

FINANCE.

State
Finance.

Under the Constitution Act the revenues of the State are payable into Consolidated Revenue, but certain of these revenues have been hypothecated by various Acts of Parliament for specified purposes, and are payable into special accounts or funds kept at the State Treasury. These special accounts or funds include the Mallee Land Account, the Assurance Fund, the Licensing Fund, the Police Superannuation Fund, and the Country Roads Board Fund. In addition to these funds there are the Loan Fund, into which all borrowed moneys are paid, and various Trust Funds.

Subsequent to the elevation of Victoria into a self-governing Colony, in 1851, it was divided for the purposes of local government into Districts, which were evolved later into the present system of municipalities. The municipalities have power to levy rates, and are assisted with grants by the State Government. Particulars regarding municipal finance are dealt with in another section of the *Year-Book*. Allied to the municipalities are the Boards and Trusts which control water supply, irrigation, and sewerage, and have rating powers in connexion therewith. There are also the Metropolitan Fire Brigades Board and the Country Fire Brigades Board, which are concerned with fire extinction in the metropolis and urban districts, and derive their revenues from the State Government, the Municipalities, and Insurance Companies; and the Melbourne and Geelong Harbour Trusts, which are intrusted with the management of those respective ports, and derive their revenues mainly from wharfage rates.

The Lands Purchase and Management Board manages closer settlement on behalf of the State. Lands are purchased with loan moneys, and the revenues received by the Board from lessees, &c., are paid into the Closer Settlement Fund, from which the working expenses of the Board are met, interest on loans provided, and loans redeemed.

Upon the federation of the Australian Colonies in 1901 the Customs and Excise, Post and Telegraph, and Defence Departments were transferred to the Commonwealth Government, as a set off against which the Commonwealth paid to the States at least three-fourths of the net Customs and Excise revenue until 31st December, 1910, and subsequently an annual amount equal to 25s. per head of the population.

A summary of the transactions for the financial year 1918-19 in the Consolidated Revenue Fund and in the special funds referred to above gives the following result :—

REVENUE AND EXPENDITURE ACCOUNT OF VICTORIA.
1918-19.

	£
Revenue	13,044,088
Expenditure	13,023,407
Surplus for the year	20,681
Reduction of deficit by Surplus Revenue Act No. 2958	44,000
Revenue deficit at 30th June, 1918	1,581,889
Revenue deficit at 30th June, 1919	1,517,208

The Revenue and Expenditure Account is a statement of cash transactions, the revenue representing actual receipts less refunds, and the expenditure actual payments made during the year. The accumulated revenue deficiency had its beginning in the year 1890-91, when it amounted to £206,843, and in the course of the next five years it was added to year by year, until it reached its greatest magnitude (£2,711,436) on 30th June, 1896. After that date it was steadily reduced year by year, with one or two exceptions, to £251,652 on 30th June, 1914; but during 1914-15, under conditions brought about by the war and a serious drought, it was increased to £1,429,603, and it was further increased in the following year to £1,642,091. During each of the last three years the deficit has been reduced, and, on 30th June, 1919, it was £1,517,208, there having been a decrease as compared with the previous year of £64,681.

The differences between the amounts of revenue and expenditure shown above and those given in the Treasurer's Finance Statement arise from the use of a different method of classification for statistical purposes, the particulars of which are as follows :—

	Revenue.	Expenditure.
	£	£
Total according to Treasurer's Finance Statement ..	12,786,589	12,468,068
<i>Add—</i>		
Mallee Land Account—appropriated to Loan Redemption purposes	68,744	68,744
Country Roads Board Fund	90,873	90,873
Surplus Revenue appropriated to "Revenue Services" .. .. .	..	318,521
Licensing Fund	164,128	164,128
Police Superannuation Fund	5,785	5,785
Assurance Fund	1,393	1,393
<i>Deduct—</i>		
Treasury Bonds Redeemed .. .. .	..	6,000
Appropriation to reduction of deficit .. .. .	..	14,681
Payment for loss on non-paying railways	73,424	73,424
Total	13,044,088	13,023,407

Compiled on the above basis, the revenue and expenditure of the State for the last ten years are shown in the next statement:—

STATE REVENUE AND EXPENDITURE: 1909-10 TO 1918-19.

Year ended 30th June.		Revenue.	Expenditure.	Year ended 30th June.		Revenue.	Expenditure.
		£	£			£	£
1910	..	8,760,305	8,742,293	1915	..	10,529,017	11,706,968
1911	..	9,372,637	9,362,291	1916	..	11,470,875	11,683,363
1912	..	10,181,840	10,171,386	1917	..	11,813,879	11,795,295
1913	..	10,508,945	10,479,741	1918	..	12,672,787	12,631,169
1914	..	10,958,037	10,944,718	1919	..	13,044,088	13,023,407

The expenditure shown in this statement includes considerable sums appropriated to pay off liabilities of former years, and to form sinking funds to meet outstanding loans. Such appropriations and the amount of revenue applied in reduction of the accumulated deficiency are detailed in the succeeding table.

REVENUE DEVOTED TO PAYING OFF OLD LIABILITIES, ETC., 1909-10 TO 1918-19.

Year ended 30th June.	ORDINARY REVENUE APPROPRIATED.				Total.	
	In reduction of the accumulated revenue deficiency of former years.	To Land Sales by Auction Fund.	In redemption of loans raised in anticipation of revenue.	Towards Redemption Funds to meet outstanding loans.*		
	£	£	£	£	£	
1910	..	18,012	43,319	25,000	165,527	251,858
1911	..	10,346	41,643	25,000	166,864	243,853
1912	..	10,454	14,988	25,000	190,909	241,351
1913	..	29,204	..	25,000	212,269	266,473
1914	..	13,319	..	..	204,745	218,064
1915	..	17,519	..	..	211,117	228,636
1916	..	20,327	..	..	266,599	286,926
1917	..	18,584	..	..	296,345	314,929
1918	..	16,618	..	25,000	299,578	341,196
1919	..	14,681	..	50,000	301,466	366,147
Totals (10 years)		169,064	99,950	175,000	2,315,419	2,759,433

* Full particulars of the Redemption Funds will be found further on in this "part."

In addition to the above appropriations there was a large surplus in the financial year 1911-12, which was applied specially to works or purposes of a public nature.

Heads of
State Revenue.

Details of the sources of the revenue for the last five financial years are given in the following statement:—

HEADS OF STATE REVENUE, 1914-15 TO 1918-19.

Heads of Revenue.	1914-15.	1915-16.	1916-17.	1917-18.	1918-19.
	£	£	£	£	£
Federal Government	1,757,894	1,743,467	1,722,409	1,739,481	1,764,239
State Taxation—					
Probate and Suc- cession Duties ..	536,869	510,032	546,400	506,662	718,194
Income Tax ..	506,214	702,745	766,746	773,468	928,210
Land Tax ..	303,550	352,353	369,486	353,156	324,232
Stamp Duties ..	287,169	397,978	430,352	505,637	581,917
Licences ..	112,953	98,302	154,542	158,842	179,338
Other ..	15,286	13,429	14,846	12,958	13,055
Public Works and Services—					
Railways ..	5,170,020	5,727,275	5,882,968	6,615,914	6,422,133
Water Supply ..	284,979	355,083	352,071	342,600	355,854
Harbor Trusts, Wharfage, &c.	105,517	105,045	92,937	92,237	101,210
State Coal Mine ..	275,590	253,668	250,334	302,276	292,604
Interest on proper- ties transferred to Commonwealth	82,803	82,764	82,763	83,333	82,664
Other ..	39,838	47,856	46,324	89,223	116,050
Land—					
Sales ..	139,122	162,239	172,766	157,297	141,693
Rents ..	144,466	129,191	129,265	135,176	143,943
Interest, &c. ..	172,064	193,188	180,445	184,239	186,118
Other Sources ..	594,683	596,260	619,225	620,288	692,634
Total ..	10,529,017	11,470,875	11,813,879	12,672,787	13,044,088
	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.
Per Head of Popula- tion ..	7 7 2	8 1 0	8 8 0	8 19 8	9 2 4

The revenue for 1918-19 represents an increase of £371,301 on that for the previous year. State taxation increased by £434,223, but there was a decrease of £193,781 in Railway revenue. The payments to the State by the Federal Government in the last nine years were computed on the basis of a fixed payment of 25s.* per head of population in the State, whereas in preceding years the Federal Government paid over to the State at least three-fourths of the net revenue from Customs and Excise duties.

* This is subject to a slight reduction on account of a special payment to Western Australia. The reduction in 1918-19 was about 4d. per head of population. See *Year-Book* 1915-16, page 142.

FEDERAL AND STATE FINANCE.

**Federal
and State
Finance.**

A statement of the financial relations existing between the Commonwealth and the several States appears in the *Year-Book* for 1916-17, page 148.

INCOME TAX.

**State
Income Tax.**

An income tax was first imposed in Victoria in 1895, and, although originally fixed for a period of three years, it has, with certain amendments and alterations, been retained and continued from year to year until the present time. Incomes assessed for tax in any year are those earned, derived, or received in Victoria in the preceding year, and are divided into two classes, viz. :— (1) those derived from personal exertion, and (2) those derived from property. The former consist of salaries, wages, stipends, fees, commissions, bonuses, pensions, superannuation or retiring allowances earned in or derived from Victoria, and all incomes arising or accruing from any profession, trade, or business carried on in Victoria; whilst the latter comprise incomes from all other sources. In computing the taxable income certain deductions are allowed from the gross income, the principal of which are outgoings and losses incurred in the production of the income, life assurance premiums not exceeding £50, and calls or contributions actually paid into any mining company or company in liquidation.

For each of the years 1915-16 to 1918-19 the minimum income subject to tax was £201, and the exemption allowed on incomes between £201 and £500 was £150. No exemption was allowed on incomes exceeding £500 or to companies. The rate of tax for individuals from personal exertion on the amount of income up to but not exceeding £500 was 3d. in the £1. Where the income exceeded £500 the rates on incomes from personal exertion were 4d. for every £1 of the taxable amount thereof up to £500, 5d. for every £1 between £500 and £1,000, 6d. for every £1 between £1,000 and £1,500, and 7d. for every £1 over £1,500. The rates on incomes from property were respectively double the rates on incomes from personal exertion. In the case of life assurance companies the tax was 12d. in the £1 on 30 per cent. of the premium income from ordinary business and on 15 per cent. of that from industrial business. In the case of mining companies the tax was 12d. in the £1 on the total amount of dividends declared and debenture interest paid. In the case of other companies liable to tax the rate was 12d. in the £1 on the net income.

In the following table are shown the rates of taxation, also the number of assessments, the amount of taxable incomes, and the tax

payable in the respective groups for which different rates of taxation are charged :—

INCOME TAX ASSESSMENTS, 1918-19—BASED ON INCOMES OF 1917-18.

Taxable Income.	Rate of Tax in £1 of Taxable Income.			Number of Assessments.			
	Personal Exertion.	Property.	Companies.	Personal Exertion.	Property.	Combined Personal Exertion and Property.	Companies.
	<i>d.</i>	<i>d.</i>	<i>d.</i>				
Up to £500 ..	3	6	} 12 }	} 36,676	} 3,191	} 778	} 620
£501 to £1,000	4	8					
£1,001 to £1,500	5	10					
£1,501 to £2,000	6	12					
£2,001 and upwards	7	14					
Total ..	..	..	..	40,152	4,548	5,189	1,644

Taxable Income.	Taxable Incomes.				Tax Payable.			
	Personal Exertion.	Property.	Combined Personal Exertion and Property.	Companies.	Personal Exertion.	Property.	Combined Personal Exertion and Property.	Companies.
	£	£	£	£	£	£	£	£
Up to £500 ..	4,760,427	503,754	161,402	100,465	59,507	12,580	2,798	5,000
£501 to £1,000	1,695,542	578,945	1,759,749	178,279	30,046	20,559	36,000	8,795
£1,001 to £1,500	581,364	271,245	890,530	156,362	11,450	10,787	19,550	7,780
£1,501 to £2,000	338,803	215,499	666,370	155,270	7,381	9,363	15,859	7,758
£2,001 and upwards	1,115,845	634,024	2,398,507	7,833,137	29,037	32,706	102,321	391,662
Total ..	8,491,981	2,203,467	5,876,558	8,423,513	137,421	85,995	176,528	420,995

On account of rebates of income tax allowed under section 18 of the *Income Tax Act 1915* the tax payable does not coincide with the rates of tax when applied to the taxable incomes shown in the above statement. The total net incomes of taxpayers who were assessed to pay tax in 1918-19 amounted to £31,086,719, but, as 40,608 taxpayers were allowed the £150 exemption, the amount available for taxation was £24,995,519.

In the succeeding statement particulars of the assessments, incomes, and tax for the last five years are set forth :—

INCOME TAX : 1915 TO 1918-19.

	1915.	1915-16.	1916-17.	1917-18.	1918-19.
Number of Assessments :					
Individuals ..	44,863	40,581	45,084	43,424	49,889
Companies ..	1,632	1,473	1,546	1,634	1,644
Total, Distinct Taxpayers ..	46,495	42,054	46,630	45,058	51,533
Taxable Incomes of previous year :					
Individuals ..	£ 16,869,357	£ 14,730,654	£ 16,569,263	£ 14,479,213	£ 16,572,006
Companies ..	6,546,342	6,653,015	7,191,667	7,292,279	8,423,513
Total ..	23,415,699	21,383,669	23,760,930	21,771,492	24,995,519
Tax payable :					
Individuals ..	320,166	338,413	377,472	332,924	399,944
Companies ..	192,679	333,148	359,569	364,564	420,995
Total ..	512,845	671,561	737,041	697,488	820,939
Per taxpayer ..	£ s. d. 11 0 7	£ s. d. 15 19 4	£ s. d. 15 16 1	£ s. d. 15 9 7	£ s. d. 15 18 7
Average tax payable in the £1 on taxable incomes by—					
Individuals ..	d. 4.55	d. 5.51	d. 5.47	d. 5.52	d. 5.79
Companies ..	7.06	12.00	12.00	12.00	12.00

In a comparison of the particulars contained in this table it should be noted that the rate of tax was increased in 1915-16. The figures have not been revised, and are subject to a slight adjustment for corrections and payments made in a year subsequent to that to which they relate, but it is unlikely that any such adjustment will materially affect them.

The next table deals with the sources of the incomes of taxpayers for all the principal occupations under the heads of personal exertion and property.

SOURCES OF INCOMES AND OCCUPATIONS OF TAXPAYERS,
1918-19.

Occupations.	Number of Taxpayers.				Amount of Tax.*			
	Personal Exertion.	Property.	Personal Exertion and Property combined.	Total.	Personal Exertion.	Property.	Total.	Average to each Taxpayer.
<i>1. Professional.</i>					£	£	£	£ s. d.
Civil Servants	1,773	3	91	1,867	5,821	299	6,120	3 5 7
Clergymen ..	702	3	32	737	1,676	134	1,810	2 9 1
Legal Practitioners ..	397	7	160	564	6,050	3,270	9,320	16 10 6
Medical Practitioners ..	390	6	217	613	9,235	2,191	11,426	18 12 10
Police ..	771	..	15	786	1,018	25	1,043	1 6 6
Teachers ..	1,572	3	77	1,652	3,710	353	4,063	2 9 2
Various ..	2,975	27	336	3,338	14,206	3,461	17,667	5 5 10
	8,580	49	928	9,557	41,716	9,733	51,449	5 7 8
<i>2. Domestic.</i>								
Hotelkeepers	559	8	175	742	5,917	1,450	7,367	9 18 7
Various ..	426	16	43	485	1,540	596	2,136	4 8 1
	985	24	218	1,227	7,457	2,046	9,503	7 14 11
<i>3. Commercial.</i>								
Agents ..	797	12	179	988	7,012	1,708	8,720	8 16 6
Brokers ..	116	2	51	169	3,837	439	4,276	25 6 1
Butchers ..	365	1	55	421	1,550	204	1,754	4 3 4
Clerks ..	6,481	6	462	6,949	28,502	3,132	31,634	4 11 1
Drapers ..	454	8	85	547	5,331	1,244	6,575	12 0 5
Grocers ..	423	..	80	503	2,767	320	3,087	6 2 9
Merchants ..	572	18	364	954	40,512	6,838	47,350	49 12 8
Salesmen ..	3,604	5	324	3,933	16,170	1,858	18,028	4 11 8
Storekeepers	378	2	94	474	3,275	561	3,836	8 1 10
Various ..	1,916	57	343	2,316	12,137	3,688	15,825	6 16 8
	15,106	111	2,037	17,254	121,093	19,992	141,085	8 3 6

* The amount of tax is given to the nearest £1, but the average given is the actual amount.

SOURCES OF INCOMES AND OCCUPATIONS OF TAXPAYERS, 1918-19—
continued.

Occupations.	Number of Taxpayers.				Amount of Tax.*			
	Personal Exertion.	Property.	Personal Exertion and Property combined.	Total.	Personal Exertion.	Property.	Total.	Average to each Taxpayer.
					£	£	£	£ s. d.
4. Transport.								
Carriers ..	517	1	47	565	1,724	272	1,996	3 10 8
Engaged in Postal Service ..	698	..	15	713	1,198	52	1,250	1 15 1
Engaged in Railways ..	2,128	2	40	2,170	3,421	125	3,546	1 12 8
Engaged in Shipping ..	330	1	37	368	2,258	379	2,637	7 3 4
	3,673	4	139	3,816	8,601	828	9,429	2 9 5
5. Industrial.								
Carpenters ..	553	21	88	662	1,861	998	2,859	4 6 4
Engine-drivers	409	..	1	410	437	2	439	1 1 5
Engineers ..	1,060	6	72	1,138	3,653	411	4,064	3 11 5
Managers ..	841	3	118	962	5,072	1,234	6,306	6 11 1
Manufacturers	516	5	256	777	19,701	2,185	21,886	28 3 4
Printers ..	705	2	43	750	2,579	1,090	3,669	4 17 10
Various ..	6,012	19	348	6,379	16,458	1,746	18,204	2 17 1
	10,096	56	926	11,078	49,761	7,666	57,427	5 3 8
6. Primary Producers.								
Engaged in Agriculture, &c.—								
Dairy								
Farmers	51	7	18	76	748	156	904	11 18 0
Farmers ..	257	78	253	588	7,051	2,733	9,784	16 12 10
Graziers ..	81	67	280	428	20,838	9,212	30,050	70 4 2
Various ..	409	22	50	481	1,470	849	2,319	4 16 5
	798	174	601	1,573	30,107	12,950	43,057	27 7 5

* The amount of tax is given to the nearest £1, but the average given is the actual amount.

SOURCES OF INCOMES AND OCCUPATIONS OF TAXPAYERS, 1918-19—
continued.

Occupations.	Number of Taxpayers.				Amount of Tax.*			
	Personal Exertion.	Property.	Personal Exertion and Property combined.	Total.	Personal Exertion.	Property.	Total.	Average to each Taxpayer.
6. Primary Producers— continued.								
Engaged in Mining—					£	£	£	£ s. d.
Legal Managers ..	29	..	6	35	273	103	376	10 14 9
Miners ..	153	..	..	153	154	..	154	1 0 1
Mining Managers ..	72	1	4	77	284	10	294	3 16 6
Various ..	98	1	7	106	654	163	817	7 14 1
	352	2	17	371	1,365	276	1,641	4 8 5
	1,150	176	618	1,944	31,472	13,226	44,698	22 19 10
7. Indefinite..	562	4,128	323	5,013	3,116	83,237	86,353	17 4 6
8. Companies.								
Life Assurance	19	..	..	19	25,713	..	25,713	1,353 6 6
Mining ..	8	..	..	8	1,092	..	1,092	136 9 6
Other ..	1,617	..	..	1,617	394,190	..	394,190	243 15 8
	1,644	..	..	1,644	420,995	..	420,995	256 1 7
Total ..	41,796	4,548	5,189	51,533	684,211	136,728	820,939	15 18 7

* The amount of tax is given to the nearest £1, but the average given is the actual amount.

Of the total taxpayers, 81 per cent. (inclusive of 1,644 companies) gained their incomes from personal exertion, 9 per cent. from property, and 10 per cent. from personal exertion combined with property. The proportion of taxpayers of definite occupations deriving incomes from personal exertion ranged from 51 per cent. in the case of primary producers engaged in agriculture to 96 per cent. in the case of those engaged in transport. Personal exertion combined with property was the source of income in a proportion ranging from 4 per cent. of those engaged in transport to 38 per cent. of primary producers engaged in agriculture. The incomes of the indefinite class, which comprises persons of independent means and of no occupation and pensioners, are gained by 11 per cent. of their number from personal exertion, by about 82 per cent. from property, and by 7 per cent. from personal exertion combined with property. The tax on all incomes obtained from personal exertion (inclusive of £420,995 levied on companies) furnished 83 per cent. of the total, the percentage being as low as

4 for indefinite occupations, and for the definite classes ranging from 70 for primary producers engaged in agriculture to 91 in the case of persons engaged in transport.

The taxable incomes of taxpayers in conjunction with occupations are shown in the following statement :—

TAXABLE INCOMES AND OCCUPATIONS OF TAXPAYERS, 1918-19.

Occupations.	Number of Taxpayers.				Amount of Tax.			
	With taxable incomes between—			Total.	On taxable incomes between—			Total.
	£51 and £500.	£501 and £1,000.	£1,001 and over.		£51 and £500.	£501 and £1,000.	£1,001 and over.	
1. Professional.								
Civil Servants ..	1,643	205	19	1,867	£ 3,065	£ 2,506	£ 549	£ 6,120
Clergymen ..	698	34	5	737	1,194	440	176	1,810
Legal Practitioners	298	154	112	564	587	2,086	6,647	9,320
Medical Practitioners	181	252	180	613	470	3,469	7,487	11,426
Police ..	775	11	..	786	920	123	..	1,043
Teachers ..	1,551	83	18	1,652	2,462	1,037	564	4,063
Various ..	2,701	497	140	3,338	5,003	6,243	6,421	17,667
	7,847	1,236	474	9,557	13,701	15,904	21,844	51,449
2. Domestic.								
Hotelkeepers ..	445	218	79	742	1,059	2,859	3,449	7,367
Various ..	420	47	18	485	728	654	754	2,136
	865	265	97	1,227	1,787	3,513	4,203	9,503
3. Commercial.								
Agents ..	738	167	83	988	1,479	2,351	4,890	8,720
Brokers ..	69	51	49	169	166	672	3,438	4,276
Butchers ..	363	49	9	421	662	660	432	1,754
Clerks ..	5,997	659	293	6,949	10,346	8,146	13,142	31,634
Drapers ..	384	110	53	547	730	1,473	4,372	6,575
Grocers ..	396	82	25	503	788	989	1,310	3,087
Merchants ..	381	204	369	954	849	2,858	43,643	47,350
Salesmen ..	3,356	445	132	3,933	6,052	5,392	6,584	18,028
Storekeepers ..	328	103	43	474	658	1,359	1,819	3,836
Various ..	1,823	344	149	2,316	3,276	4,496	8,053	15,825
	13,835	2,214	1,205	17,254	25,006	28,396	87,683	141,085
4. Transport.								
Carriers ..	510	39	16	565	755	510	731	1,996
Engaged in Postal Service ..	693	18	2	713	985	218	47	1,250
Engaged in Railways	2,119	48	3	2,170	2,821	601	124	3,546
Engaged in Shipping	308	33	27	368	558	436	1,643	2,637
	3,630	138	48	3,816	5,119	1,765	2,545	9,429

TAXABLE INCOMES AND OCCUPATIONS OF TAXPAYERS, 1918-19—
continued.

Occupations.	Number of Taxpayers.				Amount of Tax.			
	With taxable incomes between—			Total.	On taxable incomes between—			Total.
	£51 and £500.	£501 and £1,000.	£1,001 and over.		£51 and £500.	£501 and £1,000.	£1,001 and over.	
5. Industrial.								
Carpenters ..	598	43	21	662	957	673	1,229	2,859
Engine-drivers ..	408	2	..	410	410	29	..	439
Engineers ..	1,022	82	34	1,138	1,496	1,019	1,549	4,064
Managers ..	741	159	62	962	1,418	2,033	2,855	6,306
Manufacturers ..	363	186	228	777	761	2,447	18,678	21,886
Printers ..	683	43	24	750	1,011	606	2,052	3,669
Various ..	5,935	323	121	6,379	8,076	4,270	5,858	18,204
	9,750	838	490	11,078	14,129	11,077	32,221	57,427
6. Primary Producers.								
Engaged in Agriculture, &c.—								
Dairy Farmers ..	36	27	13	76	70	369	465	904
Farmers ..	254	166	168	588	700	2,337	6,747	9,784
Graziers ..	72	104	252	428	225	1,788	28,037	30,050
Various ..	413	52	16	481	742	757	820	2,319
	775	349	449	1,573	1,737	5,251	36,069	43,057
Engaged in Mining—								
Legal Managers	24	7	4	35	49	84	243	376
Miners ..	153	..	..	153	154	..	..	154
Mining Managers	65	10	2	77	119	122	53	294
Various ..	91	6	9	106	147	83	587	817
	333	23	15	371	469	289	883	1,641
	1,108	372	464	1,944	2,206	5,540	36,952	44,698
7. Indefinite ..	3,610	880	523	5,013	12,936	20,411	53,006	86,353
8. Companies.								
Life Assurance ..	3	..	16	19	27	..	25,686	25,713
Mining ..	3	1	4	8	55	38	999	1,092
Other ..	614	238	765	1,617	4,918	8,757	380,515	394,190
	620	239	785	1,644	5,000	8,795	407,200	420,995
Total ..	41,265	6,182	4,086	51,533	79,884	95,401	645,654	820,939

Of the number of taxable incomes assessed, about 80 per cent. were under £500, 12 per cent. were between £501 and £1,000, and 8 per cent. were over £1,000; but the tax levied on these incomes formed 9·7, 11·6, and 78·7 per cent. respectively of the total. A

perusal of the above table shows that the occupational group which contributes the largest amount of tax is that of merchants, 954 of whom were taxed £47,350, and that of these 369 had taxable incomes of over £1,000, and were called upon to pay £43,643. The group paying the next largest amount of tax is that of clerks, 6,949 of whom were taxed £31,634. Of these, 293 had taxable incomes of over £1,000, and were called upon to pay £13,142.

In addition to the State Income Tax there is a Commonwealth Income Tax, which was first imposed on incomes earned in the financial year 1914-15. The tax assessed for the Commonwealth, in the year 1918-19, amounted to £11,892,063, and it is estimated that the assessments on Victorian income would be £2,896,000.

LAND TAX.

State Land Tax.

The State Land Tax Act of 1915 provides for a tax on the unimproved value of land and for the assessment of land and other purposes. Unimproved value for the purposes of this Act means the sum which might be expected to be realized at the time of valuation if the land were offered for sale on such terms as a seller might in ordinary circumstances be expected to require, and assuming that the improvements (if any) had not been made. The nature of the taxation is a duty upon land for every pound sterling of the unimproved value thereof, as assessed under the Act at a rate declared for each year by Act of Parliament. The rate of tax for 1919 was one halfpenny on every pound sterling of the unimproved value of all land having an unimproved value exceeding £250. No tax is chargeable when the total unimproved value of all lands owned does not exceed £250. Where the assessed unimproved value exceeds the amount of exemption (£250) the exemption diminishes at the rate of £1 for every £1 of such excess, so as to leave no exemption when the unimproved value amounts to, or exceeds £500. The present land tax is a complete departure from the principles of the former one, under which only the lands of estates over 640 acres in extent and over £2,500 in value were taxed, and such lands were valued on a purely pastoral basis, the valuation varying from £1 to £4 per acre according to their sheep-carrying capacity, irrespective of whatever value might have attached to them for dairying or agricultural purposes.

The Assessment Roll at 31st December of each of the last five years showed the following particulars:—

Assessment.	Taxpayers.		Net Assessment of Tax.
1915	83,972 ..	£315,858
1916	85,902 ..	£311,514
1917	88,783 ..	£309,429
1918	88,926 ..	£310,142
1919	89,363 ..	£310,059

Commonwealth Land Tax Act. In addition to the State Land Tax there is upon the lands in the State a Commonwealth Land Tax, which was assented to on 17th November, 1910. The following particulars of land tax assessment for Victoria for the financial year 1917-18 were furnished by the Federal Commissioner of Land Tax. The estates assessed numbered 4,894, of which 4,236 belonged to resident and 658 to absentee taxpayers. The unimproved value of these estates, as ascertained by the Department, was £53,674,032. The taxable value, after allowing for all statutory deductions from the unimproved value, was £31,476,524, on which the tax payable was £289,034. In addition there were 909 central office taxpayers who held an unimproved value of £8,477,801 representing their Victorian interests, on which the tax payable was £121,450.

RAILWAY REVENUE AND EXPENDITURE.

Victorian Railways, financial results. A summary of the results of the working of the Victorian Railways during the last five years is given in the annexed statement. The figures have been taken from the Railway Report and represent the actual business done each year, not the receipts and payments brought to account by the Treasury within the year. They include particulars of the St. Kilda-Brighton and Sandringham-Black Rock Electric Street Railways.

RAILWAY BALANCES: 1914-15 TO 1918-19.

	1914-15.	1915-16.	1916-17.	1917-18.	1918-19.
	£	£	£	£	£
Gross Revenue ..	5,183,687	5,730,743	5,980,638	6,593,873	6,476,076
Working Expenses ..	4,134,878	4,020,256	4,174,542	4,474,745	4,323,183
Pensions, Gratuities, &c. ..	123,438	121,332	131,416	129,160	151,588
Net Receipts ..	925,371	1,589,155	1,674,680	1,989,968	2,001,305
Interest on Cost of Construction ..	1,767,807	1,927,107	2,012,447	2,126,906	2,164,902
Deficit ..	842,436	337,952	337,767	136,938	163,597

In 1914-15 there was a large expenditure due to efforts to minimize unemployment, and there was a loss in revenue on account of adverse conditions occasioned by a drought. The result was that a deficit of £842,436, the first since 1907-8, was shown for that year, and, although there has since been an improvement, the transactions for 1918-19 showed a deficit of £163,597.

RAILWAY ACCIDENT AND FIRE INSURANCE FUND.

The establishment of a permanent fund to be kept at the Treasury, and called the Railway Accident and Fire Insurance Fund, was effected by provision in the *Railways Act 1907*. This provision requires the Railway Commissioners to pay into such fund the sum of 10s. for every £100 sterling of the revenue of the Victorian Railways until the fund amounts to £100,000, at which amount it is to be maintained. During the year ended 30th June, 1919, the receipts of the fund amounted to £32,013, whilst the payments made therefrom were £5,268 for compensation, damages, costs, &c., to persons other than employees injured; £13,012 as compensation on account of injuries to or deaths of employees; and £14,265 as compensation for goods or parcels lost, and for damages caused by fire, &c.

STATE EXPENDITURE.

The following table shows for the last five years the principal heads of State expenditure from Consolidated Revenue:—

SUMMARY OF STATE EXPENDITURE FROM CONSOLIDATED REVENUE: 1914-15 TO 1918-19.

Heads of Expenditure.	1914-15.	1915-16.	1916-17.	1917-18.	1918-19.
	£	£	£	£	£
<i>General Government.</i>					
Governor	7,756	7,816	8,341	7,486	7,448
Parliament and Ministry	83,238	73,867	71,055	82,591	74,059
Civil Establishment	333,663	320,930	302,345	293,836	309,583
Pensions and Gratuities	367,718	371,031	382,160	391,521	415,295
<i>Law, Order, and Protection.</i>					
Judicial and Legal ..	206,016	175,188	168,021	165,613	166,675
Police	370,381	343,546	334,010	341,364	366,079
Penal Establishments and Gaols	58,864	58,395	59,614	55,027	54,268
<i>Education, &c.</i>					
State Schools, &c. ..	1,081,461	1,052,506	1,045,203	1,084,050	1,111,276
Technical Schools ..	55,673	46,771	51,946	70,247	65,455
University	17,576	39,212	26,284	26,500	27,000
Libraries, &c. ..	36,069	28,119	27,289	26,253	26,006
Art and Science ..	11,969	9,739	9,506	8,830	9,136
<i>Recreation and Health.</i>					
Parks, Gardens, and Public Resorts ..	27,229	24,436	23,981	21,547	22,563
Public Health	49,192	39,718	85,870	50,439	180,684
Charitable Institutions, &c. ..	540,259	563,990	574,840	564,535	583,008

SUMMARY OF STATE EXPENDITURE FROM CONSOLIDATED REVENUE :
1914-15 TO 1918-19—continued.

Heads of Expenditure.	1914-15.	1915-16.	1916-17.	1917-18.	1918-19.
<i>Crown Lands, &c.</i>	£	£	£	£	£
Crown Lands ..	180,400	151,659	151,588	142,540	157,557
Agriculture and Stock	189,784	286,081	185,831	198,193	214,001
Mining	360,044	334,761	322,799	409,502	379,556
<i>Public Works.</i>					
Railways	4,144,959	4,028,449	4,184,199	4,475,717	4,261,082
Water Supply ..	133,059	125,574	111,052	120,789	116,153
Harbors, Rivers, and Lights	155,530	111,217	75,932	75,928	92,825
Roads and Bridges ..	16,690	9,509	4,086	6,546	6,001
Country Roads Board Fund	54,785	62,270	71,807	83,268	140,873
Municipal Endow- ment, &c. ..	127,828	73,797	61,611	60,753	60,138
Works and Buildings, n.e.i.	48,064	45,349	37,242	67,460	50,666
Interest and Expenses of Public Debt ..	2,439,180	2,706,313	2,869,511	3,010,358	3,087,059
Interest on Advances from Savings Banks	7,887	7,689	7,879	8,453	8,638
Redemption Funds, &c.	211,117	266,599	296,345	299,578	301,466
Settlement of Dis- charged Soldiers ..	..	..	..	..	58,011
<i>Other Expenditure.</i>					
Mint Subsidy ..	20,000	20,000	20,000	25,000	25,000
Fire Brigades ..	29,656	31,822	32,820	32,882	33,309
Immigration ..	75,600	19,315	13,286	9,895	7,275
Licensing Fund ..	107,752	95,606	144,732	143,501	164,128
Licensing Act Com- pensation Fund ..	63,624	60,396	..	..	..
Expeditionary Forces — Allowance to Railway Depart- ment for carriage	32,232	45,997	738	6,610	74,673
Assurance Fund ..	2,564	2,127	2,050	1,917	1,393
Surplus Revenue ap- propriated to "Re- venue Services" ..	..	..	..	220,156	318,521
Miscellaneous ..	59,149	43,569	31,322	42,284	46,547
Total ..	11,706,968	11,683,363	11,795,295	12,631,169	13,023,407
	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.
Per Head of Population	8 3 8	8 4 8	8 8 8	8 19 0	9 2 0

Compared with the previous year the ordinary expenditure of the State for 1918-19 shows an increase of £392,238. The heads of expenditure showing the largest increases are—Public Health, £130,245;

Interest and Expenses of Public Debt, £76,701; Carriage of Expeditionary Forces, £68,063; Settlement of Discharged Soldiers, £58,011; and Country Roads Board Fund, £57,605. The chief decreases are—Railways, £214,635; and Mining, £29,946.

PENSIONS AND GRATUITIES.

Pensions and gratuities to Government servants.

The bestowal of pensions or superannuation allowances was abolished on the 24th December, 1881, in the case of persons, except Supreme Court Judges and police, entering the Public Service after that date.

During the year 1918-19, 3,230 pensions, amounting to £364,398, were paid to ex-public servants not including police, viz., 3,070 under special appropriations, amounting to £355,210; and 160 from annual votes, amounting to £9,188. Thirty-one compensations and gratuities were also paid, the amount being £15,112. The following statement summarizes the numbers and amounts of payments made in the last financial year:—

PENSIONS, SUPERANNUATION ALLOWANCES, AND GRATUITIES, ETC., PAID: 1918-19.

Division of Service.	Special Appropriations.		Annual Votes.		Total.	
	Number.	Amount.	Number.	Amount.	Number.	Amount.
		£		£		£
Education Department	1,053	113,995	13	596	1,066	114,591
Railways	1,327	129,810	128	7,684	1,455	137,494
Defence	5	373	..	..	5	373
Lunacy	38	3,655	..	..	38	3,655
Under Constitution Act	2	2,962	..	..	2	2,962
Commissioners of Audit	1	43	..	..	1	43
Officers of Parliament	1	509	..	..	1	509
County Court Judges..	1	750	..	..	1	750
Under Act 1988	1	283	..	..	1	283
Under Civil Service Act 160	250	48,401	..	..	250	48,401
Under Public Service Act 773	141	28,526	..	..	141	28,526
Commonwealth Service —Offices of trans- ferred Departments	250	25,903	..	..	250	25,903
Various allowances ..	..	..	19	908	19	908
Total Pensions and Superannuation Allowances ..	3,070	355,210	160	9,188	3,230	364,398
Compensations and Gra- tuities	4	540	27	14,572	31	15,112
Subsidy to Police Super- annuation Fund ..	..	7,785	..	28,000	..	35,785
Total amount paid	..	363,535	..	51,760	..	415,295

In 1918-19 the payments out of the Police Superannuation Fund were as follows:—395 pensions, amounting to £55,122, and 10 gratuities, amounting to £4,047. The Police Superannuation Fund is maintained by an annual subsidy of £2,000 from the consolidated revenue; by a moiety of the fines inflicted by the Courts of Petty Sessions; by a deduction, not exceeding 2½ per cent., from the pay of the members of the force entitled to pensions; by transfers from the Licensing Fund under the provisions of Act No. 2068; and, should the foregoing sources prove insufficient, by a further grant in aid from the consolidated revenue.

Pensions are payable only to those members of the police force who joined prior to the 25th November, 1902.

In the year 1918-19, 27 pensions amounting to £3,226 were paid out of the Port Phillip Pilot Sick and Superannuation Fund, towards which, however, the Government does not contribute, the fund being maintained by deductions from pilots' earnings and the annual income from investments belonging to the fund.

**South Africa
Contingent
pensions.**

Pensions to members and relatives of members of the South African war contingents amounted to £703 in 1918-19.

EXPENDITURE ON EDUCATION.

During the year 1918-19 the State expended on education generally the sum of £1,430,577. This amount includes the interest payable on loan moneys expended on buildings and expenditure in connexion with pensions and gratuities. The expenditure in each of the last five years was as follows:—

STATE EXPENDITURE ON EDUCATION: 1914-15 TO 1918-19.

Expenditure on—	1914-15.	1915-16.	1916-17.	1917-18.	1918-19.
	£	£	£	£	£
Education—Primary ..	787,834	783,540	782,869	813,071	833,422
Intermediate	72,690	73,339	75,059	77,203	80,899
and secondary					
Special Subjects	25,581	26,436	25,633	29,074	30,540
Training of Teachers ..	20,928	19,796	19,130	17,836	18,049
Administration	49,265	49,243	49,193	47,745	50,308
Buildings	315,869	220,042	116,010	62,532	87,273
Technical Schools (including	78,902	94,098	98,661	132,943	123,466
Building Grants)					
University (including Build-	33,126	31,330	31,345	32,407	32,874
ing Grants)					
Interest on Loan Money ex-	53,086	56,499	57,873	57,981	57,853
pended on Buildings					
Miscellaneous	107,551	107,907	111,619	114,283	115,893
Total	1,544,832	1,462,230	1,367,392	1,385,075	1,430,577*

* In addition, an amount of £19,044, paid by students as fees during the calendar year 1918, was expended on technical education.

The foregoing statement deals with the expenditure by the State on education generally, and includes expenditure connected with the

University and technical schools, but the statement which follows relates to that portion of the expenditure which has been incurred in connexion with the State schools of Victoria, primary and secondary, in each of the last five years :—

EXPENDITURE ON STATE EDUCATION SYSTEM: 1914-15
TO 1918-19.

Items.	1914-15.	1915-16.	1916-17.	1917-18.	1918-19.
	£	£	£	£	£
Education :					
Primary—					
Day Schools	784,148	779,612	778,649	808,506	829,127
Night Schools	64	65	67	64	64
Schools for Deaf Mutes and Blind and Feeble-minded Children	2,622	2,863	3,153	3,501	3,231
	786,834	782,540	781,869	812,071	832,422
Intermediate—					
Higher Elementary Schools ..	7,679	6,773	5,613	5,685	6,548
Evening Continuation Classes ..	1,053	875	532	461	353
Secondary—					
High Schools	33,481	36,894	40,474	} 62,814	65,650
Agricultural High Schools ..	22,840	20,872	20,648		
	65,053	65,414	67,267	68,960	72,551
Special Subjects—					
Cookery	9,826	11,018	12,146	14,052	15,623
Manual Training	12,184	11,608	10,519	12,245	12,163
Physical Training	800	874	769	843	729
Medical Inspection	2,328	2,458	1,673	1,462	1,522
Dressmaking and Needlework ..	222	244	246	247	253
School Gardening	221	234	280	225	250
	25,581	26,436	25,633	29,074	30,540
Training of Teachers—					
Training College	11,180	9,994	9,923	9,867	10,352
University Practising School ..	2,586	2,686	2,640	2,580	2,767
Miscellaneous	7,162	7,116	6,567	5,389	4,930
	20,928	19,796	19,130	17,836	18,049
Administration	49,265	49,243	49,193	47,745	50,308
Buildings—					
Primary Schools	270,156	189,399	94,664	46,383	66,140
Primary Schools (expended by School Committees)	13,144	9,709	6,147	5,767	6,263
Rent	8,711	6,442	4,481	4,500	5,300
Higher Elementary Schools ..	8,776	3,033	400	278	3,812
High Schools	13,688	8,017	3,596	} 5,604	5,758
Agricultural High Schools ..	1,396	3,442	6,722		
	315,869	220,042	116,010	62,532	87,273
Interest on Loan Money expended on Buildings ..	53,002	56,415	57,789	57,897	57,769
Miscellaneous—					
Pensions and Gratuities	105,810	107,220	110,823	113,215	114,799
Grant to State Schools Decoration and Equipment Society	1,000	..	..	..	..
Grant to State Schools Horti- cultural Society	300	300	300	300	300
Subsidies, sparsely populated districts	83	233	343	616	639
Total	1,423,725	1,327,639	1,228,357	1,210,246	1,264,650

The following return summarizes the expenditure and revenue connected with the State educational system, and shows the cost per scholar for the last ten years :—

COST OF INSTRUCTION IN VICTORIAN STATE SCHOOLS :
1909-10 TO 1918-19.

Year.	Expenditure by the State.	Revenue of the Education Department.	Net Expenditure.	Number of Scholars— Average Attendance.	Cost per Scholar to the State.
	£	£	£		£ s. d.
1909-10 ..	959,160	19,138	940,022	145,968	6 8 10
1910-11 ..	1,002,415	20,707	981,708	146,464	6 14 1
1911-12 ..	1,118,240	24,540	1,093,700	154,807	7 1 4
1912-13 ..	1,198,649	23,646	1,170,003	156,965	7 9 1
1913-14 ..	1,256,690	26,175	1,230,515	163,200	7 10 10
1914-15 ..	1,423,725	28,607	1,395,118	166,407	8 7 8
1915-16 ..	1,327,639	26,399	1,301,240	167,989	7 14 11
1916-17 ..	1,228,357	28,477	1,199,880	167,588	7 3 2
1917-18 ..	1,210,246	30,575	1,179,671	167,653	7 0 9
1918-19 ..	1,264,650	21,666	1,242,984	171,640	7 10 4

This table includes the amount payable each year as interest on loan moneys expended on school buildings.

COMMONWEALTH FINANCE IN VICTORIA.

Commonwealth Finance. A statement of the Commonwealth revenue and expenditure in Victoria for the last five years is given below:—

COMMONWEALTH REVENUE AND EXPENDITURE IN THE STATE OF VICTORIA (ESTIMATED) : 1914-15 TO 1918-19.

Heads of Revenue and Expenditure.	1914-15.	1915-16.	1916-17.	1917-18.	1918-19.
REVENUE.	£	£	£	£	£
Customs Duties ..	3,539,654	4,214,997	3,845,131	2,970,677	4,010,055
Excise Duties ..	817,175	927,701	887,895	1,003,085	1,631,074
Income Tax* ..	..	1,028,000	1,856,000	2,070,000	2,896,000
Post, Telegraph, &c.	1,220,578	1,350,922	1,478,667	1,520,518	1,621,218
War-time Profits Tax*	..	..	..	335,100	672,000
Land Tax ..	483,826	469,821	471,056	472,830	530,674
Succession Duties ..	8,588	198,043	275,774	357,995	365,772
War Postage ..	..	..	..	..	132,000
Entertainments Tax	..	..	32,947	72,085	108,611
Miscellaneous ..	190,179	498,516	1,051,530	1,772,710	1,549,596
Total ..	6,260,000	8,688,000	9,899,000	10,575,000	13,517,000
EXPENDITURE.					
Trade and Customs..	80,991	84,978	89,139	89,778	116,948
Post, Telegraph, &c.	1,488,969	1,448,041	1,320,832	1,434,928	1,337,453
Defence ..					
New Expenditure } ..	7,048,146	5,116,514	6,098,620	6,865,813	8,976,360
Miscellaneous } ..					
Payment to the State Government ..	1,757,894	1,743,467	1,722,409	1,739,481	1,764,239
Total ..	10,376,000	8,393,000	9,231,006	10,130,000	12,195,000

* Estimated on tax assessments for the year.

COMMONWEALTH AND STATE REVENUE AND EXPENDITURE.

The total Government revenue and expenditure within the State of Victoria is shown by combining State and Commonwealth receipts and expenditure. The figures relating to the principal items are given in the following table :—

REVENUE AND EXPENDITURE OF COMMONWEALTH AND STATE COMBINED : 1914-15 TO 1918-19.

Hheads of Revenue and Expenditure.	1914-15.	1915-16.	1916-17.	1917-18.	1918-19.
REVENUE.					
	£	£	£	£	£
Customs and Excise	4,356,829	5,142,698	4,733,026	3,973,762	5,641,129
Post, Telegraph, &c.	1,220,578	1,350,922	1,478,667	1,520,518	1,621,218
State Railways ..	5,170,020	5,727,275	5,882,968	6,615,914	6,422,133
State Taxation ..	1,762,041	2,074,839	2,282,372	2,310,723	2,744,946
Other sources ..	2,521,655	4,119,674	5,613,437	7,087,389	8,367,423
Total Revenue..	15,031,123	18,415,408	19,990,470	21,508,306	24,796,849
EXPENDITURE.					
Customs and Excise	80,991	84,978	89,139	89,778	116,948
Post, Telegraph, &c.	1,488,969	1,448,041	1,320,832	1,434,928	1,337,453
State Railways ..	4,144,959	4,028,449	4,184,199	4,475,717	4,261,082
Public Instruction*..	1,154,710	1,138,489	1,123,433	1,180,797	1,203,731
Public Debt (Victoria)—					
Interest and Ex-					
penses ..	2,439,180	2,706,313	2,869,511	3,010,358	3,087,059
Redemption ..	211,117	266,599	296,345	299,578	301,466
Other Expenditure..	10,805,148	8,660,027	9,420,427	10,530,532	13,146,429
Total Expenditure	20,325,074	18,332,896	19,303,886	21,021,688	23,454,168

* Primary and Technical Schools, and University.

COMMONWEALTH, STATE, AND LOCAL REVENUE AND EXPENDITURE.

A statement of the ordinary revenue and expenditure and of the loan expenditure of the Federal Government in Victoria, also of the State Government and of the municipal and local bodies, during the last five years, will be found in the next table. From the totals of revenue and

Commonwealth, State, and Local Finance.

expenditure the amounts received by one body from another have been deducted :—

COMMONWEALTH, STATE, AND LOCAL REVENUE AND
EXPENDITURE : 1915 TO 1919.

	Financial Year ended in—				
	1915.	1916.	1917.	1918.	1919.
<i>Revenue.</i>					
	£	£	£	£	£
<i>Government—</i>					
Federal ..	6,260,000	8,688,000	9,899,000	10,575,000	13,517,000
State ..	8,711,427	9,667,712	10,031,774	10,873,610	11,220,153
Municipal ..	1,988,189	2,107,727	2,222,890	2,392,851	2,713,540
Harbor Trusts ..	281,333	290,355	291,291	303,521	318,373
Melbourne and Metropolitan Board of Works ..	797,930	769,542	725,846	742,564	783,043
Fire Brigades Boards	48,631	47,296	38,024	41,248	43,838
Total ..	18,087,510	21,570,632	23,208,825	24,928,794	28,595,947
<i>Ordinary Expenditure.</i>					
<i>Government—</i>					
Federal ..	10,376,000	8,393,000	9,251,000	10,130,000	12,195,000
State ..	9,889,378	9,880,200	10,013,190	10,831,992	11,199,472
Municipal ..	2,020,380	2,141,467	2,198,535	2,412,562	2,751,303
Harbor Trusts ..	209,436	269,581	285,811	259,646	325,247
Melbourne and Metropolitan Board of Works ..	648,734	738,246	687,533	737,241	750,700
Fire Brigades Boards	44,428	42,071	41,700	43,890	45,278
Total ..	23,188,356	21,464,565	22,457,769	24,415,331	27,267,000

COMMONWEALTH, STATE, AND LOCAL REVENUE AND EXPENDITURE :
1915 TO 1919—continued.

	Financial Year ended in—				
	1915.	1916.	1917.	1918.	1919.
<i>Loan Expenditure.</i>	£	£	£	£	£
Government—					
Federal	623,824	11,580,148	15,240,144	16,267,280	18,095,454
State	5,351,830	4,473,569	2,440,966	1,931,679	2,932,521
Municipal	439,973	549,714	290,824	190,184	194,627
Harbor Trusts	321,262	327,147	191,882	188,571	179,030
Melbourne and Metro- politan Board of Works	454,680	376,768	214,655	207,602	236,263
Fire Brigades Boards	28,808	14,711	5,209	14,721	8,344
Total	7,220,377	17,322,057	18,383,680	18,800,037	21,646,239
<i>Expenditure—Grand Total</i>	30,408,733	38,786,622	40,841,449	43,215,368	48,913,239
Per Head of Popula- tion—					
Revenue	£ s. d. 12 12 10	£ s. d. 15 4 3	£ s. d. 16 11 10	£ s. d. 17 13 4	£ s. d. 19 19 9
Ordinary Expen- diture	16 4 2	15 2 10	16 1 1	17 6 1	19 1 2
Loan Expenditure	5 0 11	12 4 4	13 2 10	13 6 6	15 2 7

The loan expenditure of the Federal Government for 1918-19, exclusive of loans to the States, amounted to £63,622,780. The proportion shown in the table above as being chargeable to Victoria has been calculated on a population basis.

The total revenues in Victoria of the Federal and State Governments, the municipalities, and other corporations in the financial

year 1919 amounted to 28½ millions sterling, which was £3,667,153 more than the revenues of the previous year. The total expenditure in 1919 exceeded that of 1918 by £5,697,871, or 13 per cent.

PUBLIC DEBT.

The following statement shows the result of loan transactions including Treasury Bonds in aid of revenue to 30th June, 1919, with the exception of Melbourne and Hobson's Bay Railway Debentures taken over, which are not treated in the Treasury accounts as a loan raised by the State :—

CASH RECEIPTS AND LOANS RAISED AND REDEEMED TO 30th JUNE, 1919.

	£	s.	d.
Cash received	134,144,908	5	2
Discount and expenses after deducting premiums received	2,380,162	18	2
Securities issued	136,525,071	3	4
Securities redeemed	54,494,142	6	7
Loans outstanding	82,030,928	16	9*

It will be seen that, upon the transactions to date, for cash amounting to £134,144,908 securities representing £136,525,071 were issued, which is equivalent to the State receiving £98 5s. 2d. in cash for every £100 bond given.

Excluding London debentures for £388,100 taken over with the Melbourne and Hobson's Bay Railway and since paid off, the total amount of the loans which have been raised in London at varying rates of interest is £80,622,376 after allowing for conversion operations. The amount which has been paid off by means of new loans is £34,921,730 and by means of appropriations from revenue, &c., £1,822,775, while £477,571 has been transferred to the Melbourne register, leaving a balance due in London on 30th June, 1919, of £43,400,300, consisting of debentures amounting to £3,801,400, and inscribed stock £39,598,900. The following table gives particulars respecting the various loans which have been raised in London since 1859, together with the average prices obtained after

* There are, in addition to this amount, the overdue debentures for £1,000, which are referred to further on.

deducting flotation expenses as well as accrued interest, and the rates of interest to which such prices are equivalent :—

LOANS FLOATED IN LONDON: 1859 TO 1919.

When Raised.	Debentures or Stock.				Average Price Obtained per £100 Debenture Stock or Bond.		Actual Rate of Interest per £100 net.
	Currency.		Amount Sold.	Rate of Interest.	Ex Accrued Interest.	Ex Interest and Expenses. (Net Proceeds.)	
	When Due.	No. of Years.					
			£	Per cent.	£ s. d.	£ s. d.	£ s. d.
1859	1883	24	1,000,000	6	105 1 11½	103 18 11½	5 14 0
	"	"	750,000	6	107 17 7½	106 14 7½	5 9 10
1860	"	23	1,837,500	6	104 17 10½	103 14 10½	5 14 1
	1884	"	812,500				
1861	1885	24	1,000,000	6	103 1 6½	101 18 6½	5 17 0
1862	"	23	1,600,000	6	102 19 7	101 16 7	5 17 2
1866	1891	25	850,000	6	100 8 11½	99 5 11½	6 1 1
1869	1894	"	588,600	5	98 4 2½	97 1 2½	5 4 2
1870	"	24	1,518,400	5	100 17 6½	99 14 6½	5 0 5
1874	1899	25	1,500,000	4	90 2 7	88 19 7	4 15 5
1876	1901	"	500,000	4	94 16 10½	93 18 11½	4 8 1
	"	"	2,500,000				
1878	1904	26	457,000	4			
1879	"	25	3,000,000	4½	97 17 5½	96 19 2½	4 14 0
1880	"	24	2,000,000	4½	103 3 8½	102 5 11	4 6 11
1915	1920-25	5-10	784,700	4½	100 0 0	98 2 9	4 18 6
1916	1920-22	4-6	550,000	5½	97 9 4½	97 9 4½	5 15 1
1916	1920-22	4-6	100,000	5½	97 9 4½	97 9 4½	5 15 1
1917	1927	11	1,109,481	5½	95 18 7½	95 18 7½	5 14 8
1917	1927	10	194,519	5½	95 17 8½	95 17 8½	5 14 9
			<i>Stock.</i>				
1883	1907	24	4,000,000	4	98 16 8½	97 13 7½	4 3 0
"	1908	"	2,000,000	4	97 14 1½	96 10 11½	4 4 6
1884	1913	29	1,957,500	4	98 5 7	97 2 8½	4 3 3
	1918-22	34	2,042,500				
1885	1919	34	3,180,620	4	98 18 6½	97 15 9½	4 2 5
	"	"	819,380				
1886	1920	"	1,500,000	4	105 12 3½	104 9 0	3 15 5
1887	"	33	3,000,000	4	102 5 6½	101 2 9	3 18 9
1888	"	32	1,500,000	4	108 1 1½	106 18 0½	3 12 9
1889	1923	34	3,000,000	3½	102 14 10	101 11 11½	3 8 5
1890	"	33	4,000,000	3½	100 2 4	98 19 6	3 11 1
1891	1921-26	30-35	850,000	3½	96 3 7	95 0 10	3 15 6
	"	"	2,150,000				
1892	"	29-34	2,000,000	3½	91 13 7	90 10 8	4 1 5
1893	1911-26	17-32	2,107,000	4	94 7 5	93 4 8	4 11 7
1899	1929-49	30-50	1,600,000	3	94 7 1	93 4 2	3 7 3
1901	"	28-48	3,000,000	3	92 2 1	89 14 5	3 11 10
1902	"	27-47	1,000,000	3	95 16 6½	93 8 3½	3 7 6
1903	"	26-46	3,148,176	3½	91 14 9½	89 8 0	4 3 8
1906	"	23-43	587,808				
1907	"	22-42	702,140	3½	100 0 0	98 19 1	3 11 5
1909	"	20-40	1,500,000				
1910	"	19-39	538,352	3½	97 3 11½	94 15 8½	3 17 7
1913	1918-22	5-9	3,000,000	4	99 2 6	97 10 0	3 13 8
"	1940-60	27-47	1,000,000	4	98 0 0	96 4 7	4 17 4
"	"	"	2,000,000	4	97 15 0	95 7 5	4 5 10
1915	1920-25	5-10	1,465,300	4½	96 18 9	94 9 10	4 7 0
					100 0 0	98 4 3½	4 18 2
			<i>Treasury-bonds</i>				
1892	1893	1	1,000,000	4½	99 3 11	99 1 5	5 0 0
1898	1900	2	500,000	3½	100 0 0	100 0 0	3 15 0
1903	1906	3	2,254,800	4	99 10 8½	96 18 10	5 2 7
Total			80,056,276				
Paid off			36,178,405				
Transferred to Melbourne register			477,571				
Outstanding			43,400,300				

The figures in the last column represent the rates of interest payable by the State for the actual amount of money which was obtained after deduction of all expenses that had been incurred in connexion with the flotation, and with allowance for redemption at par on maturity.

The nominal rate of interest has varied from 6 per cent. for earlier loans to 3 per cent. for those of later date, and the actual rate paid by the Government has varied from 6 per cent. in 1866 and 1917 to $3\frac{3}{8}$ per cent. in 1899 and 1902. The first six loans raised were obtained at about $5\frac{3}{4}$ per cent., but money was secured in 1870 at 5 per cent. In 1883 it was obtained at about $4\frac{1}{2}$ per cent., in 1885 at $4\frac{1}{8}$, in 1888 at $3\frac{5}{8}$, and in 1889 at less than $3\frac{1}{2}$ per cent. In 1891 there was a reaction, when the money obtained cost $3\frac{3}{4}$ per cent., and the rate was further increased to over $4\frac{1}{2}$ per cent. in 1893, while 5 per cent. was paid on short-dated Treasury bonds issued in 1892. Some later loans show a marked improvement, as in 1899 the actual rate of interest was less than $3\frac{3}{8}$ per cent., being the lowest rate at which loans were raised in London, while for loans floated in 1901 and 1907 the money was obtained at slightly over $3\frac{1}{2}$ per cent.; for a loan in 1902 the rate was $3\frac{3}{8}$ per cent., for one in 1909 it was $3\frac{7}{8}$ per cent., and in 1910 portion of a loan falling due was converted at $3\frac{3}{8}$ per cent. On the other hand, the interest on loans raised in 1903 was as high as $5\frac{1}{8}$ per cent. on short-dated Treasury bonds, and $4\frac{1}{8}$ per cent. on stock sold. As regards recent loans, the average rate was $4\frac{3}{8}$ per cent. in 1913, nearly 5 per cent. in 1915, and $5\frac{3}{4}$ per cent. in 1916 and 1917.

Loans
Floated in
Melbourne.

Excluding Treasury bonds in aid of revenue and Victorian debentures for £63,000 taken over with the Melbourne and Hobson's Bay Railway, of which £62,000 have since been paid off, the total amount of the loans which have been floated in Melbourne exclusive of conversion operations is £49,259,798. Of this amount £7,935,551 has been redeemed by loans, and £4,524,474 by revenue, &c., leaving due a balance of £36,799,773 on 30th June, 1919, consisting of debentures, £23,107,957, inscribed stock, £10,739,816, and Treasury bonds, £2,952,000. In addition, outstanding inscribed stock for £477,071, and debentures for £500 have been transferred from the London to the Melbourne register, so that of the debt outstanding the total amount payable in Melbourne is £37,277,344. The outstanding balance of loans payable in Melbourne amounted to £2,994,088 on 30th June, 1898, but during the following twenty-one years the local debt was increased by more than 34 millions sterling. This increase was brought about principally by the replacing of certain London loans as they fell due by local issues and by the raising of local loans to acquire estates for closer settlement purposes, &c.

The following is a statement of these loans, showing the amounts originally raised, the amounts converted or paid off, and the amounts outstanding on 30th June, 1919 :—

LOANS FLOATED IN MELBOURNE TO 30th JUNE, 1919.

Authorization.		Loans.			Amounts.		Loans Outstanding on 30th June, 1919.	
Act No.	Year.	Rate of Interest.	When due.	Amount.	Converted into Stock or Debentures.	Paid off.		
		Per cent.		£	£	£	£	
<i>Debentures.</i>								
13 & 23	1854	6	1855-75	735,000	..	735,000	..	
40	1855	6	1857-72	299,100	..	299,100	..	
15	1856	6	1872-4	2,900	..	2,900	..	
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	5	1894	610,000	297,100	312,900	..	
371	1870	5	..	100,000	100,000	..	..
1296	1893	4	1913-23	746,795	1,400	40	745,355	
1440	1896	3	1913-22	63,000	..	..	63,000
1659	1900	3	1921-30	1,000,000	19,362	13,188	967,450	
1753	1901	3	1923-32	500,000	5,548	152,952	341,500	
1816	1903	3½	1907-8	93,869	..	93,869	..	
1901	1904	3	1934-54	457,000	..	333,126	123,874	
		3½	1913	18,000	..	18,000	..	
		3½	1914-23	50,000	..	30,000	20,000	
		3¾	1918	18,000	..	18,000	..	
		4½	1919	12,000	..	12,000	..	
		4¾	..	6,000	..	..	6,000
		5	1919-20	50,000	..	..	50,000
		4½	1920	1,400	..	..	1,400
		3½	1921	447,980	..	..	447,980
		3½	1922	366,660	..	..	366,660
		3½	1923	70,000	..	..	70,000
		3¾	..	4,700	..	..	4,700
		5	..	50,000	..	..	50,000
2629	1904	3¾	1924	1,600	..	..	1,600
		4	..	8,000	..	..	8,000
1962		4	1925	8,200	..	..	8,200
		3½	1926-42	186,300	900	20,300	165,100	
		3¾	1925-40	60,000	..	..	60,000
		3¾	1926-40	160,000	..	..	160,000
		3½	1927-32	72,100	..	..	72,100
		3½	1927	150,000	..	..	150,000
		3½	1928	77,000	..	..	77,000
		3½	1929	162,650	..	..	162,650
		3½	1930	182,000	..	..	182,000
		3½	1931	1,000,000	..	..	1,000,000
		3½	1931-46	15,400	..	..	15,400
		4	1936	300,000	300,000	..	..
			3½	1926-41	285,880	2,400	..	283,480
			3½	1926	100,000	100,000
1990	1905	3½	1927-42	500	..	..	500
		3½	1927	52,000	..	..	52,000

LOANS FLOATED IN MELBOURNE TO 30TH JUNE, 1919—continued.

Authorization.		Loans.			Amounts.		Loans Outstanding on 30th June, 1919.
Act No.	Year.	Rate of Interest.	When due.	Amount.	Converted into Stock or Debentures.	Paid off.	
		Per cent.		£	£	£	£
<i>Debentures—continued.</i>							
2026	1906	5	1917	9,040	..	9,040	..
		5	1918	473,000	..	473,000	..
		5	1919	16,400	..	16,400	..
		4	"	40,000	..	40,000	..
		5	1920	10,000	..	..	10,000
		4 $\frac{3}{4}$	"	514,860	..	..	514,860
		4 $\frac{3}{4}$	1921	21,750	..	..	21,750
		5	"	1,536,300	..	..	1,536,300
		4 $\frac{3}{4}$	1922	250,000	..	..	250,000
		5	"	3,600	..	..	3,600
		4 $\frac{3}{4}$	1921-23	331,700	..	..	331,700
		4	1924	10,000	..	..	10,000
		4 $\frac{1}{4}$	1925	500,000	..	..	500,000
		3 $\frac{1}{2}$	1926-41	9,000	..	..	9,000
		3 $\frac{1}{2}$	1927-42	380,000	..	..	380,000
		4	1927	185,400	..	..	185,400
		3 $\frac{1}{2}$	1928	400,000	..	..	400,000
		3 $\frac{1}{2}$	1930	500,000	..	..	500,000
		3 $\frac{1}{2}$	1931	61,648	..	..	61,648
		3 $\frac{1}{2}$	1931-46	150,500	..	..	150,500
		3 $\frac{1}{2}$	1932-46	51,500	..	..	51,500
4	1934-49	5,300	..	..	5,300		
2041	1906	4	1920	400	..	..	400
		4 $\frac{1}{4}$	1918	12,700	..	12,700	..
		4	1919	40,000	..	40,000	..
		4 $\frac{1}{4}$	"	12,000	..	12,000	..
		4 $\frac{3}{4}$	1920-21	2,000	..	..	2,000
		4	1921	7,500	..	..	7,500
		5	"	61,000	..	1,500	59,500
		4 $\frac{3}{4}$	1922	5,000	..	..	5,000
		5	"	30,000	..	..	30,000
		5	1923	65,000	..	..	65,000
		4	"	600	..	..	600
		4	1924	15,600	..	..	15,600
		3 $\frac{1}{2}$	1928-43	3,600	..	..	3,600
		3 $\frac{1}{2}$	1929	16,000	..	..	16,000
		4	"	210,000	..	..	210,000
3 $\frac{1}{2}$	1930	100,000	..	..	100,000		
2053	1906	3 $\frac{1}{2}$	1928	75,500	..	..	75,500
		3 $\frac{1}{2}$	1929	40,000	..	..	40,000
2116	1907.	3 $\frac{1}{2}$	1928	345,000	..	..	345,000
		3 $\frac{1}{2}$	1929	154,000	..	..	154,000

LOANS FLOATED IN MELBOURNE TO 30TH JUNE, 1919—continued.

Authorization.		Loans.			Amounts.		Loans Outstanding on 30th June, 1919.
Act No.	Year.	Rate of Interest.	When due.	Amount.	Converted into Stock or Debentures.	Paid off.	
		Per cent.		£	£	£	£
<i>Debentures—continued.</i>							
2163	1909	3½	1910-20	250,000	..	225,000	25,000
			1919	130,650	..	130,650	..
			1920-21	34,100	..	..	34,100
			1929	4,850	..	..	4,850
			1929-44	400	..	..	400
2286	1911	3½	1921	1,788,220	..	..	1,788,220
2323	1911	3½	1922	1,307,100	1,500	..	1,305,600
			1932	507,850	3,200	..	504,650
2635	1912	5	1919-20	75,000	..	..	75,000
			1920	14,400	..	..	14,400
			..	170,000	..	..	170,000
			1921-23	1,000	..	..	1,000
			1921	55,000	..	..	55,000
2415	1912	4½	..	125,000	..	..	125,000
			..	200,000	..	..	200,000
			1922	47,000	..	..	47,000
			1923	119,000	..	..	119,000
			1925	350,000	..	..	350,000
			1927	60,000	..	..	60,000
			1930	40,000	..	..	40,000
		
2429	1912	4	1919	170,000	..	170,000	..
			1920	4,000	..	..	4,000
			1922	59,590	..	..	59,590
			1923	56,250	..	..	56,250
			..	500	..	..	500
			1925	3,400	..	..	3,400
			1927	800	..	..	800
1929	20,000	..	..	20,000			
2481	1914	4	1915	249,000	..	249,000	..
			1924	8,400	..	..	8,400
			1925	575,000	..	..	575,000
			..	500	..	..	500
..	1929	140,000	..	..	140,000		
2531	1914	4½	1925	2,675,000	..	..	2,675,000
2568	1914	4½	1919	150,000	..	75,000	75,000
			1925	200,000	..	..	200,000
2591	1915	4½	1919	45,000	..	..	45,000
			1920	179,530	..	..	179,530
			..	55,000	..	..	55,000
			1922	23,000	..	..	23,000

LOANS FLOATED IN MELBOURNE TO 30TH JUNE, 1919—continued.

Authorization.		Loans.			Amounts.		Loans Outstanding on 30th June, 1919.
Act No.	Year.	Rate of Interest.	When due.	Amount.	Converted into Stock or Debentures.	Paid off.	
		Per cent.		£	£	£	£
<i>Debentures—continued.</i>							
2772	1915	5	1918-19	1,000	..	1,000	..
		5	1919	3,500	..	3,500	..
		5	1919-20	3,200	..	..	3,200
		5	1919-21	1,100	..	..	1,100
		5	1919-20	125,000	..	..	125,000
2794	1915	4 $\frac{7}{8}$	1920	20,000	..	..	20,000
		5	"	350,000	..	..	350,000
		4 $\frac{3}{4}$	"	12,000	..	..	12,000
		5	1920-21	83,085	..	..	83,085
		4 $\frac{3}{4}$	1922	100,000	..	..	100,000
		5	1922	280,000	..	180,000	100,000
		5	1923	135,000	..	..	135,000
2871	1916	4 $\frac{1}{2}$	1925	100,000	..	..	100,000
2873	1916	4 $\frac{1}{2}$	1919	2,000	..	2,000	..
2916	1917	4 $\frac{1}{2}$	1921	121,000	..	..	121,000
		4 $\frac{1}{2}$	1921	200,000	..	..	200,000
		4 $\frac{1}{2}$	1922	150,000	..	..	150,000
		4 $\frac{1}{2}$	1923	4,350	..	..	4,350
		5	1923	140,000	..	..	140,000
2933	1918	4 $\frac{1}{2}$	1928	65,025	..	..	65,025
		4 $\frac{1}{2}$	1929	46,950	..	..	46,950
		4 $\frac{1}{2}$	1920	20,000	..	..	20,000
		5	1921	173,250	..	..	173,250
		4 $\frac{3}{4}$	1921-22	50,000	..	..	50,000
		4 $\frac{3}{4}$	1922	50,000	..	..	50,000
		5	1923	41,000	..	..	41,000
2938	1918	5	1918-19	30,000	..	30,000	..
2944	1918	4 $\frac{3}{4}$	1921	50,000	..	..	50,000
		4	1921	30,000	..	..	30,000
2968	1918	4	1922	14,600	..	..	14,600
2988	1918	4 $\frac{3}{4}$	1922	75,000	..	..	75,000
2988	1918	4	1918-19	14,600	..	14,600	..
<i>Inscribed Stock.</i>							
428	1872	4	1897	1,113,000	} 2,659,613	..	..
439	1872	4	"	86,780			
741	1882	4	"	13,102			
963	1887	4	"	167,600			
1015	1889	4	"	130,000			
1341	1893	4	"	750,000			
1369	1895	4	"	150,000			
1296	1893	4	1913-23	249,131	..	..	1,400
1468	1896	3	Optional*	1,400	..	..	..
1552	1898	3	"	2,290,482	} ..	1,450,939	2,243,010
1564	1898	3	"	403,467			
1564	1898	3	"	500,000			
1623	1899	3	"	500,000			

* At option of the Government, upon twelve months' notice.

LOANS FLOATED IN MELBOURNE TO 30TH JUNE, 1919—continued.

Authorization.		Loans.			Amounts.		Loans Outstanding on 30th June, 1919.
Act No.	Year.	Rate of Interest.	When due.	Amount.	Converted into Stock or Debentures.	Paid off.	
		Per cent.		£	£	£	£
<i>Inscribed Stock—continued.</i>							
1602 } 1749 }	1898	3	Optional*	211,135	..	24,947	186,188
1659	1900	3	{ Optional* 1921-30	14,162 5,200	.. ..	.. ..	14,162 5,200
1753	1901	3	{ Optional* 1923-32	3,948 1,600	.. ..	.. ..	3,948 1,600
		3½	Optional*	361,975	..	..	361,975
		4	"	17,532	..	..	17,532
		4½	1919	30,000	..	..	30,000
		4	1920	1,706	..	..	1,706
		3½	1921	32,525	..	..	32,525
		4½	"	1,000	..	..	1,000
		4	1922	98,500	..	7,000	91,500
2629		4½	"	404,637	..	..	404,637
1962	1904	3½	1923	268,000	..	..	268,000
		3½	"	3,383	..	..	3,383
		4	"	1,905	..	..	1,905
		3½	1924	85,859	..	..	85,859
		4½	1926	6,000	..	..	6,000
		3½	1927-42	900	..	..	900
		4	1927	1,000	..	..	1,000
		4½	"	8,000	..	..	8,000
		4	1936	300,000	..	..	300,000
1990	1905	3½	{ Optional* 1926-41	113,735 2,400	.. ..	5,100 ..	108,635 2,400
		4½	1916	25,000	..	25,000	..
		3	Optional*	35,257	..	..	35,257
		3½	"	779,885	..	150,000	629,885
		4½	"	20,000	..	20,000	..
		4	"	334,128	..	..	334,128
		5	1918	27,000	..	27,000	..
		4½	1919	42,200	..	42,200	..
		5	"	50,740	..	50,740	..
		5	"	500	..	..	500
2026	1906	5	1921	157,445	..	..	157,445
		4	"	75,000	..	..	75,000
		4½	"	65,918	..	..	65,918
		4½	1921-23	78,700	..	..	78,700
		4½	1922	8,000	..	..	8,000
		5	1922-24	130,650	..	..	130,650
		4½	1923	191,100	..	..	191,100
		4	"	700	..	..	700
		4	1924	4,750	..	..	4,750
		4	1927	241,300	..	..	241,300

* At option of the Government, upon twelve months' notice.

LOANS FLOATED IN MELBOURNE TO 30TH JUNE, 1919—continued.

Authorization.		Loans.			Amounts.		Loans Outstanding on 30th June, 1919.
Act No.	Year.	Rate of Interest.	When due.	Amount.	Converted into Stock or Debentures.	Paid off.	
		Per cent.		£	£	£	£
<i>Inscribed Stock—continued.</i>							
		3½	Optional*	163,962	..	8,016	155,946
		4	"	900	..	..	900
		4	1919	14,240	..	..	14,240
		4	1920	2,400	..	..	2,400
		4½	1921	25,100	..	..	25,100
		4½	1921-23	1,000	..	..	1,000
2041	1906	4½	1922	12,000	..	..	12,000
		3½	1923	151,515	..	..	151,515
		4	"	19,045	..	..	19,045
		4	1924	36,500	..	..	36,500
		3½	"	1,737	..	..	1,737
		4	1927	750	..	..	750
		4	1930	20,000	..	..	20,000
2053	1906	3½	Optional*	46,026	..	..	46,026
2116	1907	3½	"	1,000	..	..	1,000
2161	1909	3	"	500,000	..	350	499,650
2163	1909	3½	"	80,000	..	34,243	45,757
2218	1910	3½	"	29,750	..	..	29,750
2240	1910	3½	"	150,000	..	7,050	142,950
		3½	Optional*	11,800	..	..	11,800
		3½	1922	30,000	..	..	30,000
2286	1911	4½	"	70,707	..	..	70,707
		3½	1923	75,758	..	..	75,758
		3½	1924	23,515	..	..	23,515
2308	1911	4	1931†	377,529	..	3,705	373,824
		4	1916	1,500	..	1,500	..
		4	Optional*	6,000	..	6,000	..
		3½	"	28,550	..	..	28,550
2323	1911	4	1919	700	..	200	500
		4	1920	400	..	..	400
		4½	1921-23	2,500	..	..	2,500
		3½	1922	1,500	..	..	1,500
		4	"	10,000	..	10,000	..
		4½	"	77,778	..	..	77,778
		3½	1932	9,700	..	..	9,700
		4	Optional*	15,391	..	..	15,391
		4	1919	6,000	..	..	6,000
		5	1919-20	1,000	..	..	1,000
		5	1919-21	1,000	..	..	1,000
2635	1912	4½	1920	25,000	..	..	25,000
		5	1921	64,680	..	..	64,680
2415		3½	"	75,717	..	..	75,717
		4½	1921-23	5,000	..	..	5,000
		4	1922	6,000	..	..	6,000
		3½	1923	26,818	..	..	26,818
		4	1925	8,500	..	..	8,500

* At option of the Government, upon twelve months' notice.

† Or at any time thereafter, at option of either party, upon twelve months' notice.

LOANS FLOATED IN MELBOURNE TO 30TH JUNE, 1919—continued.

Authorization.		Loans.			Amounts.		Loans Outstanding on 30th June, 1919.		
Act No.	Year.	Rate of Interest.	When due.	Amount.	Converted into Stock or Debentures.	Paid off.			
		Per cent.		£	£	£	£		
				<i>Inscribed</i>	<i>Stock—continued.</i>				
2429	1912	4	1914-15	7,750	7,750	7,750	..		
		3	Optional*	5,400	..	..	5,400
		3½	"	46,940	..	..	46,940
		4	"	8,000	..	4,000	4,000		
		4¼	1918	75,000	..	75,000	..		
		4	"	1,500	..	1,500	..		
		4½	1920	3,800	..	..	3,800
		4	1921	1,000	..	..	1,000
		5	"	5,850	..	..	5,850
		4¾	1921-23	20,000	..	..	20,000
		4	1922	30,000	..	..	30,000
		3½	"	35,000	..	..	35,000
		4¾	"	249,818	..	..	249,818
		3½	1923	87,909	..	..	87,909
		4	"	70,000	..	..	70,000
		3½	1924	30,303	..	..	30,303
		4	"	6,750	..	..	6,750
		4	1925	440	..	..	440
		2481	1914	4	1916	1,100	..	1,100	..
				4	1915-17	200	..	200	..
4	Optional*			173,516	..	167,000	6,516		
4	1918			190	..	190	..		
4	1919			54,400	..	50,800	3,600		
4	1920			2,200	..	..	2,200
3½	1921			16,758	..	..	16,758
4	"			14,300	..	..	14,300
4	1921-22			34,500	..	..	34,500
4¾	1921-23			1,010	..	..	1,010
3½	1924			201,717	..	..	201,717
4	"			27,009	..	..	27,009
2531	1914	4	1927	200	..	..	200
		3	Optional*	34,764	..	23,850	10,914		
2568	1914	4	1921-22	90,000	..	..	90,000
		4	Optional*	1,814	..	..	1,814
2591	1915	4¾	1920	100,000	..	..	100,000
		3	Optional*	16,223	..	1,000	15,223		
		3½	"	709	..	..	709
		3¼	"	500	..	..	500
		4	"	20,808	..	..	20,808
		4½	1918	20,000	..	20,000	..		
		4¼	1919	5,500	..	..	5,500
4½	1920	6,800	..	..	6,800		
4¾	1921	3,000	..	..	3,000		
4	1922	7,500	..	..	7,500		
4	1925	1,200	..	..	1,200		
4½	1927	3,000	..	..	3,000		

* At option of the Government, upon twelve months' notice.

LOANS FLOATED IN MELBOURNE TO 30TH JUNE, 1919—continued.

Authorization.		Loans.			Amounts.		Loans Outstanding on 30th June, 1919.
Act No.	Year.	Rate of Interest.	When due.	Amount.	Converted into Stock or Debentures.	Paid off.	
		Per Cent.		£	£	£	£
<i>Inscribed Stock—continued.</i>							
2772	1915	4	Optional*	7,729	..	1,500	6,229
		3½	"	559	..	..	559
		4½	1918-19	150	..	..	150
		4½	1918	200	..	200	..
		5	1919-20	2,600	..	..	2,600
		4¾	1921	9,082	..	..	9,082
		5	"	3,140	..	..	3,140
		5	1922	25,400	..	..	25,400
2794	1915	3	Optional*	168,778	..	..	168,778
		3½	"	14	..	..	14
		4	"	11,549	..	..	11,549
		4¾	1920	25,000	..	..	25,000
		4¾	1921	50,000	..	..	50,000
		5	"	4,630	..	..	4,630
		4¾	1922	6,000	..	..	6,000
5½	Indefinite	100,000	..	..	100,000		
2871	1916	3½	Optional*	1,730	..	..	1,730
		4	"	1,713	..	..	1,713
2916	1917	4	Optional*	4,250	..	..	4,250
		5	"	93,247	..	..	93,247
		5¾ ³ / ₁₀	"	17,085	..	..	17,085
		5½	"	628,459	..	..	628,459
		4½	1922	5,000	..	..	5,000
		4½	1925	7,500	..	..	7,500
2933	1918	3½	Optional*	33,000	..	..	33,000
		4	"	1,400	..	..	1,400
		4¾	"	1,000	..	..	1,000
		5	1921	4,200	..	..	4,200
		4¾	"	5,550	..	..	5,550
		4¾	1921-23	2,000	..	..	2,000
		5	1922	8,500	..	..	8,500
4	1929	361	..	..	361		
2968	1918	5½	Optional*	50,000	..	..	50,000
		4½	1926	6,000	..	..	6,000

* At option of the Government, upon twelve months' notice.

LOANS FLOATED IN MELBOURNE TO 30TH JUNE, 1919—*continued.*

Authorization.		Loans.			Amounts.		Loans Outstanding on 30th June, 1919.
Act No.	Year.	Rate of Interest.	When due.	Amount.	Converted into Stock or Debentures.	Paid off.	
		Per cent.		£	£	£	£
<i>Treasury Bonds.</i>							
1574	1898	3½	1901	500,000	..	500,000	..
1800	1902	3½	1907	1,000,000	..	1,000,000	..
		3½	1915	500,000	..	500,000	..
		3½	1916	2,767,000	..	2,767,000	..
1982	1905	3½	1917	514,860	..	514,860	..
		4¼	1921	2,500,000	..	..	2,500,000
		3½	1921	352,000	..	..	352,000
		3½	1922	100,000	..	..	100,000
Overdue debentures			..	1,000	..	..	1,000
Total, floated in Melbourne				52,728,501	3,467,703	12,460,025	36,800,773
Transferred from London Register				..	..	..	477,571
Total, payable in Melbourne				..	..	..	37,278,344

Of the Victorian loans (exclusive of Treasury bonds in aid of revenue and of Melbourne and Hobson's Bay Railway debentures) £2,337,000, *i.e.*, the total of those authorized prior to 1863, was at 6 per cent.; £778,459 at 5¼ per cent.; £17,085 at 5½ per cent.; £5,484,157 at 5 per cent.; and the balance (£44,110,800) at rates varying from 3 to 4½ per cent. Of the amount outstanding on 30th June, 1919, £778,459 is bearing interest at 5¼ per cent., £17,085 at 5½ per cent.; £3,814,727 at 5 per cent.; £20,000 at 4½ per cent., £6,138,860 at 4¼ per cent., £20,000 at 4½ per cent., £581,975 at 4½ per cent., £279,530 at 4½ per cent., £505,500 at 4¼ per cent., £3,900,000 at 4½ per cent., £3,468,477 at 4 per cent., £230,183 at 3¾ per cent., £12,582,344 at 3½ per cent., and £4,940,204 at 3 per cent.

Purposes for which Loans were raised. The amount of the loans raised to 30th June, 1919, exclusive of temporary Treasury bonds in aid of revenue, but inclusive of Melbourne and Hobson's Bay Railway Debentures taken over, was £130,333,274, and of this sum a total of £49,654,630 (exclusive of conversion loans) had been repaid, *viz.*, £6,347,249 out of the general revenue, and £43,307,381 out of the proceeds of redemption loans. The balance outstanding on 30th June, 1919, was £80,678,644. The purposes for which the amount

outstanding was borrowed and the annual interest payable thereon are as follows :—

PURPOSES FOR WHICH LOANS WERE RAISED.

Public Borrowings Contracted for—	Amount of Loans Outstanding on 30th June, 1919.	Annual Interest Payable.
REVENUE-YIELDING WORKS.		
	£	£
Railways and Tramways	56,073,427	2,171,063
Waterworks—Melbourne	1,559,786	55,884
" Country	9,090,853	342,129
Harbors	1,060,825	41,686
Graving Dock	254,633	8,929
Agriculture and Advances to Farmers, &c. ..	518,838	21,322
Closer Settlement	6,404,292	253,503
Development of Mining	312,537	11,396
Total Revenue-yielding Works	75,275,191	2,905,912
OTHER WORKS OF A PERMANENT CHARACTER.		
Public Offices, Law Courts, and Parliament Houses	401,952	14,377
Defence Works	112,510	3,875
State Schools, Technical Schools, and University	1,686,787	57,853
Other	3,202,204	133,073
Total other Permanent Works	5,403,453	209,178
Net Borrowings	80,678,644	3,115,090

Of the proceeds of these loans outstanding on 30th June, 1919, sums not yet expended amounted in the aggregate to £258,413, of which £107,806 was for discharged soldiers' land settlement, £69,449 for country roads, £26,583 for country water supply, £13,640 for railways, and £40,935 for different other services. Of the amount of the loans outstanding 93 per cent. has been allotted to revenue-yielding works, as detailed above.

The total amount of loans outstanding on 30th June, 1919, was £82,031,929. Of this sum £26,910,857 was in the form of debentures; £39,598,900 of inscribed stock (London Register); £11,216,887 of inscribed stock (Melbourne Register); and £4,305,285 of Treasury bonds, of which bonds for £1,353,285 were

Due Dates of Loans.

in aid of revenue. The dates on which the different loans are repayable in many instances cover a series of years during which the Government, by giving twelve months' notice, has the option of fixing the particular year of redemption. On the assumption (a) that loans at 4 per cent. and under will be redeemed at the latest date of option, and (b) that all optional loans will be redeemed at the latest dates, the following table shows the years in which the outstanding debt will be met :—

DUE DATES OF VICTORIAN LOANS ON 30th JUNE, 1919.

(Including Treasury Bonds in aid of Revenue.)

When Payable.	Amount Payable, assuming that—	
	Loans at 4 per cent. and under are redeemed at latest, and all others at earliest date of option.	All loans are redeemed at latest date of option.
	£	£
Overdue and Unclaimed	1,000	1,000
Optional	789,791	..
1919	4,678,360	4,268,960
1920	10,513,396	8,468,696
1921	8,705,305	8,416,495
1922	8,122,540	8,041,890
1923	9,534,288	9,977,198
1924	461,740	592,390
1925	4,429,740	6,679,740
1926	5,115,000	5,115,000
1927	2,006,450	2,006,450
1928	962,525	962,525
1929	794,811	794,811
1930	1,814,650	1,814,650
1931	1,061,648	1,061,648
1932	929,550	929,550
1936	300,000	300,000
1940	248,900	248,900
1941	324,380	324,380
1942	485,100	485,100
1943	3,600	3,600
1944	400	400
1946	217,400	217,400
1949	11,699,471	11,699,471
1954	123,874	123,874
1960	2,979,700	2,979,700
Optional	5,628,310	6,418,101
Indefinite	100,000	100,000
To end of 1925	47,236,160	46,446,369
After 1925	34,695,769	35,485,560
Indefinite	100,000	100,000
Total	82,031,929	82,031,929

Loans and
Interest
payable in
London and
Melbourne.

In connexion with the replacing of London loans, as they fall due, by local issues, and the practice which, except in a few instances, has been followed of late years, of borrowing money in the State instead of going to London for it, the following particulars are of interest:—

PUBLIC DEBT AND INTEREST PAYABLE THEREON IN LONDON AND MELBOURNE: 30th JUNE, 1900, AND 1907 TO 1919.

(Including Treasury Bonds in aid of Revenue.)

On 30th June.	Amount of Loans Payable in—		Annual Interest Payable in—	
	London.	Melbourne.	London.	Melbourne.
	£	£	£	£
1900 ..	44,655,579	4,669,306	1,735,307	152,046
1907 ..	39,629,869	13,475,120	1,450,950	450,952
1908 ..	37,533,136	15,772,351	1,367,800	531,616
1909 ..	38,592,431	16,074,766	1,404,875	543,219
1910 ..	39,012,436	16,564,289	1,419,579	560,520
1911 ..	37,417,128	20,566,636	1,353,208	701,154
1912 ..	37,392,128	23,345,088	1,352,333	799,227
1913 ..	37,281,578	25,495,146	1,348,306	875,621
1914 ..	39,275,178	26,855,548	1,428,076	926,666
1915 ..	41,333,738	31,750,189	1,520,762	1,131,811
1916 ..	42,160,566	34,614,466	1,562,884	1,270,886
1917 ..	42,907,086	35,218,309	1,604,171	1,327,518
1918 ..	43,437,719	36,157,927	1,633,681	1,407,419
1919 ..	43,400,300	38,631,629	1,632,372	1,547,192

An important point in relation to the London loans is that certain expenses occur each year in connexion with the payment of interest on them which are not common to local issues. In the last financial year the amount was £6,544, which was paid as commission; the corresponding totals in the immediately preceding years were:—£6,310 in 1909–10, £6,079 in 1910–11, £5,625 in 1911–12, £5,611 in 1912–13, £10,740 in 1913–14, £6,276 in 1914–15, £6,265 in 1915–16, £8,245 in 1916–17, and £8,127 in 1917–18.

Rates of
Interest on
Loans.

The average rate of interest on the outstanding loans of the State, notwithstanding its increase since the commencement of the war, was less than the rate prior to Federation until 1919, when it was about the same as in 1898. The

following table shows the loans outstanding at each rate of interest in 1900 (the year before Federation) and in each of the last four years :—

AMOUNT OF OUTSTANDING LOANS AT EACH RATE OF INTEREST: 1900, AND 1916 TO 1919.

(Including Treasury Bonds in aid of Revenue.)

Rate of Interest per cent.	Nominal amount outstanding on 30th June—				
	1900.	1916.	1917.	1918.	1919.
	£	£	£	£	£
5½ .. ..	..	..	758,000	1,304,000	1,304,000
5¼ .. ..	..	650,000	650,000	650,000	1,428,459
5 ³ / ₂₀ .. ..	..	..	..	..	17,085
5 .. ..	..	1,404,975	3,665,935	4,067,335	4,297,542
4 ⁷ / ₈ .. ..	..	20,000	20,000	20,000	20,000
4¾ .. ..	..	..	105,000	1,468,900	6,638,860
4 ⁵ / ₈ .. ..	..	..	..	20,000	20,000
4½	5,000,000	3,265,100	3,202,850	5,859,350	3,131,975
4 ³ / ₈ .. ..	..	600,000	600,000	400,000	350,000
4¼ .. ..	..	630,500	760,250	660,250	505,500
4 ¹ / ₈ .. ..	..	3,900,000	3,900,000	3,900,000	3,900,000
4	27,060,795	19,554,892	19,397,714	19,301,678	19,356,965
3¾ .. ..	..	267,683	267,683	230,183	230,183
3½	12,250,000	36,182,175	34,639,103	31,604,311	30,682,992
3¼	300,000	..	..	..	..
3	4,714,090	10,298,707	10,157,860	10,108,639	10,147,368
Overdue*	..	1,000	1,000	1,000	1,000
Total ..	49,324,885	76,775,032	78,125,395	79,595,646	82,031,929

* Not bearing interest.

Compared with 1900 and allowing for the increase in the amount of loans outstanding there was a reduction in interest of £103,927 in 1916, of £57,678 in 1917, and of £4,525 in 1918, but the higher average

rate in 1919 was responsible for an increase of £40,718 in the interest payable on a debt of £82,031,929.

The next return shows the growth of the funded debt and interest since the date of the establishment of responsible government in 1855. The average rate of interest payable on the indebtedness has declined from 6 per cent. in 1855 to a little over $3\frac{1}{2}$ per cent. in recent years. In relation to population, the annual interest per head increased considerably from 1855 to 1900; from that year to 1914 there was only a slight increase, but since 1914 there has again been a marked advance.

GROWTH OF FUNDED DEBT AND INTEREST: 1855 TO 1919.

End of Financial Year in—	Loans Outstanding.			Amount per head of population.	
	Amount.	Annual Interest Payable.		Debt.	Annual Interest.
		Total.	Average rate per cent.		
	£	£		£ s. d.	£ s. d.
1855 ..	480,000	28,800	6·00	1 6 4	0 1 7
1860 ..	5,118,100	306,405	5·99	9 10 4	0 11 5
1870 ..	11,924,800	688,740	5·78	16 8 3	0 19 0
1880 ..	20,056,600	1,004,436	5·01	23 11 9	1 3 7
1890 ..	41,377,693	1,649,465	3·99	36 19 11	1 9 6
1900 ..	48,774,885	1,867,604	3·83	40 17 4	1 11 3
1910 ..	55,501,725	1,977,662	3·56	42 14 6	1 10 5
1911 ..	57,933,764	2,052,737	3·54	43 17 9	1 11 1
1912 ..	60,712,216	2,150,748	3·54	44 17 7	1 11 10
1913 ..	62,776,724	2,223,927	3·54	45 3 0	1 12 0
1914 ..	66,130,726	2,354,742	3·56	46 10 1	1 13 1
1915 ..	72,183,927	2,612,698	3·62	50 12 1	1 16 8
1916 ..	75,504,562	2,776,062	3·68	53 13 0	1 19 5
1917 ..	76,822,110	2,871,778	3·74	54 15 5	2 0 11
1918 ..	78,192,361	2,975,189	3·81	55 3 8	2 2 0
1919 ..	80,678,644	3,115,090	3·86	54 19 9	2 2 6

Expenditure from Loans. In addition to the ordinary expenditure from revenue, certain sums are disbursed annually for various purposes from amounts raised by means of loans. The following table shows the details of such expenditure in each of the last five years :—

LOAN EXPENDITURE: 1914-15 TO 1918-19.

(Excluding Loans in aid of Revenue.)

Works.	1914-15.	1915-16.	1916-17.	1917-18.	1918-19.
	£	£	£	£	£
Railways	2,809,926	2,440,317	1,266,352	761,705	878,384
Water Supply	304,766	347,135	302,893	302,955	412,267
Closer Settlement and Small Holdings	173,752	86,938	103,647	273,494	1,157,230
Wire Netting	19,732	3,078	3,203	9,472	3,766
State Coal Mine	20,764	..	..	..	..
State Schools	200,951	134,441	63,490	14,016	642
Country Roads	274,362	495,062	252,836	241,892	360,524
Other Public Works	647,577	521,128	448,545	328,145	119,708
Total	4,451,830	4,028,099	2,440,966	1,931,679	2,932,521
Per Head of Population ..	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.
	3 2 5	2 16 10	1 14 10	1 7 5	2 1 0

The following statement shows the average annual amount expended in each decade from 1881 to 1911, and in each of the last eight years :—

AVERAGE AMOUNT OF LOAN EXPENDITURE PER ANNUM.

	£
10 years ended 30th June, 1891	2,270,128
10 years ended 30th June, 1901	755,194
10 years ended 30th June, 1911	976,497
Year ended 30th June, 1912	2,974,149
Year ended 30th June, 1913	2,693,844
Year ended 30th June, 1914	3,276,994
Year ended 30th June, 1915	4,451,830
Year ended 30th June, 1916	4,028,099
Year ended 30th June, 1917	2,440,966
Year ended 30th June, 1918	1,931,679
Year ended 30th June, 1919	2,932,521

SINKING FUNDS.

Sinking Funds
of Australian
States and
the Common-
wealth.

On 30th June, 1919, the sinking funds in Australia were as follows:—

SINKING FUNDS IN AUSTRALIA : 30th JUNE, 1919.

Held in—	Sinking Funds in Connexion with—	
	Funded Debts.	Municipal and Other Debts.*
	£	£
Victoria	2,600,778	953,765
New South Wales	388,259	853,819
Queensland	385,540	..
South Australia	1,509,930	20,213
Western Australia	6,139,008	539,064
Tasmania	646,197	206,582
The Commonwealth	2,098,022	..
Total	13,767,734	2,573,443

* Figures for 1918.

The following table shows for Victoria the various funds having balances to their credit on 30th June, 1919:—

	Balance at Credit.
Mallee Land Account	£15,763
Closer Settlement Redemption Fund	40,000
Victorian Loans Redemption Fund	780,144
Victorian Government Consolidated Inscribed Stock Redemp- tion Fund	1,676,652
Main Road Board's Sinking Fund	31,773
State Coal Mines Sinking Fund	56,446
Total	£2,600,778

By Act No. 1428 of 1896 the moneys accruing from licensing, leasing, or selling of land in the Mallee country or Mallee border are to be paid into the Treasury and placed to the credit of a separate account, to be called the "Mallee Land Account." The sums standing at credit of this account are available solely for the repurchase, redemption, or paying off of any Victorian stock or debentures. The amount in hand on 30th June, 1918, was £121,019, and during 1918-19 the receipts amounted to £68,744, and the expenditure to £174,000, so that the balance in the fund on 30th June, 1919, was £15,763.

Closer Settlement Fund. By Act No. 1749 of 1901 it was provided that all moneys received by the Board of Land and Works from lessees or purchasers of farm allotments or purchasers of any land acquired by the Board, pursuant to the general provisions of the Act, should be paid into the Treasury, and placed to the credit of a separate account to be called "The Farm Settlements Fund," which fund should be applied principally to the redemption of stock and debentures issued for Closer Settlement purposes, and the payment of interest thereon. Under the Closer Settlement Act of 1904 this fund was transferred to the Board appointed to administer that Act, and is called the "Closer Settlement Fund."

Consolidated Inscribed Stock Redemption Fund. By Act No. 1561 of 1898 it was enacted that a "Victorian Government Consolidated Inscribed Stock Redemption Fund" should be kept in the Treasury, and should be applied to the purchase or repurchase, and ultimately to the redemption of consolidated stock—that is, stock on the London Register—and to the payment of expenses connected with such purchase or redemption. The fund is made up of money derived from special appropriations from revenue, from repayments by Water Trusts, and from the Mallee Land Account, &c. During 1918-19 there was no expenditure from this fund and receipts amounted to £176,183. Transactions to 30th June, 1919, were as follows:—

THE VICTORIAN GOVERNMENT CONSOLIDATED INSCRIBED STOCK REDEMPTION FUND: 30th JUNE, 1919.

Transactions.						To 30th June, 1919.
RECEIPTS.						£
Waterworks Trusts	..	..	..	..	..	271,731
Mallee Land Account	..	..	..	..	..	806,000
Revenue	..	..	..	..	..	566,658
Interest on Investments	..	..	..	..	..	307,434
Miscellaneous	..	..	..	..	..	100,450
Total receipts						2,052,273
EXPENDITURE.						
Purchase of Stock	..	..	..	..	..	374,398
Commission, &c.	..	..	..	..	..	1,211
Investment Expenses	..	..	..	..	..	12
Total expenditure						375,621
Balance in the Fund						1,676,652
Amount of stock repurchased and cancelled						397,305

The miscellaneous receipts include £62,827, surplus after redemption of loans, Acts 531 and 608. Of the balance in the fund, £1,635,561 was invested in Victorian Government debentures and stock, and £41,091 held in cash.

Loans Redemption Fund. By Act No. 1565 of 1898 it was enacted that a "Victorian Loans Redemption Fund" should be kept in the Treasury and should be available for the purchase, repurchase, or redemption of Victorian Government stock and debentures payable at Melbourne, and for the payment of expenses, costs, &c., incurred. This fund is derived from special appropriations from revenue, repayments of advances made as the result of resumption of land in the Mallee district and of sundry loans made by the Government to municipalities, &c. During 1918-19 receipts amounted to £598,226, and £352,672 was expended in the purchase for cancellation of £353,281 stock and debentures, of which £83,830 bore interest at 3 per cent., £30,451 at 3½ per cent., £31,410 at 4 per cent., £70,150 at 4¼ per cent., £50,200 at 4½ per cent., and £87,240 at 5 per cent. Transactions in this fund to 30th June, 1919, are shown in the following statement:—

THE VICTORIAN LOANS REDEMPTION FUND:
30th JUNE, 1919.

Transactions.	To 30th June, 1919.
RECEIPTS.	
From Revenue	£ 1,824,476
Resumption of land in Mallee Districts and valuation of improvements	24,995
Payments by Municipalities	107,603
Geelong Municipal Waterworks Trust	265,000
Interest on Investments	126,404
Shipbuilding Yard (realization)	180,000
Repayment of Loans—	
Bush fires relief	22,473
Floods relief	1,453
Seed advances	542,977
New pilot steamer	10,916
Yarrowee Channel	14,030
Wire netting	240,256
Cool Stores	7,780
Municipalities	306,044
Country roads	30,000
Cattle advances	56,926
Excess of face value of securities over amount invested	409
Total receipts	3,761,742
EXPENDITURE.	
Purchase of stock and debentures	2,981,598
Balance in the Fund	780,144
Amount of stock and debentures repurchased and cancelled	3,003,334

The balance in the fund was represented by the face value of Victorian Government debentures and stock amounting to £637,913, and £142,231 held in cash.

DEBTS IN AUSTRALIA AND NEW ZEALAND.

Funded debts
of Australia
and New
Zealand.

The following is a summary of the funded debts of the Australian States, the Commonwealth, and New Zealand on 30th June, 1919, showing the amounts, the amounts per head of population, the total interest payable, the average rate per cent, and the rate *per capita*. The amounts are exclusive of Treasury bonds or bills issued for revenue purposes:—

FUNDED DEBTS OF THE AUSTRALIAN STATES, THE
COMMONWEALTH, AND NEW ZEALAND: 30th JUNE,
1919.

	Funded Debt.		Interest Payable.		
	Amount.	Per Head of Population.	Amount.	Per Head of Population.	Average Rate per cent.
	£	£ s. d.	£	£ s. d.	
Victoria ..	80,678,644	54 19 9	3,115,090	2 2 6	3·86
New South Wales	147,174,536	74 19 6	6,037,546	3 1 6	4·10
Queensland(31.12.18)	60,471,246	87 1 7	2,396,553	3 9 0	3·96
South Australia ..	42,650,206	93 10 11	1,761,906	3 17 3	4·13
Western Australia	40,743,571	126 1 1	1,530,939	4 14 9	3·76
Tasmania ..	15,281,281	72 9 3	615,606	2 18 5	4·03
The Commonwealth	247,508,247	48 3 0	11,514,648	2 4 10	4·65
Total ..	634,507,731	123 17 2	26,972,288	5 5 4	4·25
New Zealand (31.3.19)	176,076,260	156 11 3	7,299,006	6 9 10	4·15

In the next statement will be found the indebtedness per head of the various States of Australia and New Zealand at the close of each of the last five financial years:—

GOVERNMENT FUNDED DEBTS PER HEAD OF POPULATION IN AUSTRALIAN STATES, THE COMMONWEALTH, AND NEW ZEALAND: 1915 TO 1919.

	At 30th June—				
	1915.	1916.	1917.	1918.	1919.
	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.
Victoria ..	50 12 1	53 13 0	54 15 5	55 3 8	54 19 9
New South Wales ..	68 7 2	70 6 0	73 16 6	79 17 4	74 19 6
Queensland..	78 17 5	81 2 11	86 6 11	88 5 1	87 1 7
South Australia ..	80 1 2	87 1 1	91 18 9	92 9 6	93 10 11
Western Australia ..	114 15 10	124 7 6	130 7 6	131 5 1	126 1 1
Tasmania ..	66 3 9	70 8 0	74 7 0	74 12 6	72 9 3
The Commonwealth ..	4 19 9	15 18 4	28 18 6	41 7 0	48 3 0
Total ..	73 11 5	87 16 8	104 2 0	119 12 6	123 17 2
New Zealand (31st March)	90 18 4	99 12 8	117 19 0	136 10 8	156 11 3

State and
Local debts.

The following is a statement of the total indebtedness of the Australian States and the Commonwealth in 1919 :—

FUNDED AND UNFUNDED DEBTS OF AUSTRALIA : 1919.

	State and Federal Debts.		Municipal and Corporation Debts (exclusive of Loans from Government).	Grand Total.	
	Funded	Unfunded.		Amount.	Per Head of Population.
	£	£	£	£	£ s. d.
Victoria..	80,678,644	1,517,207	19,009,005	101,204,856	68 19 7
New South Wales	147,174,536	2,864,879	9,183,734	159,223,149	81 2 3
Queensland(31.12.18)*	60,471,246	1,960,790	1,661,295	64,093,331	92 5 11
South Australia ..	42,650,206	1,223,398	366,751	44,240,355	97 0 7
Western Australia	40,743,571	3,418,480	2,015,489	46,177,540	142 17 4
Tasmania	15,281,281	131,741	1,311,852	16,724,874	79 6 2
The Commonwealth	247,508,247	61,512,500	..	309,020,747	60 2 3
Total ..	634,507,731	72,628,995	33,548,126	740,684,852	144 12 3

* Excluding Government Savings Bank Stock and Debentures, £1,349,590.

The figures in the table show the full public indebtedness of the Commonwealth, including Federal, State, municipal, and corporation debts, to the latest date at which comparison can be made. Of the States, Victoria has the smallest amount of debt *per capita*, Tasmania the next smallest, and Western Australia the largest. There are, of course, private debts to a considerable extent and private investments by British and other capitalists; but there is no reliable information as to the amount of this class of indebtedness.

The State debts are those for the year ended in 1919, while the municipal and corporation debts are for the year ended in 1918, figures for 1919 for other States than Victoria not being available. The complete figures for Victoria for 1919 appear in the succeeding statement :—

STATE AND LOCAL DEBTS : 1919.

	£	£
State Debts (Funded)—		
London Register	43,400,300	
Melbourne Register	37,277,344	
State Debts (Unfunded)	1,517,207	
Overdue Debentures, late Melbourne and Hobson's Bay Railway—unpresented	1,000	
Total State Debts		82,195,851
Municipal.. .. .	3,538,530	
Harbor Trusts	2,700,000	
Metropolitan Fire Brigades Board	200,000	
Melbourne and Metropolitan Board of Works	10,979,760	
Total Debts of Municipalities and Corporations		17,418,290
Total Debts.. .. .		99,614,141

This sum (£99,614,141) is equal to a debt of £67 17s. 11d. per head of the population on 30th June, 1919.

COMMONWEALTH, STATE, AND LOCAL TAXATION.

Taxation. The subjoined table shows approximately for the last five financial years the amount of revenue collected under the various heads of taxation by the Commonwealth, the State, and local bodies in Victoria:—

TAXATION IN VICTORIA—COMMONWEALTH, STATE, AND LOCAL: 1914-15 TO 1918-19.

Heads of Taxation.	Amount Received.				
	1914-15.	1915-16.	1916-17.	1917-18.	1918-19.
	£	£	£	£	£
Federal—					
Customs Duties ..	3,539,654	4,214,997	3,845,131	2,970,677	4,010,055
Excise Duties ..	817,175	927,701	887,895	1,003,085	1,631,074
Income Tax* ..	..	1,028,000	1,856,000	2,070,000	2,896,000
Land Tax ..	483,826	469,821	471,056	472,830	530,674
Succession Duties	8,588	198,043	275,774	357,995	365,772
War-time Profits Tax* ..	..	..	..	335,100	672,000
War Postage ..	..	..	..	..	132,000
Entertainments Tax	..	..	32,947	72,085	108,611
Total Federal Taxation ..	4,849,243	6,838,562	7,368,803	7,281,772	10,346,186
State—					
Licences ..	112,953	98,302	154,542	158,842	179,338
Probate and Succession Duties ..	536,869	510,032	546,400	506,662	718,194
Duties on Bank Notes ..	2,215	2,078	1,995	1,936	1,901
Stamp Duties ..	287,169	397,978	430,352	505,637	581,917
Land Tax ..	303,550	352,353	369,486	353,156	324,232
Income Tax ..	506,214	702,745	766,746	773,468	928,210
Race Clubs' percentage ..	13,071	11,351	12,851	11,022	11,154
Total State Taxation ..	1,762,041	2,074,839	2,282,372	2,310,723	2,744,946
Municipal Taxation ..	1,325,117	1,400,611	1,453,145	1,522,804	1,648,403
Total Taxation	7,936,401	10,314,012	11,104,320	11,115,299	14,739,535

* Estimated on tax assessments for the year.

The relative pressure of taxation in successive years evidently depends, not on its amount or on its amount per head of population, but on the ability of the community to meet it. The figures in the above table should be read in conjunction with those relating to the incomes of the people as shown in the Income Tax Returns and the value of properties as given in Municipal Statistics.

The taxation in Victoria per head of population by the Commonwealth, the State, and local bodies is as follows :—

COMMONWEALTH, STATE, AND LOCAL TAXATION PER HEAD OF POPULATION : 1914-15 TO 1918-19.

Division.	Taxation per Head of Population in—				
	1914-15.	1915-16.	1916-17.	1917-18.	1918-19.
	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.
Federal	3 7 10	4 16 6	5 5 4	5 3 3	7 4 8
State	1 4 7	1 9 3	1 12 8	1 12 9	1 18 4
Local	0 18 5	0 19 9	1 0 9	1 1 7	1 3 0
Total	5 10 10	7 5 6	7 18 9	7 17 7	10 6 0

In the return following will be found, for the purpose of comparison, particulars of taxation by Government and local bodies throughout the States of Australia. :—

TAXATION BY GOVERNMENT AND LOCAL BODIES IN THE STATES OF AUSTRALIA.

	Amount of Taxation.	Rate per Head of Population.
	£	£ s. d.
Victoria	14,613,936	10 4 4
New South Wales	22,387,974	11 11 8
Queensland	7,658,738	11 0 7
South Australia	4,298,061	9 10 10
The Northern Territory		
Western Australia.. ..	2,796,429	8 18 5
Tasmania	1,491,472	7 2 10
Total	53,246,610	10 11 8

In this return the Commonwealth and the State taxation have been taken for the year 1918-19, and the local taxation for the year 1917-18, and it is shown that the total taxation for Australia is £53,246,610 or an average of £10 11s. 8d. per head per annum. The lowest rate, £7 2s. 10d. per head, prevails in Tasmania; Western Australia and South Australia (combined with the Northern Territory owing to difficulty in separating some of the Federal items) are next in order, the former with £8 18s. 5d., and the latter with £9 10s. 10d. per head; then follow Victoria, Queensland, and New South Wales, with £10 4s. 4d., £11 0s. 7d., and £11 11s. 8d. per head respectively. In two instances the Federal taxes have been estimated on tax assessments, and, as no adjustments on account of Interstate transfers of dutiable goods have been made in the Customs figures used in the table, the figures given should be regarded as being only fairly accurate for the individual States. From information published in the *Statesman's Year Book* it has been computed that in the United Kingdom the Government and local taxation for the year ended 31st March, 1919, amounted to about £887,000,000 (including £285,028,000 collected as Excess Profits Tax), or an average of £19 5s. 8d. per head per annum.

Additional Taxation. For the year 1918-19 the additional taxation imposed by the Commonwealth comprised an increase of Customs and Excise revenue from liquors and tobacco, an increase of 30 per cent. in the Federal Income Tax, an increase of 20 per cent. in the Federal Land Tax, a broadening of the scale of the Entertainments Tax, and a new postage war-tax. From the 1st January, 1919, the Victorian Stamp Duties were increased by the *Stamps Act* 1918, which was passed on 31st December, 1918.

LICENCES.

Licences. The following is a statement showing, as far as practicable, the number of licences issued for various purposes in 1919, and the amount of fees, under each head, collected during the

year. Municipal licences for slaughtering, dairies, noxious trades, the carriage of passengers and goods, &c., are not shown.

LICENCES—NUMBER AND REVENUE: 1919.

Description of Licence.	Number of Licences Granted.	Amount of Fees Collected		
<i>Excise.</i>				
Distilling—		£	s.	d.
General Distillers	5	250	0	0
Wine Distillers	6	150	0	0
Vignerons	17	85	0	0
Test Stills	30			
Brewers	16	1,450	0	0
Manufacturing Tobacco, Cigars, Cigarettes, and Snuff	32	1,920	11	1
<i>Licensing.</i>				
Victuallers*	2,995	127,873	10	6
Railway Refreshment Rooms	32	1,487	12	5
Australian Wine	256	2,567	4	6
Clubs	120	3,314	16	0
Packet (passenger boat)	9	109	1	6
Grocers	270	} 17,579	18	6
Licensed Spirit Merchants	75			
Brewers	23	115	13	6
Vignerons	23	115	0	0
Billiard Tables	227	2,586	6	8
<i>Customs.</i>				
Carriage	3	238	7	6
Lighter and Boat	34	8	7	6
Custom House Agents	83	302	10	0
Bond	45	3,346	0	0
<i>Explosives.</i>				
Importation	58	249	10	0
Manufacture of Rackrock and Lithyte	6	1	10	0
Manufacture of other Explosives	9	13	10	0
Magazine	225	142	10	0
Fireworks, Sale of	376	18	16	0
Other than Fireworks, Sale of	1,377	344	5	0
<i>Miscellaneous.</i>				
Auctioneers—General†	1,076	17,898	13	10
Gold-buyers and Assayers	518	244	0	0

* Including temporary licences, which numbered 700, on which the fees collected amounted to £1,929 8s. 3d.

† Including 351 temporary licences, on which the fees collected were £351.

In addition to the preceding there are other licences, particulars of which cannot be obtained for the calendar year 1919; the fees

collected in respect of these during the financial year 1918-19 were as follows :—

Description of Licence.	Amount of Fees collected.		
	£	s.	d.
Insurance	56,050	7	2
Sale of Tobacco, &c.	2,136	5	0
Pawnbrokers	870	0	0
Hawkers	1,484	8	7
Carriers	63	0	0
Stage Carriage	127	5	0
Marine Store	235	10	0
Forwarding Agents	200	0	0
Bookmakers	12,000	0	0
Second-hand Dealers	263	5	0
Race Clubs	403	0	0