexpended.
	Voted.	Expended.	
	£	£	£
1856 ...	2,588,086	2,327,919	260,167
1857 ...	2,965,610	2,733,562	232,048
1858 ...	3,343,812	2,764,350	579,462
1859 ...	3,273,642	2,982,664	290,978
1860 ...	3,065,784	2,818,107	247,677
1861 ...	2,771,100	2,535,095	236,005
1862 ...	2,617,664	2,359,280	258,384
1863 ...	2,163,855	2,003,961	159,894
1864 ...	2,153,324	1,968,053	185,271
1865 ...	2,399,936	1,976,587	423,349
1866 ...	2,493,213	2,227,297	265,916
1867 ...	2,316,423	2,190,279	126,144
1868 ...	2,355,307	2,199,504	155,803
1869 ...	2,378,772	2,202,798	175,974
1870 ...	2,338,927	2,086,736	252,191
1871 (six months)	1,077,228	1,004,283	72,945
1871-2 ...	2,175,505	2,064,436	111,069
1872-3 ...	2,405,238	2,074,127	331,111
1873-4 ...	3,045,430	2,751,313	294,117
1874-5 ...	3,197,493	2,848,016	349,477
1875-6 ...	2,903,710	2,753,866	149,844
1876-7 ...	2,993,036	2,812,405	180,631
1877-8 ...	3,276,921	2,973,815	303,106
1878-9 ...	3,418,656	3,183,240	235,416
1879-80 ...	3,594,139	3,446,795	147,344
1880-81 ...	3,765,422	3,621,954	143,468
1881-2 ...	3,740,419	3,571,667	168,752
1882-3 ...	4,530,516	4,220,871	309,645
1883 4 ...	4,495,241	4,181,169	314,072
1884-5 ...	4,679,081	4,432,858	246,223
1885 6 ...	4,990,824	4,696,924	293,900
1886-7 ...	5,055,629	4,770,705	284,924
1887-8 ...	5,635,949	5,324,347	311,602
1888-9 ...	6,364,193	5,869,351	494,842

Amount un-
expended,
1856-89.

254. By adding the figures in the last column, it is found that the sum of the unexpended balances in the thirty-three and a half years amounted to over 8½ millions sterling, the exact amount being £8,591,751, or to an average of about £256,000 per annum.

Heads of
revenue,
1887-8 and
1888-9.

255. The various sources from which the revenue of Victoria is derived may be grouped in five main divisions, viz.:—Taxation, Crown Lands, Railways and other Reproductive Public Works, Post and Telegraphs, and Other Sources. In 1888-9, £3,750,000, or 43½ per cent., was derived from taxation ; £616,000, or 7 per cent., from Crown Lands ; £3,909,000, or 45 per cent., from what may be termed

* The amount voted for 1889-90 was £7,850,859 (including £417,328 under supplementary estimates), and the approximate expenditure from votes in that year was £7,305,952, leaving an unexpended balance of about £544,900. The probable expenditure from votes in 1890-91 was estimated in July, 1890, at £6,723,146.

the commercial undertakings of the Government, viz. :—Public Works and Post and Telegraphs, to which the State railways contributed as much as £3,105,000, or 36 per cent. of the total revenue; whilst the balance, amounting to £401,000, or about $4\frac{1}{2}$ per cent. of the whole, was derived from other sources. Of the Land Revenue, amounting to £616,000, by far the greater proportion, or £495,000—being equal to $5\frac{3}{4}$ per cent. of the total revenue—was derived from the sale of public land, which, being a receipt arising from the realization of one of the most valuable assets of the country, is obviously not a permanent source of income. Portion of this amount is properly treated as capital, for on reference to the statement of expenditure it will be seen that a sum of nearly £121,000 was paid during the year towards the construction of railways as directed by the *Land Act* 1884,* which provides that all proceeds arising from the sale of public lands by auction shall be paid to the credit of the Railway Construction Account. In 1888-9, however, the amount so paid represented barely one-fifth of the total proceeds from land sales, the great bulk of land alienated being disposed of otherwise than at auction. The following is a statement of the amounts received under various heads† in each of those divisions during the last two financial years, together with the increase or decrease under each head :—

HEADS OF REVENUE, 1887-8 AND 1888-9.

Heads of Revenue.	Amounts Received.		Increase.	Decrease.
	1887-8.	1888-9.		
TAXATION.				
	£	£	£	£
Customs duties (including also wharfage rates)	2,353,050	2,879,830	526,780	...
Excise	128,369	146,555	18,186	...
Ports and harbours (chiefly tonnage dues)	34,327	45,884	11,557	...
Licences (business)	21,002	23,904	2,902	...
Duties on estates of deceased persons...	151,861	236,449	84,588	...
Duties on bank notes	27,879	34,023	6,144	...
Stamp duty‡	230,000	260,000	30,000	...
Land tax	124,515	123,025	...	1,490
Total	3,071,003	3,749,670	678,667§	...

* 48 Vict., No. 812, section 78.

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

‡ Estimated roughly, as the Postal Authorities are unable to furnish reliable statements in consequence of the stamps hitherto used to denote stamp duty, postage, and fees having been made interchangeable, and only one class of stamps for all purposes being now issued. The telegraph revenue is now also collected by means of stamps; but there are other means of ascertaining this, so the figures may be taken as correct. The "Postal receipts" include commission on money orders and postal notes.

§ Net figures.

HEADS OF REVENUE, 1887-8 AND 1888-9—continued.

Heads of Revenue.	Amounts Received.		Increase.	Decrease.
	1887-8.	1888-9.		
LAND REVENUE.				
Land sales (including rents counting towards purchase money)	£ 549,149	£ 494,733	£ ...	£ 54,416
Rents of Crown lands (not counting towards purchase money)	106,817	119,778	12,961	...
Penalties under Land Acts ...	301	1,517	1,216	...
Total ...	656,267	616,028	...	40,239*
PUBLIC WORKS.				
Railways ...	2,741,488	3,104,907	363,419	...
Water Supply † ...	235,743	245,734	9,991	...
Other public works ...	4,764	5,805	1,041	...
Total ...	2,981,995	3,356,446	374,451	...
POST AND TELEGRAPHS.				
Postal receipts, etc.‡ ...	354,796	402,834	48,038	...
Telegraph receipts, etc. ...	130,737	150,043	19,306	...
Total ...	485,533	552,877	67,344	...
OTHER SOURCES.				
Mint charges ...	10,377	10,051	...	326
„ subsidy returned ...	3,874	3,642	...	232
Fees, fines, etc. (inclusive of fee stamps)‡ ...	164,721	174,998	10,277	...
Interest on public account ...	136,811	107,888	...	28,923
Rents (other than Crown lands) ...	2,908	3,224	316	...
Reimbursements in aid§ ...	69,041	67,130	...	1,911
Miscellaneous receipts ...	25,068	34,036	8,968	...
Total ...	412,800	400,969	...	11,831*
Grand Total || ...	7,607,598	8,675,990	1,068,392*	...

NOTE.—For further details of the revenue under each head, see table following paragraph 257 *post*, and for particulars of revenue in 1889-90, see Appendices at the end of this volume.

Increased revenue 1888-9 under various heads.

256. Comparing the revenue of 1888-9 with that of the previous year, it will be observed that, although there was a net increase of over £1,068,000 in the total revenue, there was a small decrease in the receipts from Land tax, a decrease of over £40,000 in the Land Revenue, and of nearly £12,000 under that derived from “Other

* Net figures.
† Including interest on loans to local bodies for waterworks, etc.
‡ See footnote (†) on page 141.
§ Embracing amounts received by departments which are not charged, or are only casually charged, with the collection of revenue, such as proceeds of the labour of prisoners, sums paid for the care of lunatics and of children in Industrial and Reformatory Schools ; for the service of the police when specially applied for ; for the sale of works by the Government Printer ; for the storage of gunpowder ; for quarantine expenses, etc.
|| Exclusive of recoups. The amount recouped from loans in 1888-9 was £55,265.

Sources." The decrease in the land revenue resulted from a decrease of £54,000 under land sales, less an increase of £14,000 in the rents from temporary occupation, etc. The decrease from land sales was entirely confined to the deferred payments counting towards the purchase of selected land, which fell off by £61,000;* there being an increase of £7,000 in the proceeds from auction sales. It may be mentioned that a falling-off in the former item, but of minor degree, was noticeable in the previous year. The only falling-off worthy of notice under "Other Sources," was one of £29,000 under interest on public account, which however was largely counterbalanced by increases under other heads in the same division. Large increases, however, appear in the other divisions of the revenue, viz.:—£679,000 under Taxation, £374,000 under Public Works, and £67,000 under Posts and Telegraphs. In the Public Works division the railway revenue shows the chief increase, viz., one of £363,419, which moreover exceeds by £166,000 the amount which might have been expected (viz., £197,000),† from the increased length of lines open for traffic. The Telegraph revenue continues to show remarkable expansion, the increase in 1888-9 being £19,000, whilst the total increase during the past five years was £63,100, or 73 per cent. It should be noted, however, that over £20,000 of this is derived from the telephone exchanges, taken over by the Government in September, 1887. The postal receipts also show an apparent increase of £48,000; but it should be pointed out that, although carefully estimated in the office of the Government Statist, it may be wide of the mark, the data available being, for reasons already explained,‡ inadequate to show with certainty the progress of this important branch of revenue; and the reductions made from time to time in the postal rates still further increase the difficulty of forming a correct estimate. The total stamp revenue in 1888-9 was £875,314, but after deducting the amount received on account of telegrams, which is known, there remains a balance of £749,856 for stamp duty, postage, and fees, as compared with £667,570 in 1887-8. Thus the stamp revenue, exclusive of telegraphs, showed an increase as compared with that revenue in the previous year of £82,286, as against an increase of £140,792 in 1887-8, of only £1,465 in 1886-7, of £36,931 in 1885-6, and of £43,372 in 1884-5. Of the increase in 1888-9, about £40,400 was estimated to have been derived from postage, and, after allowing a reasonable increase for fees, a balance of £30,000 was set down to stamp duty (taxation). The desirability of distinguishing stamp duty, which is

* See next table.

† See paragraph 245 *ante*.

‡ See footnote (§) to last table.

taxation, from the postal revenue and fees, which are for actual services rendered, is of great importance, and attention has often been drawn in previous issues of this work to the want of reliable information on the subject. The increase in the amount raised by taxation will be subsequently referred to.

Heads of
revenue
detailed.

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

HEADS OF REVENUE DETAILED, 1887-8 AND 1888-9.

Heads of Revenue.	1887-8.	1888-9.
LAND SALES.		
	£	£
Sales by Auction*	118,482	125,130
„ under Deferred Payments—Progress payments ...	359,549	292,238
„ „ „ „ Final „ ...	65,013	70,920
„ otherwise	6,105	6,445
Total	549,149	494,733
RENTS OF CROWN LANDS.		
Pastoral Occupation—Rents of pastoral and grazing lands†	21,147	28,920
„ „ Grazing licences	21,789	20,896
„ „ Mallee pastoral leases	6,890	5,998
Auriferous and Mineral Lands (including Miners' Rights) ...	16,965	18,144
Licences and Leases (not agricultural)	39,724	45,556
Business Licences on goldfields	302	264
Total	106,817	119,778
WATER SUPPLY, ETC.		
Melbourne (Yan Yean)	174,415	181,814
Geelong	8,415	9,009
Goldfields	21,218	21,345
Interest on Loans to Municipalities	17,546	19,551
„ „ Water Trusts	14,149	14,015
Total	235,743	245,734
OTHER PUBLIC WORKS.		
Alfred Graving Dock and Patent Slips	2,245	3,429
Fifty-ton Crane and Ferry Fares (from Harbour Trust) ...	853	732
Interest on Loans to Municipalities (bridges)	1,666	1,644
Total	4,764	5,805

* Including £4,535 in 1887-8, and £4,228 in 1888-9 for interest on deferred payments. The purchase money of land sold by auction may be spread over three years with interest at 6 per cent. added.
† Under Parts II. and III. of *Land Act* 1884.

HEADS OF REVENUE DETAILED—*continued.*

Heads of Revenue.	1887-8.	1888-9.
POST AND TELEGRAPHS.		
	£	£
Postal receipts, etc. :—		
Postage on letters, etc. (estimated)* ...	334,600†	375,000
„ parcels ...	4,790	6,305
Private boxes, transit rates, etc. ...	3,563	8,195
Commission on money orders and postal notes ...	11,843	13,334
Electric Telegraphs ...	114,879	125,458
Telephone Exchanges ...	13,018‡	} 24,510
Private telephone wires, etc. ...	2,728	
Expenses reimbursed ...	112	75
Grand Total ...	485,533	552,877
FINES, FEES, ETC.		
Fee Stamps sold (estimated) * ...	98,180	108,551
Fees, Preparation and Registration of Grants and Leases, and Survey of Lands	35,564	35,244
„ Customs and Harbour Departments ...	9,072	9,570
„ Law Courts ...	4,125	4,021
„ Curator of Estates of Deceased Persons ...	2,076	1,723
„ Mines and Water Supply Departments ...	943	1,125
„ Transfers of Victuallers' Licences ...	2,298	2,464
„ Factories and Shops ...	2,220	2,339
„ Public Service Board Examinations ...	472	382
„ Other ...	1,510	1,511
Fines, etc.—Law Courts ...	5,307	5,091
„ Customs ...	1,277	1,234
„ Factories and Shops ..	111	547
„ Under <i>Public Service Act</i> , etc. ...	537	424
„ Other§ ...	1,029	772
Total ...	164,721	174,998
REIMBURSEMENTS IN AID.		
Towards Maintenance of Industrial School children, prisoners, and lunatics	22,390	23,159
Receipts for Miscellaneous Services rendered (Police protection, storage of gunpowder, etc.)	11,986	11,374||
Sale of Books and Documents (Government Printer) ...	30,948	29,450
Aboriginal Stations—Sale of produce ...	851	936
Local Forces—Sale of rifles, etc. ...	2,649	2,092
Other Reimbursements ...	217	119
Total ...	69,041	67,130

* See note (†) on page 141 *ante*.

† Estimated from the amount of correspondence transmitted.

‡ Revenue for 10 months only, viz., from 1st September, 1887, the date of purchase by the Government.

§ Including £653 confiscated money and property in 1887-8, and £594 costs, etc., mining leases, etc., in 1888-9.

|| Consisting of £2,945 storage of gunpowder, £3,881 for Police protection, £616 percentage on payment of Imperial pensions, £1,000 from Harbour Trust for collection of wharfage, £258 for work performed by Lands Department, £571 for services of dock staff, £500 charter of steamer, £637 towards maintenance of lighthouses from Colonial Governments, £558 recouped from loans for surveys by Lands Department, etc.

HEADS OF REVENUE DETAILED—*continued.*

Heads of Revenue.	1887-8.	1888-9.
MISCELLANEOUS RECEIPTS.		
	£	£
Sale of Government Property...	4,481	5,697
Transfers from Intestate Estates Fund to Revenue	3,007	6,895
„ „ Other Trust Funds	...	...
Balance of Intestate Estates	4,824	5,426
Melbourne City Council, etc. (on account of public gardens, etc.)	3,438	3,313
Bridge at Queen-street—Contributions of South and Port Melbourne Municipalities	...	928
Immigration Tax on Chinese	1,370	...
Repayments to the Credit of Appropriations	832	834
Customs Overtime Receipts	2,835	2,810
Education Department—Sale of property, rents, etc.	1,060	5,650
Australian Lloyds, etc.—Bonuses	...	117
Kara Kara Shire—First instalment loan for fencing	...	54
Sale of Police Barracks Site, Ballarat	1,659*	...
<i>Marine Board Act</i>	...	262
Pilots' Earnings—Percentage	...	427
Receipts by Agent-General	367	941
„ under Public Service Regulations	323	218
Other Receipts	1,562	464
Total	25,758	34,036

Recoups.

258. Not included in the revenue shown in the last table but one is an amount of £54,265 recouped in 1888-9 from the Loan Account to reimburse the revenue on account of moneys advanced in the previous year for the erection of State school buildings; also an amount of £1,000 from the trustees of the General Cemetery at Frankston, which had been also advanced in 1887-8. The total amount recouped was thus £55,265. Such amounts were formerly included in the returns of Revenue, but so far as this work is concerned, they are now (except in the table headed “Gross Surplus or Deficiency of Revenue,”† and the first folding sheet published in the second volume), and will in future be, excluded from the accounts of revenue, as will also the advances to be recouped be excluded from the accounts of expenditure.

Unrecouped
advances
1888-9.

259. At the end of the financial year 1888-9, the total amount owing to the revenue was about £171,000, as compared with £150,500 at the end of June, 1888. Of the former sum all but 4 per cent. is for interest due by local bodies on moneys lent for the construction of waterworks, it being arranged not only that the interest should be paid annually, but that a further amount, generally equal to about

* This amount has been previously expended on erection of Police Barracks.

† See table following paragraph 243 *ante*.

2 per cent. upon the sum advanced, should be lodged each year to the credit of a sinking fund, in order that the debt might be eventually extinguished. The following are the particulars of the outstanding balances referred to :—

AMOUNTS DUE TO THE REVENUE, 30TH JUNE, 1889.

When Advanced.	Particulars.	Balance Outstanding.
		£
1874-5 {	Advanced Mining Companies, to assist in development of Mining industry, etc.	4,000
1888-9 & previous years. {	Interest due on Loans for Waterworks—	
	By Corporations	89,197
	„ Waterworks Trusts	31,734
	„ Irrigation and Water Supply Trusts	1,333
1875-6 & subseqt. years {	Ballarat Water Commission—Arrears of Interest on Loans capitalized	32,019
	Municipal Bodies—Ditto	9,627
	Balance of Compensation—to be refunded	208
1887-8	Trustees, Coburg Cemetery	300
1888-9 {	Council of Agriculture—	
	Improvements on Tobin Yallock Swamp	2,205
	Rabbit proof fencing, Kara Kara Shire	500
	Total	171,123

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

Heads of revenue, 1874-5 to 1888-9.

HEADS OF REVENUE, 1874-5 TO 1888-9.

Heads of Revenue.	Year.	Amounts received.	Heads of Revenue.	Year.	Amounts Received.
TAXATION.		£	TAXATION— <i>continued.</i>		£
Custom duties (including wharfage rates)	1874-5	1,628,235	Excise§ ...	1874-5	32,475
	1875-6	1,657,788		1875-6	33,437
	1876-7	1,631,832		1876-7	34,768
	1877-8	1,487,448†		1877-8	36,309
	1878-9	1,378,384		1878-9	36,088
	1879-80	1,377,782		1879-80	41,230
	1880-81	1,474,778		1880-81	136,661
	1881-2	1,694,652		1881-2	216,547
	1882-3	1,769,004		1882-3	134,711
	1883-4	1,769,108		1883-4	123,654
	1884-5	1,919,539‡		1884-5	141,225
	1885-6	2,004,460		1885-6	137,709
	1886-7	2,132,361		1886-7	120,701
	1887-8	2,353,050		1887-8	128,369
	1888-9	2,879,830		1888-9	146,555

* See footnote (†) on page 141 *ante*.

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

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

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

HEADS OF REVENUE, 1874-5 TO 1888-9—continued.

Heads of Revenue.	Year.	Amounts Received.	Heads of Revenue.	Year.	Amounts Received.
		£			£
TAXATION— continued.	1874-5	19,935	TAXATION— continued.	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
	1880-81	20,577		1880-81	23,807
	1881-2	26,263		1881-2	27,324
	1882-3	27,787		1882-3	28,685
	1883-4	30,871		1883-4	28,575
	1884-5	31,176		1884-5	27,529
	1885-6	32,710		1885-6	28,769
	1886-7	34,920		1886-7	28,104
	1887-8	34,327		1887-8	27,879
	1888-9	45,884		1888-9	34,023
Ports and harbours (chiefly tonnage dues)	1874-5	10,714	Duties on bank notes	1874-5	...
	1875-6	10,712		1875-6	...
	1876-7	11,688		1876-7	...
	1877-8	17,150*		1877-8	...
	1878-9	20,116		1878-9	...
	1879-80	21,761		1879-80	83,005
	1880-81	23,906		1880-81	115,844
	1881-2	25,977		1881-2	131,020
	1882-3	28,381		1882-3	133,433
	1883-4	31,623		1883-4	133,651
	1884-5	32,535		1884-5	143,382
	1885-6	33,922		1885-6	165,313
	1886-7	18,898†		1886-7	165,000
	1887-8	21,002		1887-8	230,000
	1888-9	23,904		1888-9	260,000
Licences (business)	1874-5	32,526	Stamp duties§ ...	1874-5	...
	1875-6	48,963		1875-6	...
	1876-7	44,104		1876-7	...
	1877-8	72,500		1877-8	50,227
	1878-9	47,983		1878-9	202,251
	1879-80	37,928		1879-80	87,553
	1880-81	78,141		1880-81	129,990
	1881-2	74,368		1881-2	121,555
	1882-3	86,648		1882-3	125,606
	1883-4	77,154		1883-4	123,884
	1884-5	124,370		1884-5	128,415
	1885-6	104,907		1885-6	126,770
	1886-7	114,909		1886-7	124,742
	1887-8	151,861		1887-8	124,515
	1888-9	236,449		1888-9	123,025
Duties on estates of deceased per- sons	1874-5	32,526	Land Tax|| ...	1874-5	...
	1875-6	48,963		1875-6	...
	1876-7	44,104		1876-7	...
	1877-8	72,500		1877-8	50,227
	1878-9	47,983		1878-9	202,251
	1879-80	37,928		1879-80	87,553
	1880-81	78,141		1880-81	129,990
	1881-2	74,368		1881-2	121,555
	1882-3	86,648		1882-3	125,606
	1883-4	77,154		1883-4	123,884
	1884-5	124,370		1884-5	128,415
	1885-6	104,907		1885-6	126,770
	1886-7	114,909		1886-7	124,742
	1887-8	151,861		1887-8	124,515
	1888-9	236,449		1888-9	123,025

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

† Decrease due to the proportion of revenue formerly derived from publicans' licences, etc., now payable into a Trust Fund, as directed by the *Licensing Act* 1885.

‡ For six months only.

§ The duties were imposed on the 18th December, 1879, and consequently the amount received in 1879-80 was for only 6½ months. Since 1st January, 1884, the revenue therefrom has been estimated. See footnote (‡) on page 141 *ante*. Particulars of the duties levied are given in a subsequent paragraph.

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

HEADS OF REVENUE, 1874-5 TO 1888-9—*continued.*

[illegible]

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

† Including interest on loans to local bodies.

HEADS OF REVENUE, 1874-5 TO 1888-9—continued.

Heads of Revenue.	Year.	Amounts Received.	Heads of Revenue.	Year.	Amounts Received.
POST AND TELE- GRAPHS.		£	OTHER SOURCES— <i>continued.</i>		£
	1874-5	198,326		1874-5	111,304
	1875-6	209,213		1875-6	112,664
	1876-7	226,597		1876-7	121,676
	1877-8	239,002		1877-8	119,632
	1878-9	244,761		1878-9	113,177
	1879-80	249,414		1879-80	110,639
Postage, tele-	1880-81	272,316	Fees, fines, etc.†	1880-81	113,736
graphs, tele-	1881-2	297,701	(exclusive of	1881-2	120,768
phones, money	1882-3	324,967	<i>Land Act</i> pen-	1882-3	117,296
orders, etc.*	1883-4	349,278	alties)	1883-4	111,695
	1884-5	380,556		1884-5	123,428
	1885-6	394,184		1885-6	128,523
	1886-7	413,535		1886-7	131,095
	1887-8	485,533		1887-8	164,721
	1888-9	552,877		1888-9	174,998
OTHER SOURCES.					
	1874-5	7,504		1874-5	66,874
	1875-6	7,659		1875-6	38,595
	1876-7	7,512		1876-7	79,456
	1877-8	7,247		1877-8	70,716
	1878-9	7,906		1878-9	42,281
	1879-80	10,158	Interest on public	1879-80	45,611
	1880-81	10,197	Account, etc.	1880-81	78,605
Mint charges ...	1881-2	10,917		1881-2	92,025
	1882-3	11,292		1882-3	55,922
	1883-4	10,415		1883-4	85,537
	1884-5	13,042		1884-5	98,341
	1885-6	11,705		1885-6	84,973
	1886-7	11,058		1886-7	93,216
	1887-8	10,377		1887-8	136,811
	1888-9	10,051		1888-9	107,888
	1874-5	4,299		1874-5	749
	1875-6	10,695		1875-6	674
	1876-7	7,104		1876-7	730
	1877-8	447		1877-8	824
	1878-9	6,624		1878-9	935
	1879-80	6,350		1879-80	799
Mint subsidy re-	1880-81	5,628	Rents (other than	1880-81	921
turned	1881-2	5,344	Land)	1881-2	997
	1882-3	4,103		1882-3	1,548
	1883-4	4,852		1883-4	3,058
	1884-5	5,304		1884-5	2,031
	1885-6	4,613		1885-6	14,905†
	1886-7	1,986		1886-7	5,049
	1887-8	3,874		1887-8	2,908
	1888-9	3,642		1888-9	3,224

* Partly estimated since 1882-3. See also footnote (†) on page 141 ante.

† Including (during this year only) rents charged to officers for quarters, and added to their salaries.

HEADS OF REVENUE, 1874-5 TO 1888-9—*continued.*

Heads of Revenue.	Year.	Amounts Received.	Heads of Revenue.	Year.	Amounts Received.
OTHER SOURCES— <i>continued.</i>		£	OTHER SOURCES— <i>continued.</i>		£
	1874-5	28,981		1874-5	55,770
	1875-6	37,619		1875-6	16,317
	1876-7	34,372		1876-7	19,609
	1877-8	36,774		1877-8	20,449
	1878-9	28,637		1878-9	28,167
	1879-80	23,860		1879-80	24,655
	1880-81	31,290		1880-81	41,861
Reimbursements in aid	1881-2	33,675	Miscellaneous re- ceipts *	1881-2	27,131
	1882-3	33,570		1882-3	46,211
	1883-4	49,441		1883-4	36,325
	1884-5	52,232		1884-5	31,339
	1875-6	49,187		1885-6	29,178
	1886-7	54,033		1886-7	23,320
	1887-8	69,041		1887-8	25,068
	1888-9	67,130		1888-9	34,036

SUMMARY OF HEADS OF REVENUE, 1874-5 TO 1888-9.

Year.	Revenue derived from—					Total Revenue Proper.	Recoups from Loans and Assets realized.	Grand Total Revenue.
	Taxation.	Land.	Public Works.	Post and Tele- graphs.	Other Sources.			
	£	£	£	£	£	£	£	£
1874-5	1,724,822	946,753	1,024,318	198,326	275,481	4,169,700	66,723	4,236,423
1875-6	1,780,392	1,020,012	1,091,316	209,213	224,223	4,325,156	...	4,325,156
1876-7	1,770,685	1,046,415	1,199,589	226,597	270,452	4,513,738	210,139	4,723,877
1877-8	1,712,953	957,715	1,319,653	239,002	256,089	4,485,412	19,001	4,504,413
1878-9	1,730,088	969,235	1,348,466	244,761	227,727	4,520,277	101,243	4,621,520
1879-80	1,690,923	844,064	1,594,154	249,414	222,072	4,600,627	20,655	4,621,282
1880-81	2,003,704	836,470	1,720,313	272,316	282,238	5,115,041	70,970	5,186,011†
1881-2	2,317,706	826,139	1,857,569	297,701	290,857	5,589,972	2,390	5,592,362
1882-3	2,334,255	679,933	1,992,969	324,967	269,942	5,602,066	9,187	5,611,253
1883-4	2,318,520	719,309	2,246,148	349,278	301,323	5,934,578	109	5,934,687
1884-5	2,548,171	666,557	2,369,360	380,556	325,717	6,290,361	...	6,290,361
1885-6	2,634,560	563,608	2,500,970	394,184	323,084	6,416,406	64,615	6,481,021
1886-7	2,739,635	587,091	2,673,808	413,535	319,757	6,733,826	...	6,733,826
1887-8	3,071,003	656,267	2,981,995	485,533	412,800	7,607,598	24,177	7,631,775
1888-9	3,749,670	616,028	3,356,446	552,877	400,969	8,675,990	55,265	8,731,255

261. Of the total expenditure of Victoria in 1888-9, £1,302,000—or 16½ per cent—was disbursed to defray the cost of Government, maintenance of law and order, and provision against foreign attacks; £774,000—or 10 per cent.—was contributed towards public instruction and the advancement and dissemination of knowledge; £284,000—or nearly 4 per cent.—was expended on public charities, or devoted to

Heads of ex-
penditure,
1887-8 and
1888-9.

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

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

the preservation of the public health; £101,000—or nearly $1\frac{1}{4}$ per cent.—was expended on the management and survey of the Crown lands, being slightly less than the gross annual rental therefrom during the same financial year; as much as £3,837,000—or 48 per cent.—was absorbed in working the various commercial undertakings of the Government, viz., £1,875,000 on Railways and Waterworks, £619,000 on Post and Telegraphs, and £1,343,000* in interest upon loans raised for their construction; £116,000 was paid as interest on amounts borrowed for the construction of other public works; £87,000 was the cost of collecting the revenue from Customs duties and Excise, whilst £35,000 was spent on the maintenance of Ports and Harbours; and £192,000—or $2\frac{1}{2}$ per cent.—was granted in aid of the agricultural and mining industries. The amounts just enumerated, together with £261,000,† expended on miscellaneous services, form the ordinary annual expenditure for the year; but besides this, an amount of £930,000—or $11\frac{1}{2}$ per cent. of the total expenditure—was spent on productive and unproductive public works of a permanent character, viz., £121,000 on Railways, and £809,000 on “Miscellaneous Public Works,” which embraces the cost of erection of public offices and buildings of all kinds, expenditure on roads and bridges, and municipal subsidies (£341,000). These amounts might be considered as a set off against the proceeds of land sales, before referred to,‡ which they even exceeded by £435,000. The following is a classification of the expenditure§ under 9 divisions and 26 subsidiary heads, during the years 1887-8 and 1888-9, also the increase or decrease in the latter year:—

HEADS OF EXPENDITURE,|| 1887-8 AND 1888-9.

Heads of Expenditure.	Amounts Expended.		Increase.	Decrease.
	1887-8.	1888-9.		
GENERAL GOVERNMENT.				
Civil list¶	£ 45,361	£ 40,564	£ ...	£ 4,797
Legislature	58,631	73,216	14,585	...
Civil Establishment**	132,983	146,617	13,634	...
Retiring allowances and pensions	88,484	96,610	8,126	...
Gratuities, compensations, etc.	43,329	53,916	10,587	...
Total	368,788	410,923	42,135	...

* The total amount of interest and expenses of the public debt was £1,459,000, but the amount here given is that payable for Railways and Waterworks only.

† This, however, includes the exceptional item of £178,700 towards defraying the cost of the Centennial International Exhibition, Melbourne.

‡ See paragraph 255 *ante*.

§ See footnote (†) on page 141 *ante*.

|| For further details see table following paragraph 263 *post*.

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

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

HEADS OF EXPENDITURE,* 1887-8 AND 1888-9—continued.

Heads of Expenditure.	Amounts Expended.		Increase.	Decrease.
	1887-8.	1888 9.		
LAW, ORDER, AND PROTECTION.	£	£	£	£
Judicial and legal	211,111	217,180	6,069	...
Police	240,840	261,329	20,489	...
Gaols and penal establishments ...	65,385	66,163	778	...
Defences—Naval and Military† ...	322,119	346,623	24,504	...
Total	839,455	891,295	51,840	...
EDUCATION, SCIENCE, CHARITY, ETC.				
Public instruction, science, etc.‡ ...	722,102	774,449	52,347	...
Charitable institutions, medical, etc.§	278,879	283,986	5,107	...
Total	1,000,981	1,058,435	57,454	...
CROWN LANDS.				
Administration and survey ...	106,408	100,573	...	5,835
Agriculture, etc. ...	69,947	73,229	3,282	...
Mining	117,837	119,139	1,302	...
Total	294,192	292,941	...	1,251
PUBLIC WORKS.				
Railways—Working expenses|| ...	1,574,786	1,803,124	228,338	...
„ Construction account ...	118,090	120,873	2,783	...
Water supply	46,966	71,989	25,023	...
Other public works¶ ...	718,427	808,803	90,376	...
Total	2,458,269	2,804,789	346,520	...
Post and Telegraphs** ...	645,113	619,070	...	24,043
PUBLIC DEBT.				
Interest and expenses—Railways ...	1,070,950	1,126,765	55,815	...
„ „ Water supply ...	199,718	216,195	16,477	...
„ „ Other works ...	114,453	116,282	1,829	...
Total	1,385,121	1,459,242	74,121	...

* For further details, see table following paragraph 263 *post*.

† For Expenditure on Defences. See also Part “Defences,” *post*.

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

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

|| The figures in this line do not represent the actual working expenses, but only the amounts charged to each year under the Annual Appropriation Acts. The actual amount of working expenses, as shown in the Railway Commissioners’ Annual Reports, was £1,753,000 in 1887-8, and £1,945,000 in 1888-9. See also footnote (*) on page 160 *post*.

¶ The cost of erecting and repairing Government Offices, and making and repairing furniture therefor, is not charged to the respective departments, but is placed under this head, which also embraces the cost of all Public Works, except Railways, Waterworks, and Telegraph lines, and works provided for out of loans; it also includes expenditure on Roads and Bridges, and the annual subsidy of £310,000—but increased to £340,854 in 1888-9—to Municipalities. For a summary of the various works, see detailed table, page 160 *post*.

** Including interest on Post Office Savings Banks deposits.

HEADS OF EXPENDITURE,* 1887-8 AND 1888-9—continued.

Heads of Expenditure.	Amount Expended.		Increase.	Decrease.
	1887-8.	1888-9.		
TRADE, NAVIGATION, ETC.				
Customs†	83,975	87,412	3,437	...
Harbours and lights	32,460	34,595	2,135	...
Total	116,435	122,007	5,572	...
OTHER EXPENDITURE.				
Mint subsidy‡	20,000	20,000	...	...
Aborigines	10,982	10,949	...	33
Miscellaneous services§	149,815	230,251	80,436	...
Total	180,797	261,200	80,403	...
Grand Total	7,287,151	7,919,902	632,751	...

NOTE.—For particulars of Expenditure in 1889-90 see Appendices at the end of this volume.

Chief items
of increased
expendi-
ture, 1888-9.

262. It will be observed that an increase appears in the expenditure under all the heads but four, the net increase amounting to £632,751. The most prominent increases were £228,300|| in the working expenses of Railways; £90,400 under Miscellaneous Public Works—which includes £30,554 increased municipal subsidy, £28,000 expended on Parliamentary Buildings and the General Post Office, and £27,000 on Roads and Bridges; £80,400—of which nearly £79,000 was in connexion with the late Exhibition—under Miscellaneous Services; £52,300 under Public Instruction; £25,000 under Water Supply—of which about £24,100 was on account of expenses of boring for water, projects of water supply, and in connexion with Water Supply and Irrigation Trusts; £24,500 under Defences—being more than accounted for by an increase of £28,000 in Defence works and buildings; £20,500 under Police; £18,700 under Retiring Allowances and Pensions; £14,600 under Legislature, in consequence of expenses in connexion with the new Electoral Bill; and £13,600 under Civil Establishment—practically confined to only one department, viz., the Government Printer's. The increase of £52,300 under

* For further details see table following paragraph 263 *post*.

† Including refunds of duty £275 in 1887-8, and of licence fees £52 in 1888-9.

‡ Although the annual subsidy to the Mint is £20,000, portion of that sum has been repaid each year to the revenue. See table following paragraph 255 *ante*, under the head "Mint subsidy returned."

§ Including £100,000 in 1887-8, and £178,694 in 1888-9, towards the expenses of the Melbourne Centennial International Exhibition.

|| This represents merely the increase in the amounts charged to the two years. The increase in the *actual* working expenses was only £192,800. See footnote (||) on page 153 *ante*.

Public Instruction was partly due to the increased cost of State education—£37,400, and partly to additional endowments and grants to educational institutions generally. It has already been stated that nearly half the total expenditure is in connexion with the working of the Railways, Waterworks, and Post and Telegraphs. The most important of these is, of course, the Railways, and a comparison of the Railway finances of 1888-9 with those of the previous year shows that, whilst the actual working expenses* increased by £192,800, the revenue increased by £363,400. Owing to the constantly-increasing amount borrowed for railway construction, the interest paid thereon increased during the year referred to by nearly £56,000. The next most important commercial undertakings are the Postal and Telegraph services, which it has been the policy of the Government to work, irrespective of loss; thus, whilst the annual expenditure in 1888-9 on these services was £619,000, it is estimated that the annual revenue did not quite reach £553,000, and thus the deficiency in that year amounted to about £66,000† as against as much as £158,000 in the previous year;‡ if, however, allowance were made for official correspondence, transmitted free of cost, the deficit would probably have been wiped out. In previous years the deficit, under the head of Post and Telegraphs, averaged fully £100,000. This highly satisfactory improvement in 1888-9 was due not only to a substantial increase in the postal revenue (respecting which, however, there is some doubt),‡ but to a decrease of £24,000 in the expenditure. This decrease was, however, not due to a saving in the cost of administration—which on the contrary was higher by £25,000, whilst an increase of £10,000 also appears in the interest paid on the Savings Bank deposits, and of £5,000 under the Telephone Exchange—but partly to the fact that the expenditure of 1887-8 included the exceptional item of £40,000 for the purchase of the Telephone Exchange, and partly to a saving of £23,400 in the cost of steam postal services consequent on the co-operation of the different colonies in establishing one uniform Australian foreign mail service. The decrease under the head of Civil List was merely accidental, and was due to the contribution to the protectorate of New Guinea for both 1886-7 and 1887-8 having been paid in the latter year.

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

Heads of expenditure, detailed.

* See last footnote.

† For further details see postal receipts and expenditure in Part "Interchange" in the second volume.

‡ The amount of postal revenue is not accurately known. See footnote (†) to table on page 141 *ante*.

HEADS OF EXPENDITURE DETAILED, 1887-8 AND 1888-9.

Heads of Expenditure.						1887-8.	1888-9.
CIVIL LIST.						£	£
Governor's Salary	...	...	...	...	...	10,000	10,000
Salaries of Ministers	...	...	...	...	...	15,500	15,344
Executive Council	...	...	...	...	...	1,474	1,490
Agent-General	...	...	...	...	...	2,500	2,500
Commissioners of Audit	...	...	...	...	...	2,000	2,000
Public Service Board	...	...	...	...	...	4,500	4,446
Protectorate of New Guinea—Contribution towards	...	...	...	...	...	9,387*	4,784
Total	...	...	...	...	...	45,361	40,564
LEGISLATURE.							
Legislative Council	...	...	...	...	...	6,108	6,028
„ Assembly	...	...	...	...	...	11,281	11,087
Parliamentary Library	...	...	...	...	...	3,134	2,997
„ Refreshment Rooms	...	...	...	...	...	1,105	1,242
Parliament Buildings Commission	...	...	...	...	...	493	402
Victorian <i>Hansard</i>...	...	...	...	...	...	2,225	2,219
Expenses of Members of the Legislative Assembly	...	...	...	...	...	22,656	21,709
Electoral Expenses	...	...	...	...	...	10,736	27,450
Federal Council—Contribution to	...	...	...	...	...	893	82
Total	...	...	...	...	...	58,631	73,216
CIVIL ESTABLISHMENT.							
Public Service Board—Office	...	...	...	...	...	2,527	2,640
Chief Secretary's Office	...	...	...	...	...	9,270	9,091
Secretary to Premier	...	...	...	...	...	5,995	4,939
Shorthand Writer	...	...	...	...	...	2,110	2,093
Agent-General's Office	...	...	...	...	...	3,495	3,530
Audit Office	...	...	...	...	...	9,101	9,260
Treasury	...	...	...	...	...	31,636	30,656
Government Printer	...	...	...	...	...	59,000	72,608
„ „ Stamp Printing	...	...	...	...	...	5,527	5,610
Inspector of Stores	...	...	...	...	...	595	668
Registrar of Friendly Societies†	...	...	...	...	...	367	401
Inspector of Factories and Shops	...	...	...	...	...	2,627	2,375
Marine Board	...	...	...	...	...	...	2,146
Sundries	...	...	...	...	...	733	600
Total	...	...	...	...	...	132,983	146,617
JUDICIAL AND LEGAL.							
Judges' Salaries (including Master-in-Equity)	...	...	...	...	...	20,000	20,750
„ other Expenditure	...	...	...	...	...	5,193	5,105
Crown Law Officers	...	...	...	...	...	20,328	20,357
„ Solicitor	...	...	...	...	...	7,226	6,993
Prothonotary	...	...	...	...	...	2,317	2,282
Master-in-Equity and Lunacy	...	...	...	...	...	4,403	4,723

* Including arrears from 1886-7.

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

HEADS OF EXPENDITURE DETAILED—*continued.*

Heads of Expenditure.	1887-8.	1888-9.
JUDICIAL AND LEGAL—<i>continued.</i>	£	£
Court of Insolvency	1,023	..
Registrar of Titles	} 43,461	{ 28,095
Registrar-General		
„ Interest on purchase money of land, etc., bought near Titles Office *	2,972	3,003
Deputy Registrars	6,500	6,498
Sheriffs	25,898	27,170
Judges—County Courts, Courts of Insolvency, Courts of Mines, and General and Petty Sessions	10,431	9,297
„ other Expenditure	14,586	16,690
Police Magistrates and Wardens	17,928	18,091
Clerks of Courts	20,005	20,407
Coroners	6,047	7,145
Curator of Estates of Deceased Persons... ..	1,633	1,648
<i>Land Tax Act</i> Administration	1,157	1,060
Sundries	3	..
Total	211,111	217,180
DEFENCES.		
Special Appropriation authorized under Act 47 Vict. No. 777 (for 5 years)	110,000	110,000
Voted to augment special appropriation consequent upon the increase of the permanent forces	21,278	23,958
Civil Staff	6,198	6,059
Ammunition Fund—To replace loss on supply to Rifle Clubs, etc.	3,000	5,000
Purchase of Rifles and modern warlike stores	{ 2,088† 6,000 }	{ 2,600†
Cadet Corps	3,239	3,954
Mounted Rifles	5,388	6,619
Grants to Rifle Associations, etc., for prizes; also prizes for drill and shooting	1,975	3,426
Expenses in connexion with Easter Encampment	11,689	5,000
Rifle Volunteers and Rifle Clubs	3,208	4,524
Grant for invention of Torpedo Dropping Gear ... ..	..	150
Grant for strengthening two private vessels to render them eligible as armed cruisers	1,000	..
Compensation for injuries sustained	147	356
Sundries	148	136
Total	65,358	61,782
Defence Works and Buildings ..	146,761	174,841
Grand Total	322,119	346,623

* The amount required—£75,073—was made available by Act 49 Vict. No. 835 out of the “Assurance Fund” under the *Transfer of Land Statute*.

† Equivalent in each case to the amount realized in the previous year on the sale of rifles and obsolete stores.

HEADS OF EXPENDITURE DETAILED—*continued.*

Heads of Expenditure.	1887-8.	1888-9.
PUBLIC INSTRUCTION, SCIENCE, ETC.		
	£	£
State School Education*	626,739	664,118
University—Endowment	14,500	16,500
„ Grant in aid of laboratories ... ..	...	3,500
„ School for Biology	7,000	...
College of Pharmacy	900	1,000
Schools of Mines and Technical Schools—Working Men's College	3,000	8,000†
Schools of Mines	6,200	12,400
„ Design	1,399	1,393§
„ Arts	500	2,300
Melbourne Public Library, Museums, and National Gallery...	23,865	25,971
Mechanics' Institutes, Public Libraries, etc.†	15,600	17,000
Victorian Academy of Arts	250	...
Art Galleries—Ballarat, Sandhurst, etc....	2,000	2,250
Zoological and Acclimatisation Society, etc.	4,200	3,200
Royal Society	200	200
Geographical Society... ..	...	1,000
Government Statist	6,918	6,666
„ Astronomer	6,067	6,166
„ Botanist	2,744	2,703
Other Expenditure	20	82
Total	722,102	774,449
CHARITABLE INSTITUTIONS, MEDICAL, ETC.		
Charitable Institutions—Grant in aid	120,382	119,999
Industrial and Reformatory Schools—State	41,730	41,308
Grant in Aid of Private Institutions	1,764	1,638
Hospitals for the Insane	101,994	106,276
Public Health, Quarantine, etc.	7,310	7,816
Vaccination Allowances	5,496	5,499
Allowance to Instructor of the Blind, etc.	100	240
Intercolonial Medical Congress ... ..	...	1,108
Relief of Ship-wrecked Seamen	103	102
Total	278,879	283,986
CROWN LANDS.		
General Staff for Survey, Sale, and Management of Crown Lands	63,689	62,501
Surveys by contract, including surveys in Mallee districts ...	4,571	3,987
Surveys of "Grazing Areas"	2,945	2,070
Feature Surveys of Rivers in Gippsland	769	...

* Including cost of maintenance (with fittings and furniture) of school buildings, amounting to about £24,994 in 1888-9, but exclusive of pensions and gratuities. See also table following paragraph 270 *post*.

† Including £8,100 in 1887-8, and £1,000 in 1888-9, in aid of buildings.

‡ Including £5,000 in aid of buildings.

§ Including £5,000 in aid of buildings.

HEADS OF EXPENDITURE DETAILED—*continued.*

Heads of Expenditure.	1887-8.	1888-9.
CROWN LANDS—<i>continued.</i>	£	£
Parks, Gardens, etc.—		
Botanical Gardens and Reserves	8,757	9,734
Public Parks, Gardens, and Reserves in and around Melbourne	11,557	9,007
Public Parks and Gardens in Country Districts—Fencing and Improving	8,717	8,683
Land Purchased as Site for Public Park ... ..	...	1,667
Other Expenditure	5,403*	2,924
Total	106,408	100,573
• AGRICULTURE, ETC.		
Grants to Agricultural and Horticultural Societies, etc. ...	23,477	22,153
Special Prizes awarded by National Agricultural Society (including £500 during Centennial Exhibition)	...	955
Special Prizes and Awards for invention of improvements in Agricultural machinery	80	100
Prizes for best managed farms in Victoria	150	150
Expenses of Judges in connexion with Grants referred to in the two preceding lines, etc.	...	393
Grant to the Board of Viticulture	500	300
State Forests and Nurseries	6,860	8,783
Experimental Cultivation	297	167
Eradication of Vine Diseases	1,614	645
„ Bathurst burr at Swan Hill ... ..	...	122
Scab Prevention and Diseases in Stock	7,968	8,230
Extermination of Rabbits and Wild Animals	21,051	25,138
Rates on Mallee Blocks held by Government	327	175
Cost of Rabbit-proof Fencing in the Mallee Country ..	5,630	...
Machinery and Appliances for use in Technical Education of an Agricultural Character	...	1,731
Instruction in Dairying, Fruit-growing, etc.; also Expenses connected with Employment of Experts	...	833
Departmental and other Expenditure	1,993	3,354
Total	69,947	73,229
MINING.		
Mining Department... ..	20,730	20,952
Mining Boards	3,500	3,500
Purchase and Working of Diamond Drills to assist Miners in Prospecting Operations, etc.	80,742	81,072
Prospecting and Boring for Coal	4,344	2,909
Geological Surveys, etc.	2,480	3,500
Underground Surveys of Mines	1,193	1,327
Cutting Tracks and opening up unexplored areas... ..	2,493	3,396
Construction of Dynamite and Powder Magazines	1,566	1,410
Reward for Discovery of Ararat Goldfield	100	...
Miscellaneous	689	1,073
Total	117,837	119,139

* Including £4,250 purchase of Commercial Bank of South Australia's share in the interest of certain Mallee blocks resumed by the Crown.

HEADS OF EXPENDITURE DETAILED—*continued.*

Heads of Expenditure.	1887-8.	1888-9.
RAILWAYS.		
	£	£
Commissioners' Salaries	6,000	6,000
Salaries and Wages	119,512	134,588
Working Expenses	1,421,252	1,547,362
Ditto on account of preceding year	25,000	115,000
Compensation to injured persons	3,022	174
Total Working Expenses*	1,574,786	1,803,124
Paid to "Railway Construction Account" †	113,946	120,873
Towards Construction	4,144	...
Total (including Capital Account)	1,692,876	1,923,997
WATER SUPPLY.		
Melbourne—Salaries and Maintenance	21,930	23,863
Country Waterworks—		
Salaries	8,725	9,233
Coliban District—Travelling Expenses, Contingencies, etc.	4,399	5,578
Geelong District do. do.	1,332	1,092
Boring for Water and Repairs to Government Reservoirs	7,930	17,824
Cost of making wells in the Mallee country ... ..	...	1,169
Surveys and Reports <i>re</i> Projects of Water Supply and Gauging Rivers	2,650	9,677
Water and Irrigation Trusts—Preliminary Expenses, Expenses of Surveys ... ..	...	3,315
Prizes for best Irrigated Farm and Crops ... ..	...	238
Total	46,966	71,989
OTHER PUBLIC WORKS.		
Works and Buildings (including Furniture, Fittings, etc.)—		
Government House	}	2,454
Country Residence for Governor		
" " " Maintenance		
Parliamentary Buildings	193	11,743
Public Offices, etc.—		
Public Offices, Melbourne	2,819	132
New Printing Office... ..	20,000	10,000
" " Fittings, Furniture for, etc....	497	998
Treasury Buildings (country)—Buildings, Repairs, Additions, etc.	2,000	1,091
Registrar-General's Offices—Addition to Strong room	203	...
Sandhurst Public Offices—Erection of	3,343†	...
Ballarat Public Offices—Erection of	819§	...
Land purchased near Law Courts ... ..	...	6,225
Rents and Furniture	23,439	24,984

* The actual expenditure for and on account of 1887-8 was about £1,753,000, and on account of 1888-9 about £1,945,800, as shown in the Railway Commissioners' reports, but only the above amounts could be charged to the year in consequence of the estimates, on which the *Appropriation Acts* were based, having been insufficient.

† See footnote (†) on page 168 *post*.

‡ Including Law Courts.

§ Extension of Post Office.

HEADS OF EXPENDITURE DETAILED—*continued.*

Heads of Expenditure.	1887-8.	1888-9.
	£	£
OTHER PUBLIC WORKS—<i>continued.</i>		
Works and Buildings (including Furniture, Fittings, etc.)—		
Public Offices, etc.—		
Repairs and Additions	495	1,163
Fencing Public Buildings, Sites, and Reserves under Government, including Repairs	13	888
Telephonic communication for police and other buildings	784	635
Insurance	505	219
Court Houses	18,799	16,858
Police Buildings, etc.	31,009	36,557
Gaols and Penal Establishments	2,408	6,633
State Schools, etc.—Erection of Training College ...	...	8,000
Public Library, National Gallery, and Museums ...	8,488	958
Observatory	192	87
Lunatic Asylums	20,220	16,471
Industrial and Reformatory Schools	494	1,231
Immigrants Aid Society—Painting and Improvements to Building	499	...
Cemeteries	1,027	1,034
Sanatory Station—Fencing, Repairs, etc.	1,422	1,417
Lands and Agriculture (including parks, gardens, etc.)	2,725	2,960
Laboratory for Agricultural Chemist	398	200
Raising Low-lying Lands, Draining Lands, Spreading Silt, etc.	37,656	38,886
Preventing Encroachment by Sand, etc.	650	294
Post and Telegraph Offices—		
General Post Office, Melbourne—Extension of Building, etc.	31,998	49,219
Post Offices at other places*	17,230	23,898
Customs Buildings	1,560	1,289
Wharfs, Jetties, Harbours, Rivers, etc.	62,689	56,166
Lighthouses and Lightships	6,112	12,791
Miscellaneous	430	213
Total Works and Buildings, etc. ...	303,570	335,969
Subsidy to Municipalities	310,300	340,854
Roads and Bridges	53,202	80,202
Departmental Expenses	51,355	51,778
Total	718,427	808,803
POST AND TELEGRAPHS.†		
Post and Telegraph Offices—Administration	340,834	365,617
Inland Mail Service	108,174	106,841‡
Steam Postal Communication§	70,106	46,739

* See also under the head of "Public Offices."

† Exclusive of post and telegraph office buildings, which are included under the head "General Public Works;" also exclusive of cost of printing stamps, entered with Government Printer under the head of "Civil Establishment."

‡ Of which £50,986 was paid to the Railway Department, and £55,855 to the private contractors, etc.

§ Including sums paid as gratuities to masters of vessels, £1,934 in 1887-8, and £4,383 in 1888-9; also subsidy for steamer calling at Hayannah Harbour, New Hebrides (including £500 arrears), £1,300.

HEADS OF EXPENDITURE DETAILED—*continued.*

Heads of Expenditure.	1887-8.	1888-9.
POST AND TELEGRAPHS—<i>continued</i>		
	£	£
Telegraph Lines—Construction, Repairs, etc. ...	13,554	14,718
Pneumatic tubes between City Telegraph Offices... ..	...	11
Telephones—		
Purchase of property, goodwill, etc., of the Victorian Telephone Exchange Company; and Solicitors' costs, £204	40,204	...
Telephone Exchanges, telephones, battery materials, wire, etc.	7,497	12,497
New multiple switch-boards, cost of ... ..	...	527
Maintenance of lines to various departments... ..	370	370
Subsidy towards Duplicate Telegraph Cable (Port Darwin to Penang)	14,544	13,163
,, to Eastern Extension Telegraph Co., Tasmania* ...	629	1,045
Interest on Post Office Savings Banks Deposits—4 per cent.	46,870	57,091
Towards a new steam launch ... ..	...	410
Miscellaneous†	331	41
Total	643,113	619,070
PUBLIC DEBT.		
Interest payable—		
In London	1,291,755	1,363,753
In Melbourne	74,019	74,971
Total Interest	1,365,774	1,438,724
Expenses of paying Interest in London—		
Commission to Banks of $\frac{1}{2}$ per cent.	3,182	3,161
Commission to Bank of from £450 to £500 per million for inscribing stock and paying interest thereon	7,984	8,709
Premium on remittances	7,187	7,540
Stamps, advertising, etc.	994	1,108
Total	1,385,121	1,459,242
MISCELLANEOUS SERVICES.		
Expenses of Commissions of Inquiry	3,406	3,167
Expenses <i>re</i> Chinese Immigration (including Conference at Sydney)	482	...
Law Costs, Awards, etc.	284	3,434‡
<i>Poisons and Pharmacy Act</i> —Administration	300	300
Advertising	5,329	5,000
Transport, etc.	2,066	2,405
Exhibitions—		
Colonial and Indian Exhibition, London, 1886 ...	4,900	548
Melbourne Centennial International do.	100,000	178,694

* Paid to the Government of Tasmania, in accordance with a joint guarantee to the company on account of reduction of rates for telegraphic messages to and from Victoria and Tasmania.

† Including £43 in 1887-8 and £41 in 1888-9 towards expenses of International Bureau at Berne; also £277 in 1887-8 for plaintiff's costs of action *re* illegal detention of letters.

‡ Including costs (final) *In re Merry v. The Queen*, £3,225.

HEADS OF EXPENDITURE DETAILED—*continued.*

Heads of Expenditure.	1887-8.	1888-9.
MISCELLANEOUS SERVICES— <i>continued.</i>		£
Exhibitions—		
Melbourne Centennial International Exhibition, to reimburse His Excellency the Governor for expenses of entertaining distinguished visitors	...	6,000
Adelaide Jubilee do.	2,998	399
Paris Universal do., 1889... ..	...	8,988
Victorian Juvenile Industrial do. ... ..	...	1,000
Geelong Juvenile Jubilee do.	500	...
Expenses incurred by the Exhibition Trustees	299	447
Powder Magazines*	1,434	1,625
Fisheries	836	1,015
Payments from Estates of Deceased Persons ... ..	...	314
Refunds, etc.	316	1,171
Assistance to Volunteer Fire Brigades	4,000	4,000
Fire Escape and Life-saving Apparatus... ..	...	1,000
Expenses <i>re</i> the celebration of Her Majesty's Jubilee	7,781	...
Imperial Institute†—Contribution towards	5,922	...
Banquet to the late Earl of Carnarvon... ..	360	...
Expenses of visits of Governor and party to country districts	206	32
Victorian Liedertafel's and Ballarat Firemen's travelling expenses in connexion with Adelaide Exhibition and Centennial Commemoration in Sydney	321	287
Purchase of a "Sketch of Melbourne in the year 1841" ... ..	...	420
Victorian International Regatta, 1888, contribution towards expenses of	...	1,000
New Prince's Bridge, expenses connected with opening of ... ..	...	112
International Free Trade Conference Delegates, travelling expenses to Sandhurst and Ballarat	...	104
Coal Strike at Newcastle, hire of engines in case of failure of gas supply	...	183
Bonuses for manufacture in the colony of the first 10,000 yards of worsted woollen tweeds	5,000	4,000
Services of experts deciding on claims to last-mentioned bonus for 1887-8	...	368
Discounts in London and premiums on remittances (sundry)	178	1,247
Other Expenditure‡... ..	2,897	2,991
Total	149,815	230,251

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

Heads of expenditure, 1874-5 to 1888-9.

* Exclusive of amounts provided for under the head of "Other Public Works."

† The National Memorial of the completion of fifty years of the reign of Queen Victoria to be established in London.

‡ Including balance at credit of Pension Fund, returned to revenue, viz., £500 in 1887-8, and £938 in 1888-9.

HEADS OF EXPENDITURE, 1874-5 TO 1888-9.

Heads of Expenditure.	Year.	Expenditure from—		Total.
		Special Appropriations.	Votes.	
		£	£	£
Civil list* ...	1874-5	70,984	...	70,984
	1875-6	71,227	...	71,227
	1876-7	29,604	...	29,604
	1877-8	29,564	...	29,564
	1878-9	29,636	...	29,636
	1879-80	27,728	...	27,728
	1880-81	24,509	...	24,509
	1881-2	28,469	3,000	31,469
	1882-3	29,926	...	29,926
	1883-4	31,127	...	31,127
	1884-5	36,362	4,693†	41,055
	1885-6	36,269	4,693	40,962
	1886-7	36,416	...	36,416
	1887-8	35,974	9,387	45,361
	1888-9	35,780	4,784	40,564
Legislature ...	1874-5	40,813	15,739	56,552
	1875-6	41,612	15,909	57,521
	1876-7	43,918	14,889	58,807
	1877-8	48,162	15,878	64,040
	1878-9	42,710	16,502	59,212
	1879-80	44,306	16,502	60,808
	1880-81	45,664	16,964	62,628
	1881-2	39,677	16,810	56,487
	1882-3	47,768	18,020	65,788
	1883-4	35,930	17,751	53,681
	1884-5	38,801	18,102	56,903
	1885-6	45,674	18,462	64,136
	1886-7	38,206	18,996	57,202
	1887-8	37,700	20,931	58,631
	1888-9	53,207	20,009	73,216
Civil establishment* ...	1874-5	...	90,422	90,422
	1875-6	...	87,647	87,647
	1876-7	...	89,837	89,837
	1877-8	...	90,215	90,215
	1878-9	...	90,059	90,059
	1879-80	...	91,872	91,872
	1880-81	...	89,987	89,987
	1881-2	...	90,833	90,833
	1882-3	...	117,610	117,610
	1883-4	...	113,628	113,628
	1884-5	...	117,586	117,586
	1885-6	...	122,593	122,593
	1886-7	...	129,001	129,001
	1887-8	...	132,983	132,983
	1888-9	646†	145,971	146,617

* For particulars of the items included under these heads, see footnotes to table following paragraph 261 *ante*. State aid to religion is also included in "Civil List" prior to July, 1876, when it was abolished.

† This and subsequent amounts represent contribution towards the expenses of the protectorate of New Guinea.

‡ Marine Board.

HEADS OF EXPENDITURE, 1874-5 TO 1888-9—*continued*.

Heads of Expenditure.	Year.	Expenditure from—		Total.
		Special Appropriations.	Votes.	
		£	£	£
Retiring allowances and pensions *	1874-5	26,529	2,587	29,116
	1875-6	27,423	2,426	29,849
	1876-7	26,214	4,725	30,939
	1877-8	28,370	5,587	33,957
	1878-9	33,952	9,153	43,105
	1879-80	35,202	9,336	44,538
	1880-81	36,817	12,499	49,316
	1881-2	41,749	16,040	57,789
	1882-3	40,474	20,095	60,569
	1883-4	41,334	24,355	65,689
	1884-5	43,589	26,598	70,187
	1885-6	52,685	20,529	73,214
	1886-7	64,844	20,316	85,160
	1887-8	71,583	16,901	88,484
	1888-9	80,101	16,509	96,610
Gratuities, compensations, etc.	1874-5	3,078	10,884	13,962
	1875-6	1,752	5,963	7,715
	1876-7	3,478	7,187	10,665
	1877-8	42,582	7,146	49,728
	1878-9	13,159	33,444	46,603
	1879-80	2,544	19,416	21,960
	1880-81	12,970	34,085	47,055
	1881-2	9,299	22,828	32,127
	1882-3	2,911	25,345	28,256
	1883-4	10,173	20,889	31,062
	1884-5	22,673	25,099	47,772
	1885-6	22,215	21,863	44,078
	1886-7	18,420	21,817	40,237
	1887-8	23,622	19,707	43,329
	1888-9	21,714	32,202	53,916
Judical and legal	1874-5	16,417	156,558	172,975
	1875-6	16,125	154,469	170,594
	1876-7	16,750	154,932	171,682
	1877-8	16,567	154,498	171,065
	1878-9	14,000	158,056	172,056
	1879-80	14,000	157,664	171,664
	1880-81	15,047	142,444	157,491
	1881-2	16,919	141,263	158,182
	1882-3	17,000	159,689	176,689
	1883-4	16,655	158,319	174,974
	1884-5	16,381	166,916	183,297
	1885-6	19,096	172,194	191,290
	1886-7	22,993	170,912	193,905
	1887-8	22,972	188,139	211,111
	1888-9	23,003	194,177	217,180

* Including vote of £2,600 in 1880-81, of £5,000 in 1881-2, of £8,000 in 1882-3, of £10,000 each year from 1883-4 to 1886-7, £7,000 in 1887-8 and 1888-9, to meet deficiencies in the Police Superannuation Fund.

HEADS OF EXPENDITURE, 1874-5 TO 1888-9—continued.

Heads of Expenditure.	Year.	Expenditure from—		Total.
		Special Appropriations.	Votes.	
		£	£	£
Police	1874-5	...	198,312	198,312
	1875-6	...	199,738	199,738
	1876-7	...	197,371	197,371
	1877-8	...	207,119	207,119
	1878-9	...	209,041	209,041
	1879-80	...	233,732	233,732
	1880-81	...	207,674	207,674
	1881-2	...	201,063	201,063
	1882-3	...	204,561	204,561
	1883-4	...	216,973	216,973
	1884-5	...	217,684	217,684
	1885-6	...	224,237	224,237
	1886-7	...	233,173	233,173
	1887-8	...	240,840	240,840
	1888-9	...	261,329	261,329
Gaols and penal establishments	1874-5	...	60,469	60,469
	1875-6	...	61,051	61,051
	1876-7	...	60,008	60,008
	1877-8	...	58,132	58,132
	1878-9	...	58,442	58,442
	1879-80	...	56,636	56,636
	1880-81	...	53,565	53,565
	1881-2	...	53,032	53,032
	1882-3	...	57,128	57,128
	1883-4	...	55,836	55,836
	1884-5	...	57,311	57,311
	1885-6	...	60,644	60,644
	1886-7	...	59,894	59,894
	1887-8	...	65,385	65,385
	1888-9	...	66,163	66,163
Defences	1874-5	...	53,507	53,507
	1875-6	...	58,233	58,233
	1876-7	...	74,020	74,020
	1877-8	...	121,266	121,266
	1878-9	...	118,122	118,122
	1879-80	...	93,779	93,779
	1880-81	...	78,732	78,732
	1881-2	...	79,442	79,442
	1882-3	...	191,360	191,360
	1883-4	...	231,038	231,038
	1884-5	110,000	88,773	198,773
	1885-6	110,000	209,938	319,938
	1886-7	110,000	194,764	304,764
	1887-8	110,000	212,119*	322,119
	1888-9	110,000	236,623	346,623

* Including vote of £21,278 in 1887-8, and £23,958 in 1888-9, to augment special appropriation.

HEADS OF EXPENDITURE, 1874-5 TO 1888-9—*continued*.

Heads of Expenditure.	Year.	Expenditure from—		Total.
		Special Appropriations.	Votes.	
		£	£	£
Public instruction, science, etc.*	1874-5	9,000	408,136	417,136
	1875-6	9,000	466,280	475,280
	1876-7	9,000	483,939	492,939
	1877-8	9,000	512,725	521,725
	1878-9	9,000	563,900	572,900
	1879-80	11,250	560,742	571,992
	1880-81	9,000	575,225	584,225
	1881-2	9,000	591,799	600,799
	1882-3	9,000	589,970	598,970
	1883-4	9,000	598,822	607,822
	1884-5	9,000	601,026	610,026
	1885-6	9,000	656,442	665,442
	1886-7	9,000	667,569	676,569
	1887-8	9,000	713,102	722,102
	1888-9	9,000	765,449	774,449
State school buildings † ...	1874-5	...	181,440	181,440
Charitable institutions, medical, etc.*	1874-5	...	273,537	273,537
	1875-6	...	270,318	270,318
	1876-7	...	278,970	278,970
	1877-8	...	281,509	281,509
	1878-9	...	277,016	277,016
	1879-80	...	272,539	272,539
	1880-81	...	241,907	241,907
	1881-2	...	249,367	249,367
	1882-3	...	267,400	267,400
	1883-4	...	259,983	259,983
	1884-5	...	262,359	262,359
	1885-6	...	273,705	273,705
	1886-7	...	268,864	268,864
	1887-8	...	278,879	278,879
	1888-9	...	283,986	283,986
Crown lands ...	1874-5	...	129,558	129,558
	1875-6	...	128,026	128,026
	1876-7	...	149,210	149,210
	1877-8	...	130,519	130,519
	1878-9	...	129,617	129,617
	1879-80	...	136,889	136,889
	1880-81	...	103,279	103,279
	1881-2	...	99,169	99,169
	1882-3	...	100,367	100,367
	1883-4	...	98,209	98,209
	1884-5	...	104,875	104,875
	1885-6	...	107,556	107,556
	1886-7	...	111,969	111,969
	1887-8	...	106,408	106,408
	1888-9	...	100,573	100,573

* For particulars of the items included under these heads, see footnotes to table following paragraph 261 *ante*.

† Since 1874-5 the amount expended on school buildings has been paid entirely out of loans.—See table following paragraph 268 *post*.

HEADS OF EXPENDITURE, 1874-5 TO 1888-9—continued.

Heads of Expenditure.	Year.	Expenditure from—		Total.
		Special Appropriations.	Votes.	
		£	£	£
Agriculture, etc. ...	1874-5	...	21,473	21,473
	1875-6	...	21,023	21,023
	1876-7	...	24,878	24,878
	1877-8	...	28,139	28,139
	1878-9	...	31,398	31,398
	1879-80	...	31,953	31,953
	1880-81	...	32,382	32,382
	1881-2	...	50,311	50,311
	1882-3	...	54,834	54,834
	1883-4	...	42,418	42,418
	1884-5	...	51,065	51,065
	1885-6	...	84,781	84,781
	1886-7	704*	70,848	71,552
	1887-8	327	69,620	69,947
	1888-9	175	73,054	73,229
Mining † ...	1874-5	3,500	27,153	30,653
	1875-6	3,500	34,653	38,153
	1876-7	3,500	34,043	37,543
	1877-8	3,500	25,030	28,530
	1878-9	3,500	48,882	52,382
	1879-80	3,500	24,704	28,204
	1880-81	3,500	27,406	30,906
	1881-2	3,500	39,379	42,879
	1882-3	3,500	38,940	42,440
	1883-4	3,500	44,334	47,834
	1884-5	3,500	53,236	56,736
	1885-6	3,500	67,962	71,462
	1886-7	3,500	100,154	103,654
	1887-8	3,500	114,337	117,837
	1888-9	3,500	115,639	119,139
Railways ‡ ...	1874-5	100,000	437,931	537,931
	1875-6	300,000	489,751	789,751
	1876-7	200,000	562,517	762,517
	1877-8	100,000	616,207	716,207
	1878-9	200,000	662,178	862,178

* The amounts in this column represent rates paid on unoccupied Mallee Blocks towards extermination of vermin.

† Including amounts advanced to mining companies to assist in the development of the mining industry, etc., viz., £1,500 in 1875-6; £250 in 1877-8; £18,800 in 1878-9; and £500 in 1879-80. Only £1,237 in all has been repaid, leaving a balance of £19,813, of which £15,813 has been written off as unrecoverable.

‡ The amount entered under the head of Special Appropriations in 1885-6, with the exception of £6,000 for salaries of the Railway Commissioners, was paid into the "Railway Construction Account" in accordance with the direction of *The Land Act* 1884 (48 Vict. No. 812), sec. 78, whereby it is provided that all moneys arising from the sale by auction of Crown lands shall be placed to a trust account, the amount standing to the credit of which should be available for the construction of railways. The amounts entered prior to 1882-3 also represent the payment of moneys derived from the alienation of Crown lands, but fixed at £200,000 per annum, to a similar account (known as the "Railway Loan Liquidation and Construction Account"), which was created under *The Land Act* 1869 (33 Vict. No. 366)—full particulars of which are given in the *Victorian Year-Book*, 1885-6, page 123. The total amount paid into both these accounts up to the 30th June, 1889, was £2,590,516, which has been expended on the survey or construction of lines of railway. The amounts entered under the head of "Votes" represent the working expenses of railways, except £500 in 1886-7, and £4,144 in 1887-8 paid towards construction.

HEADS OF EXPENDITURE, 1874-5 TO 1888-9—*continued*.

Heads of Expenditure.	Year.	Expenditure from—		Total.
		Special Appropriations.	Votes.	
		£	£	£
Railways*— <i>continued</i> .	1879-80	...	771,527	771,527
	1880-81	200,000	818,601	1,018,601
	1881-2	200,000	829,103	1,029,103
	1882-3	...	1,173,535	1,173,535
	1883-4	2,750	1,104,285	1,107,035
	1884-5	6,000	1,403,993	1,409,993
	1885-6	94,667	1,317,873	1,412,540
	1886-7	72,650	1,358,466	1,431,116
	1887-8	119,946	1,572,930	1,692,876
	1888-9	126,873	1,797,124	1,923,997
Water supply	1874-5	...	17,013	17,013
	1875-6	...	17,192	17,192
	1876-7	...	18,099	18,099
	1877-8	...	22,621	22,621
	1878-9	...	28,501	28,501
	1879-80	...	26,053	26,053
	1880-81	...	32,339	32,339
	1881-2	...	40,869	40,869
	1882-3	...	34,534	34,534
	1883-4	...	31,472	31,472
	1884-5	...	32,282	32,282
	1885-6	...	35,511	35,511
	1886-7	...	39,756	39,756
	1887-8	...	46,966	46,966
	1888-9	...	71,989	71,989
Other public works†	1874-5	315,640	339,855	655,495
	1875-6	347,754	332,465	680,219
	1876-7	310,704	242,283	552,987
	1877-8	310,000	252,505	562,505
	1878-9	310,000	276,401	586,401
	1879-80	155,000	476,593‡	631,593
	1880-81	...	587,593	587,593
	1881-2	...	550,681	550,681
	1882-3	...	628,611	628,611
	1883-4	...	605,148	605,148
	1884-5	...	636,378	636,378
	1885-6	...	686,825	686,825
	1886-7	...	671,973	671,973
	1887-8	...	718,427	718,427
	1888-9	...	808,803‡	808,803

* See footnote (†) on page 168.

† Exclusive of school buildings and of all public works paid for out of loans, but including endowments of municipalities under the *Local Government Act*. The expenditure on the Port of Melbourne, included under this head prior to 1st January, 1877, has since been paid out of the Harbour Trust Fund. Particulars are given later on.

‡ The provision of the *Local Government Act* 1874, authorizing the annual subsidy of £310,000 to municipalities lapsed on the 31st December, 1879, but amounts equivalent to the subsidy have since been voted by Parliament. This accounts for the gradual transfer of this item of expenditure from Special Appropriations to Votes. The subsidy was increased to £340,854 in 1888-9.

HEADS OF EXPENDITURE, 1874-5 TO 1888-9—continued.

Heads of Expenditure.	Year.	Expenditure from—		Total.
		Special Appropriations.	Votes.	
		£	£	£
Post and telegraphs†	1874-5	85,890	294,726	380,616
	1875-6	26,908*	280,981	307,889*
	1876-7	64,542	298,467	363,009
	1877-8	53,996	312,958	366,954
	1878-9	55,855	333,120	388,975
	1879-80	61,101	338,088	399,189
	1880-81	63,229	375,533	438,762
	1881-2	77,348	358,795	436,143
	1882-3	6,240	386,006	472,246
	1883-4	94,215	407,045	501,260
	1884-5	118,121	416,252	534,373
	1885-6	126,944	437,676	564,620
	1886-7	130,065	455,925	585,990
	1887-8	131,520	511,593	643,113
	1888-9	115,693	503,377	619,070
Interest and expenses of Public Debt‡	1874-5	719,282	...	719,282
	1875-6	772,399	...	772,399
	1876-7	795,191	...	795,191
	1877-8	898,006	...	898,006
	1878-9	892,172	...	892,172
	1879-80	979,864	...	979,864
	1880-81	1,043,535	43,927	1,087,462
	1881-2	1,124,136	16,010	1,140,146
	1882-3	1,162,195	18,381	1,180,576
	1883-4	1,203,440	11,630	1,215,070
	1884-5	1,260,279	11,628	1,271,907
	1885-6	1,272,565	9,445	1,282,010
	1886-7	1,261,514	9,295	1,270,809
	1887-8	1,375,910	9,211	1,385,121
	1888-9	1,449,921	9,321	1,459,242
Redemption of loans...	1874-5	35,000	...	35,000
Customs	1874-5	...	57,364	57,364
	1875-6	...	56,311	56,311
	1876-7	...	56,186	56,186
	1877-8	...	64,058	64,058
	1878-9	...	59,467	59,467
	1879-80	...	62,226	62,226
	1880-81	...	58,621	58,621
	1881-2	...	63,330	63,330
	1882-3	...	65,047	65,047
	1883-4	...	72,978	72,978

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

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

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

HEADS OF EXPENDITURE, 1874-5 TO 1888-9—*continued*.

Heads of Expenditure.	Year.	Expenditure from—		Total.
		Special Appropriations.	Votes.	
		£	£	£
Customs— <i>continued</i> ...	1884-5	...	71,710	71,710
	1885-6	...	70,925	70,925
	1886-7	...	78,579	78,579
	1887-8	...	83,975	83,975
	1888-9	...	87,412	87,412
Harbours and lights ...	1874-5	...	35,035	35,035
	1875-6	...	34,703	34,703
	1876-7	...	29,980	29,980
	1877-8	...	29,017	29,017
	1878-9	...	28,876	28,876
	1879-80	...	29,272	29,272
	1880-81	...	23,448	23,448
	1881-2	...	25,471	25,471
	1882-3	...	26,763	26,763
	1883-4	...	24,632	24,632
	1884-5	...	28,941	28,941
	1885-6	...	38,988	38,988
	1886-7	...	39,819	39,819
	1887-8	...	32,460	32,460
	1888-9	...	34,595	34,595
Mint subsidy *	1874-5	20,000	...	20,000
	1875-6	20,000	...	20,000
	1876-7	18,333	...	18,333
	1877-8	20,000	...	20,000
	1878-9	20,000	...	20,000
	1879-80	20,000	...	20,000
	1880-81	20,000	...	20,000
	1881-2	20,000	...	20,000
	1882-3	20,000	...	20,000
	1883-4	20,000	...	20,000
	1884-5	20,000	..	20,000
	1885-6	20,000	...	20,000
	1886-7	20,000	...	20,000
	1887-8	20,000	...	20,000
	1888-9	20,000	...	20,000
Aborigines ...	1874-5	..	6,209	6,209
	1875-6	...	6,100	6,100
	1876-7	...	7,500	7,500
	1877-8	...	7,464	7,464
	1878-9	...	10,499	10,499
	1879-80	...	7,500	7,500
	1880-81	...	7,499	7,499
	1881-2	...	7,498	7,498
	1882-3	...	7,498	7,498
	1883-4	...	10,857	10,857
	1884-5	...	10,500	10,500
	1885-6	...	10,514	10,514
	1886-7	...	10,508	10,508
	1887-8	...	10,982	10,982
	1888-9	...	10,949	10,949

* The annual subsidy to the Mint is £20,000; portion of this sum, however, has been repaid each year to the revenue.—See page 150 *ante*, under the head "Mint subsidy returned."

HEADS OF EXPENDITURE, 1874-5 TO 1888-9—*continued*.

Heads of Expenditure.	Year.	Expenditure from—		Total.
		Special Appropriation.	Votes.	
		£	£	£
Miscellaneous Services *	1874-5	2,500	30,108	32,608
	1875-6	2,500	30,627	33,127
	1876-7	2,500	23,364	25,864
	1877-8	2,500	31,222	33,722
	1878-9	2,500	40,566	43,066
	1879-80	2,500	29,772	32,272
	1880-81	4,000	58,244	62,244
	1881-2	4,000	25,574	29,574
	1882-3	4,000	35,177	39,177
	1883-4	4,000	30,567	34,567
	1884-5	4,000	25,851	29,851
	1885-6	4,000	43,569	47,569
	1886-7	2,234	38,107	40,341
	1887-8	750	149,065	149,815
	1888-9	938	229,313	230,251
TOTAL EXPENDITURE PROPER	1874-5	1,448,633	2,848,016	4,296,649
	1875-6	1,640,200	2,753,866	4,394,066
	1876-7	1,523,734	2,812,405	4,336,139
	1877-8	1,562,247	2,973,815	4,536,062
	1878-9	1,626,484	3,183,240	4,809,724
	1879-80	1,356,995	3,446,795	4,803,790
	1880-81	1,478,271	3,621,954	5,100,225
	1881-2	1,574,097	3,571,667	5,145,764
	1882-3	1,423,014	4,220,871	5,643,885
	1883-4	1,472,124	4,181,169	5,653,293
	1884-5	1,688,706	4,432,858	6,121,564
	1885-6	1,816,615	4,696,925	6,513,540
	1886-7	1,790,546	4,770,705	6,561,251
	1887-8	1,962,804	5,324,347	7,287,151
	1888-9	2,050,551	5,869,351	7,919,902
Amounts to be recouped from loans, etc. ...	1874-5	...	21,472	21,472
	1875-6	15,221	163,556	178,777
	1876-7	19,001	2,956	21,957
	1877-8	32,042	66,245	98,287
	1878-9	20,655	3,000	23,655
	1879-80	18,945	52,294	71,239
	1880-81	2,310	6,107	8,417
	1881-2	...	...	...
	1882-3	...	8,000	8,000
	1883-4	...	62,000	62,000
	1884-5	...	18,792	18,792
	1887-8	...	55,265	55,265
	1888-9	...	156,330	156,330†

* Except £888 in 1886-7, and £200 in 1887-8, the amounts in the column for Special Appropriations represent the unexpended balances of the Pension Fund (Schedule D, Part V.), repaid each year to the revenue.

† See paragraph 266 *post*.

HEADS OF EXPENDITURE, 1874-5 TO 1888-9—*continued*.

Heads of Expenditure.	Year.	Expenditure from—		Total.
		Special Appropriations.	Votes.	
		£	£	£
GRAND TOTAL EXPENDITURE*	1874-5	1,448,633	2,869,488	4,318,121
	1875-6	1,655,421	2,917,422	4,572,843
	1876-7	1,542,735	2,815,361	4,358,096
	1877-8	1,594,289	3,040,060	4,634,349
	1878-9	1,647,139	3,186,240	4,833,379
	1879-80	1,375,940	3,499,089	4,875,029
	1880-81	1,480,581	3,628,061	5,108,642
	1881-2	1,574,097	3,571,667	5,145,764
	1882-3	1,423,014	4,228,871	5,651,885
	1883-4	1,472,124	4,243,169	5,715,293
	1884-5	1,688,706	4,451,650	6,140,356
	1885-6	1,816,615	4,696,925	6,513,540
	1886-7	1,790,546	4,770,705	6,561,251
	1887-8	1,962,804	5,379,612	7,342,416
	1888-9	2,050,551	6,025,681	8,076,232

265. Of the total expenditure proper in 1888-9, £2,050,551, or about 25 per cent., was under the head of Special Appropriations, which, being provided for under various Acts of Parliament other than the annual *Appropriation Act*, are not required to be voted annually. It will be observed that the expenditure under such appropriations increased in 1888-9 as compared with the previous year by nearly £88,000, and that under votes increased by about £545,000. Of the former increase, about £7,000 was due to the larger proceeds arising from the sale of lands, and payable to the Railway Construction Account; £74,000 under that of interest, consequent on the growth of the public debt; and £15,500 under Legislature, arising from increased expenses under the new *Electoral Act*; as against which should be set a decrease of £16,000 under Post and Telegraphs, consequent on a saving effected in the cost of Foreign mail services.

Increased expenditure under special appropriations.

266. The sums expended during 1889 to be afterwards recouped, amounted in the aggregate to £156,330. These it is proposed to recoup partly from the proceeds of a future loan and partly from the proceeds of the sale of the site of the City Police Court, Melbourne. The following are the particulars:—

Special expenditure to be recouped.

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

EXPENDITURE IN 1888-9 TO BE AFTERWARDS RECOUPED.

Wherefrom to be Recouped.	Wherefor Expended.	Amount to be Recouped.
		£
A Future Loan ...	Erection of State Schools ...	60,000
Do. ...	Melbourne Water Supply ...	56,906
Sale of City Police Court, Melbourne }	Purchase of Land in vicinity of Law Courts	13,725
Do. ...	Extension of Titles Office ...	5,699
Do. ...	Purchase of Land in Post Office Place ...	20,000
	Total ...	156,330

New special appropriations.

267. The amounts specially appropriated under Acts of Parliament increased but slightly in the last three financial years, but, in the previous three years, such appropriations were added to by £255,550; of this amount, however, an appropriation of £110,000, for Defences, was authorized for only five years; and £80,000 was merely the re-investment of portions of the land revenue in the Government railways. The following is a statement of the new appropriations referred to :—

ADDITIONAL SPECIAL APPROPRIATIONS AUTHORIZED, 1883-4 TO 1888-9.

Authorization.		Purpose for which Authorized.	Approximate Annual Amount.
Year.	Act.		
			£
1883-4 ...	47 Vict. No. 767	Victorian Railways Commissioners —Salaries	6,000
	47 Vict. No. 773	Victorian Railways—Pensions, etc. Public Service Board—Salaries ...	13,000* 4,500
	47 Vict. No. 777	„ Pensions, etc. Defences—Works, etc. ...	12,500* 110,000†
	47 Vict. No. 780	„ Pensions, etc. Salary of Additional Minister ...	900* 1,500
	47 Vict. No. 781	Subsidy towards maintenance of telegraphic communication between Port Darwin and Penang	20,000*
		Total ...	168,400
1884-5 ...	48 Vict. No. 807	Addition to Agent-General's salary	500
	48 Vict. No. 812	Proceeds of land sales by auction paid to "Railway Construction Account"	80,000‡
		Total ...	80,500

* Previously paid from annual votes. Of the £20,000 authorized for the maintenance of the Port Darwin cable, only £13,000 in 1888-9, and about £14,600 in each of the previous four years has been required.
† This amount is authorized for five years only.
‡ This represents the mean of the amounts paid in the two years, 1885-6 and 1886-7.

ADDITIONAL SPECIAL APPROPRIATIONS AUTHORIZED—*continued.*

Authorization.		Purpose for which Authorized.	Approximate Annual Amount.
Year.	Act.		
1885-6 ...	49 Vict. No. 835	Interest on payment out of Assurance Fund (Government Trust Fund) for purchase of land near Titles Office	3,000
	49 Vict. No. 844	Additional Judge of Supreme Court	3,000
	49 Vict. No. 870	Commissioner of Audit—Pension ...	650
		Total ...	6,650
1886-7 ...	...	Nil ...	...
1887-8 ...	...	Nil ...	...
1888-9 ...	52 Vict. No. 965	Marine Board ...	6,610
		Total increase in six years	262,160

NOTE.—Besides the amounts specified in the table, a grant of £3,000 was authorized and paid in 1885-6 to the widow of the late Hon. J. M. Grant, and £4,000 in 1887-8, for the purchase of an annuity for the Hon. P. Lalor, who has since died.

268. In addition to the ordinary expenditure from revenue, large sums are annually disbursed for various purposes from amounts raised by means of loans. The following table shows the details of such expenditure prior to 1883-4, and during each subsequent year. This is intended to supplement the table of ordinary expenditure by exhibiting those items which, having never been, or having ceased to be, a charge on the general revenue, are treated in separate accounts:—

Expenditure of loans, etc.

EXPENDITURE OF NET PROCEEDS OF LOANS TO 30TH JUNE, 1889.

Purposes of Expenditure.	Amounts Expended.*							
	Prior to 1883-4.	1883-4.	1884-5.	1885-6.	1886-7.	1887-8.	1888-9.	Total.
	£	£	£	£	£	£	£	£
Railways † ..	18,670,121	1,191,132	901,577	1,408,662	1,711,160	1,774,721	3,083,211	28,740,584
Water Supply † ..	3,735,974	304,585	172,465	235,485	373,994	462,562	484,068	5,769,133
Law Courts & Parliament Houses	390,761	45,505	568	12,153	32,770	44,954	37,563	564,274
Public Offices ..	162,280	..	..	..	..	..	..	162,280
Defences ..	98,299	..	..	..	..	..	..	98,299
State School Buildings	861,577	36,923	69,995	45,438	49,284	54,308	59,970	1,177,495
Yarra Bridge ..	1,800	8,382	3,663	14,205	42,561	32,627	18,207	§121,445
Alfred Graving Dock	341,819	..	..	..	..	..	..	341,819
Harbour Works, etc.	400	13,706	46,077	20,976	47,856	53,344	||54,279	236,638
Total † ..	24,263,031	1,600,233	1,194,345	1,736,919	2,257,625	2,422,516	3,737,298	37,211,967

NOTE.—The figures in this table have been obtained direct from the various Government departments so as to show the actual expenditure during each year, and differ from those given in the Treasurer's Finance Statements, in consequence of an overlapping of the accounts and other causes. The expenditure from loans paid off has not been deducted.

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

† Figures corrected since last publication, the figures for Railways having been revised by the Railway Department.

‡ Of which £2,452,872 was for Melbourne Water Supply, and £3,316,261 for Country Waterworks, etc. For further particulars, see Waterworks in Part "Production," in the second volume.

§ Net charge after deducting contributions by the Melbourne City Council, amounting to £47,000, and by the Melbourne Tramway Trust, amounting to £2,034.

|| Including an expenditure in 1888-9 of £9,493 on works for opening the sea entrance Gippsland Lakes, making a total of £56,888 up to the end of that year.

Annual
subsidies,
grants, etc.

269. Nearly a tenth of the expenditure payable from the General Revenue consists of subsidies, grants, endowments, etc. The whole amount payable in this manner is over £700,000, of which not quite half is paid to municipalities, over a sixth to charitable institutions, and over a ninth in aid of the mining industry. This does not include the grant for free public instruction, which amounts annually to about £600,000; or for the maintenance of the Government charitable institutions—such as the hospitals for the insane and the industrial and reformatory schools—which cost annually about £147,000. The following is a statement of the amounts payable under the various heads:—

ANNUAL SUBSIDIES, GRANTS, ENDOWMENTS, ETC.

Subsidy to Municipalities	...	...	...	...	£340,850
<i>Educational Grants, etc.—</i>					
Melbourne University—Endowment under Act	...	...	...	...	9,000
„ „ Additional Endowment voted	...	...	...	...	7,500*
College of Pharmacy	...	...	...	...	1,000
Schools of Mines and Technical Schools	...	...	...	...	24,090
Public Libraries, etc.	...	...	...	...	16,000
Grant to Royal Society	...	...	...	...	200
„ Royal Geographical Society of Australasia	...	...	...	...	1,000
„ Victorian Artists' Society	...	...	...	...	250
„ Fine Arts Galleries, Ballarat, Sandhurst, etc.	...	...	...	...	2,000
„ Zoological and Acclimatisation Society, etc.	...	...	...	...	3,200
Grant to Charitable Institutions	...	...	...	...	120,000
<i>Post and Telegraphs—</i>					
Subsidy—Foreign Mail Service (amount payable by Victoria)	...	...	...	...	30,478†
„ Maintenance of telegraph line between Port Darwin and Penang	...	...	...	...	13,163
„ Eastern Extension Telegraph Co., Tasmania	...	...	...	...	1,045
<i>Mining, Agricultural, and other Industries—</i>					
Mining Boards	...	...	...	...	3,500
Mint Subsidy	...	...	...	...	20,000
Diamond Drills—Purchase and working expenses of	...	...	...	...	} 80,000
Grant to assist miners in prospecting operations	...	...	...	...
„ Agricultural Societies	...	...	...	...	21,000
„ Board of Viticulture	...	...	...	...	300
„ Horticultural Societies	...	...	...	...	2,250
<i>Defences—</i>					
Prizes to Rifle Associations, etc.	...	...	...	...	3,600
Supply of Ammunition to Rifle Clubs, Cadet Corps, etc.	...	...	...	...	5,000
Total	...	...	...	...	£705,426

* In 1888-9 a grant was also made in aid of building the Biological, Chemical, and Mechanical Laboratories.

† A set-off against this amount appears in the account of Postal Revenue, under the head of "Postages Collected," which reduces the ultimate net cost to about £4,000.

270. 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, close upon ten and a quarter millions sterling have been expended by the State in giving effect to its provisions. Of this amount more than a fifth was for the erection, maintenance, and rent of school buildings; and the remainder—viz., nearly eight millions and a half—represents the cost of education, including that of office staff, inspection, instruction, pensions, gratuities, and contingencies, for the last seventeen years. The following table shows the expenditure under those heads for each year from 1872-3 to 1888-9, also the total for the period:—

Expenditure
on public
instruction.

EXPENDITURE ON PUBLIC INSTRUCTION,* 1872-3 to 1888-9.

Year.	Cost of Instruction including Salaries and Contingencies.	Pensions and Gratuities.	Cost of Erection† and Maintenance, and Rent of School Buildings.	Total.
	£	£	£	£
1872-3	217,704	208	8,759	226,671
1873-4	347,641	500	154,976	503,117
1874-5	367,898	500	191,440	559,838
1875-6	423,694	555	126,700	550,949
1876-7	439,723	2,155	172,890	614,768
1877-8	469,547	2,760	245,454	717,761
1878-9	519,545	6,134	96,769	622,448
1879-80	503,923	10,366	81,884	596,173
1880-81	515,644	6,726	104,625	626,995
1881-2	526,397	8,321	76,911	611,629
1882-3	517,849	9,167	82,225	609,241
1883-4	522,063	9,849	62,015	593,927
1884-5	524,226	13,036	92,393	629,655
1885-6	563,426	14,271	68,136	645,833
1886-7	570,292	17,043	67,908	655,243
1887-8	600,271	16,718	80,726	697,715
1888-9	639,124	20,563	84,964	744,651
Total	8,268,967	138,872	1,798,775	10,206,614

NOTE.—Besides the amounts in this table, subsidies are voted each year to the University, Schools of Mines, Schools of Design, etc. For particulars see pages 158 and 176 *ante*.

271. It will be observed that the actual cost of instruction increased rapidly until 1878-9; that during the seven years, 1878-9 to 1884-5, it remained tolerably uniform at £520,000 per annum, but during the last four years it has increased by £115,000. During the last eight years, the annual expenditure on school buildings has been tolerably

Cost of
system at
different
periods.

* Further details for the last two years are given in Part "Social Condition" published in the second volume.

† Including expenditure from loans.

uniform, varying from £62,000 in 1883-4 to £92,000 in 1884-5. It may be remarked that prior to 1872-3 the total annual expenditure on public instruction was under £200,000.

Expenditure
on immi-
gration.

272. Since the separation of Victoria from New South Wales, upwards of two millions sterling have been expended on the introduction of immigrants from the United Kingdom. Of late years, however, it has not been the policy of the State to devote money to this object, and little or nothing was so spent during the last five, and only £65 during the last eight years. 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 1888-9.*

£			£			£		
1851	...	116,363	1865	...	41,808	1878-9	...	342
1852	...	206,552	1866	...	35,813	1879-80	...	28
1853	...	209,925	1867	...	38,402	1880-81	...	104
1854	...	390,352	1868	...	32,549	1881-2	...	...
1855	...	187,355	1869	...	50,637	1882-3	...	11
1856	...	115,716	1870	...	33,313	1883-4	...	47
1857	...	115,877	1871 (6 months)	...	14,840	1884-5	...	2
1858	...	59,023	1871-2	...	21,808	1885-6	...	...
1859	...	48,809	1872-3	...	4,094	1886-7	...	...
1860	...	6,948	1873-4	...	2,251	1887-8	...	5
1861	...	63,739	1874-5	...	1,583	1888-9	...	...
1862	...	115,209	1875-6	...	760			
1863	...	50,081	1876-7	...	500	Total ...		£2,013,099
1864	...	47,887	1877-8	...	366			

Expenditure
on immi-
gration in
Austral-
asian
colonies.

273. Up to the end of 1888, most of the Australasian colonies, except Victoria, had continued to expend considerable sums on the introduction of immigrants, but as a whole they spent £70,000 less in 1888 than in the previous year. Nearly £161,000 were spent by the colonies on immigration in 1888, of which Queensland contributed over four-fifths, and New Zealand nearly one-eleventh. Only £25,700 or 16 per cent. of the whole, was provided for out of ordinary revenue, the greater portion having been paid out of the loan account.† In proportion to population, the expenditure was much the highest in Queensland, where it averaged 7s. per head, the average for the whole of Australasia being less than 1s. per head. The following are the total amounts, and the amounts per head, expended on immigration in each colony in 1887 and 1888:—

* Prior to 1870 the figures denote the whole expenditure in connexion 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.

† See tables following paragraphs 264 and 268 *post*.

EXPENDITURE ON IMMIGRATION IN THE AUSTRALASIAN COLONIES,
1887 AND 1888.

Colony.	Expenditure on Immigration.			
	Total Amount.		Amount per Head of Population.	
	1887.	1888.	1887.	1888.
	£	£	s. d.	s. d.
Victoria	5	...	...	...
New South Wales	31,534	7,854	0 7	0 2
Queensland	151,440	131,913	8 6	7 0
South Australia	9,989	559	0 8	...
Western Australia	17,000	5,820	8 2	2 9
Tasmania... ..	2,680	502	0 5	0 1
New Zealand	18,382	14,168	0 7	0 6
Total	231,030	160,816	1 4	0 11

274. During the eighteen years* ended with 1888 the subjoined amounts were spent on immigration in the following colonies:— Victoria, £80,049; New South Wales, £760,795; South Australia, £775,156; New Zealand, £2,184,382.†

Expenditure on immigration in Australasian colonies, 1871-88.

275. During the last thirty-nine years nearly sixty-two millions sterling have been expended—partly out of loans and partly out of the general revenue—by the Government of Victoria on public works, including railways, roads and bridges, water supply, and other works and buildings. Of this amount nearly four millions and a half were spent in 1888-9. The whole is inclusive of loans to local bodies and water trusts for the construction of waterworks, but exclusive of the sums expended by the former on public works, roads, etc., 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 1888-9:—

Expenditure on public works.

GOVERNMENT EXPENDITURE ON PUBLIC WORKS.

Public Works.	Amount Expended.		
	Prior to 1888-9.	During 1888-9.	Total.
	£	£	£
Railways—Construction	28,212,064	2,977,452	31,189,516
„ Maintenance	3,905,321	407,525	4,312,846
Roads and bridges	7,309,470	80,202	7,389,672
Waterworks, Melbourne—Construction	2,442,730	287,286	2,730,016
„ „ Maintenance	122,431	7,786	130,217
„ Country	3,095,808	289,226	3,385,034
Other public works	12,248,434	356,571	12,605,005
Total	57,336,258	4,406,048	61,742,306

* For Victoria and South Australia 18½ years.
† Including £74,410 expenditure by the Provincial Governments during the years 1871-6.
‡ See table “Melbourne Harbor Trust” post.

Revenue and
expendi-
ture in
Austral-
asian
colonies.

276. 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 1888. 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 :—

REVENUE AND EXPENDITURE IN AUSTRALASIAN COLONIES.

Colony.	Year.	Revenue.			Expenditure.		
		Total Amount.	Amount per Head.			Total Amount.	Amount per Head.
		£	£	s.	d.	£	£ s. d.
Victoria ...	1880-81	5,186,011	6	0	7	5,108,642	5 18 10
	1881-2	5,592,362	6	7	1	5,145,764	5 16 11
	1882-3	5,611,253	6	4	8	5,651,885	6 5 7
	1883-4	5,934,687	6	8	9	5,715,293	6 4 0
	1884-5	6,290,361	6	13	0	6,140,356	6 9 10
	1885-6	6,481,021	6	13	6	6,513,540	6 14 2
	1886-7	6,733,826	6	14	3	6,561,251	6 10 10
	1887-8	7,607,598	7	6	7	7,287,151	7 0 5
	1888-9	8,675,990	7	19	10	7,919,902	7 5 11
New South Wales...	1881	6,707,963	8	15	10	5,890,580	7 14 5
	1882	7,410,737	9	5	5	6,347,810	7 18 10
	1883	6,470,341	7	13	5	8,048,319	9 10 10
	1884	7,117,592	7	19	0	6,853,189	7 13 1
	1885	7,584,593	8	2	11	8,573,288	9 4 2
	1886	7,594,301	7	15	0	9,078,869	9 5 4
	1887	8,582,811	8	7	11	9,098,460	8 18 0
	1888	8,886,360	8	7	0	8,778,851	8 5 0
Queensland	1880-81	2,023,668	9	8	2	1,757,654	8 3 5
	1881-2	2,102,095	9	5	3	1,904,201	8 7 9
	1883	2,583,444	9	12	11	2,242,971	8 7 6
	1884	2,673,554	8	19	0	2,751,851	9 4 3
	1885	2,840,960	9	4	0	2,875,609	9 6 3
	1886	2,810,147	8	9	0	3,202,030	9 12 7
	1887	3,032,463	8	10	11	3,350,049	9 8 10
	1888	3,463,097	9	3	7	3,368,405	8 18 7
South Australia ...	1881	2,171,988	7	10	4	2,054,285	7 2 4
	1882	2,087,076	7	4	0	2,146,599	7 8 1
	1883	2,060,140	6	17	10	2,330,079	7 15 10
	1884	2,024,928	6	11	3	2,398,191	7 15 5
	1885	2,309,592	7	7	6	2,454,808	7 16 10
	1886	1,975,269	6	6	0	2,234,395	7 2 9
	1887	2,014,102	6	8	7	2,145,135	6 16 11
	1888	2,494,556	7	16	11	2,376,399	7 9 6

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.
Western Australia...	1881	254,313	8	11	4	197,386	6	13	0
	1882	250,372	8	4	9	205,451	6	15	3
	1883	284,364	9	2	1	240,566	7	14	1
	1884	290,319	8	19	7	291,307	9	0	3
	1885	323,213	9	9	9	308,849	9	1	4
	1886	388,564	10	9	0	394,675	10	12	3
	1887	377,903	9	1	3	456,897	10	19	2
	1888	357,003	8	8	9	385,129	9	2	0
Tasmania	1881	505,872	4	6	3	468,613	3	19	11
	1882	551,213	4	11	4	502,771	4	3	4
	1883	562,189	4	10	5	533,036	4	5	9
	1884	549,262	4	5	7	584,047	4	11	0
	1885	571,397	4	6	6	585,767	4	8	8
	1886	568,924	4	4	0	584,756	4	6	4
	1887	594,976	4	5	1	668,759	4	15	8
	1888	640,068	4	8	8	709,486	4	18	4
New Zealand	1881	3,757,493	7	12	3	3,675,797	7	9	0
	1882	3,917,160	7	13	10	3,824,735	7	10	2
	1883	3,871,267	7	6	3	3,924,005	7	8	3
	1884	3,707,488	6	14	2	4,101,318	7	8	5
	1885	3,859,996	6	16	4	4,282,901	7	11	4
	1886	3,688,016	6	6	9	4,310,875	7	8	1
	1887	3,463,495	5	16	2	3,954,290	6	12	7
	1888	4,109,815	6	15	9	3,962,912	6	10	11

NOTE.—In 1889-90, the approximate revenue of Victoria was £8,511,105, and the approximate expenditure £9,750,204. For the revenue and expenditure of each of the neighbouring colonies during 1889, see Appendix A. at the end of the second volume.

277. It should be pointed out that the Victorian returns of revenue and expenditure are prepared on a somewhat different principle from those of New South Wales, the over-payments to the revenue, afterwards refunded, being in the Victorian statements deducted therefrom, and the net amounts only dealt with. In New South Wales, on the other hand, the refunds are not deducted from the revenue, but are placed under the head of expenditure, both revenue and expenditure being swelled thereby. It is not easy from the official statements of public accounts in New South Wales to ascertain the full extent to which this expansion of both sides of the account occurs; but by a superficial analysis of the accounts of the year 1888, sums can be traced amounting in the aggregate to at least £180,130,* which are

Victorian statements differ from those of New South Wales.

* Such items are as follow :—£10,978 repayments to credit of votes; £49,359 drawbacks and refunds of duty; £20,202 railway revenue collected for the Victorian Government; about £99,600 other revenue returned, etc., etc.

included in and go to swell both the revenue and expenditure of that colony, whereas they would not be so included in Victoria, and this may possibly not be the full extent to which such differences occur. It is not known whether a similar system of cross-entry prevails in the other Australasian colonies, but it is probable such entries are not so rigidly excluded in any of the colonies as they are in Victoria.

Revenue and
expendi-
ture
compared.

278. In the last year named in the table there was a surplus of revenue over expenditure in all the colonies except Western Australia and Tasmania, which was in striking contrast to the heavy deficiencies which occurred in most of the colonies during the two preceding years. The surplus amounted to £756,000 in Victoria, £147,000 in New Zealand, £118,000 in South Australia, £107,000 in New South Wales, and £95,000 in Queensland; the surplus in Victoria being thus more than five times as large as that in any other colony. These surpluses amounted altogether to £1,223,000, but allowing for the deficiencies in Western Australia and Tasmania, amounting to £97,000, the aggregate net surplus in the revenues of the Australasian colonies in 1888 was £1,126,000, as against a deficiency in 1887 of £1,289,000, and one of £2,608,000 in 1886. During the years named there has been a surplus seven times in Victoria, four times in New South Wales, Queensland, and Western Australia, three times in Tasmania and New Zealand, and twice in South Australia.

Revenue and
expendi-
ture in
colonies,
1888 and
former
years.

279. In the last year named in the table a larger revenue than in any previous year was raised in all the colonies except Western Australia; but the expenditure was greater in the last than in any previous year in only three of the colonies, viz., Victoria, Queensland, and Tasmania.

Revenue and
expendi-
ture per
head in
colonies.

280. Victoria and South Australia were the only colonies in which the revenue per head was larger in the last year than in any of the previous years named. The only colonies in which the expenditure per head was greatest in the last year were Victoria and Tasmania.

Order of
colonies in
respect to
revenue
and ex-
penditure.

281. Although, as has been already stated,* the returns of Victoria and New South Wales are not strictly comparable, there can be no doubt that in all the years shown in the table the revenue and expenditure of New South Wales exceeded that of Victoria. In both these respects the position of the two colonies named was much above that of all the others of the group. The following is the order in which the respective colonies stood in regard to the total amount they raised and expended in the last year named:—

* See paragraph 277 *ante*.

ORDER OF COLONIES IN REFERENCE TO REVENUE AND EXPENDITURE, 1888.

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

282. In regard to revenue per head, Victoria occupied a higher position in 1888 than South Australia, New Zealand, or Tasmania, but a lower position than any of the other colonies ; and in regard to expenditure per head a similar order prevailed, except that Western Australia stood before Queensland, and South Australia before Victoria. The following is the order in which the colonies stood in these respects :—

Order of colonies in respect to revenue, etc., per head.

ORDER OF COLONIES IN REFERENCE TO AMOUNTS OF REVENUE AND EXPENDITURE PER HEAD, 1888.

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

283. Adding together the amounts of revenue and likewise the amounts of expenditure for 1888,* it will be found that on the continent of Australia the former amounted to over 22¾ millions, and the latter to nearly 22¼ millions ; also that the aggregate revenue of Australia, with the addition of that of Tasmania and New Zealand, amounted to over 27½ millions, and the aggregate expenditure to over 26¾ millions sterling. In Continental Australia there was a surplus on the year's transactions of nearly two-thirds of a million, and in the Australasian colonies as a whole one of nearly three-quarters of a million. The following are the exact amounts of revenue and expenditure, also the proportions per head of population :—

Revenue and expenditure of Australia and Australasia.

REVENUE AND EXPENDITURE OF AUSTRALIA AND AUSTRALASIA, 1888.

	Revenue.		Expenditure.	
	Total Amount.	Amount per head.	Total Amount.	Amount per head.
	£	£ s. d.	£	£ s. d.
Continent of Australia ...	22,808,614	0 8	22,195,935	7 16 4
Ditto, with Tasmania and New Zealand	27,558,497	13 7	26,868,333	7 9 8

* In the case of Victoria, the figures for 1887-8 have been taken.

Increased
revenue of
Austral-
asia in
fifteen
years.

284. A comparison of the aggregate revenue of the colonies upon the Australian continent in 1873 and in 1888 shows that, in the fifteen years, it had risen from £9,161,000 to £22,809,000, the increase being $13\frac{1}{2}$ millions sterling, or 148 per cent. If the revenues of Tasmania and New Zealand be added, the sum shows an aggregate revenue for the whole of Australasia of £12,262,000 at the former and of £27,560,000 at the latter period, the increase being over $15\frac{1}{4}$ millions, or 125 per cent. In the same fifteen years the population of the Australian continent increased from 1,702,840 to 2,925,000, or by 72 per cent., and the population of the whole of Australasia increased from 2,103,000 to 3,678,000, or by 75 per cent.

Heads of
revenue of
Austral-
asian
colonies.

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

HEADS OF REVENUE IN AUSTRALASIAN COLONIES, 1888.

Heads of Revenue.	Victoria, 1888-9.	New South Wales.	Queens- land.	South Australia.	Western Aus- tralia.	Tas- mania.	New Zealand.
	£	£	£	£	£	£	£
Taxation:—							
Customs, etc. ...	2,879,830	1,883,058	1,344,504	533,665	159,059	297,912	1,390,717
Other Taxes * ...	†869,840	798,825	‡233,167	205,688	20,885	107,895	†640,941
Total ...	3,749,670	2,681,883	1,577,671	739,353	179,944	405,807	2,031,658
Crown Lands ...	616,028	2,268,253	638,472	319,510	81,348	76,859	§297,856
Railways ...	3,104,907	||2,497,930	769,275	956,848	37,302	60,237	1,019,791
Post and Telegraphs ...	†402,834	562,909	228,701	214,600	22,701	50,648	†318,558
Other sources ...	802,551	875,385	248,978	264,245	35,708	46,517	¶441,952
Total ...	8,675,990	**8,886,360	3,463,097	2,494,556	357,003	640,068	4,109,815

* The amounts in this line are made up of Excise duties, including licences imposed for revenue purposes; duties on bank notes; stamps, other than those for post and telegraphs and fees of office; legacy, succession and probate duties; property and income taxes; and any other impost, payable to the General Government, levied distinctly as a tax; but excluding fees, licences, and charges for special services rendered.

† Portion of the revenue of Victoria and New Zealand derived from "Other Taxes" and "Post and Telegraphs" has been estimated, there being no means of ascertaining the correct figures.

‡ Excluding licences, which in Queensland are classed under other sources.

§ Inclusive of revenue from gold-fields, £19,447.

|| Exclusive of tramways. Revenue collected for Victoria for traffic beyond Albury (£20,202) is also excluded.

¶ Including £229,125 property tax collected in 1888 on account of 1887.

** Including revenue returned to the extent of at least £180,130. See footnote to paragraph 277 ante.

HEADS OF REVENUE IN AUSTRALASIAN COLONIES, 1888—*continued*.

Heads of Revenue.	Proportions per cent.						
	Victoria, 1888-9.	New South Wales.	Queens- land.	South Australia.	Western Aus- tralia.	Tas- mania.	New Zealand.
Taxation :—							
Customs, etc. ...	33·20	21·19	38·83	21·39	44·55	46·54	33·84
Other Taxes ...	10·03	8·99	6·73	8·25	5·85	16·86	15·59
Total ...	43·23	30·18	45·56	29·64	50·40	63·40	49·43
Crown Lands ...	7·10	25·53	18·44	12·81	22·79	12·01	7·25
Railways ...	35·79	28·11	22·21	38·36	10·45	9·41	24·81
Post and Telegraphs ...	4·64	6·33	6·60	8·60	6·36	7·91	7·75
Other sources ...	9·24	9·85	7·19	10·59	10·00	7·27	10·76
Total ...	100·00	100·00	100·00	100·00	100·00	100·00	100·00

NOTE.—The figures of revenue and expenditure for Victoria are for the twelve months ended 30th June, 1889, but those for the other colonies are for the calendar year 1888. Refunds of revenue, drawbacks, and such similar entries, are rigidly excluded from the accounts of revenue and expenditure of Victoria and New Zealand, but are included in those of New South Wales and Queensland; also, it is believed, in those of some of the other colonies. For later information see Appendix A. at end of the second volume.

286. It will be observed that the proportion of revenue raised by taxation—chiefly derived from Customs duties—varied from about 30 per cent. in South Australia and New South Wales to 63 per cent. in Tasmania, the proportion in Victoria being 43 per cent, or lower than in any of the other colonies except New South Wales and South Australia. The revenue from Railways also formed a very large proportion of the total revenue of all the colonies, varying from a tenth in Western Australia and Tasmania to more than a third of the whole in Victoria and South Australia. The Crown lands revenue varied in the different colonies from 7 to 26 per cent. of the whole—the latter proportion prevailing in New South Wales, and that from Post and Telegraphs from less than 5 to over $8\frac{1}{2}$ per cent.

287 It will be remarked that the land revenue was nearly four times as large in New South Wales as in Victoria, which item alone much more than accounts for the larger total revenue of the former colony. Indeed, if the land revenue be deducted from the total revenues of the two colonies, the revenue of Victoria, notwithstanding the cross entries in the New South Wales returns already alluded to, would exceed the revenue of that colony by £1,442,000, the respective amounts for 1888 being £8,060,000 and £6,618,000. It also appears that the railway revenue of Victoria exceeded that of New South Wales by over £600,000; in the former colony it forms much more than one-third, and in New South Wales nearly one-fourth, of the total revenue. The total taxation of Victoria was greater than that of New South

Proportion
of revenue
from dif-
ferent
sources.

Heads of
revenue in
Victoria
and New
South
Wales
compared.

Wales by over one million, the excess appearing chiefly under the head of Customs. Under other heads, the revenue in New South Wales from Post and Telegraphs exceeded that in Victoria by £160,000, and that from other sources by £73,000.

288. In 1888 the aggregate land revenue of the Australasian colonies amounted to £4,300,000. The following table shows the receipts from the sale and occupation of Crown lands and their proportion to the total revenue in each Australasian colony during 1888. The colonies are arranged in order according to that proportion :—

LAND REVENUE IN AUSTRALASIAN COLONIES, 1888.

Colony.	Revenue derived from Crown Lands for—			Proportion of Land Revenue to Total Revenue.
	Alienation in Fee-simple and Progressive Alienation.	Temporary Occupation and Miscellaneous.	Total.	
	£	£	£	Per cent.
New South Wales ...	1,212,283	1,055,970	2,268,253	25·53
Western Australia ...	6,154	75,194	81,348	22·79
Queensland ...	255,890	382,582	638,472	18·44
South Australia ...	120,173	199,337	319,510	12·81
Tasmania ...	49,220	27,639	76,859	12·01
New Zealand ...	96,270	201,586	297,856*	7·25
Victoria (1888-9) ...	494,733	121,295	616,028	7·10
Total ...	2,234,723	2,063,603	4,298,326	15·02

289. It will be noticed that more than a seventh of the aggregate revenues of the Australasian colonies in 1888 was derived from Crown lands; and that the proportion amounted to about a fourteenth in Victoria and New Zealand; about an eighth in Tasmania and South Australia; about a fifth in Queensland and Western Australia; and over a fourth in New South Wales. It will also be remarked that in the colonies, as a whole, the greater proportion of the land revenue was derived from alienation in fee-simple.

290. In 1888, as compared with 1887, an increase of £127,500 occurred in the land revenue of South Australia, of £58,000 in that of Queensland, of £13,500 in that of New Zealand, of £11,000 in that of Tasmania, and of £4,000 in that of Western Australia; whilst, on the other hand, there was a decrease of £111,000 in that of New South Wales, and of £40,000 in that of Victoria. Taking the colonies as a whole, whilst the increase in 1888 was £63,000, considerable fluctuations will be observed in the land revenue during the

* Inclusive of revenue from goldfields, etc., £19,447.

eleven years ended with 1888, as shown in the following table, from which it will be seen that the amount received was larger in 1888 than in any previous years named, except 1878, 1881, and 1882 :—

LAND REVENUE OF AUSTRALASIAN COLONIES, 1878 TO 1888.

Year.			Land Revenue.	
			Total Amount.	Proportion of Total Revenue.
			£	
1878	...	...	5,814,388	33·00
1879	...	...	3,565,349	22·33
1880	...	...	3,802,143	17·50
1881	...	...	5,744,306	27·00
1882	...	...	5,458,963	25·00
1883	...	...	4,042,722	18·75
1884	...	...	4,001,028	17·50
1885	...	...	3,879,236	16·19
1886	...	...	3,560,297	14·98
1887	...	...	4,235,307	16·49
1888	...	...	4,298,326	15·02

NOTE.—Uniform dates have not always been adhered to in furnishing the above information which in some cases relates to the calendar and in others to the financial year.

291. Of the 27½ millions sterling which formed the total revenue of the Australasian colonies in 1888 over 10½ millions—or nearly two-fifths—was raised by taxation, chiefly through the Customs ; 8 millions—or something less than one-third—was derived from Railways ; over 4½ millions from Crown Lands ; and not quite 2 millions from Post and Telegraphs. The following are the exact figures, also the amounts per head, distinguishing those relating to Continental Australia from those relating to the Australasian colonies taken as a whole :—

Sources of revenue in Australasia.

HEADS OF REVENUE IN AUSTRALIA AND AUSTRALASIA, 1888.

Heads of Revenue.	Continent of Australia.		Australia with Tasmania and New Zealand.	
	Amount.	Proportions per cent.	Amount.	Proportions per cent.
	£		£	
Taxation—				
Customs ...	6,273,336	27·50	7,961,965	28·89
Other Taxes ...	1,976,518	8·67	2,725,354	9·89
Total ...	8,249,854	36·17	10,687,319	38·78
Crown Lands ...	3,963,850	17·38	4,338,565	15·74
Railways ...	7,002,843	30·70	8,082,871	29·33
Post and Telegraphs ...	1,514,444	6·64	1,883,650	6·84
Other Sources ...	2,077,623	9·11	2,566,092	9·31
Total ...	22,808,614	100·00	27,558,497	100·00

NOTE.—For similar figures for 1889, see Appendix A. in the second volume.

Heads of expenditure of Australasian colonies.

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

HEADS OF EXPENDITURE IN AUSTRALASIAN COLONIES, 1888.*

Heads of Expenditure.	Victoria. (1888-9.)	New South Wales.	Queens- land.	South Australia.	Western Australia.	Tasmania.	New Zealand.
	£	£	£	£	£	£	£
Railways (working expenses)	1,803,124	1,578,590	531,144	483,207	44,080	87,906	675,895
Post and Tele- graphs	619,070	616,371	315,763	179,492	35,429	63,404	252,831
Interest and expenses of Public Debt, etc.†	1,459,242	1,745,695	1,015,667†	717,906	63,820	184,613	1,569,556
Immigration§	...	7,854	11,031	559	5,820	502	...
Other services	4,038,466	4,830,341	1,494,800||	995,235	235,980	373,061	1,464,630
Total ...	7,919,902	8,778,851¶	3,368,405	2,376,399	385,129	709,486	3,962,912

	Proportions per Cent.						
Railways (working expenses)	22·77	17·98	15·77	20·33	11·45	12·39	17·05
Post and Tele- graphs	7·82	7·02	9·37	7·56	9·20	8·94	6·38
Interest and expenses of Public Debt, etc.	18·42	19·89	30·15	30·21	16·57	26·02	39·61
Immigration	...	·09	·33	·02	1·51	·07	...
Other services	50·99	55·02	44·38	41·88	61·27	52·58	36·96
Total ...	100·00	100·00	100·00	100·00	100·00	100·00	100·00

Heads of expenditure in Australasian colonies compared.

293. It will be observed that the Railway expenditure was smaller by nearly £225,000 in New South Wales than in Victoria, where it amounted to over 1½ million sterling, or nearly a fourth of the total expenditure, but the interest payable on the Public debt was larger by nearly £290,000 in the former than in the latter colony. In New Zealand also, which has less than half the revenue of Victoria, the

* The figures for Victoria are for the year ended 30th June, 1889, those for the other colonies for the year ended 31st December, 1888. For later figures see Appendix A. in the second volume.
† Interest only.
‡ Borrowed chiefly for the construction of Railways and other reproductive works.
§ Further amounts on the introduction of immigrants were expended during the year out of loans, as follow :—Queensland, £120,882 ; New Zealand, £14,168. See Table VI. *Victorian Year-Book* 1888-9, Vol. I., page 458.
|| Exclusive of charges for the sinking fund (viz., £263,200) formerly charged to revenue, but now virtually provided for out of a loan raised for that purpose.
¶ See footnote (**) to table following paragraph 285 ante.

interest on the Public debt exceeded that in Victoria by over £110,000. Four of the colonies have now an annual charge for interest varying from 1 to close on $1\frac{3}{4}$ million sterling. In Victoria and New South Wales the Postal and Telegraph expenditure exceeds £610,000, it being somewhat higher in the former than in the latter colony. The expenditure on immigration should be considered in conjunction with that expended during the year from loans.*

294. It will also be noticed that nearly half the total expenditure in Victoria, New South Wales, and Tasmania, nearly three-fifths in Queensland and South Australia, and over three-fifths in New Zealand, was devoted to the working of Railways and Post and Telegraphs, and the payment of interest on the Public debt. In Victoria, the Railway working expenses alone amounted to nearly one-fourth of the total, and the interest on the Public debt to nearly a fifth, the former being much higher than in the other colonies, whilst the latter was not nearly so high in Victoria as in Tasmania, where it amounted to 26 per cent., or in Queensland or South Australia, where it was 30 per cent., or in New Zealand, where it was as high as 39 per cent. The proportion expended on Post and Telegraph services, it will be noticed, varied from 6 per cent. in New Zealand and 7 per cent. in New South Wales to over 9 per cent. in Queensland and Western Australia. In Victoria it was not quite 8 per cent.

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

HEADS OF EXPENDITURE IN AUSTRALIA AND AUSTRALASIA, 1888.

Heads of Expenditure.	Continent of Australia.		Australia with Tasmania and New Zealand.	
	Amount.	Amount per cent.	Amount.	Amount per cent.
	£		£	
Railways (working expenses)...	4,211,807	18·98	4,975,608	18·52
Post and Telegraphs ...	1,790,168	8·07	2,106,403	7·84
Interest on Public Debt, etc. ...	4,928,209	22·20	6,682,378	24·87
Immigration † ...	25,269	·11	25,771	·10
Other services ...	11,240,482	50·64	13,078,173	48·67
Total ...	22,195,935	100·00	26,868,333	100·00

NOTE.—The amounts in this table are summarized from statements of the amounts expended in the various colonies for the year ended 31st December, 1888; except in the case of Victoria, for which colony the amounts for the year ended 30th June, 1888, have been taken. Later figures are given in Appendix A. to the second volume.

* See tables following paragraphs 273 *ante* and 298 *post*.

† For further amounts expended from loans during the year, see table following paragraph 298 *post*.

Loan ex-
penditure
in Austral-
asian
colonies,
1888.

296. In addition to the expenditure of amounts derived from the General Revenue, as shown in the last two tables, all the colonies spend large sums of borrowed money, chiefly on railways and water-works, but, also, in some instances, on the construction of electric telegraphs, harbour works and lighthouses, defence works, roads and bridges, school buildings, and other public works, and on immigration. The following table shows the total loan expenditure of the various colonies during 1888, also the amounts per head:—

EXPENDITURE FROM LOANS IN AUSTRALASIAN COLONIES, 1888.

Name of Colony.	Expenditure from Loans during 1888.			
	Total Amount.	Amount per Head.		
	£	£	s.	d.
Victoria	2,389,944	2	6	1
New South Wales	1,991,306	1	17	5
Queensland	1,574,258	4	3	6
South Australia	988,803	3	2	4
Western Australia	43,858	1	0	9
Total	6,988,169	2	9	3
Tasmania	412,436	2	17	2
New Zealand	739,674	1	4	5
Grand Total	8,140,279	2	5	4

NOTE.—In this table the figures for Victoria relate to the year ended 30th June, 1888, those for the other colonies to that ended 31st December. For later information, see Appendix A. in the second volume.

Loan ex-
penditure
of different
colonies
compared.

297. It will be observed that the aggregate loan expenditure of the Australasian colonies, in 1888, was over 8 millions sterling, Victoria having spent considerably more, and New South Wales and Queensland somewhat less, than £2,000,000. It will be noticed, however, that the loan expenditure per head of population was much lower in Victoria than in Queensland—where it was highest—South Australia, or Tasmania.

Heads of
loan ex-
penditure
in Australia
and Aus-
tralasia.

298. Of the loan expenditure of the Australasian colonies during 1888, nearly two-thirds was spent in the construction of railways; over one-tenth on waterworks; over 9 per cent. in connexion with harbours, rivers, etc.; not quite 5 per cent. on roads and bridges; $1\frac{2}{3}$ per cent. on the introduction of immigrants; and the balance (about 13 per cent.) for other services. The following are the total and proportionate amounts expended under each of these heads in Australia and Australasia respectively during 1888:—

HEADS OF LOAN EXPENDITURE IN AUSTRALIA AND AUSTRALASIA, 1888.

Heads of Loan Expenditure.	Continent of Australia.		Australia with Tasmania and New Zealand.	
	Amount.	Amount per cent.	Amount.	Amount per cent.
	£		£	
Railways	4,496,371	64·34	4,961,864	60·95
Water Supply	850,440	12·17	850,497	10·45
Roads and Bridges	72,828	1·04	389,125	4·78
Harbours, Rivers, Lighthouses, etc.	701,286	10·04	756,326	9·29
Immigration	120,882	1·73	135,050	1·66
Other services	746,362	10·68	1,047,417	12·87
Total	6,988,169	100·00	8,140,279	100·00

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

Revenues of British dominions.

REVENUES OF BRITISH DOMINIONS, 1888.

Country or Colony.	Revenue.	
	Gross Amount.	Average per Head.*
	£	£ s. d.
EUROPE.		
United Kingdom (1888-9)	88,472,812	2 6 6
Gibraltar	59,262	3 4 2
Malta	240,146	1 9 7
Heligoland†	8,132	3 13 11
ASIA.		
India (1887-8)‡	78,759,744	0 7 6
Ceylon	1,091,457	0 7 3
Straits Settlements	578,725	1 1 0
Protected Malay States	634,363	1 8 2
British North Borneo	55,967	0 5 1
Sarawak	51,229	0 3 5
Labuan	3,823	0 12 9
Hong Kong	324,438	1 10 1
Cyprus	149,363	0 14 11

* For populations on which most of these calculations have been based, see table following paragraph 175 ante.

† Ceded to Germany whilst these pages were passing through the press.

‡ Revenue of India in 1888-9, £81,585,000.

REVENUES OF BRITISH DOMINIONS, 1888—continued.

Country or Colony.						Revenue.			
						Gross Amount.	Average per Head.*		
AFRICA.						£	£	s.	d.
Mauritius	...	...	...	...	...	857,406	2	4	6
Natal	...	...	...	...	...	990,614	2	1	2
Zululand	...	...	...	...	...	32,873	0	5	6
Cape of Good Hope	...	...	...	...	...	3,426,362	2	8	0
Basutoland	...	...	...	...	...	37,210	0	4	3
British Bechuanaland	...	...	...	...	...	15,742	0	7	2
St. Helena	...	...	...	...	...	9,265	1	16	4
Lagos	...	...	...	...	...	57,058	0	11	5
Gold Coast	...	...	...	...	...	97,807	0	1	4
Sierra Leone	...	...	...	...	...	63,035	0	16	10
Gambia	...	...	...	...	...	20,986	1	6	3
AMERICA.									
Canada	...	...	...	...	...	7,480,930	1	10	1
Newfoundland	...	...	...	...	...	285,423	1	8	7
Bermuda	...	...	...	...	...	29,372	1	17	10
Honduras	...	...	...	...	...	43,511	1	9	0
British Guiana	...	...	...	...	...	461,941	1	13	6
West Indies—									
Bahamas	...	...	...	...	...	45,578	0	18	7
Turk's Island	...	...	...	...	...	6,453	1	4	10
Jamaica	...	...	...	...	...	691,248	1	2	5
St. Lucia	...	...	...	...	...	46,343	1	1	10
St. Vincent	...	...	...	...	...	23,521	0	10	0
Barbados	...	...	...	...	...	162,713	0	18	0
Grenada	...	...	...	...	...	51,378	1	0	10
Tobago	...	...	...	...	...	10,489	0	10	2
Virgin Islands	...	...	...	...	...	1,555	0	6	3
St. Christopher	}	...	...	...	...	40,077	0	18	2
Nevis		...	...	...	...
Antigua	...	...	...	...	...	40,723	1	3	3
Montserrat	...	...	...	...	...	5,854	0	10	8
Dominica	...	...	...	...	...	17,238	0	11	11
Trinidad	...	...	...	...	...	480,523	2	10	8
AUSTRALASIA AND SOUTH SEAS.									
Australia, Tasmania and New Zealand†	...	...	...	...	...	27,558,497	7	13	7
Fiji	...	...	...	...	...	65,018	0	10	4
Falkland Islands	...	...	...	...	...	8,951	4	14	9
Total	...	...	...	...	...	213,595,155	0	15	11

NOTE.—The recently acquired Territory of British New Guinea has a revenue of £15,000, derived solely from contributions by the Australasian colonies and Fiji.

Aggregate
revenue of
British
dominions.

300. It may be ascertained from this table that, out of 214 millions sterling, which represent the aggregate annual revenue of the British

* See footnote (*) on page 191.
† For the revenue of each Australasian colony see table following paragraph 276 ante.

dominions, 91 per cent. is raised in the United Kingdom, India, and Australasia, the proportion contributed by each respectively being 41 per cent., 37 per cent., and 13 per cent. Of the total amount, 41 per cent. is raised in Europe, 38 per cent. in Asia, 3 per cent. in Africa, 5 per cent. in America, and 13 per cent. in Australasia.

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

Large
revenues
per head
in Austral-
asian
colonies.

302. Besides the Australasian colonies, Gibraltar, Heligoland,‡ Cape of Good Hope (slightly), Trinidad, and the Falkland Islands, were the only British possessions which raised larger amounts per head than the United Kingdom.

Revenue per
head in
colonies
and United
Kingdom.

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

Revenues of
foreign
countries.

REVENUES OF FOREIGN COUNTRIES.

Country.	Year.	Revenue.	
		Gross Amounts (000's omitted.)	Amount per Head.§
EUROPE.		£	£ s. d.
Austria-Hungary	1889	75,794,||	1 17 3
Belgium	"	13,341,	2 4 3
Denmark	1888-9	2,989,	1 8 6
France (including Algeria)	1889	119,437,	2 16 10

* For the revenue of each Australasian colony, see table following paragraph 276 *ante*.

† For a comparison of the railway revenues and land revenues of the Australasian colonies with the total revenues, see paragraphs 285 to 291 *ante*.

‡ Ceded to Germany whilst these pages were passing through the press.

§ The populations of foreign countries on which these calculations are based are generally those given in paragraph 177 *ante*.

|| This amount is made up of £41,408,000, revenue of Austria in 1889; £34,386,000, revenue of Hungary in the same year.

REVENUE OF FOREIGN COUNTRIES—continued.

Country.	Year.	Revenue.	
		Gross Amounts (000's omitted.)	Amount per Head.*
EUROPE— <i>continued.</i>		£	£ s. d.
Germany	1886-8	126,000,†	2 13 9
Greece	1889	3,858,	1 18 11
Holland	„	10,050,	2 4 7
Italy	1889-90	64,605,	2 2 3
Portugal	„	8,986,	2 1 9
Roumania... ..	„	6,385,	1 3 9
Russia in Europe	1889	86,131,	0 18 9
Spain	1888-9	34,067,	1 18 10
Sweden and Norway	„	7,619,‡	1 2 9
Switzerland	1888	2,243,	0 15 3
Turkey	1888-9	16,650,	0 15 2
ASIA.			
Japan	1888-9	16,151,	0 8 3
AFRICA.			
Egypt	1889	10,476,	1 10 9
Tunis	1887-8	864,	0 8 3
AMERICA.			
Argentine Confederation	1889	12,045,	3 3 3
Brazil	1889-90	15,122,	1 1 7
Mexico	1888-9	7,896,	0 13 9
Peru	1887-8	3,237,	1 1 7
United States	1888	79,792,	1 8 9

Countries
raising
largest
revenue.

304. According to this table and that following paragraph 299 ante, the countries which raise the largest revenues of any in the world are Germany and France; and then the United Kingdom. After the revenues of these countries, the largest amounts are raised in Russia, the United States, British India, Austria-Hungary, Italy and Spain in the order named. These are the only countries whose

* See footnote (†) on page 193.

† This amount is made up of the estimated ordinary revenue of the Empire for 1888-9, £30,467,100 (exclusive of contributions by the States and extraordinary receipts), and of the revenues of the following States, according to their Budget estimates, for the dates named, viz. :—Alsace-Lorraine, £2,006,595 in 1887-8; Anhalt, £524,000 in 1887-8; Baden, £2,346,483 in 1888; Bavaria, £12,074,582 in 1887; Bremen, £684,055 in 1886; Brunswick, £637,050 in 1887; Hamburg, £1,995,226 in 1887; Hesse, £879,747 in 1887-8; Lippe, £50,872 in 1887; Lübeck, £149,795 in 1887; Mecklenburg-Schwerin, £827,950 in 1887-8; Oldenburg, £503,867 in 1888; Prussia, £65,141,422 in 1886; Reuss-Greiz, £42,760 in 1887; Reuss-Schleiz, £72,668 in 1888; Saxe-Altenburg, £136,798 in 1888; Saxe-Coburg-Gotha, £329,146 in 1888-9; Saxe-Meiningen, £262,431 in 1888-9; Saxe-Weimar, £337,327 in 1888; Saxony, £3,743,277 in 1886-7; Schaumburg-Lippe, £31,346 in 1887-8; Schwarzburg-Rudolstadt, £101,210 in 1887; Schwarzburg-Sonderhausen, £112,475 in 1887; Waldeck, £54,187 in 1888; and Württemberg, £2,487,120 in 1887-8.

‡ This amount is made up of £5,154,000, revenue of Sweden in 1889-90, and £2,465,000 revenue of Norway in 1887-8.

revenues exceed the united revenues of the Australasian colonies. The revenue of Victoria is larger than that of Denmark, Greece, Roumania, Sweden and Norway, Switzerland, Tunis, Peru or Mexico; and about the same as that of Portugal.

305. France, Germany, and the Argentine Confederation are the only countries named in the table which raise more per head than the United Kingdom, where the proportion is slightly larger than in Belgium or Holland. In Victoria, nearly three times as much per head is raised as in France, and nearly three and a half times as much as in the United Kingdom.

306. The amounts whereof revenue is made up may be divided into two classes, viz., those raised by taxation and those raised otherwise. In Victoria, the former class consists of Customs and Excise duties, wharfage rates, port and harbour dues, business licences, duties on bank notes, duties on estates of deceased persons, a land tax, and stamp duties. The latter class comprises amounts derived from the sale or occupation of Crown lands, from railways, from water supply, from post and telegraph offices, from the Mint, from fees, fines, and forfeitures, from the interest on the public account, from the labour of prisoners, etc. The following figures show the result of a division of the Victorian revenue upon this principle:—

TAXATION, 1888-9.

				£
Revenue raised by taxation	...	...	...	3,749,670
„ otherwise	...	...	...	4,926,320
Total	...	...	...	<u>8,675,990</u>

307. In 1888-9 over 43 per cent. of the total revenue was raised by taxation; and if the amount so raised be divided by the estimated mean population of the financial year, already stated to have been 1,085,630, an average will be obtained of £3 9s. 1d. to each individual. The following table contains a statement of the gross amount of taxation, the average amount per head, and the proportion of taxation to the total revenue, during each year since 1853:—

TAXATION, 1853 TO 1888-9.*

Year.	Taxation.		
	Gross Amount.	Average per Head.†	Percentage of Total Revenue.
	£	£ s. d.	
1853	800,577	4 1 11	24·74
1854	1,052,462	3 18 8	34·08
1855	1,193,309	3 10 6	43·73
1856	1,458,647	3 16 7	49·07
1857	1,331,362	3 1 10	40·00
1858	1,414,511	2 18 6	47·57
1859	1,414,760	2 14 8	43·38
1860	1,330,761	2 9 10	43·11
1861	1,244,389	2 6 1	42·15
1862	1,183,194	2 3 2	36·19
1863	1,158,219	2 1 2	41·74
1864	1,167,036	1 19 10	39·49
1865	1,214,479	1 19 9	39·47
1866	1,219,567	1 18 9	39·61
1867	1,516,231	2 7 1	47·14
1868	1,352,818	2 0 10	41·87
1869	1,539,495	2 4 10	45·49
1870	1,394,333	1 19 1	42·75
1871 (six months) ...	724,261	0 19 10	42·82
1871-2	1,612,034	2 3 2	43·17
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
1880-81	2,003,704	2 6 7	38·64
1881-2	2,317,706	2 12 8	41·44
1882-3	2,334,255	2 11 10	41·60
1883-4	2,318,520	2 10 4	39·07
1884-5	2,548,171	2 13 10	40·51
1885-6	2,634,560	2 14 3	40·65
1886-7	2,739,635	2 14 8	40·68
1887-8	3,071,003	2 19 2	40·37
1888-9	3,749,670	3 9 1	43·22

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.

Comparison
of taxation
1888-9 with
former
years.

308. It will be observed that, whilst an increase of £678,700 took place in the gross amount produced by taxation in 1888-9, as compared with the preceding year, the taxation per head increased

* According to figures contained in a statement distributed to Members of the Legislative Assembly by the Honorable the Treasurer in July, 1890, the taxation in 1889-90 amounted to about £3,629,700 or £3 4s. 11d. per head of the estimated mean population (1,118,200) of that financial year.

† For mean population of each year, see table following paragraph 249 ante.

by nearly 10s., and was much higher than in any previous year since 1856. The proportion of taxation to revenue shows a decided advance on the almost uniform level of the previous four years; it was also higher than in any previous year since 1873-4.

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

HEADS OF TAXATION, 1881-2 TO 1888-9.*

Heads of Taxation.	Amount Received.							
	1881-2.	1882-3.	1883-4.	1884-5.	1885-6.	1886-7.	1887-8.	1888-9.
	£	£	£	£	£	£	£	£
Customs duties ..	1,667,306	1,740,467	1,741,053	1,887,718	1,968,640	2,094,356	2,311,331	2,824,788
Wharfage rates† ..	27,346	28,537	28,055	31,821	35,820	38,005	41,719	55,042
Excise :—								
Spirits	52,620	52,522	53,638	68,930	67,250	56,556	65,603	88,867
Beer	98,955	11,256	..	..	..	..	..	..
Tobacco	64,972	70,933	70,016	72,295	70,459	64,145	62,766	57,688
Ports and Harbours‡ ..	26,263	27,787	30,871	31,176	32,710	34,920	34,327	45,884
Licences (not territorial)	25,977	28,381	31,623	32,535	33,922	§ 18,898	21,002	§ 23,904
Duties on estates of deceased persons ..	74,368	86,648	77,154	124,370	104,907	114,909	151,861	236,449
Duty on bank notes ..	27,324	28,685	28,575	27,529	28,769	28,104	27,879	34,023
Stamp duty || .. ..	131,020	133,433	133,651	143,382	165,313	165,000	230,000	260,000
Land tax	121,555	125,606	123,884	128,415	126,770	124,742	124,515	123,025
Total	2,317,706	2,334,255	2,318,520	2,548,171	2,634,560	2,739,635	3,071,003	3,749,670

310. It will be observed that during the three years prior to 1884-5, the amounts received under the head of taxation were almost identical, but in that year there was an increase of £229,600, and further increases of £86,400 in 1885-6, of £105,000 in 1886-7, of £331,000 in 1887-8, and of £679,000 in 1888-9, the total increase in the five years being thus £1,431,000. Only about £90,650 of this increase can be attributed to fresh taxation—viz., £113,000 imposed about the beginning of 1884-5 in the form of increased Customs and Excise duties on spirits, less £13,750 Customs duties remitted in 1886-7, and £8,600 in 1887-8; ¶ whilst the balance (over £1,340,000) represents the growth of the interests by which the sources of taxation

Heads of taxation in 1888-9 and previous years compared.

* See also footnotes to table following paragraph 260 *ante*.

† Consisting, chiefly, of one-fifth of the total amount of wharfage rates collected at the Port of Melbourne—the remaining portion of these rates being retained by the Melbourne Harbor Trust.

‡ Chiefly tonnage dues.

§ Decrease in 1886-7 owing to preportion of revenue from publicans' licences, etc., now being paid into the "Licensing Act 1885 Fund." Of the amount in 1888-9, £18,075 was for auctioneers' licences.

|| Roughly estimated for 1884-5 and subsequent years. See footnote (†) on page 141 *ante*.

¶ For particulars see table following paragraph 318 *post*.

are affected. The main increase in 1888-9 took place under the head of Customs duties, which showed an increase of £513,000; besides which there was an increase of £84,500 under duties of estates of deceased persons, £13,000 under wharfage rates, £30,000 under stamp duty, £23,000 under excise on spirits, £11,500 under ports and harbours, £8,000 under duty on bank notes, and £3,000 under business licences. Under all other heads, there were decreases. No change was made affecting the sources of taxation during the year 1888-9.

Proportion
of Customs
revenue to
total taxa-
tion, etc.

311. In all the years the greater portion of the taxation has been derived from Customs duties. The proportion from that source, however, has gradually decreased from 89 per cent. in 1874-5, and 87 per cent. in 1875-6, to as low as 72 per cent. in 1881-2, and between 74 and 76½ per cent. in the last seven years. The revenue derived from Customs duties during 1888-9 was equivalent to a charge of 11¼ per cent. on the estimated total value of imports during the same year.*

Customs
revenue,
1881 to
1889.

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

TAXATION BY CUSTOMS DUTIES,† 1881-2 TO 1888-9.

Articles.	Amounts Received.							
	1881-2.	1882-3.	1883-4.	1884-5.	1885-6.	1886-7.	1887-8.	1888-9.
	£	£	£	£	£	£	£	£
Spirits	443,431	468,746	472,259	518,370	545,170	566,134	611,256	664,438
Wine	45,112	44,100	39,096	42,101	41,086	41,335	44,688	53,146
Beer and cider ..	29,770	32,372	33,845	35,210	37,904	41,126	46,047	55,580
Tobacco and snuff	71,525	85,844	97,420	108,405	121,476	151,893	199,540	235,564
Cigars	24,927	29,453	31,311	34,299	33,583	37,848	46,896	61,195
Tea	81,706	80,298	73,970	88,093	87,544	90,660	98,955	103,402
Sugar‡ and molasses	103,466	108,087	119,248	118,031	115,796	128,526	134,861	123,576
Coffee, chicory, co- coa, and chocolate	14,491	14,883	15,665	16,930	16,990	16,788	17,596	17,524
Opium	21,359	20,897	21,389	19,517	15,236	15,043	15,679	19,275
Rice	20,169	20,576	16,607	18,824	19,710	20,279	23,246	23,358
Hops	14,948	8,318	4,416	4,326	4,455	8,955	9,733	15,621
Malt	4,272	1,750	3,301	2,302	3,633	4,655	2,346	3,172
Fruits and vege- tables, dried and preserved	47,510	48,418	43,973	53,348	47,806	54,641	64,376	59,846
Live stock ..	34,948	32,945	38,359	30,064	37,741	34,706	52,632	76,891
Articles subject to <i>ad valorem</i> duties	434,532	444,038	441,470	490,677	494,512	522,884	548,619	788,361
All other articles ..	275,140	299,742	288,724	307,221	345,968	358,883	394,781	523,840
Total ..	1,667,306	1,740,467	1,741,053	1,887,718	1,968,640	2,094,356	2,311,331	2,824,788

* See also table, "Taxation by Customs duties in Australasian Colonies," *post*.

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

‡ Including glucose.

313. The Customs revenue in 1888-9, it will be observed, exceeded that in 1887-8 by £513,000, which was by far the largest excess for many years past; whilst the total increase since 1880-81 amounted to over one million sterling. The increase of £513,000 just referred to is made up chiefly of £239,700 under articles subject to *ad valorem* duties; £71,000 under the head of spirits, wine and beer; £50,300 under tobacco and cigars; £24,300 under live stock; and £129,100 under miscellaneous articles not distinguished in the table; whilst the only decreases that occurred were £11,300 under the head of sugar, and £4,500 under the head of fruits, etc. This large increase under the various heads of Customs revenue is entirely due to the recent large expansion of the import trade of the colony, which rose from 21½ millions in 1887-8 to nearly 24¼ millions in 1888-9; for no alterations were made in the tariff in 1888-9, and only a few slight alterations in the previous years.

314. The relative importance of the various heads of Imports as sources of Customs revenue is shown in the following table, which gives a statement of the total amount and the amount per head of the population, of duty received in 1888-9 from each of the principal groups of articles; also the proportionate amount received from the articles embraced in each group to the total amount received:—

TAXATION ON CHIEF ARTICLES OF IMPORT, 1888-9.

Articles.	Duty received 1888-9.			Proportion to Total Duty received.	
	Total Amount.	Amount per Head of Population.			
	£	£	s.	a.	Per cent.
Spirits, wine, beer, and cider	773,164	0	14	3	27·37
Tobacco, snuff, and cigars	296,759	0	5	6	10·51
Hops and malt	18,793	0	0	4	·67
Sugar* and molasses	123,575	0	2	4	4·38
Tea, coffee, chicory, cocoa, and chocolate...	120,926	0	2	3	4·28
Rice	23,358	0	0	5	·83
Fruits and vegetables... ..	59,846	0	1	1	2·09
Opium	19,275	0	0	4	·68
Live stock	76,891	0	1	5	2·73
Articles subject to <i>ad valorem</i> duties ...	788,361	0	14	6	27·91
All other articles	523,840	0	9	8	18·55
Total	2,824,788	2	12	1	100·00

* Including glucose.

Customs
revenue
estimated
and re-
ceived, 1887
to 1889.

315. The following table shows, for the three years ended with 1888-9, the amount of Customs revenue estimated beforehand by the Treasurer, and the amount actually received under each head:—

CUSTOMS REVENUE ESTIMATED AND RECEIVED, 1886-7 TO 1888-9.

Sources of Revenue.	1886-7.		1887-8.		1888-9.	
	Estimated Receipts.	Actual Net Receipts.	Estimated Receipts.	Actual Net Receipts.	Estimated Receipts.	Actual Net Receipts.
CUSTOMS DUTIES.	£	£	£	£	£	£
Spirits ...	540,900	566,059	565,000	610,974	637,416	664,533
Wine ...	41,400	41,335	41,000	44,699	43,992	53,135
Beer and cider ...	38,200	41,125	41,000	46,045	45,996	55,571
Tobacco and snuff ...	119,800	151,880	151,000	199,587	210,996	235,600
Cigars ...	34,200	37,828	36,500	46,906	43,992	61,219
Tea ...	88,500	89,915	92,000	99,519	105,000	103,553
Sugar and molasses ...	117,600	128,487	152,000	135,069	136,008	123,463
Coffee, chicory, cocoa and chocolate	16,900	16,758	18,000	17,594	15,996	17,674
Opium ...	15,300	15,043	13,000	15,679	15,996	19,276
Rice... ..	19,600	20,277	20,000	23,195	22,008	23,393
Hops ...	4,400	8,932	6,000	9,734	11,004	15,522
Malt ...	2,800	4,655	5,000	2,346	3,000	3,139
Fruits and vegetables, dried and preserved	46,900	54,291	50,000	64,979	66,000	59,475
Live stock ...	37,000	34,497	35,000	52,458	49,404	75,333
Articles subject to <i>ad valorem</i> duties	513,200	521,977	545,500	547,570	538,896	789,244
All other articles ...	348,000	359,520	386,700	394,292	386,904	524,133
Export duty ...	...	19	...	...	...	...
Total ...	1,984,700	2,092,598	2,157,700	2,310,646	2,332,608	2,824,263
EXCISE.						
Spirits distilled in Victoria	68,600	56,556	55,000	65,603	64,992	88,859
Tobacco duty ...	69,800	64,145	62,000	62,766	63,000	57,688
Licences—						
Tobacco and cigars ...	1,150	1,225	1,150	1,225	1,248	1,137
Other ...	850	840	900	844	900	892
Total ...	140,400	122,766	119,050	130,438	130,140	148,576
MISCELLANEOUS.						
Wharfage rates ...	30,300	37,990	40,000	41,678	42,000	55,056
Tonnage ...	33,000	34,931	34,000	34,294	34,992	45,916
Fees... ..	7,300	7,180	7,400	7,340	7,404	6,931
Fines ...	400	951	1,000	1,371	1,008	1,223
Miscellaneous ...	5,670	12,218	10,600	12,890	12,828	10,729
Total ...	76,670	93,270	93,000	97,573	98,232	119,855
Grand Total ...	2,201,770	2,308,634	2,369,750	2,538,657	2,560,980	3,092,694

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

316. In seven of the eleven years ended with 1888-9, the total amounts received through the Customs exceeded the Treasurer's estimate, and in four of those years the receipts were below that estimate. Over the whole period the receipts exceeded the estimate by over one million sterling, as is shown in the following table:—

Customs
revenue
estimated
and
received
1879 to 1889.

CUSTOMS REVENUE ESTIMATED AND RECEIVED, 1878-9 TO 1888-9.

Year.	Customs Revenue.		
	Estimate.	Net Receipts.	Net Receipts more (+) or less (−) than Estimates.
	£	£	£
1878-9	1,539,450	1,449,793	− 89,657
1879-80	1,458,700	1,454,138	− 4,562
1880-1	1,561,420	1,649,467	+ 88,047
1881-2	1,809,000	1,950,479	+ 141,479
1882-3	1,974,580	1,949,388	− 25,192
1883-4	1,982,500	1,936,810	− 45,690
1884-5	2,010,150	2,109,477	+ 99,327
1885-6	2,097,300	2,193,148	+ 95,848
1886-7	2,201,770	2,308,634	+ 106,864
1887-8	2,369,750	2,538,657	+ 168,907
1888-9	2,560,980	3,092,694	+ 531,714
Total	21,565,600	22,632,685	+ 1,067,085*

317. In the same eleven years, the cost of collecting the Customs revenue ranged from £2 15s. 9d. per £100 of the net amount collected in 1888-9 to £3 18s. 3d per £100 in 1879-80, the cost per £100 over the whole period being £3 2s. 5d.:—

Cost of
collecting
Customs
revenue.

COST OF COLLECTING CUSTOMS REVENUE, 1878-9 TO 1888-9.

Year.	Customs Revenue.		
	Net Receipts.	Charges of Collection.	
		Total.	Per £100 collected.
	£	£	£ s. d.
1878-9	1,449,793	54,150	3 14 8
1879-80	1,454,138	56,917	3 18 3
1880-1	1,649,467	56,004	3 7 10
1881-2	1,950,479	57,615	2 19 1
1882-3	1,949,388	60,688	3 2 3
1883-4	1,936,810	62,145	3 4 2
1884-5	2,109,477	64,242	3 0 11
1885-6	2,193,148	63,808	2 18 2
1886-7	2,308,634	70,137	3 0 9
1887-8	2,538,657	74,744	2 18 11
1888-9	3,092,694	86,262	2 15 9
Total	22,632,685	706,712	3 2 5

* Net figures.

Taxes
repealed
and
imposed.

318. Difficulties lie in the way of estimating accurately the extent to which the various heads of revenue are effected 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 fourteen years, which, although giving necessarily imperfect results, will afford some idea of the direction in which the contributions of the people towards the cost of Government have been added to or reduced, also the extent of such increase or reduction during the period:—

TAXES REPEALED AND IMPOSED, 1875-6 TO 1888-9.

Year ended 30th June.	Taxes Repealed or Reduced.			Taxes Imposed or Increased.		
	Heads of Taxation.	Estimated Loss to the Revenue—		Heads of Taxation.	Estimated Gain to the Revenue—	
		During the Financial Year.	In Complete Years.		During the Financial Year.	In Complete Years.
		£	£		£	£
1876	Nil ...	...	...	Succession duties increased from 5 to 5-10 per cent. on estates over £20,000 ...	3,000	10,700
				Tax on bank notes imposed ...	7,200	27,000
1877	Nil ...	...	...	Nil ...	...	...
1878	Customs— Wharfage rates for port of Mel- bourne <i>trans- ferred</i> to Har- bour Trust ...	(85,000)*	(85,000)*	Land tax imposed	50,000	124,000
	Various altera- tions resulting in a net remis- sion of about	26,000	85,000†	Excise— Percentage of pub- licans' licence fees from municipal bodies ..	(4,600)*	(4,800)*
				Customs— Stock tax im- posed ...	28,300	37,000
1879	Nil ...	...	...	Nil ...	...	...

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

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

TAXES REPEALED AND IMPOSED, 1875-6 TO 1888-9—*continued*.

Year ended 30th June.	Taxes Repealed or Reduced.			Taxes Imposed or Increased.		
	Heads of Taxation.	Estimated Loss to the Revenue.		Heads of Taxation.	Estimated Gain to the Revenue.	
		During the Financial Year.	In Complete Years.		During the Financial Year.	In Complete Years.
		£	£		£	£
1880	... ..	...	...	Stamp duties imposed ...	83,005	120,000
	Customs— (See contra) ...	...	...	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 in- creased duties, about	47,800	53,000*
1881	Nil ... ..	...	...	Customs— Tobacco and snuff increased Cigars increased	Revenue decreased 2,300	† 3,500
				Excise— Tobacco duty imposed ...	21,872	65,000 .
				Beer „ „	62,557	100,000
1882	Customs — Duty on undressed rice reduced ...	3,000	3,500	Nil ... ..	...	...
1883	Excise—Beer duty remitted ...	88,000	100,000	Nil ... ..	...	...
1884	Nil ... ..	...	...	Nil ... ..	...	...
1885	Nil ... ..	...	...	Customs—Duty on spirits increased	74,972†	94,500
				Excise—Duty on spirits increased	12,653	18,400
1886	Nil ... ..	...	...	Nil ... ..	...	...

* See footnote (†) on page 202.

† Of this item no satisfactory estimate can be given.

‡ This is the proportion actually received in 1884-5 at the increased rate of duty, but it does not correspond with the increased revenue from spirits, viz., £46,100, according to the table following paragraph 312 *ante*, owing to the quantity imported having fallen off by 6 per cent. The amount received from the increased duty was, moreover, much affected by an unusually large proportion—viz., 15 per cent. of the total quantity imported having passed through the Customs during the first seventeen days of the financial year, and consequently at the lower rate of duty.

TAXES REPEALED AND IMPOSED, 1875-6 to 1888-9—continued.

Year ended 30th June.	Taxes repealed or Reduced.			Taxes Imposed or Increased.		
	Heads of Taxation.	Estimated Loss to the Revenue.		Heads of Taxation.	Estimated Gain to the Revenue.	
		During the Financial Year.	In Complete Years.		During the Financial Year.	In Complete Years.
		£	£		£	£
1887	Customs — Duty on bags and sacks and wire netting reduced or remitted ...	19,100	19,300	Customs— Duty on woollen piecegoods and wearing apparel increased 5 per cent. Duty on twine increased 50 per cent. ...	20,700	22,200
	Licences — Proportion of receipts received on account of publicans' licences transferred to Licensing Act 1885 Fund ...	(15,100)*	(16,450)*			
1888	Customs— Sugar—Duty on cane (raw) reduced 33 per cent., but that on beet sugar doubled. Net amount ...	13,900	15,000	Customs— Timber duties increased ...	5,900	6,400
1889	Nil ...	...	...	Nil ...	...	...

319. From the above table it would appear that during the last fourteen years, the taxation imposed or increased, less that repealed or reduced, has resulted in an increased annual charge amounting to nearly half a million sterling,† thus—

	Estimated Annual Amount.
Taxation imposed or increased ...	£681,700
„ repealed or reduced ...	222,800
Net amount imposed, etc. ...	£458,900

320. 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

* These amounts, being merely transfers of revenue from one Public Fund to another, do not affect the general taxation of the country.
† This result has been obtained by adding together the amounts estimated to be receivable in the first complete year of the operation of each tax, and deducting therefrom the sum of the amounts of the repealed taxes. In some instances the net amounts receivable would be less, and in others much more in subsequent years. Mere transfers of revenue (see preceding footnote) have been omitted.

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. The revenue received from this duty in 1888-9 was, as already shown, £34,023.

321. 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 sheep or more per acre	...	£4
Class II.,	„ 1½ sheep per acre	...	3
Class III.,	„ 1 sheep per acre	...	2
Class IV.,	„ under 1 sheep per acre	...	1

322. The extent of land assessed under this Act amounted in 1889 to over 7,000,000 acres, nearly half of which was placed in the lowest class, more than a third in the third class, about a ninth in the second class, and not quite a twentieth in the first class.

323. The area of Victoria is 56,245,760 acres, of which 22,494,000 acres either had been alienated in fee-simple or were in process of alienation when the year commenced. The area assessed for land tax thus amounted to nearly 13 per cent. of the area of the colony, or to 31½ per cent. of the area alienated or in process of alienation.*

324. The number of estates assessed was 1,091, or 6 more than in 1888. As some proprietors own more than one estate, their number is less than the number of estates, and is set down at 858. It is, however, actually less than this, as, whilst the returns show where the proprietor holds more than one estate in the same class, they do not distinguish cases of proprietors holding estates embraced in two or more classes.

325. The average size of all the estates assessed is nearly 6,500 acres, which is somewhat above the average of those in Class III. In Classes I. and II. the estates average 2,600 and 3,500 acres respectively, and in Class IV. 9,900 acres.

* The land in process of alienation amounted to 6,910,000 acres, on which, on the average, more than half the purchase money had been paid. If this were left out of account, the proportion of freehold land assessed for land tax would be increased to 46 per cent.

Proprietors
and number
and size of
estates
assessed.

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

PROPRIETORS AND NUMBER AND SIZE OF ESTATES ASSESSED FOR LAND TAX, 1890.*

Class.	Number of Proprietors.	Estates Assessed.				
		Number.	Area.		Average Area to each.	
			Total.	Percentage of Each Class.	Proprietor.	Estate.
			Acres.		Acres.	Acres.
I.	103	120	312,074	4·41	3,029	2,601
II.	198	222	785,071	11·08	3,965	3,536
III.	306	396	2,502,281	35·34	8,178	6,319
IV.	251	353	3,481,542	49·17	13,871	9,862
Total ...	858	1,091	7,080,968	100·00	8,253	6,490

Valuation of
estates
assessed.

327. The capital value of the estates, according to the valuation prescribed by the Statute, is over twelve millions sterling ; but, after deducting the exemptions allowed, viz., £2,500, from the value of the estate or estates of each proprietor, the net taxable value is reduced to 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 estates.

Valuation of
estates of
each class.

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

VALUE OF ESTATES ASSESSED FOR LAND TAX, 1890.*

Class.	Capital Value.	Value of Exemptions.	Net Taxable Value.	Proportion of Net Taxable Value to Capital Value.
	£	£	£	Per cent.
I. ...	1,248,296	257,500	990,796	79·37
II. ...	2,355,213	495,000	1,860,213	78·98
III. ...	5,004,562	765,000	4,239,562	84·71
IV. ...	3,481,542	627,500	2,854,042	81·98
Total ...	12,089,613	2,145,000	9,944,613	82·26

* According to the returns of the half-year ended 27th February, 1890.

329. The land tax payable varied from 9½d. per acre in Class I. to 2½d. per acre in Class IV., the average being about 4¼d. per acre; the amount payable by each holder averaged £145, ranging from an average of £173 in Class III. to one of about £120 in Classes I. and II.; and the amount payable for each estate averaged £114, averaging £134 in Class III., and between £101 and £105 in the other classes. 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, 1890.*

Class.	Total Amount per Annum.	Amount per Acre.	Amount by each Holder.	Amount for each Estate.
	£	d.	£	£
I. ...	12,385	9·52	120·2	103·2
II. ...	23,253	7·11	117·4	104·7
III. ...	52,995	5·08	173·2	133·8
IV. ...	35,675	2·46	142·1	101·1
Total ...	124,308	4·21	144·9	113·9

330. 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—the difference between each class and the succeeding one varying from 2d. to 2½d. It will also be noticed that the amount paid on behalf of each estate in Class III. is fully 30 per cent. more than that paid on behalf of those in Class IV., notwithstanding that the average area of each estate in the former class is, as is shown in a previous table, one-third smaller than that in the latter.

331. The first general hearing of the appeals against the land tax was concluded in 1880. Since then the number of proprietors has increased by 40, and the area of the estates assessed by 186,000 acres, but the taxable value has decreased by £81,300. Except a slight increase in the number of proprietors in the first and second classes, the increases have all taken place in the fourth class, the other classes showing decrease, as is shown in the subjoined table:—

* According to the returns of the half-year ended 27th February, 1890.

ESTATES ASSESSED FOR LAND TAX, 1880 AND 1890.

	Classes.				Total.
	I.	II.	III.	IV.	
Number of proprietors, 1880	98	196	315	209	818
„ „ 1890	103	198	306	251	858
Increase ...	5	2	...	42	40
Decrease ...	...	...	9	...	...
Area of estates, 1880 ...	Acres. 339,303	Acres. 816,505	Acres. 2,525,221	Acres. 3,213,717	Acres. 6,894,746
„ „ 1890 ...	312,074	785,071	2,502,281	3,481,542	7,080,968
Increase ...	...	...	...	267,825	186,222
Decrease ...	27,229	31,434	22,940	...	...
Net taxable value, 1880 ...	£ 1,112,212	£ 1,959,515	£ 4,262,944	£ 2,691,217	£ 10,025,888
„ „ 1890 ...	990,796	1,860,213	4,239,562	2,854,042	9,944,613
Increase ...	...	...	...	162,825	...
Decrease ...	121,416	99,302	23,382	...	81,275

Cost of ad-
ministering
Land Tax
Act.

332. The cost of administering the *Land Tax Act* during the year 1888-9 amounted to £1,060, as against £1,157 in the previous year.

Stamp
duties.

333. 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, etc., each	0	0	1
All other kinds (except bank notes)—			
For every £25 or fraction thereof of the total value up to £100 ...	0	0	6
For every additional £50 or fraction thereof	0	1	0

(The maximum duty chargeable on any bill of exchange or promissory note, whatever be its amount or value, to be £10.)

II.—RECEIPTS.

Receipts or discharges for payment of £5 or upwards, each	0	0	1
--	---	---	---

III.—CONVEYANCE ON SALE OF ANY REAL PROPERTY, APPLICATIONS, CONSENTS, AND TRANSFERS UNDER TRANSFER OF LAND STATUTE.

For every £50 of consideration or fraction thereof after deducting the first £50	0	5	0
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STAMP DUTIES—*continued*.

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, etc., 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.

334. The revenue from the “Sale of Stamps” amounted to £875,314* in 1888-9, as compared with £782,449 in the previous year. For reasons already explained,† there is no means of ascertaining accurately what proportion of this is derived from stamp duties; but after making due allowance for the value of stamps on telegrams—which has been ascertained; of those used for postage—which has been carefully estimated; and of those used for fees—the balance representing the revenue from stamp duties is estimated to have amounted to £260,000 in 1888-9. The latest year for which exact information is available is 1882-3, in which the revenue from stamp duties amounted to £133,433. The cost of printing stamps of all kinds amounted to £5,694 in 1889.

335. 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 1888:—

* Including £5,080 cash received in lieu of stamps in the Registrar-General's Office under Act No. 1010. The approximate stamp revenue for 1889-90 was £797,893.

† See footnote (†) on page 141 *ante*.

TAXATION IN AUSTRALASIAN COLONIES.

Colony.	Year.	Taxation.		
		Gross Amount.	Average per Head.	Percentage of Total Revenue.
		£	£ s. d.	
Victoria* ...	1880-81	2,003,704	2 6 7	38·64
	1881-2	2,317,706	2 12 8	41·44
	1882-3	2,334,255	2 11 10	41·60
	1883-4	2,318,520	2 10 4	39·07
	1884-5	2,548,171	2 13 10	40·51
	1885-6	2,634,560	2 14 3	40·65
	1886-7	2,739,635	2 14 8	40·68
	1887-8	3,071,003	2 19 2	40·37
	1888-9	3,749,670	3 9 1	43·23
New South Wales ...	1881	1,770,848	2 6 5	26·40
	1882	1,903,413	2 7 7	25·68
	1883	1,891,708	2 4 10	29·24
	1884	2,152,855	2 8 1	30·25
	1885	2,252,651	2 8 5	29·70
	1886	2,611,835	2 13 4	34·39
	1887	2,664,548	2 12 1	31·05
	1888	2,681,883	2 10 5	30·18
Queensland† ...	1880-81	657,753	3 1 2	32·50
	1881-2	806,719	3 11 1	38·38
	1883	929,430	3 9 5	35·98
	1884	1,090,445	3 13 0	40·79
	1885	1,200,111	3 17 9	42·24
	1886	1,196,651	3 12 0	42·59
	1887	1,338,838	3 15 6	44·15
	1888	1,577,671	4 3 8	45·56
South Australia ...	1881	557,188	1 18 7	25·65
	1882	653,864	2 5 1	31·33
	1883	637,751	2 2 8	30·96
	1884	563,841	1 16 7	27·84
	1885	749,447	2 7 11	32·45
	1886	585,123	1 17 5	29·62
	1887	648,645	2 1 5	32·21
	1888	739,353	2 6 6	29·64
Western Australia ...	1881	109,199	3 13 7	42·94
	1882	134,658	4 8 7	53·78
	1883	126,131	4 0 9	39·82
	1884	127,338	3 18 9	43·86
	1885	145,835	4 5 8	45·11
	1886	184,999	4 19 6	47·61
	1887	188,911	4 10 7	50·00
	1888	179,944	4 5 1	50·40
Tasmania ...	1881	350,146	2 19 8	69·22
	1882	370,856	3 1 5	67·28
	1883	388,406	3 2 6	69·09
	1884	344,192	2 13 7	62·66
	1885	366,118	2 15 5	64·07
	1886	371,544	2 14 10	65·29
	1887	375,501	2 13 8	63·12
	1888	405,807	2 16 3	63·40

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

† The financial year of Queensland ends on the 30th June. The figures furnished for the last six years, however, relate to the year ended 31st December.

TAXATION IN AUSTRALASIAN COLONIES—continued.

Colony.	Year.	Taxation.		
		Gross Amount.	Average per Head.	Percentage of Total Revenue.
New Zealand ...	1881	£ 1,881,024	£ s. d. 3 16 3	50·66
	1882	1,999,000	3 18 6	51·03
	1883	2,080,084	3 18 7	53·73
	1884	1,869,496	3 7 8	50·42
	1885	1,995,012	3 10 6	51·68
	1886	1,962,162	3 7 5	53·20
	1887	1,876,235	3 2 11	54·17
	1888	2,031,658	3 7 1	49·43

NOTE.—For returns of taxation in these colonies during 1889 see Summary of Australasian Statistics (third folding sheet) in the second volume ; also Appendix A. to the second volume.

336. The amount of taxation per head in the last year referred to in the table was not so high in Victoria as in Queensland or Western Australia, but higher than in the other colonies. 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 top, 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.

2. Queensland.

3. Victoria.

4. New Zealand.
5. Tasmania.

6. New South Wales.

7. South Australia.

337. The colonies differ considerably in respect to the proportion that the amount raised by taxation bears to the total revenue. Thus, in the last year named, whilst Tasmania raised nearly two-thirds of her revenue by taxation, Western Australia and New Zealand raised about one-half, Queensland and Victoria more than two-fifths, and New South Wales and South Australia not quite a third. The following is the order in which they respectively stand in this particular, the colony in which the proportion of revenue raised by taxation is largest being placed first, and the remainder in succession:—

Order of colonies in respect to revenue raised by taxation.

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

1. Tasmania.

2. Western Australia.

3. New Zealand.

4. Queensland.
5. Victoria.

6. New South Wales.

7. South Australia.

338. If the gross amounts raised by taxation in the different colonies during 1888,* 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 eight and a quarter millions sterling; and the total taxation of the colonies on the continent, added to that of Tasmania and New Zealand, amounted to over ten and a half 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, 1888.*

	Taxation.		
	Gross Amount.	Average per Head.	Percentage of Total Revenue.
	£	£ s. d.	
Continent of Australia	8,249,854	2 18 1	36·17
Ditto, with Tasmania and New Zealand	10,687,319	2 19 6	38·78

339. 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 10s. higher, and the proportion of taxation to the total revenue is higher by about a tenth, than the corresponding items in the Australasian colonies as a whole.

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

TAXATION IN BRITISH POSSESSIONS.

Country.	Year.	Taxation.			
		Gross Amount.	Average per Head.	Percentage of Total Revenue.	
EUROPE.					
United Kingdom	1888-9	£ 73,597,000	£ s. d. 1 18 9	83·19	
ASIA.					
India	1888-9	24,876,000	0 2 4	31·59	
Ceylon	1887	621,819	0 4 2	46·26	
Straits Settlements	1886	512,036	1 0 3	85·23	
AFRICA.					
Mauritius	1886	428,338	1 3 3	59·24	
Natal	1887	346,717	0 14 6	43·62	
Cape of Good Hope	„	1,053,553	0 15 4	33·33	
Lagos	1886	44,427	0 8 11	86·52	
Gambia	1887	9,709	0 12 11	72·17	

* In the case of Victoria, the figures for 1887-8 have been taken.

TAXATION IN BRITISH POSSESSIONS—continued.

Country.	Year.	Taxation.		
		Gross Amount.	Average per Head.	Percentage of Total Revenue.
AMERICA.		£	£ s. d.	
Canada	1888	5,870,295	1 3 7	78·47
Newfoundland	1886	197,647	0 19 9	79·64
Bermuda	1887	23,950	0 15 11	87·40
West Indies—				
Turk's Island	1884	7,158	1 10 3	68·34
Jamaica	1885	494,729*	0 16 7	80·79
St. Lucia	1887	32,397	0 15 4	81·06
Barbados	1886	103,101	0 12 0	75·65
Grenada	„	28,390	0 11 9	60·19
Tobago	1884	10,294	0 10 0	72·62
Virgin Islands	1886	1,223	0 4 8	84·46
Antigua	1884	33,558	0 19 2	74·09
Montserrat	1883	5,415	0 10 0	92·36
Dominica	1885	12,526	0 8 8	79·07
Trinidad	1886	317,715	1 15 8	70·07
AUSTRALASIA.				
Australia, Tasmania, and New Zealand†	1888	10,687,319	2 19 6	38·78
Fiji	„	44,223	0 7 1	68·02

341. It will be observed that the amount raised by taxation in Australasia is four-fifths more than that in Canada; but that the amount raised by taxation in India is nearly two and a half times, and in the United Kingdom seven times as large as that so raised in Australasia. It might be supposed that those countries which depended almost entirely on taxation for their revenue would be more heavily taxed than countries which had other ample resources. The reverse, however, is the case with the Australasian colonies; for whilst they raise barely 39 per cent. of their revenue by taxation—or the smallest proportion of any of the British possessions named except India and the Cape of Good Hope—their average taxation per head exceeds by 21s. that in the United Kingdom, which raises 83 per cent. of its revenue by taxation, and is, moreover, in proportion to population, more heavily taxed than any of its other dependencies of which particulars are at hand.

Taxation in Australasia and other British possessions compared

342. In Victoria the gross amount of taxation is three and a half times that in the Cape of Good Hope, but is equal to less than two-thirds that in Canada. The average per head is about £1 10s. higher than in the United Kingdom; but, in proportion to revenue, the

Taxation in Victoria and other British possessions compared

* Including local taxation.
† 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 335 ante.

taxation of Victoria, being little more than the average of Australasia, is extremely low when compared with the other portions of the British dominions of which information is available.

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

TAXATION IN FOREIGN COUNTRIES.

Countries.	Year.	Taxation.				
		Gross Amount (000's omitted.)	Average per Head.*			Percentage of Total Revenue.†
EUROPE.		£	£	s.	d.	
Austria-Hungary ...	1889	67,262,‡	1	13	0	88·74
Belgium ...	„	6,755,	1	2	5	50·63
Denmark ...	1888	2,490,	1	3	9	83·31
France (including Algeria)	1889	93,023,	2	4	3	77·88
Greece ...	„	2,648,	1	6	9	68·64
Holland ...	„	8,164,	1	16	3	81·23
Italy ...	1889-90	53,235,	1	14	10	82·40
Portugal ..	„	7,043,	1	12	8	78·38
Russia ...	1889	57,376,	§0	12	6	66·61
Spain ...	1888-9	31,931,	1	16	5	93·73
Switzerland ...	1888	897,	0	6	1	39·99
Turkey ...	1883-4	12,712,	0	11	7	76·35
ASIA.						
Japan ...	1888-9	13,810,	0	7	1	85·51
AFRICA.						
Egypt ...	1889	7,884,	1	3	2	75·26
AMERICA.						
Argentine Confederation...	1889	9,360,	2	9	2	77·71
Brazil ...	1889-90	11,199,	0	16	0	74·06
Mexico ...	1888-9	7,208,	0	12	7	91·29
United States ...	1888	71,722,	1	5	10	89·89

344. It will be observed|| that the gross amount raised by taxation is larger in France than in any other country of which information is given, and that the United Kingdom comes next in this respect; the United States follow; then Austria-Hungary, Russia, Italy, Spain, and British India in the order named. The amount of taxation in the Australasian colonies, taken as a whole, is larger than that levied in any other country except Japan, Turkey, Brazil, and the countries just

* For figures of population, see table following paragraph 177 ante.
† For figures of revenue, see table following paragraph 303 ante.
‡ This amount is made up of £12,679,000 taxation in Austria for the year 1889, and £24,583,000 taxation in Hungary for the year 1889.
§ Based on the population of Russia in Europe. The proportion to the population of the whole Russian Empire is 10s. 7d.
|| See also tables following paragraphs 335 and 340 ante.

named, whilst it is considerably larger than that in the Argentine Confederation, Holland, Egypt, Mexico, Portugal, or Belgium. The amount in Victoria is more than four times as large as that levied in Switzerland, and about half as large again as that levied in Greece or Denmark; but considerably below that in any other of the countries named.

345. The taxation per head is larger in the United Kingdom than in any other independent countries except the Argentine Confederation and France, and in this respect Spain, Holland, Italy, and Portugal stand next. The taxation per head, however, in all the Australasian colonies is larger than in the United Kingdom; and in all of those colonies, except South Australia, it is larger than in the Argentine Confederation.

Taxation
per head in
various
countries.

346. It will be observed that, with one exception—Switzerland—all the countries named in the last table raise more than half their revenue by taxation; whilst the Australasian colonies as a whole raise less than two-fifths from that source. The revenues of Spain, Mexico, 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.

Proportion
of revenue
raised by
taxation in
various
countries.

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

Taxation by
Customs in
Austral-
asian
colonies.

TAXATION BY CUSTOMS IN AUSTRALASIAN COLONIES, 1888.

Colony.	Revenue from Customs Duties.		
	Amount.	Proportion to—	
		Total Taxation.	Total Value of Imports.
	£	Per cent.	Per cent.
Victoria (1888-9)	2,824,788	75·33	11·52
New South Wales	1,883,058	70·21	9·02
Queensland	1,344,504	85·22	20·23
South Australia	533,665	72·18	9·86
Western Australia	159,059	88·39	20·23
Tasmania	297,912	73·41	18·50
New Zealand	1,390,717	68·45	23·41

348. It will be observed that in Victoria, Tasmania, South Australia, and New South Wales during 1888 about three-fourths of the taxation

Customs
revenue in
proportion
to total
taxation.

* For particulars of taxation by Customs in other British and Foreign countries, see *Victorian Year-Book* for 1886-7, paragraphs 329 and 330; also that for 1883-4, paragraph 291 *et seq.*

was raised through the Customs. The colony in which the proportion was highest was Western Australia, in which all but about 10 per cent. was levied through the Customs; and that in which it was lowest was New Zealand, where the proportion was a little more than two-thirds.

Customs
revenue in
proportion
to total
imports.

349. It will, moreover, be noticed that in Victoria the tax on the import trade as a whole was equivalent to an average duty of about 11½ per cent. *ad valorem*; which proportion was considerably lower than in any of the other Australian colonies, except South Australia and New South Wales, in the former of which the rates of duty are not high, and in the latter the dutiable articles are comparatively few in number. Since the duties on manufactured articles are for the most part much higher in Victoria than in any of the other colonies, the small proportion which the Customs revenue bears to the value of imports is probably owing to her importing, in a larger proportion than the others, raw, and consequently undutiable, material. The proportion of Customs duties to imports is seen to be highest in New Zealand, Western Australia, Queensland, and Tasmania, it being 23 per cent. in the first, and 18 per cent. in the last named colony.*

Municipal
revenue
and ex-
penditure.

350. The following table gives a statement of the revenue and expenditure of municipalities in the year 1889, the amounts raised and expended in cities, towns, and boroughs being shown separately from those in shires:—

MUNICIPAL REVENUE AND EXPENDITURE, 1889.

Heads of Revenue and Expenditure.					Cities, Towns, and Boroughs.	Shires.	Total.
REVENUE.					£	£	£
From Government	{	Endowment	...	...	34,221	301,788	336,009
		Other receipts	...	...	38,769	58,420	97,189
,, Rates—General and separate			...	...	402,547	293,563	696,110
,, „ Special			...	...	32,257	3,957	36,214
,, Licences			...	...	72,099	29,376	101,475†
,, Registration of dogs and goats			...	...	5,997	7,048	13,045
,, Market and weighbridge rents and dues...			...	...	67,232	2,053	69,285
,, Formation of private roads, streets, etc., under <i>Health Act</i>			...	...	48,996	11,953	60,949
,, Contributions for flagging, asphaltting footpaths (including pitched crossings)			...	...	30,601	2,976	33,577
,, Registrations under <i>Health Act</i> , noxious trades, dairies, etc.			...	...	2,228	972	3,200
,, Interest			...	...	15,028	1,857	16,885
,, Other sources			...	...	111,445	40,106	151,551
Total			...	...	861,420	754,069	1,615,489

* For particulars of taxation by Customs in other British and Foreign countries, see *Victorian Year-Book* for 1886-7, paragraphs 329 and 330; also that for 1883-4, paragraph 291 *et seq.*
† Including receipts from the “Licensing Act 1885 Fund.” In the financial year, 1887-8, the “equivalent” amounted to £108,493, and in 1888-9 to £92,124.

MUNICIPAL REVENUE AND EXPENDITURE, 1889—*continued*.

Heads of Revenue and Expenditure.	Cities, Towns, and Boroughs.	Shires.	Total.
	£	£	£
EXPENDITURE. *			
Public works (including labour and material) ...	626,461	542,591	1,169,052
Private streets, roads, etc., under <i>Health Act</i> ...	45,756	14,251	60,007
Salaries	67,469	94,772	162,241
Interest	92,391	27,381	119,772
Other expenditure	223,370	99,629	322,999
Total	1,055,447	778,624	1,834,071

351. Although the appropriation of the sum of £310,000 for the endowment of municipalities, under the *Local Government Act* 1874 (38 Vict. No. 506), ceased by effluxion of time at the end of 1879, an equivalent amount was voted by Parliament annually until 1888-9, in which financial year an additional amount of £30,662 was voted in augmentation of the subsidy of such shires as did not receive as much as £3 for every £1 of rates. Endowment of municipalities.

352. 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, an exception to the rule being, however, made in the case of certain shires (15 in 1889) newly formed or of a mountainous character, which receive £3 for every £1 of rates. Where the rates levied in municipalities were in excess of one shilling in the pound, the amount of subsidy payable during 1889 was at the rate of 17s. 7d. to shires, and 8s. 9½d. to cities, towns, and boroughs, for every £1 up to £2,000 of rates† ; as compared with averages payable in the preceding year of 19s. 1d. and 9s. 6½d. respectively. The low proportions payable to the municipalities referred to was, however, to some extent compensated since the 30th June, 1888, by the additional subsidy of which mention was made in the last paragraph. Rate of endowment.

353. In 1889, the expenditure exceeded the revenue in cities, towns, and boroughs by 23 per cent., and in shires by 3 per cent. ; as compared with an excess of 6 and 4½ per cent. respectively in the previous year. Municipal expenditure in excess of revenue.

* Including expenditure of proceeds of loans. For amount of outstanding loans, see table showing "Municipal Debt" *post*. † For ratings in municipalities, see paragraph 223 *et seq. ante*.

Municipalities in which expenditure exceeded revenue. 354. The expenditure was greater than the revenue in 20 of the 59 individual cities, towns, and boroughs, and in 64 of the 128 individual shires in 1888; and in 31 out of 59 cities, towns, and boroughs, and in 59 out of 130 shires in 1889.

Salaries in municipalities. 355. In 1889 payments of salaries formed nearly 8 per cent. of the revenue of cities, towns, and boroughs, and about 13 per cent. of that of shires.

Harbor Trust receipts and expenditure. 356. Subjoined is a statement of the revenue and expenditure of the Melbourne Harbor Trust* during the twelve and a half years which have elapsed since the Act was passed under which that body was created. The net receipts here shown are less than the gross receipts by about one-fifth, that being the proportion payable by the Commissioners of the Trust into the consolidated revenue :—

MELBOURNE HARBOR TRUST.—ORDINARY RECEIPTS AND EXPENDITURE, 1877 to 1889.

	Four and a half years, 1877-1881.	Five years, 1882-1886.	Year 1887.	Year 1888.	Year 1889.	Total 1877 to 1889.
NET RECEIPTS.	£	£	£	£	£	£
Wharfage rates ...	354,452	569,403	138,804	175,795	183,318	1,421,772
Leases ...	521	344	140	3,493	4,549	9,047
Licences...	9,409	23,724	5,500	2,663	2,919	44,215
Interest ...	2,330	6,624	6,323	8,406	21,024	44,707
Spencer Street ferry	...	1,526	944	1,926	607	5,003
Sundries ...	888	3,059	2,072	2,301	3,079	11,399
Total ...	367,600	604,680	153,783	194,584	215,496	1,536,143†
EXPENDITURE. ‡						
Plant ...	106,046	216,997	9,304	4,198	118,802	455,347
Harbour improvements and maintenance, including dredging, landing, and depositing silt	165,577	509,950	103,857	113,439	150,882	1,043,705
Wharves and approaches, construction and maintenance	63,421	274,904	70,414	83,702	92,386	584,827
General management and contingent expenses	39,517	58,503	17,223	17,799	18,980	152,022
Commissioners' fees ...	7,480	8,142	1,700	1,700	1,275	20,297
Interest ...	3,061	71,434	36,250	36,250	46,250	193,245
Total ...	385,102	1,139,930	238,748	257,088	428,575	2,449,443

Receipts and expenditure compared. 357. In the twelve and a half years the Trust has been in existence, the net receipts have amounted to £1,536,143 and the expenditure to £2,449,443, or £913,300 in excess of the receipts. To meet

* For a short account of the objects of the Trust, and improvements made, see Part "Interchange" in the second volume.

† Exclusive of sums received as net premiums on loans raised, viz., £32,434.

‡ The figures of expenditure have been revised and amended since last publication.

this excess loans* amounting to £1,500,000 have been raised. It will be observed that the revenue, which averaged only about £120,000 in the five years ended with 1886, has since gradually risen to £215,500 in 1889; the revenue having doubled itself in almost five years. The expenditure of the Trust may be condensed into three main divisions, the first being Plant, on which, during the period the Trust has been in existence, £455,347 has been laid out, or less than a fifth of the whole expenditure; the second being the Improvement and Maintenance of the Harbour, together with the wharves and approaches, on which £1,628,532 has been laid out, or nearly two-thirds of the whole expenditure; and the third being the Management and Interest on Loans, on which £365,564 has been expended, or about one-seventh of the whole amount. The cash at credit on the 31st December was £630,078; and the liabilities under contracts in progress, £382,485.

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

General and local revenue and expenditure.

GENERAL AND LOCAL REVENUE AND EXPENDITURE, 1883 TO 1889.†

	Total Amounts Received and Expended.						
	1883.	1884.	1885.	1886.	1887.	1888.	1889.
REVENUE.	£	£	£	£	£	£	£
Government ...	5,611,253	5,934,687	6,290,361	6,481,021	6,733,826	7,607,598	8,675,990
Municipalities ...	693,167	756,966	789,429	859,184	921,466	1,056,437	1,182,291
Melbourne Harbor Trust	103,935	113,141	127,276	149,479	153,783	194,584	215,496
Total ...	6,408,355	6,804,794	7,207,066	7,489,684	7,809,075	8,858,619	10,073,777
EXPENDITURE.							
Government ...	5,651,885	5,715,293	6,140,356	6,513,540	6,561,251	7,287,151	7,919,902
Municipalities ...	730,745	839,007	847,977	897,399	986,846	1,132,783	1,400,873
Melbourne Harbor Trust	189,573	303,280	267,194	271,611	238,748	257,088	428,575
Total ...	6,572,203	6,857,580	7,255,527	7,682,550	7,786,845	8,677,022	9,749,350

359. The next table gives the general and local revenue and expenditure per head of population in the same seven years. It will be observed that in the last year named the local revenue, embracing

General and local revenue and expenditure per head.

* For particulars of loans see table "Melbourne Harbor Trust Loans" post.
† 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.

that of the Municipal Bodies and that of the Harbor Trust, amounted to £1 5s. 9d. per head, and the general and local revenue combined to £9 5s. 7d. per head:—

GENERAL AND LOCAL REVENUE AND EXPENDITURE PER HEAD,
1883 TO 1889*.

	Amounts Received and Expended per Head.†											
	1883.			1884.			1885.			1886.		
REVENUE.	£	s.	d.	£	s.	d.	£	s.	d.	£	s.	d.
Government ...	6	4	8	6	8	9	6	13	0	6	13	6
Municipalities	0	15	5	0	16	5	0	16	8	0	17	8
Melbourne Har- bor Trust	0	2	4	0	2	6	0	2	8	0	3	1
Total ...	7	2	5	7	7	8	7	12	4	7	14	3
EXPENDITURE.	£	s.	d.	£	s.	d.	£	s.	d.	£	s.	d.
Government ...	6	5	7	6	4	0	6	9	10	6	10	10
Municipalities	0	16	3	0	18	3	0	17	11	0	19	8
Melbourne Har- bor Trust	0	4	2	0	6	7	0	5	7	0	4	9
Total	7	6	0	7	8	10	7	13	4	7	15	3

General,
local, and
loan ex-
penditure,
1879-89.

360. It has been already stated that in the last two tables the expenditure of the proceeds of loans contracted by the General Govern- ment is not included. If, however, it should be desired to know the total amount of public money spent in the colony, this must be added, which, having been done, the result, together with the amount per head of the average population, is given in the following table for the eleven years ended with 1889:—

GENERAL, LOCAL, AND LOAN EXPENDITURE, 1879 TO 1889.

Year.	Expenditure.			Expenditure per head.		
	General and Local.‡	From Government Loans.	Total.	General and Local.	From Government Loans.	Total.
	£	£	£	£ s. d.	£ s. d.	£ s. d.
1879 ...	5,507,869	1,278,217	6,786,086	6 13 2	1 10 11	8 4 1
1880 ...	5,749,623	1,507,778	7,257,401	6 16 10	1 15 10	8 12 8
1881 ...	5,777,479	830,505	6,607,984	6 14 4	0 19 4	7 13 8
1882 ...	5,850,381	1,064,516	6,914,897	6 12 11	1 4 2	7 17 1
1883 ...	6,572,203	2,656,810	9,229,013	7 6 0	2 19 0	10 5 0
1884 ...	6,857,580	1,600,233	8,457,813	7 8 10	1 14 9	9 3 7
1885 ...	7,255,527	1,141,126	8,396,653	7 13 4	1 4 5	8 17 9
1886 ...	7,682,550	1,729,768	9,412,318	7 18 3	1 15 7	9 13 10
1887 ...	7,787,845	2,068,282	9,856,127	7 15 3	2 1 3	9 16 6
1888 ...	8,678,022	2,389,944	11,067,966	8 7 2	2 6 1	10 13 3
1889 ...	9,749,350	3,716,050	13,465,400	8 19 7	3 8 6	12 8 1

* See footnote (†) on page 219.
† 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 para- graph 249 ante) to calculate the amount of general revenue and general expenditure per head have been used to make these calculations. As the population varies but slightly in so short a period, this will scarcely, if at all, affect the result.
‡ Including expenditure from Municipal and Harbor Trust loans.

361. It will be noticed that the total amount of public money spent per head ranged from £7 13s. 8d in 1881 to £12 15s. 1d. in 1889; the proportion of which derived from Government loans varied from 19s. 4d. per head in 1881 to £3 8s. 6d. per head in 1889. It will further be remarked that the total amount per head in 1889 was much larger than in any previous year.

362. The amount of taxation under the General Government, under the Municipal Bodies, and under the Melbourne Harbor Trust, is given in the following table for each of the seven years ended with 1889, the items being specified in the last two cases. The principle upon which the items of taxation are separated from the general revenue has been already explained.* The local taxation is separated from the whole municipal revenue by rejecting—besides all grants received from the General Government—rents of buildings and land, proceeds of the letting of halls, etc., the balance being considered as taxation. The taxation levied by the Harbor Trust consists only of wharfage rates:—

GENERAL AND LOCAL TAXATION, 1883 TO 1889.†

Heads of Taxation.	Amounts Received.						
	1883.	1884.	1885.	1886.	1887.	1888.	1889.
GOVERNMENT TAXATION } ‡ ...	£ 2,334,255	£ 2,318,520	£ 2,548,171	£ 2,634,560	£ 2,739,635	£ 3,071,003	£ 3,749,670
MUNICIPAL TAXATION.							
Rates ...	445,961	473,412	503,474	546,830	592,235	646,694	732,324
Licences ...	92,610	87,925	92,204	90,495	102,313	104,227	101,475
Registration of dogs and goats	11,767	12,144	15,851	13,837	13,853	13,128	13,045
Market dues ...	43,795	47,392	51,697	55,258	56,881	61,064	69,285
Total ...	594,133	620,873	663,226	706,420	765,282	825,113	916,129
MELBOURNE HARBOR TRUST TAXATION.							
Wharfage rates ...	98,809	108,019	120,587	136,134	138,804	175,795	183,318
Total general and local taxation }	3,027,197	3,047,412	3,331,984	3,477,114	3,643,721	4,071,911	4,849,117

363. The aggregate amounts of taxation raised by the Government and the municipalities represented, in 1883, a proportion of £3 7s. 3d. to each individual in the community; in 1884, £3 6s. 1d.; in 1885,

* See paragraph 306 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.
‡ For details of Government taxation, see table following paragraph 309 ante.

£3 10s. 5d.; in 1886, £3 11s. 7d.; in 1887, £3 12s. 8d.; in 1888, £3 18s. 5d.; in 1889, £4 9s. 4d.

Chief
sources
of taxation.

364. It has already been pointed out that by far the greater portion of the General Government taxation is derived from Customs duties*—the proportion varying in different years from 72 to 89 per cent. Seventy-five per cent. of the Municipal taxation in 1883, 76 per cent. in 1884 and 1885, 77 per cent. in 1886, 76 per cent. in 1887, 78 per cent. in 1888, and 80 per cent. in 1889 was derived from rates.

Public debt.

365. The public debt of Victoria amounted on the 30th June, 1889,† to £37,627,382, consisting of moneys—

				£
Borrowed in Victoria	...	...	...	1,529,482
„ England	...	...	...	36,097,900
Total	...	...	...	37,627,382

Purposes for
which loans
were
incurred.

366. The aggregate amount of the loans raised up to the 30th June, 1889, was £47,944,902; but a total of £10,317,520 having been repaid, viz., £2,103,100 out of the general revenue, and £8,214,420 out of the proceeds of redemption loans—the balance outstanding on the 30th June, 1889, was reduced to £37,627,382. The amount of public debt borrowed under each of the purposes for which the debt was incurred, the amount paid off, and the amount outstanding on the 30th June, 1889, are shown in the following table:—

PURPOSES FOR WHICH LOANS WERE RAISED.

Purposes.	Total Amount Borrowed.†	Amount Paid off.	Amount Outstanding on 30th June, 1889.
	£	£	£
Railways ...	29,167,719	68,100	29,099,619§
Water supply—			
Melbourne ...	2,446,456	800,000	1,646,455
Country ...	3,992,172	...	3,992,173||
Parliament houses ...	246,453	...	246,453
Law courts ...	354,260	...	354,260
Public offices ...	166,195	...	166,195
Defences ...	100,000	...	100,000
State schools ...	1,105,557	...	1,105,557
Yarra Bridge ...	108,043	...	108,043
Harbours, etc. ...	275,554	...	275,554
Graving-dock ...	350,464	...	350,464

* See paragraph 311 ante. † On the 30th June, 1890, the public debt amounted to £41,377,693.
‡ For expenditure of the net proceeds of these amounts, see table following paragraph 268 ante; and for further details of the expenditure of railway loans, see portion relating to Railways in Part “Interchange” post.
§ Inclusive of £183,900 of late Melbourne and Hobson’s Bay United Railway Co.’s debentures.
|| Of this amount £664,573 was authorized to be re-lent to municipal bodies, £852,983 to Water Works Trusts, and £289,294 to Irrigation and Water Supply Trusts, for local waterworks, the principal and interest being repayable by annual instalments—the former into a sinking fund, the latter into the general revenue. For accumulation of Sinking Fund (Municipalities Redemption Account), see table, “Trust Funds,” post. Waterworks Trusts also received grants from the loan account amounting to £97,396.

PURPOSES FOR WHICH LOANS WERE RAISED—continued.

Purposes.	Total Amount Borrowed.*	Amount Paid off.	Amount Outstanding on 30th June, 1889.
	£	£	£
Tramways in country districts...	182,609	...	182,609
Melbourne and Geelong improvements	735,000†	735,000	...
Treasury bonds ...	500,000	500,000	...
	39,730,482	2,103,100	37,627,382
Redemption of loans‡ ...	8,214,420	8,214,420	...
Total ...	47,944,902	10,317,520	37,627,382

367. Of the debt outstanding on the 30th June, 1889, a sum of about £53,000 was authorized as early as 1857, nearly 4 millions during the ten years ended with 1870, over 10 millions in the next decade, and over 23 millions—of which nearly 8 millions, however, was for purposes of redemption—in the nine years ended with 1889, as will be seen by the following table, which shows the years in which the various amounts of which the debt is composed were authorized and the number of the Act by which such authorization was given ; also the changes that have been effected by means of conversion operations :—

AUTHORIZATION OF THE PUBLIC DEBT.

Authorization.		Rate of Interest.	Amount Outstanding on the 30th June, 1889.	
Year.	Under Act.		As originally Authorized.	After Conversion Operations.
	No.	Per cent.	£	£
1857	36	6	52,780	...
1862	150	6	300,000	276,100
1865	287	6	850,000	850,000
1868	331	5	2,107,000	2,107,000
„	332	5	610,000	312,900
1870	371	4	100,000	...
1872	428	4	1,113,000	543,000
„	439	4	...	{ 86,780§ 13,102||
1873	468	4	1,500,000	1,500,000
1876	531	4	{ ... 2,500,000	500,000§ 2,500,000
1878	608	4½	5,000,000	5,000,000
„	611	4	...	457,000§
„	617	5	183,900	183,900¶
1881	717	4	4,000,000	4,000,000
1882	739	4	2,000,000	2,000,000
„	741	4	167,600	167,600

* See footnote (‡) on page 222.
† 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.
‡ Exclusive of conversion loans amounting to £1,043,780.
§ Conversion loans, the total amount of which was £1,043,780.
|| Increase of debt by conversion of 6 and 5 per cent. debentures into 4 per cent. stock.
¶ Debentures of M. and H. B. U. Railway Co., taken over by the Government.

AUTHORIZATION OF THE PUBLIC DEBT—continued.

Authorization.		Rate of Interest.	Amount Outstanding on the 30th June, 1889.	
Year.	Under Act.		As originally Authorized.	After Conversion Operations.
	No.	Per cent.	£	£
1883	760	4	4,000,000	4,000,000
1884	805	4	4,000,000	4,000,000
1885	845	4	6,000,000	6,000,000
1887	963	4	130,000	130,000
1888	989	3½	3,000,000	3,000,000
	Total	...	37,614,280	37,627,382

Growth of the public debt.

368. The gross total of the public debt increased from £5,000,000 in 1860 to nearly £12,000,000 in 1870, and again to over £22,000,000 in 1880-81—the amount at the end of each decennial period being about double that at the commencement. During the nine years subsequent to 1880-1, a net amount of over £15,000,000 was added to the debt. The whole increase in 29 years was in a much greater ratio than the increase of population, for the indebtedness per head gradually rose from £9 10s. in 1860 to £34 in 1888-9. A considerable increase also took place as compared with the total revenue until 1886-7, for whilst in 1860, or three years after the colony commenced to borrow, the debt was equivalent to only 1⅔ year's revenue, in 1870 it was equivalent to 3⅔ years', and in 1886-7 to nearly 5 years' revenue; since 1886-7, however, the proportion has fallen off to only 4⅓ years' revenue in 1888-9, being slightly lower than it was in 1880-81. The amount of debt outstanding, together with the average per head and the multiple of revenue at the end of 1860 and the two following decennial periods, and of the four years ended with 1888-9, are shown in the following table :—

GROWTH OF THE PUBLIC DEBT, 1860 TO 1888-9.*

At end of the Financial Year.	Amount Outstanding.	Average per Head.			Multiple of Revenue.
	£	£	s.	d.	
1860 ...	5,118,100	9	10	4	1·66
1870 ...	11,924,800	16	8	5	3·66
1880-81	22,593,102	26	1	2	4·36
1885-6	30,110,935	30	10	2	4·69
1886-7	33,119,164	32	10	0	4·92
1887-8	34,627,382	32	13	1	4·55
1888-9	37,627,382	34	1	6	4·34

NOTE.—On the 30th June, 1890, the public debt was £41,377,693. At the same date the estimated population was about 1,117,980. The amount of indebtedness per head was thus £37 0s. 3d. ; and the multiple of the revenue was 4·86.

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

369. It will be noticed that in 1888-9 the public debt increased by £3,000,000. This was in consequence of a loan for that amount having been floated in London in January, 1889. Four per cent. stock to the extent of £130,000* was also issued during the last two financial years, but this was to provide funds for a 6 per cent. local loan which fell due, and was duly paid off on 1st October, 1888. The debt per head of population only increased by £1 8s. 5d. whilst the ratio of debt to revenue fell from over $4\frac{1}{2}$ years of the latter in 1887-8 to $4\frac{1}{3}$ in 1888-9. Increase of debt, 1888-9.

370. The debt is composed of debentures—some of which are inscribable as stock—and inscribed stock. The following are the dates and places at which the various amounts of which the debt is composed are repayable:— Repayment of debt.

REPAYMENT OF DEBT.

Under Act No.	When Repayable.	Rate of Interest per cent.	Amount Repayable.		
			In Melbourne.	In London.	Total.
	<i>Debentures.</i>		£	£	£
150	1st October, 1889 ...	6	276,100	...	276,100†
287	1st January, 1891 ...	„	...	850,000	850,000
331-2	„ 1894 ...	5	312,900	2,107,000	2,419,900
468	1st July, 1899 ...	4	...	1,500,000	1,500,000
531	„ 1901 ...	„	...	3,000,000	3,000,000
608	„ „ ...	$4\frac{1}{2}$	...	5,000,000	5,000,000
611	1st January, 1904 ...	4	...	457,000	457,000
	<i>Stock (London Register).</i>				
717	1st July, 1907‡ ...	4	...	4,000,000	4,000,000
739	1st April, 1908‡ ...	„	...	2,000,000	2,000,000
760	1st October, 1913‡ ...	„	...	4,000,000	4,000,000
805	1st October, 1919 ...	„	...	4,000,000	4,000,000
845	„ 1920 ...	„	...	6,000,000	6,000,000
989	„ 1923 ...	$3\frac{1}{2}$	...	3,000,000	3,000,000
	<i>Stock (Melbourne Register).</i>				
428 } 439 } 741 } 963 }	28th November, 1897§ ...	4	940,482	...	940,482
617	<i>Debentures of late M. & H. B. U. Railway Co.||</i>	5	...	183,900	183,900
	Total ...	...	1,529,482	36,097,900	37,627,382

* Of this amount, £119,354 was raised prior to 1888-9. † Paid off at due date out of revenue.

‡ Originally debentures convertible into inscribed stock at option of holders. The amount so inscribed, according to advices received to the 30th June, 1889, was £8,441,300, the balance being still held in the form of debentures.

§ Or at any time thereafter, at option of the Government, after twelve months' notice in the *Government Gazette*.

|| Of which £30,000 is redeemable on 1st July, 1892; £22,000 on 1st July, 1895; £100,000 on 1st September, 1895; and £31,900 on 1st January, 1897.

Reduced
rate of
interest on
loans.

371. Loans paid off on the 1st October, 1883, and the same date in 1884, 1885 and 1888, amounting together to £7,947,220, bore interest at the rate of 6 per cent.; and it will be noticed that a further amount of £276,100 was repayable on the 1st October, 1889, which was duly paid. By these repayments the portion of the debt bearing 6 per cent. interest has become reduced to £850,000; all of which will fall due on or before 1st January, 1891. The redemption loans bear only 4 per cent. interest, and the nominal saving in the annual interest payable by the substitution of these for the 6 per cent. loans duly paid off amounts to £158,945* per annum.

Loans
redeemed.

372. The loans which had been redeemed up to the 30th June, 1889, amounted in the aggregate to £10,317,520, of which £2,103,100 was provided for out of revenue, and £8,214,420 by means of redemption loans, bearing interest at the rate of 4 per cent. Nearly a fourth of the amount was repayable in Melbourne, and the remainder in London. The following are the particulars:—

LOANS REDEEMED TO 30TH JUNE, 1889.

Under Act No.	Date of Redemption.	Rate of Interest.	Source from which funds were provided.	Amount Redeemed.		
				London.	Melbourne.	Total.
				£	£	£
13	1855 to 1875 ...	...	Revenue	...	525,000	525,000
23	" " ...	...	"	...	210,000	210,000
40	1857 to 1872 ...	6	"	500,900	299,100	800,000
15	1872 to 1874 ...	6	"	65,200	2,900	68,100
36	1st October, 1883	6	Loans	3,587,500	236,600	3,824,100
"	" 1884	6	"	812,500	...	812,500
"	" 1885	6	"	2,600,000	580,620	3,180,620
"	" 1888	6	"	...	130,000	130,000
617	1880 to 1886	6 & 3½†	"	233,400	33,800	267,200‡
663	1st November; 1881	5	Revenue	...	166,600	} 500,000||
"	" 1882§	5	"	...	166,700	
"	" 1883§	5	"	...	166,700	
Total ...				7,799,500	2,518,020	10,317,520

NOTE.—A further 6 per cent. loan for £276,100 was paid off out of revenue on 1st October, 1889.

Victorian
Govern-
ment stock

373. Victorian Government stock on the Melbourne register was first authorized under the *Public Works Loan Act* 1872 (36 Vict.

* Exclusive of the saving, equivalent to £5,522, on the loan of £276,100, which was paid off out of revenue.
† Only £200 bore interest at 3½ per cent.
‡ This amount was repaid as follows:—£100,000 on 1st July, 1880; £59,600 on 1st March, 1881; £20,400 on 1st May, 1882; £48,300 on 1st January, 1883; £38,900 on 1st January, 1886.
§ Due dates. The amount due on 1st November, 1882, and portion (£138,600) of that due on 1st November, 1883, was, however, paid off in February, 1882.
|| Treasury bonds.

No. 428), and originally amounted to £1,113,000. Owing to portion of this being converted into debentures, as being more readily negotiable by the Government in a case of emergency, which operation was counterbalanced to some extent by re-conversions and fresh issues, the amount outstanding became reduced on the 30th June, 1889, to £940,482.* In the case of the first three loans issued in London since the 1st January, 1883—amounting to £10,000,000—the option was given to holders of converting their debentures into stock, to be registered in London; whilst the subsequent loans raised up to the end of the financial year 1888-9—amounting to £13,000,000—were issued as stock in the first instance. The privilege referred to, according to advices received up to the 30th June, 1889, had been availed of to the extent of £8,441,300, so that the stock then outstanding upon the London register amounted to £21,441,300. The total amount of stock on the two registers combined was thus £22,381,782. Of this amount, £19,381,782 bears interest at the rate of 4 per cent., and £3,000,000 at the rate of $3\frac{1}{2}$ per cent. per annum.

374. Only about a twelfth of the public debt bears interest at $3\frac{1}{2}$ per cent., whilst over two-thirds bears interest at 4 per cent., and the balance at higher rates up to 6 per cent. The following are the rates of interest payable on the various amounts of which the public debt of Victoria was composed on the 30th June, 1889:—

Rates of Interest.					Amount at each Rate.
6 per cent.	...	...	...	...	£1,126,100
5 per cent.	...	...	...	...	2,603,800
$4\frac{1}{2}$ per cent.	...	...	...	...	5,000,000
4 per cent.	...	...	...	...	25,897,482
$3\frac{1}{2}$ per cent.	...	...	...	...	3,000,000
Total					£37,627,382

375. More than two-thirds of the interest on the debt is payable in July and January, and the remainder in October and April. In connexion with this, Messrs. W. Westgarth & Co., of London, whilst admitting the inconvenience to the colony of having large interest amounts falling due at one time, have pointed out that the greatest degree of negotiability for the stock can only be attained by making the periods of payment uniform for all loans. About nineteen-twentieths of the interest is payable in London, and the remainder in Melbourne. The following table shows the amounts payable

* Of the amount outstanding, £522,455 is held by the public, and £418,027 by the Government, viz.—£317,349 on account of Trust Funds invested, and £100,678 on account of investments by municipalities.

during the ensuing financial year at those times and places on the debt existing on the 30th June, 1889 :—

INTEREST ON PUBLIC DEBT.

Rate per cent.	When due.	Amount payable annually—		
		In Melbourne.	In London.	Total.
		£	£	£
6	July and January ...	...	51,000	51,000
5	„ „ ...	15,645	105,350	120,995
4½	„ „ ...	...	225,000	225,000
4	„ „ ...	...	598,280*	598,280
3½	„ „ ...	...	105,000	105,000
	Total ...	15,645	1,084,630	1,100,275
6	October and April ...	16,566	...	16,566
4	„ „ ...	37,619	400,000	437,619
	Total ...	54,185	400,000	454,185
	Melbourne and Hobson's Bay Railway Debentures	69,830 1,460	1,484,630 7,735	1,554,460 9,195
	Grand Total ...	71,290	1,492,365	1,563,655

NOTE.—The figures in this table represent the annual interest payable on the debt (viz., £37,627,382) as it stood at the commencement of that year. It may be remarked that the fresh loan raised in April, 1890, will add £105,000 per annum to the interest payable, but the first half-yearly instalment will not be payable until 1st July, 1890. On the other hand, the 6 per cent. loan of £276,100 having been paid off out of revenue on the 1st October, 1889, will reduce the annual interest by £16,566.

376. The annual interest payable on the public debt, as it existed at the end of the financial year 1888-9, was equivalent to an average rate of about £4 3s. per £100, the rates on the amounts borrowed for the different works in most cases varying from 4 to 4½ per cent. No money has been borrowed at 6 per cent. since 1866 ; and the 5, 4½, 4, and 3½ per cent. loans floated since, together with the substitution of 4 per cent. debentures for the 6 per cents. which had become due, have gradually brought down the rate of interest, so that at the end of 1888-9 it averaged only about £4 3s. per cent. as just stated. The following are the particulars of the amounts borrowed for the different works, and the amount and average rate of interest payable thereon annually :—

* Inclusive of £18,280 which is not actually paid, since the debentures represented are held by the Government on account of Trust Funds invested.

Interest on loans for different works.

INTEREST ON LOANS FOR DIFFERENT WORKS.

Purpose for which Raised.	Amount Outstanding on 30th June, 1889.*	Interest Payable Annually.	
		Amount.	Average Nominal Rate per cent.
	£	£	
Railways	29,099,619†	1,204,829	4·14
Tramways in Country Districts ...	182,609	7,141	3·91
Water Supply { Melbourne ...	1,646,455	66,713	4·05
	{ Country ...	170,744	4·28
Law Courts and Parliament Houses ...	600,713	25,265	4·21
Public Offices	166,195	6,789	4·09
Defences	100,000	6,000	6·00
State Schools	1,105,557	45,222	4·09
Yarra Bridge	108,043	4,622	4·28
Harbours, etc.	275,554	11,022	4·00
Graving-dock	350,464	15,308	4·37
Total	37,627,382	1,563,655	4·16

377. By the last two tables it appears that the total sum payable annually as interest amounts to £1,563,655; but as interest (£18,280) on debentures held by the Government is not paid, and as a portion of the debt did not bear interest during the whole of the year, the amount actually paid in 1888-9 was only £1,438,724, viz., £1,363,753 in London and £74,971 in Melbourne. Interest payable and paid.

378. The payment of interest in Melbourne is not attended with any expense; but in connexion with the payment of interest in London expenses are incurred, consisting chiefly of premium on the remittance of money and commission to the Banks. These charges amounted in 1888-9 to £20,518, which is equivalent to a proportion of $1\frac{1}{2}$ per cent. on the total amount paid in London, viz., £1,363,753, as just stated; as compared with £19,347, or $1\frac{1}{2}$ per cent., in 1887-8. During the two previous years, 1885-6 and 1886-7, the proportion was as high as $1\frac{3}{4}$ per cent. in consequence of the rate of exchange having been exceptionally high in those years. The following figures show the items of which the expenses were made up during the last four years:— Expenses of paying interest on debt.

* See also footnotes to table following paragraph 366 *ante*.

† This is inclusive of £183,900, amount outstanding on the Melbourne and Hobson's Bay United Railway Company's debentures, the interest on which is £9,195 annually.

EXPENSES OF PAYING INTEREST ON LOANS, 1885-6 TO 1888-9.

	1885-6.	1886-7.	1887-8.	1888-9.
	£	£	£	£
Commission of $\frac{1}{2}$ per cent. on de- benture coupons payable ...	3,598	3,262	3,182	3,161
Commission of £500 or £450 per million* for inscription of stock and payment of interest ($1\frac{1}{4}$ or $1\frac{1}{8}$ per cent. on interest payable)	5,798	6,586	7,984	8,709
Premium on remittances ...	10,701	10,107	7,187	7,540
Stamps, advertising, etc. ...	649	602	994†	1,108
Total Expenses ...	20,746	20,557	19,347	20,518
Interest paid in London ...	1,165,523	1,176,976	1,291,755	1,363,753
Per centage of expenses thereon	1·78	1·75	1·50	1·51

379. Adding the interest paid in Melbourne—in connexion with which, as has been already stated, there are no expenses—to the interest and expenses in the last column of the table, it will be found that the total interest and expenses of the public debt of Victoria in 1888-9 amounted to £1,459,242,‡ being in the proportion of £1 6s. 11d. per head of population, and equal to rather more than a sixth of the total expenditure.

380. The following is a statement of the total amount and amount per head paid as interest and expenses of the public debt in 1860, in each fifth year from that period to 1884-5, and in the years 1887-8 and 1888-9; also in each of the same years, the proportion of the total amount to the revenue of Victoria:—

INTEREST AND EXPENSES OF PUBLIC DEBT, 1860 TO 1888-9.

Year.	Interest and Expenses of Debt.		
	Total Amount.	Amount Per Head of Population.	Percentage of Revenue.
	£	£ s. d.	
1860 ...	251,777	0 9 4	8·17
1865 ...	517,081	0 16 8	16·81
1870 ...	647,674	0 17 10	19·86
1874-5 ...	719,282	0 18 3	17·25
1879-80 ...	979,864	1 3 1	21·30
1884-5 ...	1,271,907	1 6 6	20·22
1887-8 ...	1,385,121	1 6 8	18·21
1888-9 ...	1,459,242	1 6 11	16·82

* The sum of £500 is charged for the first 10 millions of stock inscribed, £450 for the second 10 millions, and £400 for subsequent amounts.
† Including £153 arrears.
‡ See under head of "Public Debt," page 162 ante.

381. In the other Australasian colonies, in 1888, the interest and expenses of the public debt per head varied from £2 13s. 10d. in Queensland and £2 11s. 10d. in New Zealand, to £2 5s. 2d. in South Australia, £1 12s. 10d. in New South Wales, £1 10s. 2d. in Western Australia, and £1 5s. 7d. in Tasmania; and the proportion to the total expenditure varied from 40 per cent. in New Zealand, 30 per cent. in Queensland and South Australia, and 26 per cent. in Tasmania, to 20 per cent. in New South Wales, and 16½ per cent. in Western Australia.* In the Australasian colonies as a whole, the interest and expenses of the public debt in 1888 amounted to £6,682,378, or to nearly £1 17s. 3d. per head, and to nearly a fourth of the total expenditure.

382. The following table contains a statement of the amount of interest payable annually on the Public Debts of various countries, also the proportion that such interest bears to the total expenditure of each country. The countries are arranged in order according to the proportion referred to:—

INTEREST ON PUBLIC DEBT AND PROPORTION THEREOF TO TOTAL
EXPENDITURE IN VARIOUS COUNTRIES.†

Countries.	Annual Interest on Public Debt.‡	
	Amount (000's omitted).	Proportion of Total Expenditure.
	£	Per cent.
Portugal	4,720,	55
Roumania	2,360,	48
New Zealand	1,570,	40
Greece	1,480,	40
Austria	11,280,	38
Hungary	10,640,	38
France	53,480,	35
Spain	10,960,	32
Russia	27,800,	31
Italy	12,600,	31
Belgium	3,840,	31
United Kingdom	27,000,	30
Queensland	1,106,	30
South Australia	718,	30
Tasmania	185,	26
Holland	2,640,	24

* See Australasian Statistics for 1888, Table V., Appendix A., Vol. I., *Victorian Year-Book*, 1888-9. For later information see Appendix A. in the second volume.

† Taken, so far as European countries are concerned, from the *Statistical Journal* of Paris, for August, 1889, page 274. The amounts are there given in francs, which have been reduced to pounds sterling, on the assumption that £1 is equivalent to 25 francs.

‡ The figures for the Australasian colonies, which relate to the year 1888, express the expenses, in addition to the interest, of their Public Debts, except in the case of Queensland.

INTEREST ON PUBLIC DEBT AND PROPORTION THEREOF TO TOTAL EXPENDITURE IN VARIOUS COUNTRIES*—continued.

Countries.	Annual Interest on Public Debt.	
	Amount (000's omitted).	Proportion of Total Expenditure.
	£	Per cent.
New South Wales	1,746,	20
Victoria	1,385,	19
Denmark	560,	19
Western Australia	64,	17
Sweden	800,	16
Prussia	8,480,	13
Norway	280,	11
Germany ‡	4,360,	9
Switzerland	80,	3

Relation of debt to expenditure in Victoria and other countries.

383. According to the table the only countries in the world in which the relation of the Public Debt to the Public Expenditure is smaller than in Victoria are Western Australia, Sweden, Prussia, Norway, Germany, and Switzerland. So far as the German Empire is concerned, the result might be different if the indebtedness of the several German States was taken into account. New Zealand, it will be observed, stands near the head of the list, having only two countries above it, and all the other Australasian colonies, except Western Australia, occupy a higher and consequently worse position than Victoria.

Loans authorized, 1889.

384. A loan of £4,600,000—to be floated in instalments as required—was authorized on the 17th December, 1888; and one for £4,000,000 on the 25th November, 1889. The former included a balance of £2,000,000 not floated under the previous Act, and was the first Victorian loan authorized since 1885. It is provided that these loans should be repayable in 1923, and that they should be issued either as debentures or as inscribed stock, interest to be payable half-yearly, the rate of which—not to exceed 3½ per cent.—is left to be determined by an order of the Governor in Council prior to the time of issue. The following are the amounts authorized to be devoted to the respective purposes for which the loan was to be raised :—

* See footnote (†) on page 231.
† See footnote (‡) on page 231.
‡ The interest on the debts of the several German States is not included.

LOANS AUTHORIZED, 1888 AND 1889.

Purposes.	Under <i>Railway Loan Act.</i>	
	52 Vict., No. 989.	53 Vict., No. 1032.
	£	£
Railways	4,100,000	3,150,000
Tramways in country districts	50,000	...
Water Supply—Melbourne	125,000	450,000
Irrigation Works, etc.	325,000	400,000
Total	4,600,000	4,000,000
Amount raised to 30th June, 1889 ...	3,000,000	...
Balance not floated	1,600,000	4,000,000

385. The first instalment—amounting to £3,000,000*—of these authorized loans was floated in London on the 22nd January, 1889, in the form of inscribed stock; the rate of interest being fixed—for the first time in the history of the colony—at as low a rate as $3\frac{1}{2}$ per cent.; and a second instalment for £4,000,000 at the same rate of interest was floated on the 17th April, 1890. Par was determined on as the minimum price for which tenders would be received on both occasions, which, as interest had accrued from the 1st January, was equivalent to £99 8s. $10\frac{1}{2}$ d. *ex* accrued interest in the former, and £98 11s. $11\frac{1}{2}$ d. in the latter case†. The number of tenders sent in was 401 for the first, and 826 for the second loan; whilst the aggregate amounts tendered were £6,558,500 and £13,670,500 respectively. The average prices obtained were £103 5s. $11\frac{1}{2}$ d. and £101 10s. $4\frac{1}{2}$ d. respectively, or £102 14s. 10d. and £100 2s. 4d. *ex* accrued interest; whilst, if expenses of floating be also deducted, the net proceeds will be reduced to £101 11s. $11\frac{1}{2}$ d. and £98 19s. 6d. per £100 respectively. As the loans have currencies of nearly 35 and 34 years respectively the last quoted prices are equivalent to the money having been obtained at the yearly rate of £3 8s. 5d. and £3 11s. 1d. per £100 respectively. The former price is the highest ever obtained for any Australasian loan, or, indeed, for the loan of any British possession, except India and Canada.‡ The lowest rate of interest at which any

Loan floated
in 1890.

* It was stated in the prospectus that this loan would meet the requirements of the Government during the current year.

† The proceeds of the last loan were payable—5 per cent. on application, 15 per cent. on the 24th April, 40 per cent. on the 20th May, and 40 per cent. on the 20th June.

‡ Canada, in June, 1888, succeeded in launching a 3 per cent. loan of £4,000,000 in London, the principal being repayable in 50 years; the average price obtained was £95 1s. per £100, or £94 14s. 10d. *ex* accrued interest. Allowing for expenses, as well as accrued interest, the net price would probably be reduced to about £93 12s., which is equivalent to an annual rate of £3 5s. 3d. per £100, or 3s. 2d. less than that paid by Victoria for the loan of 1888. Canada, which was the first colony to lower the rate of interest to $3\frac{1}{2}$ per cent.—viz., in June, 1884—was again the first to lower it to 3 per cent. The equivalent in 3 per cents. at the price realized for the Victorian $3\frac{1}{2}$ per cent. loan of 1888 is about £93 2s. *ex* accrued interest. See also footnote to paragraph 371, *Victorian Year-Book*, 1887-8. In May, 1890, Ceylon also followed the example set by Canada in issuing a 3 per cent. loan see Note to table following paragraph 395 *post*.

loan of New South Wales had been floated up to the end of 1889 was £3 9s. per £100, that being the rate actually payable on the nominal 3½ per cent. loan floated in April, 1888.*

Net proceeds
of recent
loans.

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

PARTICULARS OF LOANS FLOATED, 1886 TO 1890.

Particulars.	4 per cent.—Stock. (49 Vict. No. 845.)			£8,600,000, 3½ per cent.— Stock. (52 Vict. No. 939, and 53 Vict. No. 1,032.)†	
	First issue, £1,500,000.	Second issue, £3,000,000.	Third issue, £1,500,000.	First issue, £3,000,000.	Second issue, £4,000,000.
When floated ...	2nd Feb., 1886.	20th Jan., 1887.	10th Jan., 1888.	22nd Jan., 1889.	17th April, 1890.
When repayable (1st Oct.)	1920.	1920.	1920.	1923.	1923.
Minimum price fixed per £100	£101 3 3	£101 6 3	£103 9 11¼	£99 8 10½	£98 11 11½
Number of tenders ...	643	817	273	401	826
Amount tendered ...	£10,834,250	£10,191,500	£3,466,800	£6,558,500	£13,670,500
Number of successful tenders ‡	27	62	113	233	...
Highest tender per £100	£105 15 9	£102 18 9	£108 15 5¾	£103 11 4½	£101 11 11½
Lowest successful tender per £100	£105 11 9	£102 5 9	£107 17 5¾	£102 10 10½	...
Gross proceeds average per £100	£105 12 3¼	£102 5 6¾	£108 1 1¼	£102 14 10	£100 2 4
Deduct expenses, do. ...	£1 3 3¼	£1 2 9¾	£1 3 0½	§£1 2 10½	£1 2 10
Net proceeds, do. ...	£104 9 0	£101 2 9	£106 18 0¾	£101 11 11½	£98 19 6
Bank of England mini- mum rate of discount per cent.	3	5	4||	4 ¶	3½**

NOTE —The quotations in this table are exclusive of accrued interest, which was £1 8s. 0½d. for the last loan.

Expenses of
floating and
redemption
of loans.

387. The total expenses connected with floating Victorian loans from 1855 (the time the first loans were authorized) to the 30th June,

* See table following paragraph 393 *post*.
† By Act 54, Vict. No. 1057, the second issue was made redeemable at the same date as the first issue.
‡ Wholly or partly successful.
§ As against this a premium of ½ per cent. on portion of this loan was received on bills drawn on London at 30 days, being equivalent to about 1s. 10d. per £100 on the whole loan.
|| Followed by a 3½ per cent. rate on the 11th, and a 3 per cent. rate on the 18th January.
¶ Two days later it fell to 3½ per cent., and nine days later to 3 per cent. A 5 per cent. rate prevailed in the early part of the month, *i.e.*, prior to the 10th.
** It fell on the same day to 3 per cent. A 4 per cent. rate prevailed about a week previously.

1889, including bank charges, brokerage, advertising, etc., have amounted to £493,154, which figures furnish a proportion of 1·15 per cent. (equal to £1 3s. per £100) on the gross amount (£42,914,000) borrowed in London to that date; and a similar average prevailed for the loans recently floated, as will be seen by figures in the last table. These expenses are made up of 5s.* per £100 commission to the Banks for floating, 5s. brokerage, and 12s. 6d. composition duty on inscription of stock, payable to the British Government; the balance, viz., 6d., defraying the cost of advertisements and other charges. It should be mentioned that there are other charges which, as they do not come into operation until the debentures arrive at maturity, are not usually taken into account. These are the Banks' commission (including brokerage) of $\frac{1}{4}$ per cent. for floating the earlier debenture loans, and $\frac{1}{8}$ per cent. for the more recent inscribable loans, besides exchange on remittances for redemption of the debentures.

388. The minimum price for tenders for a loan is fixed after due inquiry from those supposed to be best acquainted with the state of the money market. The results, however, are very various, and in the case of the loans from 1874 onwards the amounts obtained per £100 debenture or stock have ranged from 2s. 7d. in 1874 to as much as £4 11s. in 1888 above the minimum fixed, as is shown in the last column of the following table:—

Prices fixed
and ob-
tained for
loans.

VICTORIAN LOANS.—PRICES FIXED AND OBTAINED, 1874 TO 1890.

When Raised.	Price per £100 <i>ex</i> Interest.						Amount above Minimum Obtained.		
	Minimum Fixed.			Average Obtained.					
	£	s.	d.	£	s.	d.	£	s.	d.
1874 ...	90	0	0	90	2	7	0	2	7
1876 ...	93	0	0	94	16	10 $\frac{3}{4}$	1	16	10 $\frac{3}{4}$
1879 ...	96	16	1	97	17	5 $\frac{1}{2}$	1	1	4 $\frac{1}{2}$
1880 ...	100	0	0	103	3	8 $\frac{1}{2}$	3	3	8 $\frac{1}{2}$
1883 ...	98	13	7	98	16	8 $\frac{1}{2}$	0	3	1 $\frac{1}{2}$
„ ...	96	13	3	97	14	1 $\frac{1}{2}$	1	0	10 $\frac{1}{2}$
1884 ...	98	2	8	98	5	7	0	2	11
1885 ...	97	4	9 $\frac{1}{2}$	98	18	6 $\frac{1}{2}$	1	13	9
1886 ...	101	3	3	105	12	3 $\frac{1}{4}$	4	9	0 $\frac{1}{4}$
1887 ...	101	6	3	102	5	6 $\frac{3}{4}$	0	19	3 $\frac{3}{4}$
1888 ...	103	9	11 $\frac{3}{4}$	108	1	1 $\frac{1}{4}$	4	11	1 $\frac{1}{2}$
1889 ...	99	8	10 $\frac{1}{2}$	102	14	10	3	5	11 $\frac{1}{2}$
1890 ...	98	11	11 $\frac{1}{2}$	100	2	4	1	10	4 $\frac{1}{2}$

NOTE.—The rate of interest is 4 $\frac{1}{2}$ per cent. on the loans of 1879 and 1880, 3 $\frac{1}{2}$ per cent. on the loans of 1889 and 1890, and 4 per cent. in all other cases.

* It has been asserted that South Australia saves this commission by floating the loans through the medium of the Agent-General; whilst New South Wales pays as much as 10s. per £100.

389. The amount outstanding on loans floated in Melbourne at one time amounted to over £3,123,000, but owing to portions of such loans having been converted into debentures on the London register, and £947,220 having been paid off and also replaced for the most part by loans raised in London, the debt repayable in Melbourne has become reduced to £1,529,482. The following is a statement of such loans showing the amounts as originally raised, the amounts converted or paid off, and the amounts outstanding on the 30th June, 1889:—

LOANS FLOATED IN MELBOURNE.

Authorization.		Loans as originally raised.			Amounts.		Loans Outstanding on 30th June, 1889.
Act No.	Year.	Rate of Interest.	When due.	Amount.	Converted into Stock or Debentures.	Paid off.	
		Per Cent.		£	£	£	£
				DEBENTURES.			
36	1857	6	1883-5-8	1,000,000	52,780	947,220	...
150	1862	6	1889	300,000	23,900	...	276,100
332	1868	6	1894	610,000	297,100	...	312,900
371	1870	5	...	100,000	100,000	...	...
				STOCK.			
428	1872	4	1897*	1,113,000	570,000	...	543,000
741	1882	4	„	167,600	...	...	167,600
963	1887	4	„	130,000†	...	...	130,000
439	1872	4	„	{ 86,780‡ }	...	...	99,882
				{ 13,102§ }	...	...
Total ...				3,520,482	1,043,780	947,220	1,529,482

390. Particulars respecting the amounts, due dates of, nominal rates of interest on, and average prices obtained for, the various loans forming part of the public debt of Victoria, raised in London from 1859 to 1890, are given in the following table; also the average prices obtained after deducting expenses of floating, as well as of accrued interest; the rates of interest to which such prices are equivalent, which are really those payable by the colony on the moneys actually available (net proceeds) for the purposes for which the loans were raised; to which is added, in the last column, the minimum rate of

* Or at any time thereafter upon one years' notice.
† Redemption loan.
‡ Conversion loan. The other conversion loans, amounting to £957,000, were raised in London. See footnote (††) to next table.
§ Increase of debt on conversion of 5 and 6 per cent. debentures.

discount, with a view of indicating the state of the money market at the time of floating the respective loans:—

VICTORIAN LOANS FLOATED IN LONDON, 1859 TO 1890.

Act No.	When Raised.	Amount of Loan.*	When Due.	Nominal Rate of Interest.	Average price obtained per £100 Debenture.		Actual Rate of Interest per £100†	Bank of England Minimum Rate of Discoun at time of Floating.
					Ex Accrued Interest.	Ex Interest and Expenses.† (Net proceeds.)		
		£		Per cent.	£ s. d.	£ s. d.	£ s. d.	Per cent.
36	1859	1,000,000	1883	6	105 1 11 $\frac{3}{4}$	103 18 11 $\frac{3}{4}$	5 14 0	2 $\frac{1}{2}$
"	"	750,000	"	"	107 17 7 $\frac{1}{4}$	106 14 7 $\frac{1}{4}$	5 10 1	2 $\frac{1}{2}$
"	1860	1,837,500	"	"	104 17 10 $\frac{1}{2}$	103 14 10 $\frac{1}{2}$	5 14 3	4 $\frac{1}{2}$ -
"	"	812,500	1884	"	103 1 6 $\frac{1}{4}$	101 18 6 $\frac{1}{4}$	5 17 0	6
"	1861	1,000,000	1885	"	102 19 7	101 16 7	5 17 2	2 $\frac{1}{2}$
"	1862	1,600,000	"	"	100 8 11 $\frac{3}{4}$	99 5 11 $\frac{3}{4}$	6 1 1	4 $\frac{1}{2}$
287	1866	850,000	1891	"	98 4 2 $\frac{3}{4}$	97 1 2 $\frac{3}{4}$	5 4 3	3
331	1869	588,600	1894	5	100 17 6 $\frac{1}{2}$	99 14 6 $\frac{1}{2}$	5 0 5	3
"	1870	1,518,400	"	"	90 2 7	88 19 7	4 15 5	3-4
468	1874	1,500,000	1899	4	94 16 10 $\frac{3}{4}$	93 18 11 $\frac{3}{4}$	4 8 1	2
531	1876	{ 500,000\$ 2,500,000 }	{ 1901 1904 }	"	...	...	...	...
611	1878	457,000\$	1904	"	97 17 5 $\frac{1}{2}$	96 19 2 $\frac{1}{2}$	4 14 0	2 $\frac{1}{2}$
608	1879	3,000,000	"	4 $\frac{1}{2}$	103 3 8 $\frac{1}{2}$	102 5 11	4 6 11	2 $\frac{1}{2}$
"	1880	2,000,000	"	"	98 16 8 $\frac{1}{2}$	97 13 7 $\frac{1}{2}$	4 3 0	5-3
717	1883	4,000,000	1907	4	97 14 1 $\frac{1}{2}$	96 10 11 $\frac{1}{2}$	4 4 6	4
739	"	2,000,000||	1908	"	98 5 7¶	97 2 8 $\frac{1}{4}$	4 3 3	3
760	1884	{ 2,636,600|| 1,363,400 }	{ 1913 1919 }	"	98 18 6 $\frac{1}{2}$ **	97 15 9 $\frac{1}{2}$	4 2 5	3 $\frac{1}{2}$
805	1885	{ 3,180,620|| 819,380 }	1919	"	105 12 3 $\frac{1}{4}$	104 9 0	3 15 5	3
845	1886	1,500,000	1920	"	102 5 6 $\frac{3}{4}$	101 2 9	3 18 9	5
"	1887	3,000,000	"	"	108 1 1 $\frac{1}{4}$	106 18 0 $\frac{3}{4}$	3 12 9	4
"	1888	1,500,000	"	"	102 14 10	101 11 11 $\frac{1}{2}$	3 8 5	4
989	1889	3,000,000	1923	3 $\frac{1}{2}$	100 2 4	98 19 6	3 11 1	3 $\frac{1}{2}$
1032	1890	4,000,000	"	"				
1057								
	Total	46,914,000††						

NOTE.—All Victorian loans floated prior to 1884 have originally a currency of 25 years; the loan of 1884 has a currency of 30 years, and the subsequent loans a currency of from 33 to 35 years.

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

† For loans raised prior to 1876, the expenses have been uniformly assumed to have been 1·15 per cent., and the quotations differ slightly from those published last year. See paragraph 387 *ante*.

‡ Based on the prices given in the previous column. Some of the figures have been revised and corrected since last publication.

§ Conversion loans. See footnote (‡) on last page.

|| Redemption loans.

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

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

†† Including £957,000 for conversion of debentures and stock issued in Melbourne; also redemption loans amounting to £7,817,220, of which £7,000,000 was for loans falling due in London. The latter amount being deducted, the net amount borrowed in London is reduced to £39,914,000, of which £1,774,220 is virtually a transfer of debt from Melbourne to London.

Terms upon
which loans
have been
obtained.

391. It will be noticed that the nominal rate of interest was 6 per cent. for all loans floated prior to 1869, when it was reduced to 5 per cent.; it was further reduced to 4 per cent. in 1874, which rate has, with exceptions in 1879 and 1880, prevailed until 1889, when a $3\frac{1}{2}$ per cent. loan was floated. It will be seen that the first 4 per cent. loan was floated at a heavy discount, viz., 10 per cent., but the credit of the colony has improved so considerably of recent years, especially since 1885, that a $3\frac{1}{2}$ per cent. loan, floated at the beginning of 1889, brought a premium of £2 15s. per £100 debenture, although a similar loan in 1890 was not so successful. It should be stated, however, that after the Victorian loan of 1888 was floated, a large advance took place in the value of Australian securities, owing probably for the most part, to the conversion of British 3 per cents., and the possibility that English trustees might sooner or later be allowed to invest in colonial securities, in consequence of which no less than five of the Australasian colonies—viz., New South Wales, Queensland, Victoria, South Australia, and Tasmania, in the order named—have already been able to float $3\frac{1}{2}$ per cent loans, either at a premium or at a small discount.

Actual rate
of interest
on loans.

392. By the last column but one of the table, it appears, in respect to the earlier Victorian loans, that, although the nominal rate of interest was 6 per cent., the money was usually obtained for about $5\frac{3}{4}$ per cent., the lowest rate being $5\frac{1}{2}$ per cent. in 1859, and the highest a small fraction over 6 per cent. in 1866. Since that year, however, the credit of the colony has been gradually improving, for the money was secured in 1870—or four years later—for about 5 per cent.; in the early part of 1883 for $4\frac{3}{20}$ per cent.; in 1885 for $4\frac{1}{8}$ per cent.; in 1888 for about $3\frac{5}{8}$ per cent.; in 1889 for about $3\frac{2}{5}$ per cent., which was the lowest actual rate at which any Victorian—or, in fact, any Australasian—loan has yet been raised; and, although the loan of 1890 was less successful, it realized a far better price than any other previous loan.

New South
Wales
loans.

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

NEW SOUTH WALES LOANS, 1858 TO 1889.

Date of Loan.	Years' Currency.	Amount of Loan.	Gross Amount raised.	Average price per £100 less charges etc.*	Nominal Interest per cent.	Actual Interest per £100.
		£	£	£		£ s. d.
1858	30	130,400	125,888	90·59	5	5 13 3
1859	30	818,100	916,778	99·09	5	5 1 3
1860	30	560,900	560,654	99·20	5	5 1 0
1861	30	206,960	205,887	98·85	5	5 1 7
1862	30	495,500	485,391	97·22	5	5 3 10
1863	30	610,000	613,247	99·78	5	5 0 3
1864	30	288,300	287,609	90·01	5	5 1 5
1865	30	292,800	269,974	91·49	5	5 11 6
1866	30	1,001,900	899,216	88·49	5	5 16 4
1867	30	312,800	267,448	84·32	5	5 2 1
1868	30	1,500,000	1,430,204	88·52	5	5 16 4
1869	...	1,000,000	981,655	96·85	5	5 4 2
1870 } 1871 }	30	985,100	973,696	97·91	5	5 2 11
1872	30	406,800	422,666	103·90	5	4 15 0
1873	Inter.	222,284	217,270	97·74	4	4 2 0
1874	Inter.	282,955	268,808	95·00	4	4 5 11
1875	30	1,000,000	900,581	89·12	4	4 13 0
1876	30	901,500	837,180	92·22	4	4 9 4
1879	30	3,249,500	3,099,443	97·81	4	4 2 8
1881	30	2,050,000	2,120,697	101·67	4	3 18 1
1882†	{ 30 50	{ 813,700 } { 1,186,300 }	2,042,916	100·10	4	3 19 11
1883	50	3,000,000	3,001,067	97·68	4	4 2 3
„	50	3,000,000	3,018,780	98·08	4	4 1 10
1884	40	5,500,000	5,152,386	91·17	3½	3 18 11
1885	40	5,500,000	5,042,041	89·01	3½	4 1 3
1886	38	5,500,000	5,247,690	91·99	3½	3 18 0
1888	30	3,500,000	3,626,300	100·86	3½	3 9 0
1889	29	{ 1,390,630† } { 2,109,400 }	3,584,105	99·57	3½	3 10 2

394. By this table it appears that during the six years ended with 1889, New South Wales has floated seven loans amounting in the aggregate to £29,500,000. The loan of 1882 was issued in the form of debentures, but with right of inscription as stock. All previous loans, it is believed, were issued as debentures only, whilst all subsequent loans were issued either as inscribed stock or debentures inscribable as stock. It would appear that as early as 1881 and 1882 New South Wales was able to borrow, allowing for all charges, for

Success of recent New South Wales loans.

* The quotations respecting New South Wales for 1881 and subsequent years were carefully computed in the office of the Government Statist, Melbourne, and are exclusive of accrued interest as well as expenses ; but, for the loans prior to 1881, it is believed no allowance has been made for accrued interest or—what amounts to the same thing—for discount on deferred instalments. This is often considerable, and, in the case of the last six loans, varied from something less than £1 to nearly £2 per £100.

† The loan of 1882 was issued first as debentures ; but, subsequently, power was given to convert into inscribed stock. The debentures unconverted are shown in the upper line.

‡ Redemption loan. This was the only Redemption loan during the last 10 years.

less than 4 per cent.—the loan floated in 1881 being set down as costing only £3 18s. 1d. per £100 per annum, although, strange to say, the next two 4 per cent. loans floated in 1883 could only be raised at a discount. The last five loans, it will be observed, were launched nominally at $3\frac{1}{2}$ per cent.; New South Wales being the first Australasian, and the second British colony* to issue loans bearing a lower nominal rate of interest than 4 per cent. The actual rate of interest payable on the first three of these, however, was nearer 4 than $3\frac{1}{2}$ per cent., per £100 borrowed; but a considerable improvement took place in the last two, which were floated at or slightly above par. The earlier of these two loans was, at the time, the most successful Australian loan floated, its great success being no doubt attributable to the extraordinary demand for Colonial securities in the London money market, owing to a great extent to the then proposed, and since accomplished, compulsory conversion of the greater portion of the British 3 per cent. debt, first into $2\frac{3}{4}$, and eventually into $2\frac{1}{2}$ per cents.; but this has been since, in its turn, eclipsed by the Victorian $3\frac{1}{2}$ per cent. loan of 1889.

Loans of
Austral-
asian
colonies,
1888 to 1890.

395. New South Wales issued its first $3\frac{1}{2}$ per cent. loan as early as 1884, and it was not until 1888 that nearly all the other Australian colonies followed suit. Victoria and New South Wales, however, have secured the best prices, and each successive loan of those colonies was floated at a higher price than the previous one; whilst the lowest real rate of interest secured—based on the price realized, *ex* interest,—is £3 7s. 4d. per £100 for the Victorian loan of January, 1889. The following are the particulars of the Australasian loans floated during the years 1888, 1889, and 1890, up to the end of May of the latter year :—

LOANS OF AUSTRALASIAN COLONIES RAISED IN 1888 TO 1890.

Colony.	Date.	Amount.	Currency of Loans.	Nominal Rate of Interest.	Price obtainable per £100 Debenture.						Com- parative Rates of Interest per £100.†		
					Gross.			Ex Accrued Interest.					
	1888.	£	Years.	Percent.	£	s.	d.	£	s.	d.	£	s.	d.
Victoria ...	Jan.	1,500,000	33	4	108	11	1½	108	1	1¼	3	11	11
New South Wales	April	3,500,000	30	3½	103	12	2	102	4	3	3	8	1
New Zealand ...	June	2,000,000	41	4	95	15	7	96	11	5	4	3	7
Queensland ...	July	2,500,000	36	3½	95	2	9	94	6	11	3	15	10

* The first one was Canada. See footnote (†) to paragraph 385 *ante*.

† The calculations in this table are based on the prices *ex* accrued interest as shown in the previous column, but not *ex* expenses also, as it was impossible to obtain a statement of these from some of the colonies; the rates for Victoria and New South Wales are, therefore, somewhat lower than those given in previous tables.

LOANS OF AUSTRALASIAN COLONIES RAISED IN 1888 TO 1890
—continued.

Colony.	Date.	Amount.	Currency of Loans.	Nominal Rate of Interest.	Price obtainable per £100 Debenture.						Com- parative Rates of Interest per £100.*		
					Gross.			Ex Accrued Interest.					
		£	Years.	Per cent.	£	s.	d.	£	s.	d.	£	s.	d.
Victoria ...	1889. Jan.	3,000,000	35	3½	103	6	0	102	14	10	3	7	4
South Australia...	„	1,317,800†	40	3½	100	1	10	99	4	6	3	10	9
Tasmania ...	April	1,000,000	30 to 50‡	3½	98	5	8	97	15	0	3	12	5
New South Wales	July	3,500,000	29	3½	102	8	1	101	4	6	3	8	8
Western Australia	July	100,000	45	4	108	15	3	108	1	11	3	12	9
New Zealand ...	Oct.	2,700,000§	50	3½	95	16	8	95	10	2	3	14	1
1890.													
Queensland ...	Mar.	2,264,734	34½	3½	97	16	7	96	7	4	3	13	9
Victoria ...	April	4,000,000	34	3½	101	10	4½	100	2	4	3	9	10½

NOTE.—Amongst other British Colonies the most remarkable recent loans are as follow :—
Canada, in June, 1888, a 3 per cent. loan for £4,000,000 of 50 years' currency, realized £94 14s. 10d. *ex* interest, equivalent to interest at rate of £3 4s. 3d. per £100. Cape of Good Hope, in March, 1890, a 3½ per cent. loan for £1,150,000 of 59 years' currency, but redeemable after 39 years at option of Government, realized £100 0s. 10d. *ex* interest, equivalent to interest at the rate of £3 9s. 11½d. Ceylon, in May, 1890, offered a 3 per cent. loan for £450,000 of 50 years' currency at a minimum price of £93, equal to £92 6s. 10d. *ex* interest, equivalent to interest at the rate of £3 6s. 4d., but only £300,500 was applied for, and the balance was withdrawn.

396. The expense of floating the loans of New South Wales has lately been much greater than that of floating the loans of Victoria. Thus, the expense of floating Victorian loans averages £1 3s. per £100 debenture, but it varies from £1 2s. to over £1 14s. in the case of New South Wales—the average being £1 10s. 2d. The following table contains a statement of the average expense of floating loans in the two colonies during the nine years ended with 1890 :—

Cost of float-
ing loans
of Victoria
and New
South
Wales com-
pared.

EXPENSES OF FLOATING LOANS OF VICTORIA AND NEW SOUTH WALES, 1882 TO 1890.||

Year.	Amount of Loan.		Expenses per £100 Debenture or Stock in—					
	Victoria.	New South Wales.	Victoria.			New South Wales.		
			£	s.	d.	£	s.	d.
1882 ...	£ ...	£ 2,000,000	...	...	...	1	1	9
1883 (1st loan) ...	4,000,000	3,000,000	1	3	1	1	1	10
„ (2nd loan) ...	2,000,000	3,000,000	1	3	2	1	6	5
1884 ...	4,000,000	5,500,000	1	2	11	1	11	2
1885 ...	4,000,000	5,500,000	1	2	9	1	14	5
1886 ...	1,500,000	5,500,000	1	3	3	1	13	0
1887 ...	3,000,000	...	1	2	10	...	...	...
1888 ...	1,500,000	3,500,000	1	3	1	1	7	11
1889 ...	3,000,000	3,500,000	1	2	11	1	13	1
1890 (to 30th June) ...	4,000,000	...	1	2	10	...	...	...
Total ...	27,000,000	31,500,000	1	3	0	1	10	2

* See footnote (†) on page 240.
† At first only £553,700 was taken up at an average price of £100 4s. 5d., but the balance of the loan was, it is believed, subsequently disposed of on the terms of the original prospectus.
‡ Repayable at the option of the Government at any time after 30 years on giving 12 months' notice.
§ Conversion loan.
|| See also paragraph 387 ante.

Annual cost
of manag-
ing stock of
Victoria
and New
South
Wales.

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

Debts of
Austral-
asian
colonies.

398. 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 1888; also the number of years' revenue the debt was 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 ...	1881	22,426,502	25	9	7	4·32
	1882	22,103,202	24	11	1	3·95
	1883	24,308,175	26	7	5	4·33
	1884	27,526,667	29	1	11	4·64
	1885	28,628,588	29	9	7	4·55
	1886	30,114,203	30	0	5	4·65
	1887	33,127,382	31	19	5	4·92
	1888	34,627,382	31	14	10	4·55
New South Wales ...	1881	16,924,019	21	14	8	2·52
	1882	18,721,219	23	1	9	2·53
	1883	21,632,459	25	4	5	3·34
	1884	30,101,959	33	6	0	4·23
	1885	35,564,259	37	2	8	4·69
	1886	41,034,249	40	19	1	5·43
	1887	40,995,350	39	6	2	4·78
	1888	44,100,149	40	12	4	4·96
Queensland ...	1881	13,245,150	58	7	1	6·55
	1882	13,125,350	52	17	5	6·24
	1883	14,907,850	51	17	2	5·77
	1884	16,419,850	52	19	6	6·14
	1885	19,320,850	61	4	10	6·80
	1886	20,820,850	60	15	5	7·41
	1887	23,320,850	63	11	1	7·69
	1888	25,840,950	66	13	10	7·46
South Australia ...	1881	11,196,800	38	3	6	5·16
	1882	12,472,600	42	9	10	5·98
	1883	13,891,900	45	12	5	6·74
	1884	15,473,800	49	9	5	7·64
	1885	17,020,900	54	6	2	7·37
	1886	18,340,200	58	12	10	9·28
	1887	19,168,500	60	7	8	9·52
	1888	19,147,700	60	3	1	7·68

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.	
Western Australia ...	1881	511,000	17 0 6	2·01
	1882	511,000	16 12 2	2·04
	1883	611,000	19 5 6	1·93
	1884	765,000	23 4 3	2·64
	1885	1,288,100	36 12 4	3·99
	1886	1,286,000	32 9 9	3·31
	1887	1,280,700	30 2 10	3·39
	1888	1,275,200	30 5 3	3·57
Tasmania ...	1881	2,003,000	16 16 10	3·96
	1882	2,050,600	16 14 10	3·72
	1883	2,385,600	18 18 0	4·24
	1884	3,202,300	24 10 7	5·83
	1885	3,357,000	25 1 10	5·88
	1886	4,026,720	29 6 11	7·08
	1887	4,109,370	28 16 10	6·91
	1888	4,499,470	30 15 9	7·03
New Zealand*	1881	29,659,111	59 4 2	7·89
	1882	30,235,711	58 8 1	7·72
	1883	31,385,411	58 0 6	8·11
	1884	32,860,982	58 4 8	8·86
	1885	35,790,422	62 4 3	8·74
	1886	37,587,776	63 15 6	10·20
	1887	38,225,537	63 7 1	11·04
	1888	38,325,550	63 2 0	9·33

NOTE.—The following colonies have floated loans in London since the 31st December, 1888:—Victoria, £3,000,000 in January, 1889, and £4,000,000 in April, 1890; New South Wales, £3,500,000 in July, 1889; Queensland, £2,264,734 in March, 1890; South Australia, £1,317,800 early in 1889; Western Australia, £100,000 in July, 1889; Tasmania, £1,000,000 in April, 1889; New Zealand, £2,700,000 in October, 1889. The last amount, however, did not increase the debt, being intended only for the conversion of earlier loans. For public debts of the respective colonies at the end of 1889, see Summary of Australasian Statistics (third folding sheet at the commencement of the second volume), which gives a statement of the debts of the respective colonies at the end of each of the seventeen years 1873 to 1889; also table following paragraph 395 *ante*, and Appendix A. to the second volume.

399. In 1888, as compared with the previous year, Victoria, South Australia, and New Zealand show a decrease of indebtedness per head, but—excepting Western Australia, where the increase was very slight—an increase varying from £1 6s. to £3 per head occurred in the other colonies. According to the returns of the same year, by far the most heavily-indebted colonies in proportion to population were Queensland, which now stands first, and New Zealand, both with over £63; and next South Australia, with over £60 per head. Victoria in proportion to population, was only half as heavily indebted as any

Order of colonies in respect to indebtedness.

* New Zealand, as a set-off against the debt, has an accrued sinking fund, which amounted on the 31st December, 1888, to £1,353,859. The net liability was thus £36,971,691, or £60 17s. 6d. per head, and was equal to 9 times the revenue. The sinking funds in the other colonies are of no great importance.

of these, and was, moreover, less heavily indebted than any other of the Australasian colonies, except Western Australia and Tasmania. The following is the order in which the colonies stood in respect to their indebtedness per head, the most heavily indebted colony being placed first:—

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

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

400. The public debts of the different colonies varied, in 1888, from an amount equal to $9\frac{1}{3}$ years' revenue in New Zealand, and about $7\frac{1}{2}$ years' revenue in Queensland and South Australia, to a sum equal to $3\frac{1}{2}$ years' revenue in Western Australia. Victoria occupied a lower, and consequently more favourable, position in this respect than any of the colonies, except Western Australia, her debt being equal to her revenue for only $4\frac{1}{2}$ years. The following is the order in which the colonies stood in respect to this matter:—

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

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

401. If the amounts of debt at the latest period shown in the table be added together, it will be found that the aggregate debt of the colonies on the continent of Australia was nearly 125 millions, being 7 millions more than in 1887; and the aggregate debt of Australia, with the addition of Tasmania and New Zealand, was nearly 168 millions sterling, being over $7\frac{1}{2}$ millions more than in 1887. The following are the exact figures for 1888, also the proportion of indebtedness per head of the population, and the proportion the aggregate debt bore to the aggregate revenue of the colonies within the same limits:—

PUBLIC DEBT OF AUSTRALIA AND AUSTRALASIA, 1888.*

	PUBLIC DEBT.		
	Total Amount.	Amount per Head.	Multiple of Revenue.
	£	£ s. d.	Per cent.
Continent of Australia	124,991,381	42 14 9	5·48
Ditto with Tasmania and New Zealand...	167,816,401	45 12 6	6·09

* For later figures, see Appendix A. in the second volume.

402. 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 nearly £3 than such a proportion applied to the continental colonies alone, in explanation of which it will be remembered that, although in proportion to population, Tasmania is, next to Western Australia, the most lightly, New Zealand is, next to Queensland, the most heavily indebted colony of the group.

Debt per head higher in Australasia than in Australia.

403. During the year 1888, the public debt of Australasia, taken as a whole, increased by 7½ millions—or nearly 5 per cent., but the amount per head of population increased by only 10s. During the fifteen years ended with 1888, the public debt increased by one hundred and twenty-five millions—or fourfold—whilst the proportion per head was much more than doubled. The debt also, in the first thirteen of those years, increased in a much greater ratio than the public revenue, for whereas in 1873 it was equal to the income of the colonies for only about three and a half years, in 1886 it was equal to their income for six and a half years; but since 1886 it has fallen in this respect and it amounted to little more than six years' revenue in 1888. This is shown by the following figures:—

Increase of debt in Australasia in fifteen years.

INCREASE OF PUBLIC DEBT OF AUSTRALASIA, 1873 TO 1888.

Year.	Public Debt of Australia, Tasmania, and New Zealand.		
	Total Amount.	Amount per Head.*	Multiple of Revenue.
	£	£ s. d.	
1873	42,672,423	20 7 1	3·46
1886	153,209,998	44 14 3	6·52
1887	160,227,689	45 2 3	6·46
1888	167,816,401	45 12 6	6·09
Increase 1873-88	125,143,978	25 5 5	2·63
„ 1888	7,588,712	0 10 3	—·37†

404. The purposes for which the public debts of the Australasian colonies were incurred may be classified under three heads—(1.) Works yielding direct revenue, including all immediately reproductive works, such as railways, telegraphs, waterworks, harbour and river improvements, etc. ; (2.) Other works of a permanent character not returning direct revenue—including roads and bridges, defence works,

Classification of debts of Australasian colonies.

* In 1873, the population was 2,096,560 ; in 1886, 3,426,562 ; in 1887, 3,551,751 ; and in 1888, 3,678,046.
† Decrease.

school buildings, and other public works and buildings; (3.) Miscellaneous—including introduction of immigrants, war debts, amounts borrowed to cover deficiencies in revenue, and amounts unapportioned to their proper heads. In the following table the debt of each colony is classified under these three heads:—

PURPOSES FOR WHICH PUBLIC DEBTS OF AUSTRALASIAN COLONIES
WERE INCURRED.

(Amounts outstanding on the 31st December, 1888.)

Purposes for which incurred.	Victoria.	New South Wales.	Queensland.	South Australia.	Western Australia.	Tasmania.	New Zealand.*
1.—WORKS YIELDING DIRECT REVENUE.	£	£	£	£	£	£	£
Railways and Tramways	26,575,706	30,990,579	14,467,116	10,883,928	823,099	1,902,224	13,634,501
Electric Telegraphs .. ..	..	700,279	758,371	826,030	188,503	94,471	574,010
Water Supply (including Sewerage)	5,345,150	3,739,701	541,022	2,726,500	917	..	559,996
Harbors, Rivers, Lighthouses and Docks	626,019	2,129,625	1,563,812	1,364,313	9,300	†1,251,742	869,718
Total	32,546,875	37,560,184	17,330,321	15,800,771	1,021,819	3,248,437	15,638,225
—OTHER WORKS OF A PERMANENT CHARACTER.							
Roads and Bridges	108,043	565,072	822,306	1,323,284	48,822	†	3,469,990
Defence Works	100,000	703,177	148,677	187,220	..	103,373	429,719
School Buildings	1,105,557	50,000	..	674,000	..	110,428	..
Other Public Works and Buildings	766,907	1,076,556	1,435,915	471,425	134,592	506,077	2,052,104
Total	2,080,507	2,394,805	2,406,898	2,655,929	183,414	719,878	5,951,813
3.—MISCELLANEOUS.							
Immigration .. ..	..	569,930	2,498,433	..	..	235,714	2,142,460
Deficiencies in Revenue (including Treasury Bonds) .. ..	..	..	..	100,000	..	146,872	218,500
Balance { Other Services .. ..	..	49,855	..	591,000	..	148,569	†1,216,833
{ Unapportioned \$ .. ..	..	3,525,375	3,605,298	..	69,967	..	13,157,719
Total .. ..	..	4,145,160	6,103,731	691,000	69,967	531,155	16,735,512
Grand Total || .. ..	34,627,382	44,100,149	25,840,950	19,147,700	1,275,200	4,499,470	38,325,550

Purposes for which debts of Australasian colonies were contracted.

405. The major portion of the public debt of each of the Australasian colonies was contracted for the purpose of railway construction, but smaller amounts were borrowed for water supply, immigration,

* The figures set down as showing the objects for which the Public Debt of New Zealand was contracted represent the bulk of the expenditure out of the "Public Works Fund" since 1870—the date of the first Immigration and Public Works Loan—which is the only existing record of the loan expenditure; it is, however, stated that, besides loan moneys, receipts in aid from Stamp duties, etc., contributed somewhat towards the total sum so expended. The balance required to make up the total debt at the end of 1888 has been entered as "unapportioned."

† The amount for "Roads and Bridges" is included with that for "Harbors, etc."

‡ Including £1,194,249 for land purchases (presumably from the Maoris) and rates on native lands.

§ Included in this line, in the column for New Zealand, is an amount of £1,021,472 for charges and expenses of raising loans; New South Wales, £1,822,330 for repayment of loans; South Australia, £591,000 for public works for Northern Territory. The amount in the last column also includes the old provincial loans of New Zealand raised prior to the abolition of provinces in 1876, and loans not accounted for, as well as the unspent balance of loan moneys. See also footnote (*) *supra*.

|| As a set-off against the public debt, New Zealand possessed an accrued sinking fund amounting, on the 31st December, to £1,353,859; the net liability for that colony was, therefore, £36,971,691. The sinking funds possessed by the other colonies are comparatively small, consisting of the following amounts:—Victoria, £53,117; Western Australia, £65,854; and Tasmania, £89,031. The debt for South Australia does not include Treasury bonds, £1,100,000.

electric telegraphs, harbour and defence works, roads and bridges, school-houses, and other public works. Up to the end of 1888, New South Wales had borrowed a larger amount for railway construction than any other colony, the amount being nearly £31,000,000, as against £26,600,000 borrowed for the same purpose by Victoria, nearly £14,500,000 by Queensland, over £13,600,000 by New Zealand, and nearly £11,000,000 by South Australia. Victoria has borrowed more for water supply than any other colony, the total amount being £5,300,000, as against £3,700,000 borrowed by New South Wales, and £2,700,000 borrowed by South Australia for the same object. No portion of the public debt of Victoria, South Australia, or Western Australia has been contracted for the promotion of immigration, but up to the end of 1888 Queensland and New Zealand had borrowed two and a half and over two millions respectively for immigration purposes, whilst New South Wales and Tasmania had borrowed smaller sums.

406. Ninety-four per cent. of the Victorian public debt was incurred for the purpose of being expended upon revenue-producing public works, which is a larger proportion than in any of the other colonies. This is shown by the following figures, which give the proportion so incurred in each colony:—

Order of colonies in respect to borrowings for reproductive works.

ORDER OF COLONIES IN REFERENCE TO PROPORTION OF DEBT
INCURRED FOR REPRODUCTIVE WORKS.

	Per Cent.		Per Cent.
1. Victoria ...	93·99	5. Tasmania ...	72·20
2. New South Wales ...	85·17	6. Queensland ...	67·06
3. South Australia ...	82·52	7. New Zealand ...	40·80*
4. Western Australia ...	80·13		

407. Of the total amount borrowed by the colonies on the Australian continent to the end of 1888, over four-fifths was for railways and other reproductive works, nearly 8 per cent. was for other works of a permanent character, and, with the exception of 6 per cent., which was unapportioned, the balance was spent chiefly on immigration. Of the amount borrowed by the continental and insular colonies combined, the proportion for reproductive works is considerably less, but the proportions for immigration and other purposes are considerably more than those for like objects relating to the continental colonies alone. This is shown in the following table:—

Purposes for which debt of Australasia was contracted

* The purposes for which a large portion of the New Zealand debt was incurred cannot now be determined. See last footnotes on preceding page.

PURPOSES FOR WHICH DEBTS OF AUSTRALIA AND AUSTRALASIA
WERE CONTRACTED.

(Amounts outstanding on the 31st December, 1888.)

Purposes for which debt was contracted.	Continent of Australia.		Australia with Tasmania and New Zealand.	
	Amount of Debt.	Proportions per cent.	Amount of Debt.	Proportions per cent.
	£		£	
1.—WORKS YIELDING DIRECT REVENUE.				
Railways and Tramways ...	83,740,428	67·00	99,277,153	59·16
Electric Telegraphs ...	2,473,183	1·98	3,141,664	1·87
Water Supply (including Sewerage)	12,353,290	9·88	12,913,286	7·69
Harbours, Rivers, Lighthouses, and Docks	5,693,069	4·55	7,814,529	4·66
Total ...	104,259,970	83·41	123,146,632	73·38
2.—OTHER WORKS OF A PERMANENT CHARACTER.				
Roads and Bridges ...	2,867,527	2·30	6,337,517	3·78
Defence Works ...	1,139,074	·91	1,672,166	1·00
School Buildings ...	1,829,557	1·46	1,939,985	1·16
Other Public Works and Buildings	3,885,395	3·11	6,443,576	3·83
Total ...	9,721,553	7·78	16,393,244	9·77
3.—MISCELLANEOUS.				
Immigration ...	3,068,363	2·46	5,446,537	3·25
Revenue Deficiencies (including Treasury Bonds)	100,000	·08	465,372	·28
Balance { Other Services ...	640,855	·51	2,006,257	1·19
{ Unapportioned ...	7,200,640	5·76	20,358,359	12·13
Total ...	11,009,858	8·81	28,276,525	16·85
Grand Total ...	124,991,381	100·00	167,816,401	100·00

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

Public debts
of British
dominions.

PUBLIC DEBTS OF BRITISH DOMINIONS, 1888.

Country or Colony.	Public Debt.		
	Total Amount.	Amount per Head.*	Multiple of Revenue. †
EUROPE.			
	£	£ s. d.	
United Kingdom	698,430,571	18 7 4	7·89
Malta	79,168	0 9 9	·33
ASIA.			
India	191,945,844	0 18 3	2·44
Ceylon	2,251,906	0 15 0	2·06
Straits Settlements	24,000	0 0 10	·04
Protected Malay States	12,729	0 0 7	·02
Hong Kong	200,000	0 18 6	·61
AFRICA.			
Mauritius	751,700	1 19 0	·88
Natal	4,535,126	9 8 5	4·58
Cape of Good Hope	22,295,124	15 12 1	6·51
St. Helena	2,250	0 8 10	·24
Sierra Leone	58,000	0 15 6	·92
AMERICA.			
Canada	59,273,717†	11 18 5	7·92
Newfoundland	694,915	3 9 6	2·43
Bermuda	8,614	0 11 1	·29
British Guiana	698,251	2 10 2	1·51
Honduras	16,650	0 11 1	·38
West Indies—			
Bahamas	83,126	1 14 0	1·82
Jamaica	1,581,097	2 11 3	2·29
St. Lucia	130,200	3 1 3	2·81
St. Vincent	13,240	0 5 8	·56
Barbados	30,100	0 3 4	·18
Grenada	30,475	0 12 4	·59
Tobago	600	0 0 7	·06
St. Christopher }	11,900	0 5 5	·30
Nevis			
Antigua	25,571	0 14 7	·63
Montserrat	3,900	0 7 1	·67
Dominica	13,400	0 9 3	·78
Trinidad	552,680	2 18 4	1·15
AUSTRALASIA.			
Australia, Tasmania and New Zealand §	167,816,401	45 12 6	6·09
Fiji	253,289	2 0 5	3·90
Total	1,151,824,544	4 6 6	5·41

* For population of Great Britain and the various colonies, see table following paragraph 175 *ante*.

† For revenue of Great Britain and the various colonies, see table following paragraph 299 *ante*.

‡ Gross liability. The net liability, after deducting “interest bearing investments, loans, cash, and banking accounts,” was only £48,860,696.

§ For public debts and amounts per head and proportion of debt to revenue in the various Australasian colonies, see table following paragraph 398 *ante*.

Indebted-
ness of
British
dominions.

409. It will be observed that the total indebtedness of Great Britain and her dependencies reaches to about 1,152 millions sterling; that $698\frac{1}{2}$ millions, or over three-fifths, of this amount is owing by Great Britain herself; 192 millions by India; 168 millions, or one-seventh of the whole, by the Australasian colonies; and the remainder, $93\frac{1}{2}$ millions, by Canada, the Cape of Good Hope, and other British colonies.

Indebted-
ness per
head of
British
dominions.

410. In Australasia, taken as a whole, the indebtedness, in proportion to population, is about two and a half times as large as that of the United Kingdom, which in this respect is far above any of its other dependencies. As regards individual colonies, the indebtedness per head of Queensland is more than, and that of New Zealand or South Australia is nearly three and a half times as large as the indebtedness per head of the United Kingdom; whilst that of New South Wales is more than twice as large, and that of Victoria is larger by more than one-half. The two first-named colonies are, in proportion to population, by far the most heavily-indebted countries in the world. It may be observed that the indebtedness per head of Canada—which moreover includes its provincial debts—is only a fourth of that of Australasia.

Proportion
of debts to
revenues
of British
dominions.

411. In proportion to revenue, the debt of the United Kingdom is much larger than that of any of her dependencies, except Canada, which stands first in this respect; but, with the exception of the United Kingdom, Canada, and the Cape of Good Hope, there is no portion of the British dominions in which the debt is so high a multiple of its revenue as the united debts of the Australasian colonies are of their united revenues.

Increased
indebted-
ness of
British
dominions.

412. During the year 1888 the public indebtedness of the British dominions increased by £10,000,000*, notwithstanding a reduction of 7 millions in the debt of the United Kingdom. An increased amount of over six millions was borrowed by India, seven and a half millions by Australasia, and one and a half millions by Canada.

National
debt of
United
Kingdom
1888-9.

413. At the end of March, 1889, the National Debt of the United Kingdom stood in round numbers at 699 millions, the various denominations of which will be found in the following table. Goschen's New $2\frac{3}{4}$ per Cent. Stock, into which 3 per cent. Consols were recently converted, will be at once noticed:—

* The figures given in the last edition of this work are not strictly comparable with those in the last table.

NATIONAL DEBT OF THE UNITED KINGDOM, 31ST MARCH, 1889.

Denomination.	Total Amount of National Debt.	Amount of Debt held by Government Departments (included in previous column).
	£	£
FUNDED DEBT—		
3 per Cents. (Consols)	35,606,575	11,099,862
Reduced 3 per Cents.	5,610,766	1,640,539
New 3½ per Cents.	225,746	5,935
2¾ per Cents. Cons. Stock	514,149,320	82,574,245
2¾ per Cents. (1905)	4,647,799	200,027
2½ per Cents.	33,171,734	12,505,009
Debts to Banks of England and Ireland...	13,645,869	...
Terminable Annuities	75,279,438	64,722,067
Exchequer Bills.	4,583,200	2,700,122
Exchequer Bonds	1,310,122	
Treasury Bills	10,200,000	...
Deficit to Savings Banks and Friendly Societies Accounts	308,659	...
Total Debt	699,300,767	175,447,806

NOTE.—The information in this table has been taken from *Burdett's Official Intelligence*, 1890, page 65. The sum of the amounts in the first figure column is less than the total in the lowest line by £561,539. Mr. Burdett does not explain the discrepancy.

414. A gradual but continuous diminution has taken place in the national indebtedness of the United Kingdom; this reduction in the last 31 years having apparently amounted to 132 millions sterling.* The decrease from period to period is shown by the following figures, which indicate the amount of the debt at the end of various financial years :—

British National Debt, 1857 to 1888.

PUBLIC DEBT† OF THE UNITED KINGDOM, 1857 TO 1888.

Debt at the end of each Financial Year.†			Debt at the end of each Financial Year.†		
£			£		
1857-8	...	831,532,535	1877-8	...	772,151,725
1862-3	...	821,992,158	1882-3	...	754,455,270
1867-8	...	799,839,663	1887-8	...	705,575,073
1872-3	...	779,222,110	1888-9	...	699,300,767

415. 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.

* The actual reduction is not so great as this, as the practice has prevailed of late years of deducting the amounts borrowed for local reproductive works. It is known that sums amounting in the aggregate to £26,558,959 were so deducted in 1887-8.

† Funded (including stock held on account of unclaimed dividends), unfunded, and capital value of terminable annuities in 3 per cent. stock, at par.

‡ Financial Year ends on the 31st March.

PUBLIC DEBTS OF FOREIGN COUNTRIES.

Country.	Year.	Public Debt.			
		Total Amount (000's omitted).	Amount per Head.*		
		£	£	s.	d.
EUROPE.					
Austria-Hungary ...	1888	539,221,†	13	4	10
Belgium ...	1889	87,207,	14	9	3
Denmark ...	1887-8	10,723,‡	5	2	3
France ...	1889	1,268,715,	30	3	8
Germany ...	1887-8	407,968,§	8	14	2
Greece ...	1889	26,779,	13	10	6
Holland ...	"	88,985,	19	15	0
Italy ...	1888-9	472,488,	15	9	2
Portugal ...	1886-7	115,384,	26	15	11
Roumania ...	1889	31,549,	5	17	6
Russia ...	"	563,112,	6	2	6
Spain ...	"	251,012,	14	6	2
Sweden and Norway ...	1888-9	20,560,||	3	1	4
Switzerland ...	1889	1,223,¶	0	8	4
Turkey... ..	1878	292,830,**	13	6	8
ASIA.					
Japan	1889	49,539,	1	5	4
AFRICA.					
Egypt	1889	103,936,	15	5	5
Tunis	1884	5,000,††	0	8	5
AMERICA.					
Argentine Confederation ...	1888	30,788,	8	1	8
Brazil	1889	102,776,	7	6	10
Mexico... ..	"	41,937,	3	13	0
Peru	1886	55,423,‡‡	18	10	1
United States	1887	258,371,	4	13	0

* For populations on which these calculations are based, see table following paragraph 177 *ante*.

† This amount is made up of £278,779,000, general debt of the whole empire; £105,863,000, special debt of Austria proper; and £154,579,000, special debt of Hungary.

‡ Denmark has State investments amounting to £4,800,000, or nearly half the total debt; it has also a Reserve Fund of £990,000 to meet sudden emergencies.

§ This amount is made up of the debt of the Empire, £35,761,023 (including Treasury Bills) in 1888-9, together with the debts of the following States at the dates named, viz.:—Alsace-Lorraine, £1,334,175 in 1887; Anhalt, £243,770 in 1887; Baden, £17,222,470 in 1886; Bavaria, £2,268,125 in 1886; Brunswick, £3,659,530 in 1886; Hamburg, £9,708,350 in 1886; Hesse, £1,805,539 in 1887; Lippe, £48,645 in 1887; Lübeck, £729,750 in 1887; Mecklenburg-Schwerin, £1,178,500 in 1887; Oldenburg, £1,871,570 in 1886; Prussia, £209,095,650 in 1887-8; Reuss-Greiz, £22,527 in 1887; Reuss-Schleiz, £72,778 in 1887; Saxe-Altenburg, £52,538 in 1887; Saxe-Coburg-Gotha, £384,920 in 1887; Saxe-Meiningen, £609,750 in 1886; Saxe-Weimar, £292,838 in 1886; Saxony, £32,203,070 in 1887; Schaumburg-Lippe, £25,500 in 1887; Schwarzburg-Rudolstadt, £230,350 in 1887; Schwarzburg-Sondershausen, £190,937 in 1887; Waldeck, £116,280 in 1887; and Würtemberg, £21,202,576 in 1887. A large proportion of the debts of the German States was contracted for the construction of railways. As a set-off against the "Debt of the Empire," there exist various invested funds amounting to £35,968,823. Deductions have been made where possible, so as to prevent sums being included twice over, thus appearing in both the Imperial and the State revenues.

|| This amount is made up of £14,716,296, debt of Sweden; and £5,843,515, debt of Norway.

¶ The above amount excludes the debts of the various Cantons, amounting in the aggregate to about £12,000,000. There exists, as a set-off against the debt, State property ("federal fortune") valued at £2,800,000.

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

†† Exclusive of a floating debt of at least £702,000.

‡‡ Exclusive of £14,000,000 Government paper in circulation.

416. 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 £570,000,000. Next to these countries in point of indebtedness are Russia, Austria-Hungary, Italy, Germany, Turkey, the United States, Spain, and British India, in the order named. These are the only countries which have larger debts than the present united debts of the Australasian colonies.*

Gross
amount
of debt in
different
countries.

417. In proportion to population, the most heavily-indebted independent countries are France and Portugal, which are, however, in this respect, far behind all the Australasian colonies.† The debt per head in the United Kingdom is much smaller than in Portugal and France is also less than in Holland or Peru, but is larger than in any other country outside Australasia.

Amount of
debt per
head in
different
countries.

418. According to the table, Turkey is very much more heavily indebted in proportion to its revenue than any other country. The debt of that country, and the debts of Peru, Portugal, France, Egypt, Holland and Canada, are all larger in proportion to their revenues than the debt of the United Kingdom* is to its revenue. The united debts of the Australasian colonies* are smaller in proportion to their united revenues than the debts of Spain, Italy, Austria-Hungary, Greece, Brazil, Tunis, Belgium, or Russia, as well as those of the countries previously so mentioned, are to their respective revenues.

Proportion
of debt to
revenue in
different
countries.

419. In comparing the indebtedness of the Australasian colonies with that of other countries, it cannot be too distinctly borne in mind that whereas the latter was mainly incurred for war purposes, the former was, as already pointed out, almost entirely contracted for the construction of railways, water supply, and other works which aid materially in the opening up and development of the country.

Objects of
Austral-
asian and
other debts.

420. Municipalities in Victoria are empowered by the *Local Government Act* (38 Vict. No. 506) to borrow money for permanent works or undertakings, but the amount so borrowed—except in the case of cities, which have additional powers‡—is not to exceed ten times their average annual net income during the three years prior to the raising of the loan. The following is a statement of the number of cities, towns, and boroughs, and the number of shires, which had loans outstanding in September, 1889, also of the total amounts included therein. These amounts are exclusive of sums borrowed by the municipalities through the General Government for waterworks (viz., £664,573, towards the redemption of which £100,678 has been

Municipal
debt.

* See table following paragraph 408 *ante*.

† See table following paragraph 398 *ante*.

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

repaid into a sinking fund)—they being included in the public debt of the colony* :—

MUNICIPAL DEBT, 1889.

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 ...	41	1,956,662
Shires	36	307,945
Total	77	2,264,607

Increase in
municipal
borrowings.

421. In 1889, as compared with 1888, the number of municipalities which had outstanding loans increased by 1 (a shire). The total increase in the amount outstanding was £202,280 ; of which £168,899 was due to the borrowings of cities, towns or boroughs, and £33,381 to those of shires. The municipal debt has been increasing rapidly since 1883, when the debt was barely a third of what it was at the end of 1889, as is indicated by the following figures, which show the municipal debt in each of the last ten years :—

MUNICIPAL DEBT, 1880 TO 1889.

£			£		
1880	...	726,525	1885	...	1,229,203
1881	...	728,093	1886	...	1,479,159
1882	...	742,911	1887	...	1,708,252
1883	...	776,683	1888	...	2,062,327
1884	...	1,083,613	1889	...	2,264,607

Rates of
interest
paid by
municipalities.

422. The interest paid by municipalities in 1889 amounted to £119,772, the rates ranging from 4 to 8 per cent. The average rate paid by cities, towns, and boroughs is 4·99 per cent., and that by shires 5·39 per cent.

Harbor
Trust
loans.

423. The borrowing powers of the Melbourne Harbor Trust were limited prior to 1888 (under Act 47 Vict. No. 763) to £1,000,000, but by an Act (52 Vict. No. 994) passed in December, 1888, these powers were increased to £2,000,000.† Up to the end of 1889 the loans raised amounted to £1,500,000, of which one third bore interest at the rate of 5 per cent., one sixth at 4½ per cent., and the remaining half at 4 per cent. The last loan amounting to £500,000, bearing interest at 4 per cent. and having a currency of 30 years, was offered in London in the form of debentures on the 2nd July, 1889. The minimum price fixed for tenders was £101 ; the amount tendered was as much as £1,435,400, ranging from the minimum to £104, and the

* See table following paragraph 366 ante, also footnote (||) to that table.
† For revenue and expenditure of the Trust, see paragraph 356 ante.

average price realized was £102 7s. 7d., which. includes 15s. 6d. interest accruing from the 1st July, 1889, up to the periods when the various instalments were due. The leading particulars of the various loans floated are shown in the following table:—

MELBOURNE HARBOR TRUST LOANS.

When raised.	Amount of Loan.	When due.	Nominal Rate of Interest.	Price realized per £100 Debenture.			Actual Rate of Interest per £100.		
				Gross.	Ex Accrued Interest.	Ex Interest and Expenses (Net).			
	£			£ s. d.	£ s. d.	£ s. d.	£ s. d.		
1883	250,000	1908	5	101 6 6	100 6 9	98 19 8	5 1 5		
1884	250,000	1909	5	106 13 2	105 10 0	105 0 11	4 13 1		
1886	250,000	1915	4½	105 7 8	103 5 6	102 1 7*	4 7 6		
1888	250,000	1918	4	101 16 0	100 0 7	98 17 2	4 1 4		
1889	500,000	1919	4	102 7 7	101 12 1	100 8 4	3 19 6		
Total	1,500,000								

424. The tramways in Melbourne and its principal suburbs are constructed by a Trust, consisting of delegates elected annually by the municipalities interested, called The Melbourne Tramways Trust. By the original Act creating this corporation, the Trust was authorized to raise all money required for the construction of tramways, as well as for the expenses of the Trust, by means of debentures secured on the lines constructed, also on the resources of the municipalities represented, in the proportion of the length and cost of the tramways within their respective limits. The Melbourne Tramway and Omnibus Company, to which the lines when completed were to be leased for a period of thirty years (subsequently increased to 32 years), are required to pay to the Trust the annual interest, also a yearly percentage to form a sinking fund calculated to extinguish the loan by the end of the lease. Owing to objections raised by the London Stock Exchange, however, further Acts† were passed limiting the borrowing powers of the Trust—first to £1,200,000, and subsequently to £1,500,000; securing the debentures on the property as well as on the revenues of the municipalities interested; and making the latter jointly and severally liable for the amount borrowed. Although the security offered was thus of the very best character, it was some time apparently before its true value was appreciated in London, as is evident by the low price obtained for the first issue as compared with the

* The stamp duty payable to the British Government was raised between the floating of this and the previous loan from $\frac{1}{8}$ to $\frac{1}{2}$ per cent.; otherwise the net price for this and each of the succeeding loans would have been 7s. 6d. higher than the amount stated.

† 48 Vict. No. 788; 49 Vict. No. 836; and 51 Vict. No. 952.

higher price for the later issues. The last instalment, viz., £50,000, was raised early in July, 1889, the borrowing of the full amount authorized, viz., £1,500,000, all bearing interest at the rate of 4½ per cent. being thus completed. The particulars of the various loans, together with the prices realized, are given in the following table* :—

MELBOURNE TRAMWAYS TRUST LOANS—4½ PER CENT.

Year.	Amount of Loan.	When due.	Price realized per £100 Debenture.			Actual rate of Interest.
			Gross.	Ex Interest.	Ex Interest and Expenses (Net).	
	£		£ s. d.	£ s. d.	£ s. d.	£ s. d.
1884	500,000	1914	100 2 10	98 2 7	97 6 6	4 13 5
1886	500,000	„	...	...	101 15 0†	4 7 10
1887	200,000	„	106 6 8	105 16 8	104 13 3	4 4 1
1888	250,000	1916	109 15 11	109 5 4	108 2 1	4 0 4
1889	50,000	„	110 4 8	109 14 2	108 8 8	3 19 8
	1,500,000					

425. The following particulars relating to the Sinking Fund for the redemption of the Tramways Trust loans has been kindly furnished for this work by Mr. T. Hamilton, Secretary to the Trust:—

Sinking Fund.—Act No. 765 provides that the Company shall pay to the Trust as sinking fund 1½ per cent. for the first ten years, 2 per cent. for the second ten years, and 3 per cent. for the last ten years on the total amount borrowed, these terms to run from the date on which the first loan was floated. The total amount, as already stated, borrowed under this Act and its subsidiary one was £1,200,000, the sinking fund on which had to be paid by the Company from the first July, 1884. It was calculated that, capitalized at 4 per cent., these contributions would give an excess over the Trust's debt of £129,000. When Act 925 was passed, increasing the Trust's borrowing powers to £1,500,000, the Tramway and Omnibus Company consented on condition that the liability to pay to the sinking fund on the new loan should not commence until the 1st July, 1889. It was also agreed by the corporations that these percentages should cease to be paid by the Company if at any time before the end of the extended lease (1st July, 1916) the amounts so contributed should be sufficient to repay the loan with all expenses; and that the Company should, on the other hand, be liable for any deficiency. Power was also given to the Trust to invest the sinking fund contributions in first mortgages of freehold land in Victoria, instead of restricting them to municipal and Government debentures and bank deposits. The total amount of sinking fund invested to the 31st December, 1889, is £98,650, all in 5 per cent. Victorian municipal debentures, which have cost the Trust a small fraction above par.

426. If the municipal debts, together with the debts of the Harbor and Tramway Trusts, be added to the Government debt on the 30th June, 1889, viz., £37,627,382,† it will appear that the total gross liability of the colony was £42,341,989, or a proportion of £38 6s. 8d. per head of population.

* For further particulars relating to the Tramways Trust, see latter part of "Interchange" *post*.
† It should be stated that, in the first instance, the debentures for this loan were disposed of in Melbourne at a premium of 35s., to two of the Banks, who undertook to pay all expenses of floating the loan in London. The loan was duly floated there on the 4th February, 1886, and realized as high an average price as £107 16s. 8d., or about £107 *ex* accrued interest.
‡ On the 30th June, 1890, the debt of the General Government had increased to £41,627,382.

427. At the end of June, 1889, there was a total balance of *Trust funds* £2,433,000 to the credit of the various trust funds, as against a credit *1888 and 1889.* balance of £2,189,000 at the end of the previous year, the principal increase being under the head of Post Office Savings Banks; also large increases in the Trustees, Executors, etc., Companies' fund, the Municipal Investments account, the Licensing Act fund, and the Assurance fund. The following are the particulars of the various funds at each of these periods:—

TRUST FUNDS, 1888 AND 1889.

Accounts.	Credit Balances on the 30th June.		Increase.	Decrease
	1888.	1889.		
	£	£	£	£
Assurance fund*	53,886	66,425	12,539	...
Suitors' fund	88,649	64,925	...	23,724
Police Superannuation fund	79,615	76,119	...	3,496
Port Phillip Pilot Sick and Superannua- tion fund ... ..	...	1,100	1,100	...
Intestate estates	115,110	115,128	18	...
Municipal Investments account	78,570	100,678	22,108	...
Waterworks Trust Sinking fund ... ..	...	21	21	...
Melbourne and Hobson's Bay Railway Deposit account	12,498	88	...	12,410
Trustees, Executors, and Agency Com- panies, and Insurance Companies	55,000	100,000†	45,000	...
Defences— <i>Discipline Act</i> 1883—Ammu- nition and Deferred Pay fund, etc.	9,929	6,790	...	3,139
Post Office Savings Banks	1,537,197	1,712,630	175,433	...
Insolvency (unclaimed dividends)	4,006	4,133	127	...
Customs Goods overtime	574	665	91	...
Municipalities Sinking fund and Re- demption account... ..	53,117	54,112	995	...
Survey Fees account	18,406	17,429	...	977
Security account	4,755	4,784	29	...
<i>Licensing Act</i> 1885	26,817	45,567	18,750	...
New Falls Bridge Construction account ... ..	...	6,485	6,485	...
Country Tramways ... ..	...	15,211	15,211	...
Sundries	50,600	40,715	...	9,885
Total ‡	2,188,729	2,433,005	244,276§	...

428. The trust funds at the end of 1889 amounted to nearly 2½ *Trust funds* millions sterling, whereas nineteen years previously they amounted to *1870 to 1889.* less than half a million. Thirty-six per cent. of the total is invested in debentures or inscribed stock, and the balance is either deposited in banks or used by the Government as a temporary loan fund to fall back on in case of emergency. The following table shows the amounts,

* It should be pointed out that the balance at the credit of this fund has been reduced in the last three years by £79,423, advanced towards the purchase of land adjoining the Titles Office (under Act 49 Vict. No. 835), on which amount the Assurance fund receives 4 per cent. per annum from the general revenue. † This amount represents 8 Trustees' and 4 Insurance Companies.

‡ Exclusive of the amount of £79,423 referred to in the preceding footnote, but including £4 671 advanced to the Bungaree Loan Liquidation account. § Net increase.

and manner of their investment, at the end of each of the last twenty financial years :—

TRUST FUNDS, 1870 TO 1889.

On the 30th June.	Amount at Credit of Trust Funds.			
	Invested in Debentures or Inscribed Stock.	Deposited in Banks.	Held otherwise.*	Total.
	£	£	£	£
1870 ...	129,000	320,181	...	449,181
1871 ...	250,000	267,421	...	517,421
1872 ...	297,000	390,877	...	687,877
1873 ...	553,600	347,035	...	900,635
1874 ...	605,574	361,799	...	967,373
1875 ...	608,454	237,090	76,451	921,995
1876 ...	613,344	89,909	240,370	943,623
1877 ...	626,844	290,645	66,249	983,738
1878 ...	642,746	155,005	200,048	997,799
1879 ...	675,423	114,628	316,518	1,106,569
1880 ...	690,511	...	308,616	999,127
1881 ...	709,872	546,014	...	1,255,886
1882 ...	725,045	574,984	281,351	1,581,380
1883 ...	726,186	394,851	332,887	1,453,924
1884 ...	756,980	673,736	84,395	1,515,111
1885 ...	766,095	904,073	7,133	1,677,301
1886 ...	787,439	976,528	43,996	1,807,963†
1887 ...	782,820	985,178	41,689	1,809,687
1888 ...	829,735	1,315,508	43,486	2,188,729
1889 ...	875,027	945,269	612,709	2,433,005

Pensions. 429. The retiring allowances paid from the Victorian revenue are of two kinds, pensions and superannuation allowances. Of the former there were in 1888-9 six in all, embracing allowances to four former Ministers released from office on political grounds, to the widow of a former Governor of Victoria, and to the daughter of an eminent explorer of the Australian coasts. The total amount included in these pensions was £4,233.

Super-annuation allowances under Acts of Parliament. 430. The persons entitled under Acts of Parliament to superannuation allowances in the same year numbered 672, and consisted of two ex-Supreme-Court Judges, seven former judges of County Courts, a late Clerk of Parliaments, a late Master-in-Equity, two late Commissioners of Audit, 598 ex-officers of the Public Service, 23 ex-officers of the Lunacy Department, 29 ex-officers of the Railway Department, and 9 ex-officers of the Defence Forces. The aggregate amount of the allowances to these persons was £73,868, or an average of £109 18s. 5d. to each recipient.

* In agent's hands, London ; owing by other Governments ; advanced on account of *Stock Act* in anticipation of sales ; advanced on account of loans ; "deficiency met," "charges on account finance of succeeding year," etc.
† Amount chargeable under advances included in this and subsequent years.

431. Taken together, the pensions and superannuation allowances numbered 678, or 100 more than in the previous year, and the sum paid amounted to £78,101, or £8,518 more than in that year. The average to each recipient was £115 4s., or £5 3s. 9d. less than in 1887-8. It may be mentioned that the increase in the number and amount of these allowances is more apparent than real, it being due chiefly to the circumstance that a large proportion of allowances which were formerly voted annually are now paid under Special Appropriation.

432. The different authorities under which pensions and superannuation allowances are legalized, and the individuals to whom they were awarded, also the number on the list, and the gross and average amount of the pensions and superannuation allowances not subject to annual votes paid during 1888-9, will be found in the following table:—

PENSIONS AND SUPERANNUATION ALLOWANCES,* 1888-9.

Authority under which legalized.	Description of the Recipients.	Number of Persons on the List.	Amount paid.					
			Total.			Average to each Recipient.		
	PENSIONS.		£	s.	d.	£	s.	d.
18 & 19 Vict. cap. 55 (<i>Constitution Act</i> , Schedule D)	Former Ministers of the Crown	4	3,133	6	4	783	6	7
21 Vict. No. 20 ...	Daughter of the late Captain Flinders, R.N.	1	100	0	0	100	0	0
33 Vict. No. 362 ...	Widow of a former Governor of Victoria	1	1,000	0	0	1,000	0	0
	SUPERANNUATION ALLOWANCES.							
18 & 19 Vict. cap. 55	Supreme Court Judges...	2	3,062	10	0†	1,531	5	0
" " " "	Clerk of Parliaments ...	1	500	0	0	500	0	0
33 " Vict. " No. 345 (<i>County Court Statute</i>)	County Court Judges ...	7	5,406	9	0	772	7	0
36 Vict. No. 435 ...	Master-in-Equity ...	1	750	0	0	750	0	0
49 Vict. No. 870 ...	Commissioners of Audit	2	1,116	13	4	558	6	8
25 Vict. No. 160 (<i>Civil Service Act</i>)	Officers in the Public Service	329	42,741	14	7	129	18	3
47 Vict. No. 773 (<i>Public Service Act</i>)	Ditto ...	269	15,758	1	0	58	11	7
31 Vict. No. 309 (<i>Lunacy Statute</i>)	Officers in the Lunacy Department	23	669	11	2	29	2	3
47 Vict. No. 767 (<i>Victorian Railways Act</i>)	Officers in the Railway Department	29	2,977	13	4	102	13	7
47 Vict. No. 777 (<i>Discipline Act</i>)	Officers of the Defence Force	9	885	4	4	98	7	2
Total ...	...	678	78,101	3	1	115	4	0

* Not including £2,000 paid to the Police Superannuation Fund, and allowances voted annually, for which see paragraph 437 *post*.

† One of these—since dead—also drew a pension as a former Minister of the Crown, *supra*.

Police pensions, how granted.

433. Superannuation allowances to the police are not included in the foregoing statement, as they are paid under the *Police Regulations Statute* (37 Vict. No. 476) out of a fund called the Police Superannuation Fund, which is maintained by an annual income of £2,800 arising from the investment of £70,000 in Government stock; by an annual subsidy of £2,000 from the consolidated revenue; by a moiety of the fines inflicted by Courts of Petty Sessions under various Statutes (£8,196 in 1888-9); and, if necessary, by a deduction not exceeding $2\frac{1}{2}$ per cent. from the pay of the members of the force, and a further grant in aid from the consolidated revenue. In all cases of a police superannuation allowance being granted, the option is given to the retiring member to commute it for a gratuity equal to one month's pay for each year of service.

Number of police pensions and gratuities, 1888-9

434. The number of recipients of police retiring allowances in 1888-9 was 254,* on which the annual amount payable was £25,462, or an average of £100 4s. 11d. to each recipient. It should be mentioned, however, that the actual amount paid in 1888-9 was only £24,225, in consequence of some amounts not having been drawn. In addition, gratuities in lieu of retiring allowances were paid in 11 instances, amounting in the aggregate to £3,725, or an average of nearly £339 to each recipient.

Deduction from pay of police, and votes in aid.

435. In the year under review, for the twelfth 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 was at the rate of $2\frac{1}{2}$ per cent., or the full amount allowed by law, and realized £5,158. Even with this addition, however, the ordinary receipts have proved insufficient, and the large balance which existed in the earlier years of the fund's existence having gradually become exhausted, it became necessary for Parliament to vote in aid of the fund a sum of £2,600 in 1880-81, £5,000 in 1881-2, £8,000 in 1882-3, £10,000 in each of the four years 1883-4 to 1886-7, and £7,000 in 1887-8 and in 1888-9. The balance to the credit of the fund at the beginning of 1888-9 was £9,615, but at the end of the year this had decreased to £6,819.†

Retiring allowances granted for infirmity.

436. Except in cases of infirmity of mind or body, the ordinary minimum age at which retiring allowances are granted to members of the civil service is sixty years,‡ and to members of the police force

* Of these 15 lapsed during the year, so that the number at the end of the year was 239.

† The actual balance was only £6,119, but £700 of the Government grant due on account of the year was paid soon afterwards.

‡ Now generally extended to 65 years by Order in Council.

fifty-five years. Of the existing retiring allowances, however, 35 per cent. of those granted to public servants, and as many as 41 per cent. of those granted to the police,* were awarded in consequence of infirmity or disablement before the full age had been attained.

437. 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; in addition to which there was voted a grant in aid of the Police Superannuation Fund, and pensions to three persons—two being the widows of constables who were shot by the Kelly gang of outlaws. The number of retiring allowances voted in 1888-9, 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, 1888-9.

Department.	Number of Recipients.	Allowances voted.			
		Total Amount paid.	Average to each Recipient.		
SUPERANNUATION ALLOWANCES.		£	£	s.	d.
Chief Secretary†	12	599	49	18	4
Minister of Public Instruction ...	63	4,731	75	1	11
Attorney-General	1	240	240	0	0
Treasurer	1	68	68	0	0
Commissioner of Crown Lands and Survey	1	75	75	0	0
Commissioner of Public Works ...	14	1,450	103	11	5
Commissioner of Trade and Customs ...	3	563	187	13	4
Postmaster-General	8	392	49	0	0
Commissioner of Railways	10	1,261	126	2	0
PENSIONS.					
Widows of Constables shot by the Kelly gang of outlaws	2	87	43	10	0
Pioneer‡ of overland route to India and Australia	1	43	43	0	0
Total	116	9,509	81	19	6

* Including pensions granted under the *Civil Service* and *Public Service Acts*.

† Five of these pensions, amounting to £128, were granted to ex-constables of police for injuries received in execution of duty, in addition to amounts paid out of Police Superannuation Fund.

‡ Pension granted to sister.

Pensions,
gratuities,
etc.

438. The following is a summary of the pensions, superannuation allowances, compensations, and gratuities, paid out of the general revenue during the year 1888-9, distinguishing those paid from special appropriations from annual votes or otherwise:—

PENSIONS, RETIRING ALLOWANCES, COMPENSATIONS, AND GRATUITIES
PAID, 1888-9.

Pensions, Compensations, etc.	Annual Allowances.	Compensa- tions and Gratuities.	Total.
	£	£	£
<i>Under Special Appropriations—</i>			
<i>Constitution Act</i>	6,696	...	6,696
County Court Judges	5,406	...	5,406
Master-in-Equity	750	...	750
Commissioners of Audit	1,117	...	1,117
Railway Department	2,978	14,053	17,031
Public Service*	60,054	7,661	67,715
Others (Lady Darling and Mrs. Petrie) ...	1,100	...	1,100
Total	78,101	21,714	99,815
<i>Under Annual Votes—</i>			
Railway Department	1,261	16,677	17,938
Public Service	8,118	15,525	23,643
Others	130	...	130
Total	9,509	32,202	41,711
Total, exclusive of Police Pensions ...	87,610	53,916	141,526
<i>To the Police—</i>			
Endowment and amount voted £9,000† } From Police Superannuation Fund 18,950 }	24,225	3,725	27,950
Grand total	111,835	57,641	169,476
Less amount derived from Police Superannua- tion Fund	15,225	3,725	18,950
Amount paid by State ‡	96,610	53,916	150,526

Retiring
allowances,
etc., 1887-8
and 1888-9.

439. Taking into account pensions, retiring allowances, compensa-
tions, and gratuities of all kinds, whether specially appropriated or
voted, the amount paid by the State was greater by £18,713 in 1888-9
than in the previous year.

Pilots pen-
sions.

440. The Port Phillip Pilot Sick and Superannuation Fund was
formerly under the control of the Pilot Board, but under the *Marine*

* Including allowances to officers under the *Civil Service* and *Public Service Acts*, the *Lunacy Statute* and the *Discipline Act*.
† These figures represent the amount paid from the general revenue, which consists of the usual endowment of £2,000, and an additional grant of £7,000 voted by Parliament.
‡ See table following paragraph 261 *ante*.

Board Act (55 Vict. No. 965), it was handed over to the Treasurer of the colony on the 26th April, 1889. The amount then at its credit was £41,460, consisting of £40,900 in securities and £560 in cash. The receipts between the 26th April and the 30th June amounted to £924, of which £492 was deducted from the pay of pilots, and £432 was received as interest on moneys invested; whilst the amount paid on account of pensions was £384. The number of pensions granted to the 30th June, 1889, was 17, and the annual amount payable was £1,763. These pensions are not included in the foregoing tables.

441. Since the passing of the *Pensions Abolition Act* (45 Vict. No. 710), viz., on the 24th December, 1881, no persons entering the Public Service, except Judges of the Supreme and County Courts and officers and members of the police force, are entitled to a retiring allowance or gratuity of any kind whatever.

Abolition of
retiring
allowances.
