

PART II.—FINANCE.

99. The following is a statement of the revenue and expenditure of Victoria in the financial year ended on the 30th June, 1890; the excess of the latter over the former; the credit balance brought forward from 1888-9, and that carried forward to 1890-91:—

FINANCE ACCOUNT OF VICTORIA, 1889-90.*

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

	£	s.	d.
Receipts	8,519,158	12	4
Expenditure	9,645,736	13	8
Expenditure in excess of receipts	1,126,578	1	4
Credit balance from 1888-9	1,704,846	2	1
Credit balance carried forward to 1890-91	578,268	0	9

Finance
account,
1889-90.

100. Although during the financial year under review, the expenditure exceeded the receipts by £1,126,578, the large credit balance brought forward from the previous year, viz., £1,704,846, was sufficient not only to provide for the difference but also to allow of a credit balance of £578,268 being carried forward to 1890-91. The former amount exceeded by close on £1,000,000 the largest credit balance ever previously brought forward at the beginning of any financial year; whilst the latter, although not so large as in the three preceding years, was much larger than in any other previous years except 1857.

Large
credit
balance.

101. With reference to this credit balance it should be stated that, had it not been that the practice—which had prevailed in 1888-9 and previous years—of charging forward to the next year all expenditure not provided for in the *Appropriation Act* was changed in 1889-90 by the introduction of supplementary estimates, the credit balance would have been increased by about £420,000. The supplementary estimates, amounting to £420,828, were passed on the 31st July 1890, and were intended to embrace all the remaining liabilities of the year. It was subsequently found, however, that these were deficient by £153,226, of which £113,929 was for Railway Working Expenses—which had therefore to be charged to the votes for 1890-91.‡ If this amount be deducted, the credit balance is at once

Set-off to
credit
balance,
1889-90.

* According to a statement distributed to members of the Legislative Assembly on 28th July, 1891, by the Honorable the Treasurer, the revenue of 1890-91 was £8,340,813, and the expenditure was £9,223,693, the latter thus exceeding the former by £887,880, which amount being deducted from the balance at the beginning of the financial year leaves a debit balance of £309,612 to be carried forward. If, however, unrecouped advances be taken into account, the debit balance would be increased to £797,443. The estimated mean population of the same twelve months was about 1,133,070; so that the revenue per head was £7 7s. 7d., and the expenditure per head £8 2s. 11d. These figures are not final. Further details are given in an Appendix published at the end of this volume.

† For particulars of recoups, etc., see paragraph 125, and tables following paragraph 119 *et seq.* *post.*

‡ See report of the Commissioners of Audit upon the Treasurer's Accounts for the year 1889-90.

reduced to £425,042; and if a deduction be also made of the amount of interest on the public debt which had accrued to the 30th June, 1890—viz., £610,998, payable on the 1st July, and £109,669, payable on the 1st October following, or £720,667 in all—the credit balance would be changed into a debit balance of £295,625. It should however, be pointed out that the system of charging to the year only the interest paid in the year—no allowance being made for interest accrued but not yet payable—has always prevailed in the public accounts of Victoria. In 1888-9, the amount expended in the year but charged forward to the ensuing year was £658,936, and the interest accrued in the year but not due until the ensuing year was £654,544; and in 1887-8 the respective amounts were £507,123 and £603,994.*

Net revenue
and expen-
diture.

102. In the following table the receipts and expenditure, exclusive of advances recouped and to be recouped, are given for each of the sixteen financial years ended with 1889-90; also the surplus or deficiency of revenue in each year, and the credit or debit balances carried forward from year to year:—

NET PUBLIC REVENUE AND NET PUBLIC EXPENDITURE,
1874-5 TO 1889-90.†

Year.	Excluding Advances Recouped and to be Recouped.‡			
	Public Revenue.	Public Expenditure.	Surplus (+). Deficiency (-).	Balances carried forward. Credit (+). Debit (-).
	£	£	£	£
1874-5	4,169,700	4,296,649	-126,949	+120,155
1875-6	4,325,156	4,394,066	-68,910	+51,245
1876-7	4,513,738	4,336,139	+177,599	+228,844
1877-8	4,485,412	4,536,062	-50,650	-178,194
1878-9	4,520,277	4,809,724	-289,447	-111,253
1879-80	4,600,627	4,803,790	-203,163	-314,416
1880-81	5,115,041	5,100,225	+14,816	-299,600
1881-2	5,589,972	5,145,764	+444,208	+144,608
1882-3	5,602,066	5,643,885	-41,819	+102,789
1883-4	5,934,578	5,653,293	+281,285	+384,074
1884-5	6,290,361	6,121,564	+168,797	+552,871
1885-6	6,416,406	6,513,540	-97,134	+455,737
1886-7	6,733,826	6,561,251	+172,575	+628,312
1887-8	7,607,598	7,287,151	+320,447	+948,758
1888-9	8,675,990	7,919,902	+756,088	+1,704,846
1889-90	8,519,159	9,645,737	-1,126,578	+578,268

* See *Victorian Year-Book*, 1889-90, Vol. I, paragraph 240.

† For particulars relating to earlier years, see *Victorian Year-Book*, 1889-90, Vol. I., paragraph 243.

‡ For particulars of advances and recoups, see tables following paragraphs 119 and 123 *post*.

103. It will be noticed that the gross revenue showed a surplus in eight and a deficiency in eight of the years named. On the whole, the deficiencies were smaller than the surpluses, as the balance carried forward at the end of the last year exceeded that at the end of the first year of the period by over £458,000. By far the largest surplus of revenue was in 1888-9, when it exceeded by nearly one-third of a million sterling that in 1881-2, which was the next largest. The credit balance carried forward at the end of 1888-9 was also much larger than that in 1887-8, which in turn was much larger than in any other year. The largest deficiency of revenue was in 1889-90, when it exceeded by over £830,000 the deficiency in 1878-9, which was the next largest.

Years of highest and lowest surplus and deficiency, etc.

104. During the year 1889-90, considerable changes were made affecting the revenue derived from taxation. On the one hand, the Customs duties on tea, coffee, cocoa, and other articles were either remitted or considerably reduced, at an estimated loss on the financial year of about £75,500; whilst on the other hand the duties on a large number of articles were increased at an estimated gain to the revenue of about £156,000, on the assumption that the importation of the articles affected would not fall off.* As a matter of fact, however, the Customs revenue collected did fall off by close on £222,000, owing to a contraction in the general imports, which in 1888-9 were exceptionally large, having been stimulated partly by the Melbourne Centennial International Exhibition held during that year, and partly by the great excitement, which was then at its height, in connexion with land, mining, and other speculations. Moreover, the excise duty on tobacco was reduced at an estimated loss on the year of about £19,000; and the rate of tonnage dues on vessels was reduced at a loss of about £16,000. On the other hand, an unforeseen increase of £163,700, as compared with 1888-9, occurred in the amount received from duties on estates of deceased persons—a source of income which is naturally subject to fluctuations. As regards other sources of revenue, the railways were extended by an average length of 186 miles during the year; and, in consequence, the revenue derivable therefrom might be expected to increase, allowing £1,000 per mile,† by about £186,000. The traffic, however, in the previous year had been exceptionally heavy, owing to the large number of visitors attracted to Melbourne by the Exhibition, and this not being

Changes in source of revenue.

* See also paragraph 169 and table following paragraph 178 *post*.

† See table of "Earnings and Expenses of Railways per mile open," in part "Interchange," in the second volume.

sustained in 1889-90 the railway revenue showed an actual increase of only £29,000. All things considered, it appears there was probably a net gain of £110,500 in the revenue from taxation arising from changes in the taxes alone, and a further gain of £349,700 from the extension of railways and certain accidental circumstances. Thus the total net gain from radical changes in the sources of revenue may be set down as £395,200.

Revenue
1888-9 and
1889-90
compared.

105. The total revenue raised in 1889-90 was about £156,800 less than that in the previous year; and by making allowances for receipts from sources not common to both years, as shown in the last paragraph, the falling-off is increased to about £552,000, thus:—

COMPARATIVE REVENUES, 1888-9 AND 1889-90.

	1888-9.	1889-90.
	£	£
Revenue proper (<i>i.e.</i> , exclusive of recoups,* etc.) ...	8,675,990	8,519,195
Deduct amounts from sources not common to both years	..	395,200
Comparative amounts	<u>£8,675,990</u>	<u>£8,123,995</u>

Revenue
1889-90 and
previous
years.

106. The revenue of 1889-90, although somewhat smaller than in 1888-9, was much larger than that raised in any previous year. The year in which the next largest revenue had previously been realized was 1887-8, when, however, it was about £911,600 less than in the year under review. In the ten years ended with the year under review the revenue increased from £4,600,000 to £8,500,000, or by 85 per cent., the population during the same period having increased by only 32 per cent.†

Expenditure
1889-90 and
former
years.

107. The expenditure in 1889-90 was much the largest which ever took place in Victoria. It exceeded that in 1888-9—the year in which the next largest expenditure occurred—by over £1,700,000, and that in 1887-8, which came next, by about £2,350,000.† Prior to 1853, the annual expenditure never exceeded one million sterling; from 1853 to 1872-3 it was usually nearly up to or slightly over three millions; from 1873-4 to 1879-80 it was between four and four and three-quarter millions; from 1880-81 to 1883-4 it ranged from five to nearly five and three-quarter millions, and from 1884-5 to 1889-90 it increased from six to over nine and a half millions sterling.

* See table following paragraph 119 *post*.

† Figures showing the revenue and expenditure in each year from the first settlement of the colony will be found in the Statistical Summary of Victoria (first folding sheet) published in the second volume of this work.

108. The revenue and expenditure per head for each year from that of separation from New South Wales to 1889-90 will be found in the following table:—

Revenue and expenditure per head, 1851 to 1889-90.

REVENUE AND EXPENDITURE PER HEAD, 1851 TO 1889-90.*

Year.	Average Population of each Financial Year.	Revenue per Head.			Expenditure per Head.		
		£	s.	d.	£	s.	d.
1851	86,825	4	10	5	4	14	8
1852	132,905	12	5	11	7	7	4
1853	195,378	16	11	2	16	9	3
1854	267,371	11	11	0	15	13	1
1855	338,315	8	1	4	7	14	6
1856	380,942	7	16	1	7	0	1
1857	430,347	7	14	8	6	17	11
1858	483,827	6	2	11	6	7	10
1859	517,390	6	6	1	6	11	3
1860	534,055	5	15	5	6	4	2
1861	539,824	5	9	4	5	14	6
1862	548,080	5	19	3	5	10	11
1863	562,960	4	18	6	5	2	5
1864	586,450	5	0	9	4	19	11
1865	611,218	5	0	8	4	17	7
1866	629,038	4	17	11	5	2	5
1867	644,276	4	19	10	5	0	7
1868	663,092	4	17	5	4	16	2
1869	687,202	4	18	6	4	13	10
1870	713,195	4	11	5	4	16	2
1871 (six months)†	731,528	2	6	3	2	8	0
1871-2	747,412	4	19	11	4	17	11
1872-3	758,984	4	16	0	4	12	4
1873-4	772,039	5	6	5	5	8	3
1874-5	783,274	5	6	6	5	9	9
1875-6	791,399	5	9	4	5	11	1
1876-7	801,717	5	12	7	5	8	2
1877-8	815,494	5	10	0	5	11	3
1878-9	827,439	5	9	3	5	16	3
1879-80	840,620	5	9	5	5	14	3
1880-81	860,067	5	18	11	5	18	7
1881-2	879,886	6	7	1	5	17	0
1882-3	899,562	6	4	6	6	5	5
1883-4	920,694	6	8	11	6	2	9
1884-5	944,564	6	13	2	6	9	7
1885-6	969,202	6	12	5	6	14	5
1886-7	1,000,510	6	14	7	6	11	1
1887-8	1,032,993	7	7	4	7	1	1
1888-9	1,076,966	8	1	1	7	7	1
1889-90	1,103,727	7	14	5	8	14	10

* Figures showing the revenue and expenditure in each year from the first settlement of the colony will be found in the Statistical Summary of Victoria (first folding sheet) published in the second volume of this work. The figures since 1873-4 have been revised and corrected, in consequence of recoups being excluded from the revenue and expenditure since that year, and the population estimates being reduced since 1880-81, in accordance with the results of the census of 1891. For amounts per head in 1890-91, see footnote to paragraph 99 *ante*.

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

Revenue and expenditure per head, in 1889-90 and former years.

109. The revenue per head in 1889-90 was less by 6s. 8d., but the expenditure per head was larger by £1 7s. 9d than in the previous year. The former, however, was larger than in any other previous year since 1857, whilst the latter was larger than in any year since 1854. It will be observed that, in proportion to population, both revenue and expenditure declined pretty steadily year by year from 1862 to 1872-3, but ever since the latter a gradual increase has taken place, which, with slight fluctuations, has been maintained up to the present time.

Revenue estimated and raised.

110. In the thirty-four and a half years ended with 1889-90 the revenue raised exceeded the Treasurer's estimate on twenty-one occasions, or by £4,789,754; and was less than that estimate on fourteen occasions, or by £2,426,619. Deducting the latter from the former, the net amount by which the result exceeded the estimate is found to have been £2,363,135. The following table shows the revenue estimated and actually raised, also the difference between those amounts, in each of the years :—

REVENUE ESTIMATED AND RAISED, 1856 TO 1889-90.

Year.	Revenue.		
	According to Treasurer's Estimate.	Actually Raised.	More (+) or Less (-) than Estimate.*
	£	£	£
1856	2,738,600	2,972,496	+ 233,896
1857	3,005,130	3,328,303	+ 323,173
1858	3,197,900	2,973,382	- 224,518
1859	3,384,000	3,261,104	- 122,896
1860	3,150,000	3,082,461	- 67,539
1861	3,136,000	2,952,101	- 183,899
1862	3,113,105	3,269,079	+ 155,974
1863	2,945,600	2,774,686	- 170,914
1864	2,973,000	2,955,338	- 17,662
1865	3,095,400	3,076,885	- 18,515
1866	3,186,265	3,079,160	- 107,105
1867	3,439,078	3,216,317	- 222,761
1868	2,963,050	3,230,754	+ 267,704
1869	3,241,500	3,383,984	+ 142,484
1870	3,332,200	3,261,883	- 70,317
1871 (six months)	1,664,700	1,691,266	+ 26,566
1871-2	3,538,750	3,734,422	+ 195,672
1872-3	3,611,920	3,644,135	+ 32,215
1873-4	3,883,650	4,106,790	+ 223,140
1874-5	4,259,135	4,169,700	- 89,435

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

REVENUE ESTIMATED AND RAISED, 1856 TO 1889-90—*continued.*

Year.	Revenue.		
	According to Treasurer's Estimate.	Actually Raised.	More (+) or Less (-) than Estimate.
	£	£	£
1875-6	4,109,750	4,325,156	+ 215,406
1876-7	4,385,716	4,513,738	+ 128,022
1877-8	4,672,880	4,485,412	- 187,468
1878-9	4,855,666	4,520,277	- 335,389
1879-80	5,208,828	4,600,627	- 608,201
1880-81	5,093,647	5,115,041	+ 21,394
1881-2	5,241,544	5,589,972	+ 348,428
1882-3	5,584,104	5,602,066	+ 17,962
1883-4	5,779,775	5,934,578	+ 154,803
1884-5	6,048,720	6,290,361	+ 241,641
1885-6	6,285,308	6,416,406	+ 131,098
1886-7	6,516,797	6,733,826	+ 217,029
1887-8	6,968,706	7,607,598	+ 638,892
1888-9	7,792,624	8,675,990	+ 883,366
1889-90	8,328,270	8,519,159	+ 190,889

NOTE.—Recoups are deducted for all the years since 1873-4. See summary at end of table following paragraph 119 *post*.

The revenue for 1890-91 was estimated at £8,631,345, or about £290,532 below the actual result. The probable revenue for 1891-2 was estimated, in July, 1891, at £8,581,995.

111. The year in which the revenue exceeded the estimate by the largest amount is shown to have been 1888-9, the excess being £883,366, which is £240,000 larger than in 1887-8, and over two and a half times as large as the next largest excess (£348,428) in 1881-2; whilst that in which it fell most short of the estimate was 1879-80, viz., by £608,201. Years of excessive and defective estimate.

112. The sums voted by the Legislature in any year exceed, as is well known, those actually spent, the difference being sometimes erroneously designated the "savings" of the year. The following table shows the amounts voted and expended and the difference, in each of the thirty-four and a half years ended with 1889-90:— Expenditure authorized and incurred.

AMOUNTS VOTED AND EXPENDED, 1856 TO 1889-90.

Year.	Amounts—		Balance Unexpended.
	Voted.	Expended.	
	£	£	£
1856	2,588,086	2,327,919	260,167
1857	2,965,610	2,733,562	232,048
1858	3,343,812	2,764,350	579,462
1859	3,273,642	2,982,664	290,978
1860	3,065,784	2,818,107	247,677
1861	2,771,100	2,535,095	236,005
1862	2,617,664	2,359,280	258,384
1863	2,163,855	2,003,961	159,894

AMOUNTS VOTED AND EXPENDED, 1856 TO 1889-90*—*continued.*

Year.	Amounts—		Balance Unexpended.
	Voted.	Expended.	
	£	£	£
1864	2,153,324	1,968,053	185,271
1865	2,399,936	1,976,587	423,349
1866	2,493,213	2,227,297	265,916
1867	2,316,423	2,190,279	126,144
1868	2,355,307	2,199,504	155,803
1869	2,378,772	2,202,798	175,974
1870	2,338,927	2,086,736	252,191
1871 (six months)	1,077,228	1,004,283	72,945
1871-2	2,175,505	2,064,436	111,069
1872-3	2,405,238	2,074,127	331,111
1873-4	3,045,430	2,751,313	294,117
1874-5	3,197,493	2,848,016	349,477
1875-6	2,903,710	2,753,866	149,844
1876-7	2,993,036	2,812,405	180,631
1877-8	3,276,921	2,973,815	303,106
1878-9	3,418,656	3,183,240	235,416
1879-80	3,594,139	3,446,795	147,344
1880-81	3,765,422	3,621,954	143,468
1881-2	3,740,419	3,571,667	168,752
1882-3	4,530,516	4,220,871	309,645
1883 4	4,495,241	4,181,169	314,072
1884-5	4,679,081	4,432,858	246,223
1885-6	4,990,824	4,696,924	293,900
1886-7	5,055,629	4,770,705	284,924
1887-8	5,635,949	5,324,347	311,602
1888-9	6,364,193	5,869,351	494,842
1889-90	7,850,859	7,196,089	654,770

Amount un-
expended,
1856-90.

113. By adding the figures in the last column, it is found that the sum of the unexpended balances in the thirty-four and a half years amounted to nearly $9\frac{1}{4}$ millions sterling, the exact amount being £9,246,521, or to an average of about £268,000 per annum.

Heads of
revenue,
1888-9 and
1889-90.

114. The various sources from which the revenue of Victoria is derived may be grouped in five main divisions, viz. :—Taxation, Crown Lands, Railways and other Reproductive Public Works, Post and Telegraphs, and Other Sources. In 1889-90, £3,631,000, or $42\frac{1}{2}$ per cent., was derived from taxation; £580,000, or 7 per cent., from Crown Lands; £3,926,000, or 46 per cent., from what may be termed the commercial undertakings of the Government, viz. :—Railways, Water Works, and Post and Telegraphs, to which the railways alone contributed as much as £3,134,000, or 37 per cent. of the total revenue; whilst the balance, amounting to £383,000, or about $4\frac{1}{2}$ per

* The amount voted for 1890-91 was £7,191,162 (including £184,186 under supplementary estimates), and the approximate expenditure from votes in that year was £6,904,718, leaving an unexpended balance of about £286,444. The probable expenditure from votes in 1891-92 was estimated in July, 1891, at £6,485,454.

cent. of the whole, was derived from other sources. Of the Land Revenue, amounting to £580,000, by far the greater proportion, or £443,000—being equal to 5 per cent. of the total revenue—was derived from the sale of public land, which, being a receipt arising from the realization of one of the most valuable assets of the country, is obviously not a permanent source of income. Portion of this amount is properly treated as capital, for on reference to the statement of expenditure it will be seen that a sum of nearly £88,600 was paid during the year towards the construction of railways as directed by the *Land Act* 1884,* which provides that all proceeds arising from the sale of public lands by auction shall be paid to the credit of the Railway Construction Account. In the last two years, however, the amount so paid represented barely one-fifth of the total proceeds from land sales, the great bulk of land alienated being disposed of otherwise than at auction. A special receipt in 1889-90 amounting to £140,000 was derived from the sale of the old Police Court site, the proceeds of which have not been allowed to merge into the general revenue, but have been set apart for various public works. The following is a statement of the amounts received under different heads† in each of those divisions during the last two financial years, together with the increase or decrease under each head:—

HEADS OF REVENUE, 1888-9 AND 1889-90.

Heads of Revenue.	Amounts Received.		Increase.	Decrease.
	1888-9.	1889-90.		
	£	£	£	£
TAXATION.				
Customs duties (including also wharfage rates)	2,879,830	2,658,010	...	221,820
Excise	146,555	137,332	...	9,223
Ports and harbours (chiefly tonnage dues)	45,884	29,789‡	...	16,095
Licences (business)	23,904	21,756	...	2,148
Duties on estates of deceased persons...	236,449	400,150	163,701	...
Duties on bank notes	34,023	32,173	...	1,850
Stamp duty§	260,000	230,000	...	30,000
Land tax	123,025	121,604	...	1,421
Total	3,749,670	3,630,814	...	118,856||

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

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

‡ Tonnage rate reduced from 1s. to 6d. per ton on 1st January, 1890.

§ Estimated roughly, as the Postal Authorities are unable to furnish reliable statements in consequence of stamp duty, postage, and fees, all being collected by means of one class of stamps. The telegraph revenue is also collected by means of stamps; but as there are other means of ascertaining this, the figures may be taken as correct. The "Postal receipts" include commission on money orders and postal notes.

|| Net figures.

HEADS OF REVENUE, 1888-9 AND 1889-90—*continued.*

Heads of Revenue.	Amounts Received.		Increase.	Decrease.
	1888-9.	1889-90.		
LAND REVENUE.				
Land sales (including rents counting towards purchase money)	£ 494,733	£ 442,583	...	£ 52,150
Rents of Crown lands (not counting towards purchase money)	119,778	136,358	16,580	...
Penalties under Land Acts ...	1,517	835	...	682
Total ...	616,028	579,776	...	36,252*
PUBLIC WORKS.				
Railways ...	3,104,907	3,134,066	29,159	...
Water Supply † ...	245,734	260,227	14,493	...
Other public works ...	5,805	4,848	...	957
Total ...	3,356,446	3,399,141	42,695*	...
POST AND TELEGRAPHS.				
Postal receipts, etc. ‡ ...	402,834	353,684	...	49,150
Telegraph receipts, etc. ...	150,043	172,716	22,673	...
Total ...	552,877	526,400	...	26,477*
OTHER SOURCES.				
Mint charges ...	10,051	11,317	1,266	...
„ subsidy returned ...	3,642	4,478	836	...
Fees, fines, etc. (inclusive of fee stamps) ‡	174,998	162,807	...	12,191
Interest on public account ...	107,888	66,700	...	41,188
Rents (other than Crown lands) ...	3,224	4,019	795	...
Reimbursements in aid § ...	67,130	75,220	8,090	...
Miscellaneous receipts ...	34,036	58,487	24,451	...
Total ...	400,969	383,028	...	17,941*
Total Ordinary Revenue ...	8,675,990	8,519,159	...	156,831*
Special Receipts || ...	...	140,000	140,000	...
Grand Total Receipts ...	8,675,990	8,659,159¶	...	16,831*

NOTE.—For further details of the revenue under each head, see table following paragraph 116 *post*, and for particulars of revenue in 1890-91, see Appendices at the end of this volume.

115. Comparing the revenue of 1889-90 with that of the previous year, it will be observed that there was a net decrease of over £156,800

* Net figures.

† Including interest on loans to local bodies for waterworks, etc.

‡ See footnote (§) on page 77.

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

|| Derived from sale of the Melbourne Police Court to the City Council. For expenditure of the proceeds, see table following paragraph 125 *post*.

¶ Exclusive of recoups. The amount expended in former years and recouped from loans in 1889-90 was £171,171.

in the total revenue, arising from a falling-off of £438,800 under certain heads, less an increase of £282,000 under others. By far the most important decrease was £118,800 under Taxation, which would, moreover, have been swelled to £280,000, had it not been for the exceptionally large revenue from duties on estates of deceased persons. There was also a net decrease of £36,000 in the land revenue, of £26,500 in the receipts from Posts and Telegraphs, and of £18,000 in those from "Other Sources"; whilst, on the other hand, there was a net increase of £42,700 in the revenues from public works. The diminished land revenue resulted chiefly from a decrease of £52,100 under land sales, both by auction and selection, less an increase of £16,600 in the rents from temporary occupation, etc.* In the Public Works division, the revenue from waterworks shows a substantial increase of £14,500; and the railway revenue an increase of £29,159, which, however, is less by £157,000 than the amount which might have been expected (viz., £186,000),† from the increased length of lines open for traffic; but it has already been pointed out that the traffic in 1888-9 was exceptionally large in consequence of the Melbourne Centennial International Exhibition held in that year. The Telegraph revenue continues to show remarkable expansion, the increase in 1889-90 being £22,700, whilst the total increase since 1883-4, just before considerable reductions were made in the rates, was £85,800, or close on 100 per cent. It should be noted, however, that over £36,000 of this is derived from the telephone exchanges, taken over by the Government in September, 1887. The postal receipts show an apparent decrease of £49,000, chiefly in consequence of the rate for inland letters being reduced from 2d. to 1d. from the 1st January, 1890, at an estimated loss of £96,000 for the first twelve months. In reference to the postal revenue, it should be pointed out that, although carefully estimated in the office of the Government Statist, it may be wide of the mark, the data available being, for reasons already explained,‡ inadequate to show with certainty the progress of this important branch of revenue; and the reductions made from time to time in the postal rates still further increase the difficulty of forming a correct estimate. The total stamp revenue in 1889-90 was £797,894, but after deducting the amount received on account of telegrams, which is known, there remains a balance of £662,649 for stamp duty, postage, and fees, as compared with £749,856 in 1888-9. Thus the stamp revenue, exclusive of telegraphs, showed a decrease as compared with that received in the previous year

* See next table.

† See paragraph 104 *ante*.

‡ See footnote (§), page 77.

of £87,207, as against an increase of £82,286 in 1888-9, of £140,792 in 1887-8, of only £1,465 in 1886-7, of £36,931 in 1885-6, and of £43,372 in 1884-5.* Of the decrease in 1889-90, about £50,000 was estimated to have been due chiefly to the reduction in the rate of postage just alluded to, against which must be set off an increase of about £1,600 from the parcels post; and, after allowing a reasonable reduction for fees, a balance of £30,000 was set down to stamp duty (taxation). The importance of distinguishing stamp duty (taxation) from postal revenue and fees has often been referred to in previous issues of this work, but there is still no reliable information on the subject. Under "Other Sources" there was a falling-off of £41,000 in the interest received on the public account, and one of £12,000 in fees; but, on the other hand, these amounts were partly counterbalanced by an increase of £24,000 in miscellaneous receipts and minor increases under other sub-heads. The decrease under the various heads of Taxation will be referred to later on.

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

HEADS OF REVENUE DETAILED, 1888-9 AND 1889-90.

Heads of Revenue.	1888-9.	1889-90.
LAND SALES.		
Sales by Auction†	£	£
" under Deferred Payments—Progress payments ...	125,130	93,302
" " " " Final " ...	292,238	288,353
" otherwise	70,920	50,652
	6,445	10,276
Total	494,733	442,583
RENTS OF CROWN LANDS.		
Pastoral Occupation—Rents of pastoral and grazing lands ‡	28,920	35,510
" " Grazing licences	20,896	21,182
" " Mallee pastoral leases	5,998	8,549
Auriferous and Mineral Lands (including Miners' Rights) ...	18,144	17,974
Licences and Leases (not agricultural)	45,556	52,913
Business Licences on goldfields	264	230
Total	119,778	136,358

* See also paragraph 194 *post*.

† Including £4,228 in 1888-9, and £4,704 in 1889-90, for interest on auction balances. The purchase-money of land sold by auction may be spread over three years with interest at 6 per cent. added.

‡ Under Parts II. and III. of *Land Act* 1884.

HEADS OF REVENUE DETAILED—continued.

Heads of Revenue.	1888-9.	1889-90.
WATER SUPPLY, ETC.		
	£	£
Melbourne (Yan Yean)	181,814	190,678
Geelong	9,009	9,582
Goldfields	21,345	21,279
Interest on Loans to Municipalities	19,551	18,405
" " Water Trusts	14,015	20,213
" " Irrigation Trusts ... ..	...	70
Total	245,734	260,227
OTHER PUBLIC WORKS.		
Alfred Graving Dock and Patent Slips	3,429	2,353
Fifty-ton Crane and Ferry Fares (from Harbour Trust)	732	874
Interest on Loans to Municipalities (bridges)	1,644	1,621
Total	5,805	4,848
POST AND TELEGRAPHS.		
Postal receipts, etc. :—		
Postage on letters, etc. (estimated)*	375,000	325,000†
" parcels	6,305	7,964
Private boxes, transit rates, etc.	8,195	7,852
Commission on money orders and postal notes	13,334	12,574
Electric Telegraphs	125,458	135,245
Telephone Exchanges	24,510	36,260
Private telephone wires, etc.	75	1,505
Expenses reimbursed	75	1,505
Grand Total	552,877	526,400
FINES, FEES, ETC.		
Fee Stamps sold (estimated)*	108,551	99,685
Fees, Preparation and Registration of Grants and Leases, and Survey of Lands	35,244	31,433
" Customs and Harbour Departments	9,570	8,475
" Law Courts	4,021	4,982
" Curator of Estates of Deceased Persons	1,723	1,891
" Mines and Water Supply Departments	1,125	780
" Transfers of Victuallers' Licences	2,464	2,470
" Factories and Shops	2,339	2,750
" Patents ... ..	...	825
" Public Service Board Examinations	382	321
" Other	1,511	702
Fines, etc.—Law Courts	5,091	5,699
" Customs	1,234	390
" Factories and Shops	547	...
" Under <i>Public Service Act</i> , etc.	424	625
" Other‡	772	1,779
Total	174,998	162,807

* See note (§) on page 77 ante.

† Inland rate of postage on letters reduced from 2d. to 1d. from 1st January, 1890.

‡ Including £594 costs, etc., mining leases, etc., in 1888-9, and £534 in 1889-90; also £1,004 confiscated money and property in 1889-90.

HEADS OF REVENUE DETAILED—*continued.*

Heads of Revenue.	1888-9.	1889-90.
REIMBURSEMENTS IN AID.		
Towards Maintenance of Industrial School children, prisoners, and lunatics	£ 23,159	£ 23,770
Receipts for Miscellaneous Services rendered (Police protection, storage of gunpowder, etc.)	11,374	12,130*
Sale of Books and Documents (Government Printer) ...	29,450	34,027
Aboriginal Stations—Sale of produce	936	323
Local Forces—Sale of rifles, etc.	2,092	4,970
Other Reimbursements	119	...
Total	67,130	75,220
MISCELLANEOUS RECEIPTS.		
Sale of Government Property... ..	5,697	4,417
Centennial International Exhibition ... ..	...	12,000
Transfers from Intestate Estates Fund to Revenue ...	6,895	2,034
" " Other Trust Funds	5,426	6,594
Estates of Intestate and of Illegitimate Persons ... ..	...	375
Melbourne City Council, etc. (on account of public gardens, etc.)	3,313	3,150
Bridge at Queen-street—Contributions of South and Port Melbourne	928	982
<i>Chinese Passenger Act</i> ... ..	...	330
Repayments to the Credit of Appropriations	834	20,620
Customs Overtime Receipts	2,810	2,914
Education Department—Sale of property, rents, etc. ...	5,650	450
Kara Kara Shire—Instalments loan for fencing	54	476
<i>Marine Board Act</i>	262	2,645
Pilots' Earnings—Percentage... ..	427	...
Receipts by Agent-General	941	509
" under Public Service Regulations	218	422
Other Receipts	581	569
Total	34,036	58,487

Recoups,
1889-90.

117. The revenue as shown in the table at page 77 is exclusive of recoups. In 1889-90 these consisted of two reimbursements of amounts advanced from the recoup votes of the previous year, viz., £56,906 for Metropolitan Water Works, and £60,000 for State school buildings. The former was duly recouped from the Loan Account; but the latter was, in consequence of the prosperous state of the finances, ultimately charged, not to the Loan Account, as

* Consisting of £3,645 storage of gunpowder, £4,569 for Police protection, £672 percentage on payment of Imperial pensions, £1,000 from Harbour Trust for collection of wharfage, £92 for hire of punts, etc., from Public Works Department; £442 for work performed by Lands Department, £369 for services of dock staff, and £160 of Customs Department; £583 charter of steamer, £599 towards maintenance of lighthouses from Colonial Governments.

originally intended, but to the consolidated revenue. The total amount recouped in 1889-90 was thus £116,906.*

118. At the end of the financial year 1889-90, the total amount owing to the revenue was about £336,000, as compared with about £171,000 at the end of June, 1889. Of the former sum £150,738, or 45 per cent., consists of advances to shires for the erection of rabbit-proof fencing, and £178,142, or more than half, is for interest due by local bodies on moneys lent for the construction of waterworks, it being usually arranged not only that the interest should be paid annually, but that a further amount, generally equal to about 2 per cent. upon the sum advanced, should be lodged each year to the credit of a sinking fund, in order that the debt might be eventually extinguished. The following are the particulars of the outstanding balances referred to:—

AMOUNTS DUE TO REVENUE, 30TH JUNE, 1890.

When Advanced.	Particulars.	Balance Outstanding.
		£
1874-5	Advanced Mining Companies, to assist in development of Mining industry, etc.	4,000
1888-9 & previous years.	Interest due on Loans for Waterworks—	
	By Corporations	94,780
	„ Waterworks Trusts	39,491
1875-6 & subseqt. years	„ Irrigation and Water Supply Trusts	5,365
	Ballarat Water Commission—Arrears of Interest on Loans capitalized	32,019
	Municipal Bodies—Ditto	6,487
1887-8	Balance of Compensation—to be refunded	208
1888-9	Trustees, Coburg Cemetery	300
	Council of Agriculture—	
	Improvements on Tobin Yallock Swamp	2,205
1889-90	Rabbit proof fencing, Kara Kara Shire	155
	Municipal Bodies—Loans for Purchase of Rabbit-proof Fencing under Act No. 1028, sec. 44	150,738
	Total	335,748

119. In the following table the heads of revenue† and the amounts received under each head are given for the last sixteen financial years:—

* See summary of table following paragraph 119 *post*.

† See footnote (†) on page 77 *ante*.

HEADS OF REVENUE, 1874-5 TO 1889-90.

Heads of Revenue.	Year.	Amounts received.	Heads of Revenue.	Year.	Amounts Received.
TAXATION.		£	TAXATION—		£
	1874-5	1,628,235	<i>continued.</i>	1882-3	27,787
	1875-6	1,657,788		1883-4	30,871
	1876-7	1,631,832		1884-5	31,176
	1877-8	1,487,448*	Ports and harbours— <i>contd.</i>	1885-6	32,710
	1878-9	1,378,384		1886-7	34,920
	1879-80	1,377,782		1887-8	34,327
Customs duties (including wharfage rates)	1880-81	1,474,778		1888-9	45,884
	1881-2	1,694,652		1889-90	29,789
	1882-3	1,769,004			
	1883-4	1,769,108		1874-5	10,714
	1884-5	1,919,539†		1875-6	10,712
	1885-6	2,004,460		1876-7	11,688
	1886-7	2,132,361		1877-8	17,150||
	1887-8	2,353,050		1878-9	20,116
	1888-9	2,879,830		1879-80	21,761
	1889-90	2,658,010‡	Licences (business)	1880-81	23,906
				1881-2	25,977
	1874-5	32,475		1882-3	28,381
	1875-6	33,437		1883-4	31,623
	1876-7	34,768		1884-5	32,535
	1877-8	36,309		1885-6	33,922
	1878-9	36,088		1886-7	18,898¶
	1879-80	41,230		1887-8	21,002
Excise§ ...	1880-81	136,661		1888-9	23,904
	1881-2	216,547		1889-90	21,756
	1882-3	134,711			
	1883-4	123,654		1874-5	32,526
	1884-5	141,225		1875-6	48,963
	1885-6	137,709		1876-7	44,104
	1886-7	120,701		1877-8	72,500
	1887-8	128,369		1878-9	47,983
	1888-9	146,555		1879-80	37,928
	1889-90	137,332	Duties on estates of deceased persons	1880-81	78,141
				1881-2	74,368
	1874-5	19,935		1882-3	86,648
	1875-6	22,104		1883-4	77,154
Ports and harbours (chiefly tonnage dues)	1876-7	20,993		1884-5	124,370
	1877-8	22,647		1885-6	104,907
	1878-9	20,310		1886-7	114,909
	1879-80	19,194		1887-8	151,861
	1880-81	20,577		1888-9	236,449
	1881-2	26,263		1889-90	400,150

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

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

‡ Tariff amended in 1889-90.

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

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

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

HEADS OF REVENUE, 1874-5 TO 1889-90—*continued.*

Heads of Revenue.	Year.	Amounts Received.	Heads of Revenue.	Year.	Amounts Received.
TAXATION— <i>continued.</i>	1874-5	£ ...	TAXATION— <i>continued.</i>	1885-6	£ 126,770
	1875-6	7,191*		1886-7	124,742
	1876-7	27,248	Land Tax— <i>continued.</i>	1887-8	124,515
	1877-8	26,672		1888-9	123,025
	1878-9	24,956		1889-90	121,604
	1879-80	22,470			
Duties on bank notes	1880-81	23,807	Tolls	1874-5	937
	1881-2	27,324		1875-6	197
	1882-3	28,685		1876-7	52
	1883-4	28,575			
	1884-5	27,529			
	1885-6	28,769	LAND REVENUE.	1874-5	767,624
	1886-7	28,104		1875-6	782,069
	1887-8	27,879		1876-7	783,311
	1888-9	34,023		1877-8	756,674
	1889-90	32,173		1878-9	802,254
				1879-80	694,321
	1874-5	...	Land sales (including rents counting towards purchase money)	1880-81	701,276
	1875-6	...		1881-2	697,558
	1876-7	...		1882-3	563,790
	1877-8	...		1883-4	614,548
	1878-9	...		1884-5	555,507
	1879-80	83,005		1885-6	465,766
	1880-81	115,844		1886-7	504,734
Stamp duties† ...	1881-2	131,020		1887-8	549,149
	1882-3	133,4 3		1888-9	494,733
	1883-4	133,651		1889-90	442,583
	1884-5	143,382			
	1885-6	165,313			
	1886-7	165,000			
	1887-8	230,000			
	1888-9	260,000			
	1889-90	230,000			
	1874-5	...	Rents of Crown lands (not counting towards purchase money)	1874-5	173,601
	1875-6	...		1875-6	184,776
	1876-7	...		1876-7	208,872
	1877-8	50,227		1877-8	186,337
	1878-9	202,251		1878-9	163,207
	1879-80	87,553		1879-80	147,994
	1880-81	129,990		1880-81	133,913
	1881-2	121,555		1881-2	126,268
	1882-3	125,606		1882-3	114,845
	1883-4	123,884		1883-4	103,189
	1884-5	128,415		1884-5	110,777
				1885-6	97,658
				1886-7	81,562
				1887-8	106,817
				1888-9	119,778
				1889-90	136,358

* For six months only.

† The duties were imposed on the 18th December, 1879, and consequently the amount received in 1879-80 was for only 6½ months. Since 1st January, 1884, the revenue therefrom has been estimated. See footnote (§) on page 77 *ante*. For particulars of the duties levied, see paragraph 193 *post*.

‡ The amount of land tax payable annually varied in the years named from £126,000 to £124,000. The fluctuations in the revenue above and below this limit were due to the irregular payment of the tax. Further particulars are given in paragraph 181 *et seq. post*.

HEADS OF REVENUE, 1874-5 TO 1889-90—*continued.*

Heads of Revenue.	Year.	Amounts Received.	Heads of Revenue.	Year.	Amounts Received.
LAND REVENUE— <i>continued.</i>		£	PUBLIC WORKS— <i>continued.</i>		£
	1874-5	5,528		1882-3	152,328
	1875-6	53,167		1883-4	165,033
	1876-7	54,232		1884-5	165,968
	1877-8	14,704	Water supply—	1885-6	190,815
	1878-9	3,774	<i>continued.</i>	1886-7	215,401
	1879-80	1,749		1887-8	235,743
Penalties under	1880-81	1,281		1888-9	245,734
Land Acts	1881-2	2,313		1889-90	260,227
	1882-3	1,298			
	1883-4	1,572		1874-5	5,897
	1884-5	273		1875-6	5,845
	1885-6	184		1876-7	5,638
	1886-7	795		1877-8	5,190
	1887-8	301		1878-9	5,879
	1888-9	1,517		1879-80	4,142
	1889-90	835	Other Public	1880-81	2,470
			works	1881-2	4,035
				1882-3	2,357
				1883-4	1,866
				1884-5	3,325
				1885-6	3,364
				1886-7	5,062
				1887-8	4,764
				1888-9	5,805
				1889-90	4,848
PUBLIC WORKS.					
	1874-5	921,714			
	1875-6	983,033			
	1876-7	1,078,082			
	1877-8	1,202,280			
	1878-9	1,222,241			
	1879-80	1,468,909*			
	1880-81	1,578,432			
	1881-2	1,715,260			
	1882-3	1,838,284			
	1883-4	2,079,249			
	1884-5	2,200,067			
	1885-6	2,306,791			
	1886-7	2,453,345			
	1887-8	2,741,488			
	1888-9	3,104,907			
	1889-90	3,134,066			
Railways ...			POST AND TELE-		
			GRAPHS.		
	1874-5	96,707		1874-5	198,326
	1875-6	102,438		1875-6	209,213
	1876-7	115,869		1876-7	226,597
	1877-8	112,183		1877-8	239,002
	1878-9	120,346		1878-9	244,761
	1879-80	121,103		1879-80	249,414
	1880-81	139,411		1880-81	272,316
	1881-2	138,274		1881-2	297,701
				1882-3	324,967
				1883-4	349,278
				1884-5	380,556
				1885-6	394,184
				1886-7	413,535
				1887-8	485,533
				1888-9	552,877
				1889-90	526,400§
Water supply† ...			Postage, tele-		
			graphs, tele-		
			phones, money		
			orders, etc.‡		

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

† Including interest on loans to local bodies.

‡ Partly estimated since 1882-3. See also footnote (§) on page 77 *ante*.

§ Inland postal rate reduced from 2d. to 1d. on the 1st January, 1890.

HEADS OF REVENUE, 1874-5 TO 1889-90—*continued.*

Heads of Revenue.	Year.	Amounts Received.	Heads of Revenue.	Year.	Amounts Received.
OTHER SOURCES.		£	OTHER SOURCES—		£
	1874-5	7,504	<i>continued.</i>	1874-5	66,874
	1875-6	7,659		1875-6	38,595
	1876-7	7,512		1876-7	79,456
	1877-8	7,247		1877-8	70,716
	1878-9	7,906		1878-9	42,281
	1879-80	10,158		1879-80	45,611
	1880-81	10,197		1880-81	78,605
Mint charges ...	1881-2	10,917	Interest on public	1881-2	92,025
	1882-3	11,292	Account, etc.	1882-3	55,922
	1883-4	10,415		1883-4	85,537
	1884-5	13,042		1884-5	98,341
	1885-6	11,705		1885-6	84,973
	1886-7	11,058		1886-7	93,216
	1887-8	10,377		1887-8	136,811
	1888-9	10,051		1888-9	107,888
	1889-90	11,317		1889-90	66,700
	1874-5	4,299		1874-5	749
	1875-6	10,695		1875-6	674
	1876-7	7,104		1876-7	730
	1877-8	447		1877-8	824
	1878-9	6,624		1878-9	935
	1879-80	6,350		1879-80	799
	1880-81	5,628		1880-81	921
Mint subsidy re-	1881-2	5,344	Rents (other than	1881-2	997
turned	1882-3	4,103	Land)	1882-3	1,548
	1883-4	4,852		1883-4	3,058
	1884-5	5,304		1884-5	2,031
	1885-6	4,613		1885-6	14,905†
	1886-7	1,986		1886-7	5,049
	1887-8	3,874		1887-8	2,908
	1888-9	3,642		1888-9	3,224
	1889-90	4,478		1889-90	4,019
	1874-5	111,304		1874-5	28,981
	1875-6	112,664		1875-6	37,619
	1876-7	121,676		1876-7	34,372
	1877-8	119,632		1877-8	36,774
	1878-9	113,177		1878-9	28,637
	1879-80	110,639		1879-80	23,860
Fees, fines, etc.*	1880-81	113,736	Reimbursements	1880-81	31,290
(exclusive of	1881-2	120,768	in aid	1881-2	33,675
Land Act pen-	1882-3	117,296		1882-3	33,570
alties)	1883-4	111,695		1883-4	49,441
	1884-5	123,428		1884-5	52,232
	1885-6	128,523		1885-6	49,187
	1886-7	131,095		1886-7	54,033
	1887-8	164,721		1887-8	69,041
	1888-9	174,998		1888-9	67,130
	1889-90	162,807		1889-90	75,220

* Partly estimated since 1882-3. See also footnote (§) on page 77 *ante*.

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

HEADS OF REVENUE, 1874-5 TO 1889-90—continued.

Heads of Revenue.	Year.	Amounts Received.	Heads of Revenue.	Year.	Amounts Received.
OTHER SOURCES— <i>continued.</i>		£	OTHER SOURCES— <i>continued.</i>		£
Miscellaneous receipts *	1874-5	55,770	Miscellaneous receipts*— <i>cont.</i>	1882-3	46,211
	1875-6	16,317		1883-4	36,325
	1876-7	19,609		1884-5	31,339
	1877-8	20,449		1885-6	29,178
	1878-9	28,167		1886-7	23,320
	1879-80	24,655		1887-8	25,068
	1880-81	41,861		1888-9	34,036
	1881-2	27,131		1889-90	58,487

SUMMARY OF HEADS OF REVENUE, 1874-5 TO 1889-90.

Year.	Revenue derived from—					Revenue Proper.	Recoups from Loans, etc.	Grand Total Receipts.
	Taxation.	Land.	Public Works.	Post and Tele-graphs.	Other Sources.			
	£	£	£	£	£	£	£	£
1874-5	1,724,822	946,753	1,024,318	198,326	275,481	4,169,700	66,723	4,236,423
1875-6	1,780,392	1,020,012	1,091,316	209,213	224,223	4,325,156	...	4,325,156
1876-7	1,770,685	1,046,415	1,199,589	226,597	270,452	4,513,738	210,139	4,723,877
1877-8	1,712,953	957,715	1,319,653	239,002	256,089	4,485,412	19,001	4,504,413
1878-9	1,730,088	969,235	1,348,466	244,761	227,727	4,520,277	101,243	4,621,520
1879-80	1,690,923	844,064	1,594,154	249,414	222,072	4,600,627	20,655	4,621,282
1880-81	2,003,704	836,470	1,720,313	272,316	282,238	5,115,041	70,970	5,186,011†
1881-2	2,317,706	826,139	1,857,569	297,701	290,857	5,589,972	2,390	5,592,362
1882-3	2,334,255	679,933	1,992,969	324,967	269,942	5,602,066	9,187	5,611,253
1883-4	2,318,520	719,309	2,246,148	349,278	301,323	5,934,578	109	5,934,687
1884-5	2,548,171	666,557	2,369,360	380,556	325,717	6,290,361	...	6,290,361
1885-6	2,634,560	563,608	2,500,970	394,184	323,084	6,416,406	64,615	6,481,021
1886-7	2,739,635	587,091	2,673,808	413,535	319,757	6,733,826	...	6,733,826
1887-8	3,071,003	656,267	2,981,995	485,533	412,800	7,607,598	24,177	7,631,775
1888-9	3,749,670	616,028	3,356,446	552,877	400,969	8,675,990	55,265	8,731,255
1889-90	3,630,814	579,776	3,399,141	526,400	383,028	8,519,159	116,906‡	8,776,065§

Heads of expenditure, 1888-9 and 1889-90.

120. Of the total ordinary expenditure of Victoria in 1889-90, £1,363,000—or 14 per cent.—was disbursed to defray the cost of Government, maintenance of law and order, and provision against foreign attacks; £1,029,000, including £201,000 for buildings—or 11 per cent.—was contributed towards public instruction and the advancement and dissemination of knowledge; £316,000—or nearly 3½ per cent.—was expended on public charities or devoted to the preservation of the public health; £97,000—or nearly 1 per cent.—was expended on the management and survey of the Crown lands, about £39,000 less than the gross annual rental therefrom during the same financial year; as much as £4,720,000—or 49 per cent.—

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

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

‡ Including £60,000 expended in the previous year with a view of being recouped from loans, but ultimately charged in 1889-90 to the consolidated revenue.

§ Including—besides the revenue proper and recoups—a special receipt of £140,000 derived from the sale of the Melbourne Police Court, and not mentioned in the previous columns.

was absorbed in working out the various commercial undertakings of the Government, viz., £2,580,000 on Railways and Waterworks, besides £1,431,000* in interest upon loans raised for their construction, and £709,000 on Post and Telegraphs; £118,000 was paid as interest on amounts borrowed for the construction of other public works; £89,000 was the cost of collecting the revenue from Customs duties and Excise, whilst £35,000 was spent on the maintenance of Ports and Harbours; and nearly £386,000—or 4 per cent.—was granted in aid of the agricultural and mining industries. The amounts just enumerated, together with £94,000 expended on miscellaneous services, form the ordinary *annual* expenditure for the year; but, besides this, an amount of £1,123,000—or 12 per cent. of the total expenditure—was spent on productive and unproductive public works of a permanent character, viz., £89,000 on Railways, and £1,034,000 on “Miscellaneous Public Works,” which embraces the cost of erection and of maintenance of public offices and buildings of all kinds, expenditure on roads and bridges, and municipal subsidies (£450,000). These amounts might be considered as a set-off against the proceeds of land sales, before referred to,† which they even exceeded by £680,000. In 1889-90 also there were certain items of special expenditure, amounting to £190,779, for the erection of certain public buildings and the improvement of Crown lands, to be recouped from the proceeds of the sale of the old police court site, of lunatic asylum grounds, and of reclaimed lands. The following is a classification of the expenditure‡ under 10 divisions and 27 subsidiary heads, during the years 1888-9 and 1889-90, also the increase or decrease in the latter year:—

HEADS OF EXPENDITURE,§ 1888-9 AND 1889-90.

Heads of Expenditure.	Amounts Expended.		Increase.	Decrease.
	1888-9.	1889-90.		
	£	£	£	£
GENERAL GOVERNMENT.				
Civil list || ... ..	40,564	40,915	351	...
Legislature	73,216	74,282	1,066	...
Civil Establishment ¶	146,617	166,471	19,854	...
Retiring allowances and pensions	96,610	108,842	12,232	...
Gratuities, compensations, etc.	53,916	41,701	...	12,215
Total	410,923	432,211	21,288**	...

* The total amount of interest and expenses of the public debt was £1,548,000, but the amount here given is that paid in 1889-90 for Railways and Waterworks only.

† See paragraph 114 *ante*.

‡ See footnote (†) to paragraph 77 *ante*.

§ For further details see table following paragraph 122 *post*.

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

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

** Net figures.

HEADS OF EXPENDITURE,* 1888-9 TO 1889-90—continued.

Heads of Expenditure.	Amounts Expended.		Increase.	Decrease.
	1888-9.	1889 90.		
LAW, ORDER, AND PROTECTION.	£	£	£	£
Judicial and legal	217,180	243,856	26,676	...
Police	261,329	265,149	3,820	...
Gaols and penal establishments	66,163	71,146	4,983	...
Defences—Naval and Military†	346,623	350,823	4,200	...
Total	891,295	930,974	39,679	...
EDUCATION, SCIENCE, CHARITY, ETC.				
Public instruction, science, etc.‡	774,449	828,074	53,625	...
State school buildings ... ..	...	201,140	201,140	...
Charitable institutions, medical, etc.§	283,986	316,140	32,154	...
Total	1,058,435	1,345,354	286,919	...
CROWN LANDS.				
Administration and survey	100,573	97,249	...	3,324
Agriculture, etc.	73,229	98,445	25,216	...
Mining	119,139	157,291	18,152	...
Total	292,941	332,985	40,044||	...
PUBLIC WORKS.				
Railways—Working expenses¶	1,803,124	2,511,106	707,982	...
„ Construction account	120,873	88,588	...	32,285
Water supply	71,989	68,850	...	3,139
Other public works**	8 8,803	1,034,381	225,578	...
Total	2,804,789	3,702,925	898,136||	...
Post and Telegraphs††	619,070	709,328	90,258	...
PUBLIC DEBT.				
Interest and expenses—Railways	1,126,765	1,203,375	76,610	...
„ „ Water supply	216,195	227,180	10,985	...
„ „ Other works	116,282	117,590	1,308	...
Total interest, etc.	1,459,242	1,548,145	88,903	..
Redemption of loans ... ..	...	276,100	276,100	...

* For further details see table following paragraph 122 *post*.

† For Expenditure on Defences. See also Part "Defences," in the second volume.

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

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

¶ The figures in this line do not represent the actual working expenses, but only the amounts charged to each year under the Annual Appropriation Acts. The actual amount of working expenses, as shown in the Railway Commissioners' Annual Reports, was £1,945,800 in 1888-9, and £2,132,158 in 1889-90. See also footnote (†) on page 97 *post*.

** The cost of erecting and repairing Government Offices, and making and repairing furniture therefor, is not charged to the respective departments, but is placed under this head, which also embraces the cost of all Public Works, except Railways, Waterworks, and Telegraph lines, and works provided for out of loans; it also includes expenditure on Roads and Bridges, and the annual subsidy of £340,854 in 1888-9, and £450,000 in 1889-90—to Municipalities. For a summary of the various works, see detailed table, page 98 *post*.

†† Including interest on Post Office Savings Banks deposits.

HEADS OF EXPENDITURE,* 1888-9 AND 1889-90—continued.

Heads of Expenditure.	Amount Expended.		Increase.	Decrease.
	1888-9.	1889-90.		
TRADE, NAVIGATION, ETC.				
Customs	£ 87,412	£ 88,966	£ 1,554	...
Harbours and lights	34,595	35,166	571	...
Total	122,007	124,132	2,125	...
OTHER EXPENDITURE.				
Mint subsidy†	20,000	20,000	...	...
Aborigines	10,949	9,761	...	1,188
Miscellaneous services‡	230,251	213,822	...	16,429
Total	261,200	243,583	...	17,617
Total ordinary expenditure	7,919,902	9,645,737	1,725,835	...
Special expenditure	39,424	190,779	151,355	...
Total expenditure—ordinary and special	7,959,326	9,836,516	1,877,190	...

NOTE.—For particulars of Expenditure in 1890-91 see Appendices at the end of this volume.

121. It will be observed that an increase appears in the expenditure under all the heads but five, the net increase amounting to about £1,726,000. The most prominent increases were £708,000§ in the working expenses of Railways; £225,600 under Miscellaneous Public Works—which includes £109,146 increased municipal subsidy; £37,700 on the purchase of land and erection of buildings for postal purposes; £33,700 on wharfs, jetties, lighthouses, etc., and £19,200 on roads and bridges; £90,300 under Post and Telegraphs; £88,900 under Interest on the Public Debt; £53,600 under Public Instruction; £32,200 under Charitable Institutions etc.; £26,700 under Judicial and Legal; £25,200 under Agriculture; £18,200 under Mining—chiefly in search of coal and working of diamond drills; and £19,900 under Civil Establishment—of which £14,500 was in the department of the Government Printer, and £3,600 in the new department of the Marine Board. Moreover, the following items, which did not appear

Chief items of increased expenditure, 1889-90.

* For further details, see table following paragraph 122 *post*.

† Although the annual subsidy to the Mint is £20,000, portion of that sum has been repaid each year to the revenue. See table following paragraph 114 *ante*, under the head "Mint subsidy returned."

‡ Including £178,694 in 1888-9, towards the expenses of the Melbourne Centennial International Exhibition, and £149,984 in 1889-90 for advances to shires for the erection of rabbit-proof fencing.

§ This represents merely the increase in the amounts charged to the two years. The increase in the actual working expenses was only £186,400. See footnote (¶) on previous page.

in the accounts of the previous year—being usually provided for out of loans, appear in the expenditure in 1889-90—being paid from revenue in consequence of the prosperous condition of the finances, viz. :—State School buildings, £201,140;* Redemption of loans, £276,100. On the other hand there was a large decrease of £32,300 in the payment to the Railway Construction Account, consequent on the falling-off in land sales; and of £16,400 in “Miscellaneous Services,” resulting chiefly from a new item of £150,000 for advances to shires (to be recouped) appearing only in the accounts for 1889-90, and an item of £184,700 on account of the late Exhibition appearing only in those for 1888-9. The increase of £53,600 under Public Instruction was partly due to the increased cost of State education—£46,000, and partly to additional endowments and grants to educational institutions generally. It has already been stated that nearly half the total expenditure is in connexion with the working of the Railways, Waterworks, and Post and Telegraphs. The most important of these is, of course, the Railways, and a comparison of the Railway finances of 1889-90 with those of the previous year shows that, whilst the actual working expenses† increased by £186,400, the revenue increased by only £29,200. Owing to the constantly-increasing amount borrowed for railway construction, the interest paid thereon increased during the year referred to by about £76,600. The next most important commercial undertakings are the Postal and Telegraph services, which it has been the policy of the Government to work, although at an immediate loss; thus, whilst the expenditure in 1889-90 on these services was £709,000, it is estimated that the revenue was only a little over £526,000, and thus the deficiency in that year amounted to about £183,000‡ as against only £66,000 in the previous year;§ if, however, allowance were made for official correspondence, transmitted free of cost (say £70,000), and the Interest (£63,800) paid on Savings Banks’ deposits—from which the Postal revenue does not derive any benefit—the deficit for 1889-90 would be reduced to about £50,000. In former years the deficit usually averaged about £100,000. The comparatively large deficit in 1889-90 was due not so much to the loss of revenue occasioned by the introduction of the penny post on the 1st January, 1890, already referred to,|| as to the increased cost of post and telegraph services generally. Thus,

* Of this amount £114,265 had been voted in 1887-8 and 1888-9, to be recouped from a future loan, but is now charged to the consolidated revenue. † See last footnote.

‡ For further details see postal receipts and expenditure in Part “Interchange” in the second volume.

§ The amount of postal revenue is not accurately known. See footnote (§) to table on page 77.

|| See paragraph 115 *ante*.

the net loss in the Postal and Telegraph revenue, as already shown, was only £26,500, but, on the other hand, the cost of the departmental staff increased by £54,800, although only about £4,500 of this (in the first six months) was for additional staff required in connexion with the reduced postal rate; the cost of Inland mails increased by £13,000; expenditure on Telegraphs by £13,000; and interest on Savings Banks' deposits by £6,700. The increase under the head of Charitable Institutions arose from an increased vote of £10,000 for grants in aid, £9,000 additional cost of Hospitals for the Insane, and £9,500 for the new Inebriate Asylum. The increased amounts under the head of Agriculture are—Agricultural societies £3,000, state forests £4,000, rabbit extermination (besides £150,000 lent to shires for erection of wire fencing) £8,000, vine diseases eradication £6,000, bonuses £4,000.

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

Heads of expenditure, detailed.

HEADS OF EXPENDITURE DETAILED, 1888-9 AND 1889-90.

Heads of Expenditure.	1888-9.	1889-90.
CIVIL LIST.		
	£	£
Governor's Salary	10,000	10,000*
Salaries of Ministers	15,344	15,308
Executive Council	1,490	1,357
Agent-General	2,500	2,500
Commissioners of Audit	2,000	2,250
Public Service Board	4,446	4,500
Protectorate of New Guinea—Contribution towards	4,784	5,000
Total	40,564	40,915
LEGISLATURE.		
Legislative Council	6,028	6,170
„ Assembly	11,087	11,220
Parliamentary Library	2,997	3,044
„ Refreshment Rooms	1,242	2,112
Parliament Gardens	402	452
Victorian <i>Hansard</i>	2,219	2,301
Expenses of Members of the Legislative Assembly	21,709	25,316
Electoral Expenses	27,450	21,049
Federal Council—Contribution to	82	1,389
Australasian Federation Conference—Expenses of ... ..	...	1,229
Total	73,216	74,282

* Including arrears from 1886-7.

HEADS OF EXPENDITURE DETAILED—*continued.*

Heads of Expenditure.	1888-9.	1889-90.
CIVIL ESTABLISHMENT.		
	£	£
Public Service Board—Office	2,640	2,877
Chief Secretary's Office	9,091	9,564
Secretary to Premier	4,939	5,143
Shorthand Writer	2,093	2,371
Agent-General's Office	3,530	3,494
Audit Office	9,260	9,713
Treasury	30,656	30,484
Government Printer	72,608	87,506
" " Stamp Printing	5,610	5,228†
Inspector of Stores	668	768
Registrar of Friendly Societies*	401	448
Inspector of Factories and Shops	2,375	2,516
Marine Board	2,146	5,759
Sundries	600	600
Total	146,617	166,471
JUDICIAL AND LEGAL.		
Judges' Salaries (including Master-in-Equity)	20,750	23,481
" other Expenditure	5,105	5,282
Crown Law Officers	20,357	26,600
" Solicitor	6,993	7,641
Prothonotary	2,282	2,661
Master in Equity and Lunacy	4,723	6,266
Registrar of Titles	28,095	42,944
Registrar-General	17,866	10,677
" Interest on purchase-money of land, etc., bought near Titles Office‡	3,003	3,003
Deputy Registrars	6,498	8,708
Sheriffs	27,170	29,783
Judges—County Courts, Courts of Insolvency, Courts of Mines, and General and Petty Sessions	9,297	10,182
" other Expenditure	16,690	17,233
Police Magistrates and Wardens	18,091	19,668
Clerks of Courts	20,407	19,501
Coroners	7,145	7,322
Curator of Estates of Deceased Persons... ..	1,648	1,611
Land Tax Act Administration	1,060	1,293
Total	217,180	243,856
DEFENCES.		
Special Appropriation authorized under Acts 47 Vict. No. 777 and 52 Vict. No. 1,000 respectively	110,000	145,000
Voted to augment special appropriation consequent upon the increase of the permanent forces	23,958	...
Civil Staff	6,059	7,089
Cadet Corps	3,954	4,474

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

† Calendar year 1890.

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

HEADS OF EXPENDITURE DETAILED—*continued.*

Heads of Expenditure.	1888-9.	1889-90.
DEFENCES—<i>continued.</i>		
Mounted Rifles	£ 6,619	£ 8,598
Victorian Rangers	4,524	6,364
Rifle Clubs	5,000	1,369
Ammunition Fund—To replace loss on supply to Rifle Clubs, etc.	5,000	5,000
Purchase of Rifles and modern warlike stores*	2,600	1,990
Grants to Rifle Associations, etc., for prizes; also prizes for drill and shooting	3,426	2,524
Expenses in connexion with Encampments	5,000	9,513
Grant for invention of Torpedo Dropping Gear	150	...
Purchase of one first-class Torpedo Boat ... ..	...	14,500
Refund to Colonial Ammunition Company for duty paid on machinery for manufacture of cartridges	...	1,126
Expenses, dispatching officer to England for twelve months course of military instruction	...	430
General inspection of troops and forts by Major-General Edwards	...	1,443
Compensation for injuries sustained	356	2,258
Sundries	136	...
Total	61,782	66,678
Defence Works and Buildings	174,841	139,145
Grand Total	346,623	350,823
PUBLIC INSTRUCTION, SCIENCE, ETC.		
State School Education†	664,118	710,477
University—Endowment	16,500	16,500
„ Grant in aid of laboratories	3,500	‡
College of Pharmacy	1,000	1,000
Schools of Mines and Technical Schools§—		
Schools of Mines	12,400	14,600
„ Design	1,393	1,404
„ Arts	400	2,000
Working Men's College	8,000	15,000
Gordon Technical College	1,900	800
Melbourne Public Library, Museums, and National Gallery...	25,971	26,555
Mechanics' Institutes, Public Libraries, etc.	17,000	16,316
Victorian Artists' Society ... ..	...	250
Art Galleries—Ballarat, Sandhurst, and Warrnambool ...	2,250	2,500
Zoological and Acclimatisation Society, etc.	3,200	4,300
Royal Society	200	500
Geographical Society	1,000	...

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

† Including cost of maintenance (with fittings and furniture) of school buildings, amounting to about £25,000 in 1889-90, but exclusive of cost of erection of buildings, which is given on pages 99 and 115 *post*, and of pensions and gratuities. See also table following paragraph 129 *post*.

‡ A sum of £10,500, towards building the laboratories, was also paid during the year out of a special account, to be recouped by the sale of land at Kew and Yarra Bend, now occupied by lunatic asylums. See table following paragraph 125 *post*.

§ The following amounts included were for buildings:—Working Men's College, £5,000 in 1888-9, and £11,500 in 1889-90; Gordon College, £1,400 in 1888-9; Schools of Mines, £4,500 in 1888-9, and over £5,000 in 1889-90; Schools of Arts, £1,000 in 1888-9.

HEADS OF EXPENDITURE DETAILED—*continued.*

Heads of Expenditure.	1888-9.	1889-90.
PUBLIC INSTRUCTION, SCIENCE, ETC.—<i>continued.</i>		
	£	£
Australasian Association for the Advancement of Science ...	...	1,000
Government Statist ...	6,666	6,995
" Astronomer ...	6,166	5,117
" Botanist ...	2,703	2,760
Other Expenditure ...	82	...
Total ...	774,449	828,074
CHARITABLE INSTITUTIONS, MEDICAL, ETC.		
Charitable Institutions—Grant in aid ...	119,999	130,000
Industrial and Reformatory Schools—State ...	41,308	42,162
Grant in Aid of Private Institutions ...	1,638	1,480
Hospitals for the Insane ...	106,276	115,109
Inebriate Asylum ...	...	9,455
Public Health, Quarantine, etc. ...	7,816	11,415
Vaccination Allowances ...	5,499	5,500
Allowance to Instructor of the Blind, etc. ...	240	170
Intercolonial Medical Congress ...	1,108	849
Relief of Shipwrecked Seamen ...	102	...
Total ...	283,986	316,140
CROWN LANDS.		
General Staff for Survey, Sale, and Management of Crown Lands	62,501	59,731
Surveys by contract, including Feature Surveys in Gippsland	3,987	3,840
Surveys of "Grazing Areas" ...	2,070	1,369
Contour Surveys of Metropolitan District ...	...	493
Parks, Gardens, etc.—		
Botanical Gardens and Reserves ...	9,734	9,822
Public Parks, Gardens, and Reserves in and around Melbourne	9,007	11,831
Public Parks and Gardens in Country Districts—Fencing and Improving	8,683	9,955
Land Purchased as Site for Public Park ...	1,667	...
Other Expenditure ...	2,924	208
Total ...	100,573	97,249
AGRICULTURE.		
Grants to Agricultural and Horticultural Societies, etc. ...	22,153	25,435
" the Board of Viticulture ...	300	807
State Forests and Nurseries ...	8,783	12,793
Experimental Cultivation ...	167	87
Agricultural Education—		
Machinery and Appliances for use in ...	1,731	...
Instruction in Dairying, Fruit-growing, etc.; also Expenses Employing Experts	833	2,706
Agricultural Reports, etc., and Expenses of distributing bonuses	915	614

HEADS OF EXPENDITURE DETAILED—*continued.*

Heads of Expenditure.	1888-9.	1889-90.
AGRICULTURE—<i>continued.</i>		
	£	£
Prizes, Awards, etc.—		
Special, awarded by National Agricultural Society (including £500 during Centennial Exhibition)	955	485
Special, for invention of improvements in Agricultural machinery	100	...
For best managed farms in Victoria	150	150
Expenses of Judges in connexion with Grants referred to in the two preceding lines, etc.	393	238
Bonuses to Factories for fruit canning, fruit drying, dairy- ing, raisin and currant making, vegetable oil making, etc., etc.	...	1,760
Ditto, for dairy produce, and fruit of best quality exported to foreign markets	...	2,262
Eradication of Vine Diseases	645	6,113
" Bathurst burr at Swan Hill	122	...
" Canadian thistle (<i>Carduus Arvensis</i>) ... ..	...	516
Scab Prevention and Diseases in Stock	8,230	7,763
Extermination of Rabbits and Wild Animals	25,138	33,297*
Rates on Mallee Blocks held by Government	175	228
Departmental and other Expenditure	2,439	3,141
Total	73,229	98,445
MINING.		
Mining Department... ..	20,952	23,654
Mining Boards	3,500	3,500
Purchase and Working of Diamond Drills to assist Miners in Prospecting Operations, etc.	81,072	88,080
Prospecting and Boring for Coal	2,909	10,937
Geological Surveys, etc.	3,500	3,499
Underground Surveys of Mines	1,327	1,568
Cutting Tracks and opening up unexplored areas... ..	3,396	3,879
Construction of Dynamite and Powder Magazines	1,410	...
Miscellaneous	1,073	2,174
Total	119,139	137,291
RAILWAYS.		
Commissioners' Salaries	6,000	8,000
Salaries and Wages	134,588	150,225
Working Expenses	1,547,362	1,947,637†
Ditto on account of previous years	115,000	405,000
Annual allowances as compensation to injured persons	174	244
Total Working Expenses‡	1,803,124	2,511,106

* For advances to Shires for erection of rabbit-proof fences, see "Miscellaneous" expenditure, page 101 *post*. † Including about £300,000 provided for in *Supplementary Appropriation Act*.

‡ The actual expenditure for and on account of 1888-9 was about £1,945,800, and on account of 1889-90 £2,132,158, as shown in the Railway Commissioners' reports, but as there were supplementary estimates in the latter, but none in the former year, the actual expenditure for 1888-9 was below, and that for 1889-90 in excess of, that voted and charged to the different years under the Appropriation Acts. Moreover, it was subsequently found that the total amount appropriated under the ordinary and supplementary estimates was deficient by £113,929, which had therefore to be charged to the year 1890-91.

HEADS OF EXPENDITURE DETAILED—*continued.*

Heads of Expenditure.	1888-9.	1889-90.
RAILWAYS—<i>continued.</i>		
	£	£
Paid to "Railway Construction Account" *	120,873	88,588
Total (including Capital Account)	1,923,997	2,599,694
WATER SUPPLY, ETC.		
Melbourne—Salaries and Maintenance	23,863	27,363
„ Sewerage for, report (Mansergh's) on a scheme of	...	2,281
Country Waterworks—		
Salaries	9,233	10,846
Coliban District—Travelling Expenses, Contingencies,	5,578	6,264
etc.		
Geelong District do. do.	1,092	1,424
Boring for Water and Repairs to Government Reservoirs	17,824	11,475
Cost of making wells in the Mallee country	1,169	1,464
Surveys and Reports <i>re</i> Projects of Water Supply and	9,677	7,135
Gauging Rivers		
Water and Irrigation Trusts—Preliminary Expenses,	3,315	...
Expenses of Surveys		
Prizes for best Irrigated Farm and Crops	238	285
Rainfall maps ... ..	...	313
Total	71,989	68,850
OTHER PUBLIC WORKS.†		
Works and Buildings (including Furniture, Fittings, etc.)—		
Government House	2,729	11,900
Country Residence for Governor		
„ „ Maintenance		
Parliament Buildings—West wing ... ..	...	10,602
„ „ Repairs and additions, lighting,	11,743	6,976
gardens, etc.		
Public Offices, etc.—		
Public Offices, Melbourne	132	...
New Printing Office... ..	10,000	1,839
„ „ Fittings, Furniture for, etc... ..	998	1,598
Treasury Buildings (country)—Buildings, Repairs,	1,091	689
Additions, etc.		
Land purchased near Law Courts	6,225	...
Rents and Furniture... ..	24,984	25,558
Repairs and Additions	1,163	2,215
Fencing Public Buildings, Sites, and Reserves	888	211
under Government, including Repairs		
Telephonic communication for police and other	635	630
buildings		
Insurance	219	563

* See footnote (t) on page 107 *post.*† For further expenditure on public works out of special accounts, see "Special Expenditure," table following paragraph 125 *post.*

HEADS OF EXPENDITURE DETAILED—*continued.*

Heads of Expenditure.	1888-9.	1889-90.
OTHER PUBLIC WORKS—<i>continued.</i>		
Works and Buildings (including Furniture, Fittings, etc.)— Public Offices, etc.—		
Court Houses	16,858	26,557
Police Buildings, etc. ..	36,557	33,260
Gaols and Penal Establishments	6,633	18,298
State Schools, etc.—Erection of Training College ...	8,000	6,455
Public Library, National Gallery, and Museums ...	958	1,630
Observatory	87	3,974
Lunatic Asylums	16,471	25,000
Industrial and Reformatory Schools	1,231	8,651
Cemeteries	1,034	122
Sanatory Station—Fencing, Repairs, etc.	1,417	467
Lands and Agriculture (including parks, gardens, etc.)	2,960	17,265
Laboratory for Agricultural Chemist	200	76
Raising Low-lying Lands, Draining Lands, Spreading Silt, etc.	38,886	34,146
Preventing Encroachment by Sand, etc.	294	722
Post and Telegraph Offices—		
General Post Office, Melbourne—Extension of Building, and towards erection of Money Order and Savings Banks Offices, etc.	49,219	23,179
Purchase of Land near General Post Office (Post Office Place)	...	17,000
Post Offices at other places*	23,898	44,642
Customs Buildings	1,289	4,867
Wharfs, Jetties, Harbours, Rivers, etc.	56,166	83,568
Lighthouses and Lightships	12,791	19,066
Miscellaneous	213	479
Total Works and Buildings, etc. ...	335,969	432,205
Subsidy to Municipalities	340,854	450,000
Roads and Bridges	80,202	99,372
Departmental Expenses	51,778	52,804
Total	808,803	1,034,381
POST AND TELEGRAPHS.†		
Post and Telegraph Offices‡—Administration	365,617	420,371
Inland Mail Service	106,841	120,138§
Foreign Mails|| ... ..	46,739	51,421

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

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

‡ Money Order Offices included.

§ Of which £60,318 was paid to the Railway Department, and £59,820 to the private contractors, etc.

|| Including sums paid as gratuities to masters of vessels, £4,383 in 1888-9, and £1,922 in 1889-90; also subsidy for steamer calling at Havannah Harbour, New Hebrides, £1,300 (including £500 arrears) in 1888-9, and £600 in 1889-90.

HEADS OF EXPENDITURE DETAILED—*continued.*

Heads of Expenditure.	1888-9.	1889-90.
POST AND TELEGRAPHS—<i>continued.</i>		
	£	£
Telegraph Lines—Construction, Repairs, Materials, etc. ..	14,718	23,596
Pneumatic tubes between City Telegraph Offices... ..	11	...
Telephones—		
Telephone Exchanges, telephones, battery materials, wire, etc.	12,497	11,953
New multiple switch-boards, cost of	527	1,287
Maintenance of lines to various departments ..	370	450
Subsidy towards Duplicate Telegraph Cable (Port Darwin to Penang)	13,163	13,872
„ to Eastern Extension Telegraph Co., Tasmania* ...	1,045	683
Interest on Post Office Savings Banks Deposits—4 per cent.	57,091	63,762
Towards a new steam launch	410	1,525
Miscellaneous†	41	270
Total	619,070	709,328
PUBLIC DEBT.		
Interest payable—		
In London	1,363,753	1,460,463
In Melbourne	74,971	63,282
Total Interest	1,438,724	1,523,745
Expenses of paying Interest in London—		
Commission to Banks of $\frac{1}{2}$ per cent	3,161	3,152
Commission to Bank of from £450 to £500 per million for inscribing stock and paying interest thereon	8,709	9,932
Premium on remittances	7,540	10,755
Stamps, advertising, etc.	1,108	561
Total	1,459,242	1,548,145
MISCELLANEOUS SERVICES.		
Expenses of Commissions of Inquiry	3,167	7,831
Law Costs, Awards, etc.‡	3,434	7,127
<i>Poisons and Pharmacy Act</i> —Administration	300	300
Advertising	5,000	6,500
Transport, etc.	2,405	3,217
Exhibitions—		
Colonial and Indian Exhibition, London, 1886§ ...	548	...
Melbourne Centennial International do.§	184,694	2,624||
Adelaide Jubilee do.	399	...

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

† Including £41 in 1888-9 and £38 in 1889-90 towards expenses of International Bureau at Berne; also £277 in 1887-8 for plaintiff's costs of action *re* illegal detention of letters.

‡ Including costs (final) *In re Merry v. The Queen*, £3,225 in 1888-9, and £5,000 in 1889-90.

§ The total expenditure to the end of 1889-90 on the Colonial and Indian Exhibition was £25,421, and on the Melbourne Centennial, £286,238. According to the final balance sheet of the Executive Commissioners, the net cost of the latter—after allowing for £21,788 cash repaid, and £15,509 (cost price) for permanent improvements—was £239,702. The cost of restoration of grounds and buildings, which is not taken into account, was £7,694.

|| Including £545 duty on Australian wines consumed at the Exhibition, and £2,000 (in addition to £6,000 in the previous year) to reimburse His Excellency the Governor's expenses incurred during the period of the Centennial Exhibition.

HEADS OF EXPENDITURE DETAILED—*continued.*

Heads of Expenditure.	1888-9.	1889-90.
MISCELLANEOUS SERVICES—<i>continued.</i>		
	£	£
Exhibitions—		
Paris Universal do., 1889... ..	8,988	3,661
Victorian Juvenile Industrial do.	1,000	...
Portland Industrial and Art do. ... ..	...	300
New Zealand, 1889-90 ... ..	...	6,749
Expenses incurred by the Exhibition Trustees	447	1,982
National Orchestra—Expenses towards ... ..	...	3,000
Powder Magazines*	1,625	2,236
Fisheries	1,015	824
Payments from Estates of Deceased Persons	314	203
Refunds, etc.	1,171	3,743
Assistance to Volunteer Fire Brigades	4,000	2,140
Fire Escape and Life-saving Apparatus... ..	1,000	...
To reimburse the Administrator's expenses incurred during his administration ... ..	...	2,000
Reception of Earl of Hopetoun (Governor) ... ..	...	924
Expenses of visits of Governor and party to country districts	32	...
Victorian Liedertafel's and Ballarat Firemen's travelling expenses in connexion with Adelaide Exhibition and Centennial Commemoration in Sydney	287	...
Purchase of a "Sketch of Melbourne in the year 1841"	420	...
Victorian International Regatta, 1888, contribution towards expenses of	1,000	...
New Prince's Bridge, expenses connected with opening of	112	...
International Free Trade Conference Delegates, travelling expenses to Sandhurst and Ballarat	104	...
Coal Strike at Newcastle, hire of engines in case of failure of gas supply	183	...
Bonuses for manufacture in the colony of the first 10,000 yards of worsted woollen tweeds	4,000	...
Services of experts deciding on claims to last-mentioned bonus for 1887-8	368	...
Expenses of medical man conducting inquiries in Europe and America on behalf of Government ... ..	...	1,000
Interest on temporary advances in London ... ..	...	1,341
Discounts in London and premiums on remittances (sundry)	1,247	263
Advances to Shires for purchase of rabbit-proof fencing ... ..	...	149,984†
Other Expenditure †... ..	2,991	5,873
Total	230,251	213,822

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

Heads of expenditure, 1874-5 to 1889-90.

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

† Repayable within ten years by equal annual instalments without interest.

‡ Including balance at credit of Pension Fund, returned to revenue, viz., £938 in 1888-9, and £1,902 in 1889-90.

HEADS OF EXPENDITURE, 1874-5 TO 1889-90.

Heads of Expenditure.	Year.	Expenditure from—		Total.
		Special Appropriations.	Votes.	
		£	£	£
Civil list* ...	1874-5	70,984	...	70,984
	1875-6	71,227	...	71,227
	1876-7	29,604	...	29,604
	1877-8	29,564	...	29,564
	1878-9	29,636	...	29,636
	1879-80	27,728	...	27,728
	1880-81	24,509	...	24,509
	1881-2	28,469	3,000	31,469
	1882-3	29,926	...	29,926
	1883-4	31,127	...	31,127
	1884-5	36,362	4,693†	41,055
	1885-6	36,269	4,693	40,962
	1886-7	36,416	...	36,416
	1887-8	35,974	9,387	45,361
	1888-9	35,780	4,784	40,564
1889-90	35,915	5,000	40,915	
Legislature ...	1874-5	40,813	15,739	56,552
	1875-6	41,612	15,909	57,521
	1876-7	43,918	14,889	58,807
	1877-8	48,162	15,878	64,040
	1878-9	42,710	16,502	59,212
	1879-80	44,306	16,502	60,808
	1880-81	45,664	16,964	62,628
	1881-2	39,677	16,810	56,487
	1882-3	47,768	18,020	65,788
	1883-4	35,930	17,751	53,681
	1884-5	38,801	18,102	56,903
	1885-6	45,674	18,462	64,136
	1886-7	38,206	18,996	57,202
	1887-8	37,700	20,931	58,631
	1888-9	53,207	20,009	73,216
1889-90	50,573	23,709	74,282	
Civil establishment* ...	1874-5	...	90,422	90,422
	1875-6	...	87,647	87,647
	1876-7	...	89,837	89,837
	1877-8	...	90,215	90,215
	1878-9	...	90,059	90,059
	1879-80	...	91,872	91,872
	1880-81	...	89,987	89,987
	1881-2	...	90,833	90,833
	1882-3	...	117,610	117,610
	1883-4	...	113,628	113,628
1884-5	...	117,586	117,586	
1885-6	...	122,593	122,593	

* For particulars of the items included under these heads, see footnotes to table following paragraph 120 *ante*. State aid to religion is also included in "Civil List" prior to July, 1876, when it was abolished.

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

HEADS OF EXPENDITURE, 1874-5 TO 1889-90—continued.

Heads of Expenditure.	Year.	Expenditure from—		Total.
		Special Appropriations.	Votes.	
		£	£	£
Civil establishment*—continued	1886-7	...	129,001	129,001
	1887-8	...	132,983	132,983
	1888-9	646†	145,971	146,617
	1889-90	1,206†	165,265	166,471
Retiring allowances and pensions †	1874-5	26,529	2,587	29,116
	1875-6	27,423	2,426	29,849
	1876-7	26,214	4,725	30,939
	1877-8	28,370	5,587	33,957
	1878-9	33,952	9,153	43,105
	1879-80	35,202	9,336	44,538
	1880-81	36,817	12,499	49,316
	1881-2	41,749	16,040	57,789
	1882-3	40,474	20,095	60,569
	1883-4	41,334	24,355	65,689
	1884-5	43,589	26,598	70,187
	1885-6	52,685	20,529	73,214
	1886-7	64,844	20,316	85,160
	1887-8	71,583	16,901	88,484
1888-9	80,101	16,509	96,610	
1889-90	93,005	15,837	108,842	
Gratuities, compensations, etc.	1874-5	3,078	10,884	13,962
	1875-6	1,752	5,963	7,715
	1876-7	3,478	7,187	10,665
	1877-8	42,582	7,146	49,728
	1878-9	13,159	33,444	46,603
	1879-80	2,544	19,416	21,960
	1880-81	12,970	34,085	47,055
	1881-2	9,299	22,828	32,127
	1882-3	2,911	25,345	28,256
	1883-4	10,173	20,889	31,062
	1884-5	22,673	25,099	47,772
	1885-6	22,215	21,863	44,078
	1886-7	18,420	21,817	40,237
	1887-8	23,622	19,707	43,329
1888-9	21,714	32,202	53,916	
1889-90	21,620	20,081	41,701	
Judicial and legal	1874-5	16,417	156,558	172,975
	1875-6	16,125	154,469	170,594
	1876-7	16,750	154,932	171,682
	1877-8	16,567	154,498	171,065
	1878-9	14,000	158,056	172,056
	1879-80	14,000	157,664	171,664
1880-81	15,047	142,444	157,491	

* See footnote (*) on page 102.

† Marine Board.

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

HEADS OF EXPENDITURE, 1874-5 TO 1889-90—*continued.*

Heads of Expenditure.	Year.	Expenditure from—		Total.
		Special Appropriations.	Votes.	
		£	£	£
Judicial and legal— <i>continued</i> ...	1881-2	16,919	141,263	158,182
	1882-3	17,000	159,689	176,689
	1883-4	16,655	158,319	174,974
	1884-5	16,381	166,916	183,297
	1885-6	19,096	172,194	191,290
	1886-7	22,993	170,912	193,905
	1887-8	22,972	188,139	211,111
	1888-9	23,003	194,177	217,180
	1889-90	21,471	222,385	243,856
Police	1874-5	...	198,312	198,312
	1875-6	...	199,738	199,738
	1876-7	...	197,371	197,371
	1877-8	...	207,119	207,119
	1878-9	...	209,041	209,041
	1879-80	...	233,732	233,732
	1880-81	...	207,674	207,674
	1881-2	...	201,063	201,063
	1882-3	...	204,561	204,561
	1883-4	...	216,973	216,973
	1884-5	...	217,684	217,684
	1885-6	...	224,237	224,237
	1886-7	...	233,173	233,173
	1887-8	...	240,840	240,840
	1888-9	...	261,329	261,329
	1889-90	...	265,149	265,149
Gaols and penal establishments	1874-5	...	60,469	60,469
	1875-6	...	61,051	61,051
	1876-7	...	60,008	60,008
	1877-8	...	58,132	58,132
	1878-9	...	58,442	58,442
	1879-80	...	56,636	56,636
	1880-81	...	53,565	53,565
	1881-2	...	53,032	53,032
	1882-3	...	57,128	57,128
	1883-4	...	55,836	55,836
	1884-5	...	57,311	57,311
	1885-6	...	60,644	60,644
	1886-7	...	59,894	59,894
	1887-8	...	65,385	65,385
1888-9	...	66,163	66,163	
1889-90	...	71,146	71,146	
Defences	1874-5	...	53,507	53,507
	1875-6	...	58,233	58,233
	1876-7	...	74,020	74,020
	1877-8	...	121,266	121,266
	1878-9	...	118,122	118,122
	1879-80	...	93,779	93,779
1880-81	...	78,732	78,732	

HEADS OF EXPENDITURE, 1874-5 TO 1889-90—continued.

Heads of Expenditure.	Year.	Expenditure from—		Total.
		Special Appropriations.	Votes.	
		£	£	£
Defences— <i>continued</i> ...	1881-2	...	79,442	79,442
	1882-3	...	191,360	191,360
	1883-4	...	231,038	231,038
	1884-5	110,000	88,773	198,773
	1885-6	110,000	209,938	319,938
	1886-7	110,000	194,764	304,764
	1887-8	110,000	212,119*	322,119
	1888-9	110,000	236,623*	346,623
	1889-90	145,000	205,823	350,823
Public instruction, science, etc.†	1874-5	9,000	408,136	417,136
	1875-6	9,000	466,280	475,280
	1876-7	9,000	483,939	492,939
	1877-8	9,000	512,725	521,725
	1878-9	9,000	563,900	572,900
	1879-80	11,250	560,742	571,992
	1880-81	9,000	575,225	584,225
	1881-2	9,000	591,799	600,799
	1882-3	9,000	589,970	598,970
	1883-4	9,000	598,822	607,822
	1884-5	9,000	601,026	610,026
	1885-6	9,000	656,442	665,442
	1886-7	9,000	667,569	676,569
	1887-8	9,000	713,102	722,102
1888-9	9,000	765,449	774,449	
1889-90	9,000	819,074	828,074	
State school buildings ‡	1874-5	...	181,440	181,440
	1889-90	...	201,140	201,140
Charitable institutions, medical, etc.†	1874-5	...	273,537	273,537
	1875-6	...	270,318	270,318
	1876-7	...	278,970	278,970
	1877-8	...	281,509	281,509
	1878-9	...	277,016	277,016
	1879-80	...	272,539	272,539
	1880-81	...	241,907	241,907
	1881-2	...	249,367	249,367
	1882-3	...	267,400	267,400
	1883-4	...	259,983	259,983
	1884-5	...	262,359	262,359
	1885-6	...	273,705	273,705
	1886-7	...	268,864	268,864
	1887-8	...	278,879	278,879
1888-9	...	283,986	283,986	
1889-90	8,190§	307,950	316,140	

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

† For particulars of the items included under these heads, see footnotes to table following paragraph 120 *ante*.

‡ The amount expended on school buildings in the years intervening between those named was entirely paid out of loans.—See table following paragraph 127 *post*.

§ Retreat for Inebriates.

HEADS OF EXPENDITURE, 1874-5 TO 1889-90—continued.

Heads of Expenditure.	Year.	Expenditure from—		Total.
		Special Appropriations.	Votes.	
		£	£	£
Crown lands	1874-5	...	129,558	129,558
	1875-6	...	128,026	128,026
	1876-7	...	149,210	149,210
	1877-8	...	130,519	130,519
	1878-9	...	129,617	129,617
	1879-80	...	136,889	136,889
	1880-81	...	103,279	103,279
	1881-2	...	99,169	99,169
	1882-3	...	100,367	100,367
	1883-4	...	98,209	98,209
	1884-5	...	104,875	104,875
	1885-6	...	107,556	107,556
	1886-7	...	111,969	111,969
	1887-8	...	106,403	106,403
	1888-9	...	100,573	100,573
1889-90	...	97,249	97,249	
Agriculture, etc.	1874-5	...	21,473	21,473
	1875-6	...	21,023	21,023
	1876-7	...	24,878	24,878
	1877-8	...	28,139	28,139
	1878-9	...	31,398	31,398
	1879-80	...	31,953	31,953
	1880-81	...	32,382	32,382
	1881-2	...	50,311	50,311
	1882-3	...	54,834	54,834
	1883-4	...	42,418	42,418
	1884-5	...	51,065	51,065
	1885-6	...	84,781	84,781
	1886-7	704*	70,848	71,552
	1887-8	327	69,620	69,947
	1888-9	175	73,054	73,229
1889-90	228	98,217	98,445	
Mining †	1874-5	3,500	27,153	30,653
	1875-6	3,500	34,653	38,153
	1876-7	3,500	34,043	37,543
	1877-8	3,500	25,030	28,530
	1878-9	3,500	48,882	52,382
	1879-80	3,500	24,704	28,204
	1880-81	3,500	27,406	30,906
	1881-2	3,500	39,379	42,879
	1882-3	3,500	38,940	42,440
	1883-4	3,500	44,334	47,834
1884-5	3,500	53,236	56,736	

* This and the following amounts represent rates paid on unoccupied Mallee Blocks towards extermination of vermin.

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

HEADS OF EXPENDITURE, 1874-5 TO 1889-90—continued.

Heads of Expenditure.	Year.	Expenditure from—		Total.
		Special Appropriations.	Votes.	
		£	£	£
Mining*—continued ...	1885-6	3,500	67,962	71,462
	1886-7	3,500	100,154	103,654
	1887-8	3,500	114,337	117,837
	1888-9	3,500	115,639	119,139
	1889-90	3,500	133,791	137,291
Railways † ...	1874-5	100,000	437,931	537,931
	1875-6	300,000	489,751	789,751
	1876-7	200,000	562,517	762,517
	1877-8	100,000	616,207	716,207
	1878-9	200,000	662,178	862,178
	1879-80	...	771,527	771,527
	1880-81	200,000	818,601	1,018,601
	1881-2	200,000	829,103	1,029,103
	1882-3	...	1,173,535	1,173,535
	1883-4	2,750	1,104,285	1,107,035
	1884-5	6,000	1,403,993	1,409,993
	1885-6	94,667	1,317,873	1,412,540
	1886-7	72,650	1,358,466	1,431,116
	1887-8	119,946	1,572,930	1,692,876
	1888-9	126,873	1,797,124	1,923,997
1889-90	94,588	2,505,106	2,599,694	
Water supply ...	1874-5	...	17,013	17,013
	1875-6	...	17,192	17,192
	1876-7	...	18,099	18,099
	1877-8	...	22,621	22,621
	1878-9	...	28,501	28,501
	1879-80	...	26,053	26,053
	1880-81	...	32,339	32,339
	1881-2	...	40,869	40,869
	1882-3	...	34,534	34,534
	1883-4	...	31,472	31,472
	1884-5	...	32,282	32,282
	1885-6	...	35,511	35,511
	1886-7	...	39,756	39,756
1887-8	...	46,966	46,966	
1888-9	...	71,989	71,989	
1889-90	...	68,850	68,850	

* See footnote (†) on page 106.

† The amounts annually entered under the head of Special Appropriations in 1885-6 and subsequent years, with the exception of £6,000 annually for salaries of the Railway Commissioners, were paid into the "Railway Construction Account" in accordance with the direction of *The Land Act 1884* (43 Vict. No. 812), sec. 78, whereby it is provided that all moneys arising from the sale by auction of Crown lands shall be placed to a trust account, the amount standing to the credit of which should be available for the construction of railways. The amounts entered prior to 1882-3 also represent the payment of moneys derived from the alienation of Crown lands, but fixed at £200,000 per annum, to a similar account (known as the "Railway Loan Liquidation and Construction Account"), which was created under *The Land Act 1869* (33 Vict. No. 366)—full particulars of which are given in the *Victorian Year-Book*, 1885-6, page 123. The total amount paid into both these accounts up to the 30th June, 1890, was £2,679,104, which has been expended on the survey or construction of lines of railway. The amounts entered under the head of "Votes" represent the working expenses of railways, except £500 in 1836-7, and £4,144 in 1887-8 paid towards construction.

HEADS OF EXPENDITURE, 1874-5 TO 1889-90—continued.

Heads of Expenditure.	Year.	Expenditure from—		Total.
		Special Appropriations.	Votes.	
		£	£	£
Other public works* ...	1874-5	315,640	339,855	655,495
	1875-6	347,754	332,465	680,219
	1876-7	310,704	242,283	552,987
	1877-8	310,000	252,505	562,505
	1878-9	310,000	276,401	586,401
	1879-80	155,000	476,593†	631,593
	1880-81	...	587,593	587,593
	1881-2	...	550,681	550,681
	1882-3	...	628,611	628,611
	1883-4	...	605,148	605,148
	1884-5	...	636,378	636,378
	1885-6	...	686,825	686,825
	1886-7	...	671,973	671,973
	1887-8	...	718,427	718,427
	1888-9	...	808,803†	808,803
1889-90	..	..	1,034,381†	1,034,381
Post and telegraphs§ ...	1874-5	85,890	294,726	380,616
	1875-6	26,908‡	280,981	307,889‡
	1876-7	64,542	298,467	363,009
	1877-8	53,996	312,958	366,954
	1878-9	55,855	333,120	388,975
	1879-80	61,101	338,088	399,189
	1880-81	63,229	375,533	438,762
	1881-2	77,348	358,795	436,143
	1882-3	86,240	386,006	472,246
	1883-4	94,215	407,045	501,260
	1884-5	118,121	416,252	534,373
	1885-6	126,944	437,676	564,620
	1886-7	130,065	455,925	585,990
	1887-8	131,520	511,593	643,113
	1888-9	115,693	503,377	619,070
1889-90	128,455	580,873	709,328	

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

† The provision of the *Local Government Act* 1874, authorizing the annual subsidy of £310,000 to municipalities lapsed on the 31st December, 1879, but amounts equivalent to the subsidy have since been voted by Parliament. This accounts for the gradual transfer of this item of expenditure from Special Appropriations to Votes. The subsidy was increased to £340,854 in 1888-9, and to £450,000 in 1889-90.

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

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

HEADS OF EXPENDITURE, 1874-5 TO 1889-90—continued.

Heads of Expenditure.	Year.	Expenditure from—		Total.
		Special Appropriations.	Votes.	
		£	£	£
Interest and expenses of Public Debt*	1874-5	719,282	...	719,282
	1875-6	772,399	...	772,399
	1876-7	795,191	...	795,191
	1877-8	898,006	...	898,006
	1878-9	892,172	...	892,172
	1879-80	979,864	...	979,864
	1880-81	1,043,535	43,927	1,087,462
	1881-2	1,124,136	16,010	1,140,146
	1882-3	1,162,195	18,381	1,180,576
	1883-4	1,203,440	11,630	1,215,070
	1884-5	1,260,279	11,628	1,271,907
	1885-6	1,272,565	9,445	1,282,010
	1886-7	1,261,514	9,295	1,270,809
	1887-8	1,375,910	9,211	1,385,121
	1888-9	1,449,921	9,321	1,459,242
1889-90	1,538,895	9,250	1,548,145	
Redemption of loans... ..	1874-5	35,000	...	35,000
	1889-90	276,100	...	276,100
Customs	1874-5	...	57,364	57,364
	1875-6	...	56,311	56,311
	1876-7	...	56,186	56,186
	1877-8	...	64,058	64,058
	1878-9	...	59,467	59,467
	1879-80	...	62,226	62,226
	1880-81	...	58,621	58,621
	1881-2	...	63,330	63,330
	1882-3	...	65,047	65,047
	1883-4	...	72,978	72,978
	1884-5	...	71,710	71,710
	1885-6	...	70,925	70,925
1886-7	...	78,579	78,579	
1887-8	...	83,975	83,975	
1888-9	...	87,412	87,412	
1889-90	...	83,966	88,966	
Harbours and lights	1874-5	...	35,035	35,035
	1875-6	...	34,703	34,703
	1876-7	...	29,980	29,980
	1877-8	...	29,017	29,017
	1878-9	...	28,876	28,876
	1879-80	...	29,272	29,272
	1880-81	...	23,448	23,448
	1881-2	...	25,471	25,471
	1882-3	...	26,763	26,763
	1883-4	...	24,632	24,632
1884-5	...	28,941	28,941	

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

HEADS OF EXPENDITURE, 1874-5 TO 1889-90—*continued.*

Heads of Expenditure.	Year.	Expenditure from—		Total.
		Special Appropriation.	Votes.	
		£	£	£
Harbours and lights— <i>continued</i>	1885-6	...	38,988	38,988
	1886-7	...	39,819	39,819
	1887-8	...	32,460	32,460
	1888-9	...	34,595	34,595
	1889-90	...	35,166	35,166
Mint subsidy * ...	1874-5	20,000	...	20,000
	1875-6	20,000	...	20,000
	1876-7	18,333	...	18,333
	1877-8	20,000	...	20,000
	1878-9	20,000	...	20,000
	1879-80	20,000	...	20,000
	1880-81	20,000	...	20,000
	1881-2	20,000	...	20,000
	1882-3	20,000	...	20,000
	1883-4	20,000	...	20,000
	1884-5	20,000	...	20,000
	1885-6	20,000	...	20,000
	1886-7	20,000	...	20,000
	1887-8	20,000	...	20,000
	1888-9	20,000	...	20,000
1889-90	20,000	...	20,000	
Aborigines ...	1874-5	..	6,209	6,209
	1875-6	...	6,100	6,100
	1876-7	...	7,500	7,500
	1877-8	...	7,464	7,464
	1878-9	...	10,499	10,499
	1879-80	...	7,500	7,500
	1880-81	...	7,499	7,499
	1881-2	...	7,498	7,498
	1882-3	...	7,498	7,498
	1883-4	...	10,857	10,857
	1884-5	...	10,500	10,500
	1885-6	...	10,514	10,514
	1886-7	...	10,508	10,508
	1887-8	...	10,982	10,982
	1888-9	...	10,949	10,949
1889-90	...	9,761	9,761	
Miscellaneous Services† ...	1874-5	2,500	30,108	32,608
	1875-6	2,500	30,627	33,127
	1876-7	2,500	23,464	25,864
	1877-8	2,500	31,222	33,722

* The annual subsidy to the Mint is £20,000; portion of this sum, however, has been repaid each year to the revenue.—See page 87 *ante*, under the head “Mint subsidy returned.”

† Except £888 in 1886-7, and £200 in 1887-8, the amounts in the column for Special Appropriations represent the unexpended balances of the Pension Fund (Schedule D, Part V.), repaid each year to the revenue. The following exceptional amounts are also included in the Votes for the years named:—In 1887-8, £100,000, and in 1888-9, £178,694 towards the expenses of the Melbourne Centennial International Exhibition, and £149,984 in 1889-90 for advances to Shires for the erection of rabbit-proof fencing.

HEADS OF EXPENDITURE, 1874-5 TO 1889-90—continued.

Heads of Expenditure.	Year.	Expenditure from—		Total.
		Special Appropriations.	Votes.	
		£	£	£
Miscellaneous Services*— <i>continued</i>	1878-9	2,500	40,566	43,066
	1879-80	2,500	29,772	32,272
	1880-81	4,000	58,244	62,244
	1881-2	4,000	25,574	29,574
	1882-3	4,000	35,177	39,177
	1883-4	4,000	30,567	34,567
	1884-5	4,000	25,851	29,851
	1885-6	4,000	43,569	47,569
	1886-7	2,234	38,107	40,341
	1887-8	750	149,065	149,815
	1888-9	938	229,313	230,251
	1889-90	1,902	211,920	213,822
TOTAL EXPENDITURE PROPER	1874-5	1,448,633	2,848,016	4,296,649
	1875-6	1,640,200	2,753,866	4,394,066
	1876-7	1,523,734	2,812,405	4,336,139
	1877-8	1,562,247	2,973,815	4,536,062
	1878-9	1,626,484	3,183,240	4,809,724
	1879-80	1,356,995	3,446,795	4,803,790
	1880-81	1,478,271	3,621,954	5,100,225
	1881-2	1,574,097	3,571,667	5,145,764
	1882-3	1,423,014	4,220,871	5,643,885
	1883-4	1,472,124	4,181,169	5,653,293
	1884-5	1,688,706	4,432,858	6,121,564
	1885-6	1,816,615	4,696,925	6,513,540
	1886-7	1,790,546	4,770,705	6,561,251
	1887-8	1,962,804	5,324,347	7,287,151
	1888-9	2,050,551	5,869,351	7,919,902
1889-90	2,449,648	7,196,089	9,645,737	
Amounts to be recouped from loans, etc.	1874-5	...	21,472	21,472
	1875-6	15,221	163,556	178,777
	1876-7	19,001	2,956	21,957
	1877-8	32,042	66,245	98,287
	1878-9	20,655	3,000	23,655
	1879-80	18,945	52,294	71,239
	1880-81	2,310	6,107	8,417
	1882-3	...	8,000	8,000
	1883-4	...	62,000	62,000
	1884-5	...	18,792	18,792
	1887-8	...	55,265	55,265
1888-9	...	116,906	116,906	
1889-90	...	...	...
Special Expenditure (to be recouped from sale of certain lands)†	1888-9	...	39,424	39,424
	1889-90	...	190,779	190,779

* See footnote (†) on page 110.

† Chiefly for Public Works. See paragraph 125 *post*.

HEADS OF EXPENDITURE, 1874-5 TO 1889-90--*continued.*

Heads of Expenditure.	Year.	Expenditure from—		Total.
		Special Appropriation.	Votes.	
		£	£	£
GRAND TOTAL EXPENDITURE*	1874-5	1,448,633	2,869,488	4,318,121
	1875-6	1,655,421	2,917,422	4,572,843
	1876-7	1,542,735	2,815,361	4,358,096
	1877-8	1,594,289	3,040,060	4,634,349
	1878-9	1,647,139	3,186,240	4,833,379
	1879-80	1,375,940	3,499,089	4,875,029
	1880-81	1,480,581	3,628,061	5,108,642
	1881-2	1,574,097	3,571,667	5,145,764
	1882-3	1,423,014	4,228,871	5,651,885
	1883-4	1,472,124	4,243,169	5,715,293
	1884-5	1,688,706	4,451,650	6,140,356
	1885-6	1,816,615	4,696,925	6,513,540
	1886-7	1,790,546	4,770,705	6,561,251
	1887-8	1,962,804	5,379,612	7,342,416
	1888-9	2,050,551	6,025,681	8,076,232
1889-90	2,449,648	7,386,868	9,836,516	

Increased expenditure under special appropriations.

124. Of the total expenditure proper in 1889-90, nearly £2,450,000, or about 25 per cent., was under the head of Special Appropriations, which being provided for under various Acts of Parliament other than the annual *Appropriation Act*, are not required to be voted annually. It will be observed that the expenditure under such appropriations increased in 1889-90 as compared with the previous year by over £399,000, and that under Votes increased by nearly £1,327,000. Of the former increase, £276,100 was due to the Repayment of Loans; £89,000 appears under the head of Interest, consequent on the growth of the public debt; £35,000 under that of Defence (which is, however, virtually a transfer from votes to special appropriations); £13,000 under that of Pensions; £13,000 under that of Post and Telegraphs; and £8,190 for the new Retreat for Inebriates; but against these items must be set a decrease of £32,000 in the amount paid into the Railway Construction account, in consequence of the falling-off in the amount derived from the sale of Crown lands at auction.

Special expenditure.

125. Besides the ordinary expenditure on public works, certain other sums were also expended during the last two years with a view of being finally charged, not to the consolidated revenue as usual, but to a special fund to be derived from the sale of certain public lands

* Not including £471,900 in 1831-2, £18,000 in 1882-3, and £10,100 in 1883-4, towards the redemption of Treasury bonds.

and buildings in Melbourne specifically set apart for the purpose, and therefore distinguished as "Special Expenditure." The special expenditure in 1889-90 was for the purchase of land for law courts and offices, the erection of public buildings, and reclamation and drainage works; this amounted to £190,779 as compared with £39,424 in the previous year. The total amount expended up to the 30th June, 1890, was thus £230,203, of which £64,688 was defrayed from part of the proceeds of the sale of the City Police Court (which realized £140,000), leaving a balance outstanding of £166,515. The following are the particulars:—

SPECIAL EXPENDITURE, 1888-9 AND 1889-90.

When Expended.	Wherefrom Recouped, or to be Recouped.	Wherefore Expended.	Amount (recoupable).
1888-9	RECOUPED IN 1889-90. Sale of City Police Court, Melbourne	Purchase of land in vicinity of Law Courts	£ 13,725
"	"	Extension of Titles Office ...	5,699
"	"	Purchase of land in Post Office Place	20,000
		Total expended 1888-9 ...	39,424
1889-90	"	Purchase of land in vicinity of Law Courts	17,840
"	"	Extension of Titles Office	7,424
"	"	Purchase of land for Law Offices, etc.	25,264
	TO BE RECOUPED.*		
"	Sale of land at Kew and Yarra Bend Lunatic Asylums	Biological, Chemical, and Mechanical Laboratories—Buildings	10,500
"	"	Parliamentary Buildings—Additions	15,450
"	"	Public Offices, Sandhurst ...	59,787
"	"	Lunatic Asylum Buildings ...	6,509
			92,246
"	Sale of lands reclaimed	Moe Swamp Drainage Works ...	15,496†
"	"	Elwood do.	29,595†
"	"	Koo-Wee-Rup do.	18,915
		Reclamation Works—	
"	"‡	Port Melbourne Lagoon ...	9,263
			73,269
		Total expended 1889-90 ...	190,779
		Balance unrecouped ...	165,515

126. The amounts specially appropriated under Acts of Parliament increased by £310,750 (net) during the last seven years. Two new items were added in 1889-90, apparently increasing the expenditure

New special appropriations.

* A Bill is now (August, 1891) before the Legislature to appropriate the proceeds of general sales of land by auction for these purposes.

† Including amounts repaid into the consolidated revenue for expenditure in 1888-9, viz.:—£4,000 on Moe swamp works, and £5,934 on Elwood swamp works.

‡ To be partly recouped by payments by Harbor Trust and by Port Melbourne Council.

by £153,200 per annum. Of this amount, however, £145,000 was in lieu of a lapsed appropriation of £110,000 for defences, and is, moreover, authorized only for a limited period. The following is a statement of the new appropriations referred to:—

**ADDITIONAL SPECIAL APPROPRIATIONS AUTHORIZED,
1883-4 TO 1889-90.**

Authorization.		Purpose for which Authorized.	Approximate Annual Amount.	
Year.	Act.			
1883-4	...	47 Vict. No. 767	Victorian Railways Commissioners —Salaries	£ 6,000
		47 Vict. No. 773	Victorian Railways—Pensions, etc. Public Service Board—Salaries ...	13,000* 4,500
		47 Vict. No. 777	Defences—Works, etc. ... Pensions, etc. ...	12,500* 110,000†
		47 Vict. No. 780	Salary of Additional Minister ...	900* 1,500
		47 Vict. No. 781	Subsidy towards maintenance of telegraphic communication between Port Darwin and Penang	20,000*
		Total ... ..			168,400
1884-5	...	48 Vict. No. 807	Addition to Agent-General's salary	500
		48 Vict. No. 812	Proceeds of land sales by auction paid to "Railway Construction Account"	80,000‡
Total			80,500	
1885-6	...	49 Vict. No. 835	Interest on payment out of Assurance Fund (Government Trust Fund) for purchase of land near Titles Office	3,000
		49 Vict. No. 844	Additional Judge of Supreme Court	3,000
		49 Vict. No. 870	Commissioner of Audit—Pension ...	650
Total			6,650	
1886-7	...	Nil ... ..	...
1887-8	...	Nil ... ..	...
1888-9	...	52 Vict. No. 965	Marine Board	12,000
1889-90	...	52 Vict. No. 1000	Defences—Works, etc.	145,000§
		53 Vict. No. 1060	Retreat for Inebriates	8,200
Total			153,200	
Net increase in seven years			310,750	

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

* Previously paid from annual votes. Of the £20,000 authorized for the maintenance of the Port Darwin cable, only about £14,000 to £14,600 has usually been required.

† This amount, which was authorized for five years only, duly lapsed by effluxion of time, and was replaced in 1889-90 by a fresh appropriation of £145,000.

‡ This represents the mean of the amounts paid in the two years, 1885-6 and 1886-7.

§ This is to replace the appropriation of £110,000 of 1883-4, which has lapsed by effluxion of time. This amount is authorized up to the 31st December, 1891.

127. In addition to the ordinary expenditure from revenue, large sums are annually disbursed for various purposes from amounts raised by means of loans. The following table shows the details of such expenditure prior to 1884-5, and during each subsequent year. This is intended to supplement the table of ordinary expenditure by exhibiting those items which, having never been, or having ceased to be, a charge on the general revenue, are treated in separate accounts:—

Expenditure
of loans,
etc.

EXPENDITURE OF NET PROCEEDS OF LOANS TO 30TH JUNE, 1890.

Purposes of Expenditure.	Amounts Expended.*							
	Prior to 1884-5.	1884-5.	1885-6.	1886-7.	1887-8.	1888-9.	1889-90.	Total.
	£	£	£	£	£	£	£	£
Railways ..	19,861,253	901,577	1,408,662	1,711,160	1,774,721	3,083,211	2,333,087	31,673,671
Water Supply † ..	4,040,559	172,465	235,485	373,994	462,562	484,068	796,271	6,565,404
Law Courts & Parliament Houses	436,266	568	12,153	32,770	44,954	37,563	15,270	579,544
Public Offices ..	162,280	..	..	..	..	..	..	162,280
Defences ..	98,299	..	..	..	..	..	..	98,299
State School Buildings	898,500	69,995	45,438	49,284	54,308	59,970	..	1,177,495
Yarra Bridge ..	10,182	3,663	14,205	42,561	32,627	18,207	..	† 121,445
Alfred Graving Dock	341,819	..	..	..	..	..	..	341,819
Harbour Works, etc.	14,106	46,077	20,976	47,856	53,344	54,279	§ 9,377	246,015
Total ..	25,863,264	1,194,345	1,736,919	2,257,625	2,422,516	3,737,298	3,754,005	40,965,972

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

128. Nearly a tenth of the expenditure payable from the General Revenue consists of subsidies, grants, endowments, etc. The whole amount payable in this manner is over £896,000, of which more than half is paid to municipalities, over a seventh to charitable institutions, and nearly an eighth in aid of the mining industry. This does not include the grant for free public instruction, which amounts annually to about £710,000; or for the maintenance of the Government charitable institutions—such as the hospitals for the insane, the industrial and reformatory schools, and inebriate asylum—which amounts annually about £169,000. The following is a statement of the amounts payable under the various heads:—

Annual
subsidies,
grants, etc.

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

† Of this £2,887,288 was for Melbourne Water Supply, and £3,678,116 for Country Waterworks, etc. For further particulars, see Waterworks in Part "Production," in the second volume.

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

§ Including an expenditure in 1889-90 of £1,730 on works for opening the sea entrance to the Gippsland Lakes, making a total of £8,618 up to the end of that year.

SUBSIDIES, GRANTS, ENDOWMENTS, ETC., 1889-90.

Subsidy to Municipalities	... ..	£450,000
<i>Educational Grants, etc.—</i>		
Melbourne University—Endowment under Act	... ..	9,000
„ „ Additional Endowment voted	... ..	7,500*
College of Pharmacy	... ..	1,000
Schools of Mines and Technical Schools	... ..	33,800
Public Libraries, etc. (including Melbourne Public Library)	... ..	42,800
Grant to Royal Society	... ..	500
„ Australasian Association for Advancement of Science	... ..	1,000
„ Victorian Artists' Society	... ..	250
„ Fine Arts Galleries, Ballarat, Sandhurst, etc.	... ..	2,500
„ Zoological and Acclimatisation Society, etc.	... ..	4,300
Grant to Charitable Institutions	... ..	130,000
<i>Post and Telegraphs—</i>		
Subsidy—Foreign Mail Service (including payments to other Governments)	... ..	48,900†
„ Maintenance of telegraph line between Port Darwin and Penang	... ..	14,000
„ Eastern Extension Telegraph Co., Tasmania	... ..	680
<i>Mining, Agricultural, and other Industries—</i>		
Mining Boards	... ..	3,500
Mint Subsidy	... ..	20,000
Diamond Drills—Purchase and working expenses of	... ..	88,100
Grant to assist miners in prospecting operations	... ..
„ Agricultural and Horticultural Societies	... ..	25,400
„ Board of Viticulture	... ..	800
Prizes for Agricultural Improvements, etc.	... ..	900
Bonuses for Prepared Fruits, Dairying, etc.	... ..	4,000
<i>Defences—</i>		
Prizes to Rifle Associations, etc.	... ..	2,500
Supply of Ammunition to Rifle Clubs, Cadet Corps, etc.	... ..	5,000
Total	... ..	£896,430

Expenditure
on public
instruction.

129. The system of free public instruction, which was legalized under Act 36 Vict. No. 447, came into force on the 1st January, 1873, and since that date, over eleven millions sterling have been expended by the State in giving effect to its provisions. Of this amount not quite a fifth was for the erection, maintenance, and rent of school buildings; and the remainder—viz., over nine millions—represents the cost of education, including that of office staff, inspection, instruction, pensions, gratuities, and contingencies, for the last eighteen years. The following table shows the expenditure under those heads for each year from 1872-3 to 1889-90, also the total for the period:—

* In 1889-90 a grant of £10,500 was also made in aid of building the Biological, Chemical, and Mechanical Laboratories.

† A set-off against this amount appears in the account of Postal Revenue, under the head of "Postages Collected," etc., which reduces the ultimate net cost to about £2,000.

EXPENDITURE ON PUBLIC INSTRUCTION,* 1872-3 TO 1889-90.

Year.	Cost of Instruction including Salaries and Contingencies.	Pensions and Gratuities.	Cost of Erection† and Maintenance, and Rent of School Buildings.	Total.
	£	£	£	£
1872-3 ...	217,704	208	8,759	226,671
1873-4 ...	347,641	500	154,976	503,117
1874-5 ...	367,898	500	191,440	559,838
1875-6 ...	423,694	555	126,700	550,949
1876-7 ...	439,723	2,155	172,890	614,768
1877-8 ...	469,547	2,760	245,454	717,761
1878-9 ...	519,545	6,134	96,769	622,448
1879-80 ...	503,923	10,366	81,884	596,173
1880-81 ...	515,644	6,726	104,625	626,995
1881-2 ...	526,397	8,321	76,911	611,629
1882-3 ...	517,849	9,167	82,225	609,241
1883-4 ...	522,063	9,849	62,015	593,927
1884-5 ...	524,226	13,036	92,393	629,655
1885-6 ...	563,426	14,271	68,136	645,833
1886-7 ...	570,292	17,043	67,908	655,243
1887-8 ...	600,271	16,718	80,726	697,715
1888-9 ...	630,426	20,563	93,662	744,651
1889-90 ...	675,345	22,117	236,272	933,734
Total ...	8,935,614	160,989	2,043,745	11,140,348

NOTE.—Besides the amounts in this table, subsidies are voted each year to the University, Schools of Mines, Schools of Design, etc. For particulars, see page 95 *ante*.

130. It will be observed that the actual cost of instruction increased rapidly until 1878-9; that during the seven years, 1878-9 to 1884-5, it remained tolerably uniform at £520,000 per annum, but during the last five years it has increased by £151,000. During the eight years ended with 1888-9, the annual expenditure on school buildings had been tolerably uniform, varying from £62,000 in 1883-4 to £94,000 in 1888-9; but in 1889-90 it suddenly rose to £236,000, being larger than in any previous year except 1877-8. It may be remarked that prior to 1872-3 the total annual expenditure on public instruction was under £200,000.

131. Since the separation of Victoria from New South Wales, upwards of two millions sterling have been expended on the introduction of immigrants from the United Kingdom. Of late years, however, it has not been the policy of the State to devote money to this object, and little or nothing was so spent during the last five, and only £65 during the last nine years. The following are the amounts spent in introducing immigrants during each year, beginning with the one in which separation took place:—

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

† Including expenditure from loans.

EXPENDITURE ON IMMIGRATION, 1851 TO 1889-90.*

		£			£			£
1851	...	116,363	1865	...	41,808	1878-9	...	342
1852	...	206,552	1866	...	35,813	1879-80	...	28
1853	...	209,925	1867	...	38,402	1880-81	...	104
1854	...	390,352	1868	...	32,549	1881-2	...	...
1855	...	187,355	1869	...	50,637	1882-3	...	11
1856	...	115,716	1870	...	33,313	1883-4	...	47
1857	...	115,877	1871 (6 months)	...	14,840	1884-5	...	2
1858	...	59,023	1871-2	...	21,808	1885-6	...	...
1859	...	48,809	1872-3	...	4,094	1886-7	...	...
1860	...	6,948	1873-4	...	2,251	1887-8	...	5
1861	...	63,739	1874-5	...	1,583	1888-9	...	...
1862	...	115,209	1875-6	...	760	1889-90	...	...
1863	...	50,081	1876-7	...	500			
1864	...	47,887	1877-8	...	366			
						Total ...		£2,013,099

Expenditure on immigration in Australasian colonies.

132. Up to the end of 1889, most of the Australasian colonies, except Victoria, continued to expend considerable sums on the introduction of immigrants, but as a whole they spent £24,000 less in 1889 than in the previous year. Nearly £137,000 were spent by the colonies on immigration in 1889, of which Queensland contributed nine-tenths. Only £11,883, or 8½ per cent. of the whole, was provided for out of ordinary revenue, the greater portion having been paid out of the loan account.† In proportion to population, the expenditure was much the highest in Queensland, where it averaged 6s. 3d. per head, the average for the whole of Australasia being only 9d. per head. The following are the total amounts, and the amounts per head, expended on immigration in each colony in 1888 and 1889:—

EXPENDITURE ON IMMIGRATION IN THE AUSTRALASIAN COLONIES, 1888 AND 1889.

Colony.	Expenditure on Immigration.			
	Total Amount.		Amount per Head of Population.	
	1888.	1889.	1888.	1889.
	£	£	s. d.	s. d.
* Victoria ...	...	...	...	...
New South Wales ...	7,854	8,073	0 2	0 2
Queensland ...	131,913	123,542	7 0	6 3
South Australia ...	559	1,697	...	0 1
Western Australia ...	5,820	2,000	2 9	0 11
Tasmania ...	502	113	0 1	...
New Zealand ...	14,168	1,251	0 6	...
Total ...	160,816	136,676	0 11	0 9

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

† See tables following paragraphs 151 and 154 *post*.

133. During the nineteen years* ended with 1889 the subjoined amounts were spent on immigration in the following colonies:— Victoria, £80,049; New South Wales, £768,868; South Australia, £776,853; New Zealand, £2,185,633.

Expenditure on immigration in Australasian colonies, 1871-89.

134. During the last forty years nearly sixty-seven millions sterling have been expended—partly out of loans and partly out of the general revenue—by the Government of Victoria on public works, including railways, roads and bridges, water supply, and other works and buildings. Of this amount over five millions were spent in 1889-90. The whole is inclusive of loans to local bodies and water trusts for the construction of waterworks, but exclusive of the sums expended by the former on public works, roads, etc., and on the Port of Melbourne† since the 1st January, 1877. The following table gives the amount expended by the State prior to and during 1889-90:—

Expenditure on public works.

GOVERNMENT EXPENDITURE ON PUBLIC WORKS.

Public Works.	Amount Expended.		
	Prior to 1839-90.	During 1839-90.	Total.
	£	£	£
Railways—Construction	31,189,516	3,180,515	34,370,031
„ Maintenance	4,312,846	433,267	4,746,113
Roads and bridges	7,389,672	99,372	7,489,044
Waterworks, Melbourne—Construction	2,730,016	374,731	3,104,747
„ „ Maintenance	130,217	9,694	139,911
„ Country	3,385,034	420,457	3,805,491
Other public works	12,605,005	564,418	13,169,423
Total	61,742,306	5,082,454	66,824,760

135. The total revenue and expenditure, and the amount of each per head of the living population, in each of the Australasian colonies are shown in the following table for the nine years ended with 1889. As the financial year of Victoria terminates on the 30th June, the items for this colony are given for ten years, the last year but one being six months behind, and the last year being six months in advance, of the latest period in respect to which returns are given for the other colonies:—

Revenue and expenditure in Australasian colonies.

* For Victoria and South Australia 19½ years.

† See table "Melbourne Harbor Trust," *post*.

REVENUE AND EXPENDITURE IN AUSTRALASIAN COLONIES.

Colony.	Year.	Revenue.			Expenditure.				
		Total Amount.	Amount per Head.		Total Amount.	Amount per Head.			
		£	£	s.	d.	£	£	s.	d.
Victoria*	1880-81	5,186,011	6	0	7	5,108,642	5	18	10
	1881-2	5,592,362	6	7	1	5,145,764	5	17	0
	1882-3	5,611,253	6	4	6	5,651,885	6	5	5
	1883-4	5,934,687	6	9	0	5,715,293	6	4	2
	1884-5	6,290,361	6	13	2	6,140,356	6	10	0
	1885-6	6,481,021	6	13	9	6,513,540	6	14	5
	1886-7	6,733,826	6	14	7	6,561,251	6	11	2
	1887-8	7,607,598	7	7	4	7,287,151	7	1	1
	1888-9	8,675,990	8	1	1	7,919,902	7	7	1
	1889-90	8,519,159	7	14	5	9,645,737	8	14	10
New South Wales...	1881	6,707,963	8	15	10	5,890,580	7	14	5
	1882	7,410,737	9	5	5	6,347,810	7	18	10
	1883	6,470,341	7	13	5	8,048,319	9	10	10
	1884	7,117,592	7	19	0	6,853,189	7	13	1
	1885	7,584,593	8	2	11	8,573,288	9	4	2
	1886	7,594,301	7	15	0	9,078,869	9	5	4
	1887	8,582,811	8	7	11	9,098,460	8	18	0
	1888	8,886,360	8	7	0	8,778,851	8	5	0
	1889	9,063,397	8	4	2	9,250,271	8	7	7
Queensland	1880-81	2,023,668	9	8	2	1,757,654	8	3	5
	1881-2	2,102,095	9	5	3	1,904,201	8	7	9
	1883	2,583,444	9	12	11	2,242,971	8	7	6
	1884	2,673,554	8	19	0	2,751,851	9	4	3
	1885	2,840,960	9	4	0	2,875,609	9	6	3
	1886	2,810,147	8	9	0	3,202,030	9	12	7
	1887	3,032,463	8	10	11	3,350,049	9	8	10
	1888	3,463,097	9	3	7	3,368,405	8	18	7
	1889	3,440,249	8	13	3	3,594,626	9	1	1
South Australia	1881	2,171,988	7	10	4	2,054,285	7	2	4
	1882	2,087,076	7	4	0	2,146,599	7	8	1
	1883	2,060,140	6	17	10	2,330,079	7	15	10
	1884	2,024,928	6	11	3	2,398,191	7	15	5
	1885	2,309,592	7	7	6	2,454,808	7	16	10
	1886	1,975,269	6	6	0	2,234,395	7	2	9
	1887	2,014,102	6	8	7	2,145,135	6	16	11
	1888	2,494,556	7	16	11	2,376,399	7	9	6
	1889	2,270,433	7	1	3	2,355,927	7	6	7
Western Australia...	1881	254,313	8	11	4	197,386	6	13	0
	1882	250,372	8	4	9	205,451	6	15	3
	1883	284,364	9	2	1	240,566	7	14	1
	1884	290,319	8	19	7	291,307	9	0	3
	1885	323,213	9	9	9	308,849	9	1	4
	1886	388,564	10	9	0	394,675	10	12	3
	1887	377,903	9	1	3	456,897	10	19	2
	1888	357,003	8	8	9	385,129	9	2	0
	1889	382,213	8	17	7	386,000	8	19	4

* Amounts per head revised and corrected in accordance with fresh estimates of population based on the census of 1891.

REVENUE AND EXPENDITURE IN AUSTRALASIAN COLONIES—*continued.*

Colony.	Year.	Revenue.			Expenditure.				
		Total Amount.	Amount per Head.		Total Amount.	Amount per Head.			
		£	£	s.	d.	£	£	s.	d.
Tasmania	1881	505,872	4	6	3	468,613	3	19	11
	1882	551,213	4	11	4	502,771	4	3	4
	1883	562,189	4	10	5	533,036	4	5	9
	1884	549,262	4	5	7	584,047	4	11	0
	1885	571,397	4	6	6	585,767	4	8	8
	1886	568,924	4	4	0	584,756	4	6	4
	1887	594,976	4	5	1	668,759	4	15	8
	1888	640,068	4	8	8	709,486	4	18	4
	1889	678,909	4	11	3	681,674	4	11	7
New Zealand	1881	3,757,493	7	12	3	3,675,797	7	9	0
	1882	3,917,160	7	13	10	3,824,735	7	10	2
	1883	3,871,267	7	6	3	3,924,005	7	8	3
	1884	3,707,488	6	14	2	4,101,318	7	8	5
	1885	3,859,996	6	16	4	4,282,901	7	11	4
	1886	3,688,016	6	6	9	4,310,875	7	8	1
	1887	3,463,495	5	16	2	3,954,290	6	12	7
	1888	4,109,815	6	15	9	3,962,912	6	10	11
	1889	3,991,919	6	10	1	3,981,721	6	9	9

NOTE.—In 1890-91, the approximate revenue of Victoria was £8,340,813, and the approximate expenditure £9,228,693. For the revenue and expenditure of each of the neighbouring colonies during 1890, see Appendix A., at the end of the second volume.

136. It should be pointed out that the Victorian returns of revenue and expenditure are prepared on a somewhat different principle from those of New South Wales, the over-payments to the revenue, afterwards refunded, being in the Victorian statements deducted therefrom, and the net amounts only dealt with. In New South Wales, on the other hand, the refunds are not deducted from the revenue, but are placed under the head of expenditure, both revenue and expenditure being swelled thereby. It is not easy from the official statements of public accounts in New South Wales to ascertain the full extent to which this expansion of both sides of the account occurs; but by a superficial analysis of the accounts of the year 1889, sums can be traced amounting in the aggregate to at least £386,983,* which are included in and go to swell both the revenue and expenditure of that colony, whereas they would not be so included in Victoria, and this may possibly not be the full extent to which such differences occur. It is not known whether a similar system of cross-entry prevails in the other Australasian colonies, but it is probable such entries are not so

Victorian statements differ from those of New South Wales.

* Such items are as follow:—£21,873 repayments to credit of votes; £38,466 drawbacks and refunds of duty; £20,262 railway revenue collected for the Victorian Government; £155,454 refunds to pastoral leases; about £132,928 other revenue returned, etc., etc.

rigidly excluded in any of the other colonies, except perhaps New Zealand, as they are in Victoria.

Revenue and
expendi-
ture
compared.

137. In the last year named in the table the expenditure exceeded the revenue in all the colonies except New Zealand, whereas in the previous year there were large surpluses in nearly all the colonies. The deficiency amounted to £1,126,600 in Victoria, £186,900 in New South Wales, £154,400 in Queensland, £85,500 in South Australia, £3,800 in Western Australia, and £2,800 in Tasmania. These deficiencies amounted altogether to £1,560,000, but allowing for a surplus of £10,000 in New Zealand, the aggregate net deficiency in 1889 in the revenues of the Australasian colonies was £1,550,000, which, however, was partly counterbalanced by the large net surplus, amounting to £1,126,000, which existed in 1888. During the years named there has been a surplus seven times in Victoria, four times in New South Wales, Queensland, Western Australia, and New Zealand, three times in Tasmania, and twice in South Australia.

Revenue and
expendi-
ture in
colonies,
1889 and
former
years.

138. In the last year named in the table a larger revenue than in any previous year was raised in only two of the colonies, viz., New South Wales and Tasmania; and the expenditure was greater in the last than in any previous year in only three of the colonies, viz., Victoria, New South Wales, and Queensland.

Revenue and
expendi-
ture per
head in
colonies.

139. Tasmania was the only colony in which the revenue per head was as large in the last year as in any of the previous years named. The only colony in which the expenditure per head was greatest in the last year was Victoria.

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

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

ORDER OF COLONIES IN REFERENCE TO REVENUE AND
EXPENDITURE, 1889.

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

* See paragraph 136 *ante*.

141. In regard to revenue per head, Victoria occupied a higher position in 1889 than South Australia, New Zealand, or Tasmania, but a lower position than any of the other colonies; and in regard to expenditure per head a similar order prevailed, except that Queensland stood before Western Australia and Victoria before New South Wales. The following is the order in which the colonies stood in these respects:—

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

ORDER OF COLONIES IN REFERENCE TO AMOUNTS OF REVENUE AND EXPENDITURE PER HEAD, 1889.

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

142. Adding together the amounts of revenue and likewise the amounts of expenditure for 1889,* it will be found that on the continent of Australia the former amounted to nearly 24 millions, and the latter to 23½ millions; also that the aggregate revenue of Australia, with the addition of that of Tasmania and New Zealand, amounted to over 28½ millions, and the aggregate expenditure to over 28 millions sterling. In Continental Australia there was a surplus on the year's transactions of nearly a third of a million, and in the Australasian colonies as a whole one of about the same amount. The following are the exact amounts of revenue and expenditure, also the proportions per head of population:—

Revenue and expenditure of Australia and Australasia.

REVENUE AND EXPENDITURE OF AUSTRALIA AND AUSTRALASIA, 1889.

	Revenue.		Expenditure.	
	Total Amount.	Amount per head.	Total Amount.	Amount per head.
	£	£ s. d.	£	£ s. d.
Continent of Australia ...	23,832,282	8 1 6	23,506,726	7 19 4
Ditto, with Tasmania and New Zealand	28,503,110	7 13 6	28,170,121	7 11 8

* In the case of Victoria, the figures for 1888-9 have been taken.

143. A comparison of the aggregate revenue of the colonies upon the Australian continent in 1873 and 1889 shows that, in the sixteen years, it had risen from £9,161,000 to £23,832,000, the increase being over 14½ millions sterling, or 160 per cent. If the revenues of Tasmania and New Zealand be added, the sum shows an aggregate revenue for the whole of Australasia of £12,262,000 at the former and of £28,503,000 at the latter period, the increase being nearly 16¼ millions, or 132 per cent. In the same sixteen years the population of the Australian continent increased from 1,702,840 to 2,970,000, or by 74 per cent., and the population of the whole of Australasia increased from 2,103,000 to 3,732,000, or by 77 per cent.

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

HEADS OF REVENUE IN AUSTRALASIAN COLONIES, 1889.

Heads of Revenue.	Victoria, 1889-90.	New South Wales.	Queens- land.	South Australia.	Western Aus- tralia.	Tas- mania.	New Zealand.
Taxation:—	£	£	£	£	£	£	£
Customs, etc. ...	2,658,010	1,905,883	1,344,472	529,433	171,990	307,352	1,473,379
Other Taxes * ...	+972,804	771,286	230,135	181,815	22,258	115,292	+612,702
Total ...	3,630,814	2,677,169	1,574,607	711,248	194,248	422,644	2,086,081
Crown Lands ...	579,776	2,137,563	648,788	174,246	87,016	70,891	†319,809
Railways ...	3,134,066	§2,596,375	799,779	910,561	41,151	75,922	1,018,211
Post and Telegraphs ...	+526,400	597,988	220,171	208,118	24,455	55,874	†322,083
Other sources ...	648,103	1,054,302	196,904	266,260	35,343	53,578	245,735
Total ...	8,519,159	|| 9,063,397	3,440,249	2,270,433	382,213	678,909	3,991,919

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

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

‡ Inclusive of revenue from gold-fields, £19,567.

§ Exclusive of tramways. Revenue collected for Victoria for traffic beyond Albury (£20,262) is also excluded.

|| Including revenue returned to the extent of at least £368,983. See footnote to paragraph 136 *ante*.

Increased
revenue of
Austral-
asia in
sixteen
years.

Heads of
revenue of
Austral-
asian
colonies.

HEADS OF REVENUE IN AUSTRALASIAN COLONIES, 1889—*continued.*

Heads of Revenue.	Proportions per cent.						
	Victoria, 1889-90.	New South Wales.	Queens- land.	South Australia.	Western Aus- tralia.	Tas- mania.	New Zealand.
Taxation :—							
Customs, etc. ...	31·20	21·03	39·08	23·32	45·00	45·27	36·91
Other Taxes ...	11·42	8·51	6·69	8·01	5·82	16·98	15·35
Total ...	42·62	29·54	45·77	31·33	50·82	62·25	52·26
Crown Lands ...	6·81	23·58	18·86	7·67	22·76	10·44	8·01
Railways ...	36·79	28·65	23·25	40·10	10·77	11·19	25·51
Post and Telegraphs ...	6·18	6·60	6·40	9·17	6·40	8·23	8·07
Other sources ...	7·60	11·63	5·72	11·73	9·25	7·89	6·15
Total ...	100·00	100·00	100·00	100·00	100·00	100·00	100·00

NOTE.—The figures of revenue and expenditure for Victoria are for the twelve months ended 30th June, 1890, but those for the other colonies are for the calendar year 1889. Refunds of revenue, drawbacks, and such similar entries, are rigidly excluded from the accounts of revenue and expenditure of Victoria and New Zealand, but are included in those of New South Wales and Queensland; also, it is believed, in those of some of the other colonies. For later information see Appendix A. at end of the second volume.

145. It will be observed that the proportion of revenue raised by taxation—chiefly derived from Customs duties—varied from about 30 per cent. in New South Wales and South Australia to 62 per cent. in Tasmania, the proportion in Victoria being 43 per cent., or lower than in any other colonies except New South Wales and South Australia. The revenue from Railways also formed a very large proportion of the total revenue of all the colonies, varying from about a ninth in Western Australia and Tasmania to more than a third of the whole in Victoria and South Australia. The Crown lands revenue varied in the different colonies from 7 to 24 per cent. of the whole—the former proportion prevailing in Victoria and the latter in New South Wales; and that from Post and Telegraphs from 6 to 9 per cent.

Proportion
of revenue
from dif-
ferent
sources.

146. It will be remarked that the land revenue was nearly four times as large in New South Wales as in Victoria, which item alone much more than accounts for the larger total revenue of the former colony. Indeed, if the land revenue be deducted from the total revenues of the two colonies, the revenue of Victoria, notwithstanding the cross entries in the New South Wales returns already alluded to, would exceed the revenue of that colony by £1,013,000, the respective amounts for 1889 being £7,939,000 and £6,926,000. It also appears that the railway revenue of Victoria exceeded that of New South Wales by about £540,000; in the former colony it forms more than one-third, and in New South Wales more than one-fourth, of the total revenue. The total taxation of Victoria was greater than that of New

Heads of
revenue in
Victoria
and New
South
Wales
compared.

South Wales by one million sterling, three-fourths of the excess appearing under the head of Customs. Under other heads, the revenue in New South Wales from Post and Telegraphs exceeded that in Victoria by £70,000, and that from "Other Sources" by over £400,000.

Land
revenue in
Austral-
asian
colonies.

147. In 1889 the aggregate land revenue of the Australasian colonies exceeded £4,000,000. The following table shows the receipts from the sale and occupation of Crown lands and their proportion to the total revenue in each Australasian colony during 1889. The colonies are arranged in order according to that proportion:—

LAND REVENUE IN AUSTRALASIAN COLONIES, 1889.

Colony.	Revenue derived from Crown Lands for—			Proportion of Land Revenue to Total Revenue.
	Alienation in Fee-simple and Progressive Alienation.	Temporary Occupation and Miscellaneous.	Total.	
	£	£	£	Per cent.
New South Wales ...	1,149,171	988,392	2,137,563	23·58
Western Australia ...	9,518	77,498	87,016	22·76
Queensland ...	277,000*	371,788	648,788	18·86
Tasmania ...	49,166	21,725	70,891	10·44
New Zealand ...	91,627	228,182	319,809†	8·01
South Australia ...	53,570	120,676	174,246	7·67
Victoria (1889-90) ...	443,418	136,358	579,776	6·81
Total ...	2,073,470	1,944,619	4,018,089	14·18

Prospective
diminution
of land
revenue in
colonies.

148. It will be noticed that about a seventh of the aggregate revenues of the Australasian colonies in 1889 was derived from Crown lands; and that the proportion amounted to less than a twelfth in Victoria, South Australia, and New Zealand; about a tenth in Tasmania; about a fifth in Queensland and Western Australia; and nearly a fourth in New South Wales. It will also be remarked that in the colonies, as a whole, more than half the land revenue was derived from alienation in fee-simple.

Land
revenue in
Austral-
asia,
1878-1889.

149. In 1889, as compared with 1888, an increase of £10,300 occurred in the land revenue of Queensland, of £22,000 in that of New Zealand, and of £5,700 in that of Western Australia; whilst, on the other hand, there was a decrease of £145,300 in that of South Australia, of £130,700 in that of New South Wales, of £36,200 in that of Victoria, and of £6,000 in that of Tasmania. Taking the colonies as a whole, there was a net decrease in 1889 of £280,200. Considerable fluctuations have taken place in the land revenue during the twelve years ended with 1889, as shown in the following table,

* Approximate figures.

† Inclusive of revenue from goldfields, etc., £19,567.

from which it will be seen that the amount received was smaller than in 1888 or 1887, but larger than in any other previous years named except 1878, 1881, 1882, and 1883 :—

LAND REVENUE OF AUSTRALASIAN COLONIES, 1878 TO 1889.

Year.	Land Revenue.	
	Total Amount.	Proportion of Total Revenue.
	£	
1878	5,814,388	33·00
1879	3,565,349	22·33
1880	3,802,143	17·50
1881	5,744,306	27·00
1882	5,458,963	25·00
1883	4,042,722	18·75
1884	4,001,028	17·50
1885	3,879,236	16·19
1886	3,560,297	14·98
1887	4,235,307	16·49
1888	4,298,326	15·02
1889	4,018,089	14·18

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

150. Of the 28½ millions sterling which formed the total revenue of the Australasian colonies in 1889 nearly 11½ millions—or about two-fifths—was raised by taxation, chiefly through the Customs; 8½ millions—or something less than one-third—was derived from Railways; over 4 millions from Crown Lands; and not quite 2 millions from Post and Telegraphs. The following are the exact figures, also the amounts per head, distinguishing those relating to Continental Australia from those relating to the Australasian colonies taken as a whole :—

Sources of revenue in Australasia.

HEADS OF REVENUE IN AUSTRALIA AND AUSTRALASIA, 1889.

Heads of Revenue.	Continent of Australia.		Australia with Tasmania and New Zealand.	
	Amount.	Proportions per cent.	Amount.	Proportions per cent.
	£		£	
Taxation—				
Customs	6,831,608	28·66	8,612,339	30·22
Other Taxes	2,075,334	8·71	2,803,328	9·83
Total	8,906,942	37·37	11,415,667	40·05
Crown Lands	3,663,641	15·37	4,054,341	14·22
Railways	7,452,773	31·27	8,546,906	29·99
Post and Telegraphs	1,603,609	6·73	1,981,566	6·95
Other Sources	2,205,317	9·26	2,504,630	8·79
Total	23,832,282	100·00	28,503,110	100·00

NOTE.—For similar figures for 1890, see Appendix A. in the second volume.

Heads of expenditure of Australasian colonies.

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

HEADS OF EXPENDITURE IN AUSTRALASIAN COLONIES, 1889.*

Heads of Expenditure.	Victoria. (1889-90.)	New South Wales.	Queensland.	South Australia.	Western Australia.	Tasmania.	New Zealand.
	£	£	£	£	£	£	£
Railways (working expenses)	2,511,106	1,638,118	594,649	534,331	63,938	88,568	626,939
Post and Telegraphs	709,328	628,182	326,974	177,987	33,702	65,316	273,753
Interest and expenses of Public Debt, etc. §	1,548,145	1,805,770	1,059,769†	755,084	68,170	209,736	1,616,501‡
Immigration ||	...	8,073	...	1,697	2,000	113	...
Other services	4,877,158	5,170,128	1,613,234	886,828	218,190	317,941	1,464,528
Total ...	9,645,737	9,250,271¶	3,594,626	2,355,927	386,000	681,674	3,981,721

	Proportions per Cent.						
Railways (working expenses)	26·03	17·71	16·54	22·68	16·56	12·99	15·75
Post and Telegraphs	7·36	6·79	9·10	7·56	8·73	9·58	6·87
Interest and expenses of Public Debt, etc.	16·05	19·52	29·48	32·05	17·66	30·77	40·60
Immigration	...	·09	...	·07	·52	·02	...
Other services	50·56	55·89	44·88	37·64	56·53	46·64	36·78
Total ...	100·00	100·00	100·00	100·00	100·00	100·00	100·00

Heads of expenditure in Australasian colonies compared.

152. It will be observed that the Railway expenditure was smaller by about £870,000 in New South Wales than in Victoria, where it amounted to over 2½ millions sterling, or more than a fourth of the total expenditure, but the interest payable on the Public debt was larger by nearly £260,000 in the former than in the latter colony. In

* The figures for Victoria are for the year ended 30th June, 1890, those for the other colonies for the year ended 31st December, 1889. For later figures see Appendix A. in the second volume.

† Interest only.

‡ Exclusive of charges for the sinking fund (viz., £275,200) formerly charged to revenue, but now virtually provided for out of a loan raised for that purpose.

§ Borrowed chiefly for the construction of Railways and other reproductive works.

|| Further amounts on the introduction of immigrants were expended during the year out of loans, as follow:—Queensland, £123,542; New Zealand, £1,251. See Table VI. *Victorian Year-Book*, 1889-90, Vol. II., page 478.

¶ See footnote (||) to table following paragraph 144 *ante*.

New Zealand also, which had little more than two-fifths the revenue of Victoria, the interest on the Public debt exceeded that in Victoria by nearly £70,000. Four of the colonies have now an annual charge for interest varying from 1 to over $1\frac{3}{4}$ million sterling. In Victoria the Postal and Telegraph expenditure is now close on £710,000, and in New South Wales close on £630,000. The expenditure on immigration should be considered in conjunction with that expended during the year from loans.*

153. It will also be noticed that nearly half the total expenditure in Victoria, New South Wales, and Western Australia, more than one-half in Queensland and Tasmania, and nearly two-thirds in New Zealand and South Australia, was devoted to the working of Railways and Post and Telegraphs, and the payment of interest on the Public debt. In Victoria, the Railway working expenses alone amounted to over one-fourth of the total, and the interest on the Public debt to nearly a sixth, the former being much higher, but the latter being much lower, than in any of the other colonies. In New Zealand as much as two-fifths, and in South Australia, Tasmania, and Queensland, nearly a third of the whole expenditure was for interest. The proportion expended on Postal and Telegraphic services, it will be noticed, varied from less than 7 per cent. in New South Wales and New Zealand, and $7\frac{1}{2}$ in Victoria and South Australia, to over 9 per cent. in Queensland and Tasmania.

Proportion of expenditure on various objects.

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

Heads of expenditure in Australasia.

HEADS OF EXPENDITURE IN AUSTRALIA AND AUSTRALASIA, 1889.

Heads of Expenditure.	Continent of Australia.		Australia with Tasmania and New Zealand.	
	Amount.	Amount per cent.	Amount.	Amount per cent.
	£		£	
Railways (working expenses)...	4,634,160	19·71	5,349,667	18·99
Post and Telegraphs ...	1,785,915	7·60	2,124,984	7·54
Interest on Public Debt, etc. ...	5,148,035	21·90	6,974,272	24·76
Immigration † ...	11,770	·05	11,883	·04
Other services ...	11,926,846	50·74	13,709,315	48·67
Total ...	23,506,726	100·00	28,170,121	100·00

NOTE.—The amounts in this table are summarized from statements of the amounts expended in the various colonies for the year ended 31st December, 1889; except in the case of Victoria, for which colony the amounts for the year ended 30th June, 1889, have been taken. Later figures are given in Appendix A. to the second volume.

* See footnote (II) on previous page, also table following paragraph 157 *post*.

† For further amounts expended from loans during the year, see table following paragraph 157 *post*.

Loan expenditure in Australasian colonies, 1889.

155. In addition to the expenditure of amounts derived from the General Revenue, as shown in the last two tables, all the colonies spend large sums of borrowed money, chiefly on railways and waterworks, but, also, in some instances, on the construction of electric telegraphs, harbour works and lighthouses, defence works, roads and bridges, school buildings, and other public works, and on immigration. The following table shows the total loan expenditure of the various colonies during 1889, also the amounts per head:—

EXPENDITURE FROM LOANS IN AUSTRALASIAN COLONIES, 1889.

Colony.	Expenditure from Loans during 1889.	
	Total Amount.	Amount per Head.
	£	£ s. d.
Victoria	3,737,298	3 8 10
New South Wales	1,464,899*	1 6 6
Queensland	1,727,035	4 7 0
South Australia	1,137,501	3 11 6
Western Australia	47,108	1 1 11
Total	8,113,841	2 15 1
Tasmania	367,039	2 9 4
New Zealand	515,058	0 16 9
Grand Total	8,995,938	2 8 6

NOTE.—In this table the figures for Victoria relate to the year ended 30th June, 1889, those for the other colonies to that ended 31st December. For later information, see Appendix A. to the second volume.

Loan expenditure of different colonies compared.

156. It will be observed that the aggregate loan expenditure of the Australasian colonies, in 1889, was close on 9 millions sterling, of which Victoria spent nearly $3\frac{3}{4}$ millions, and New South Wales and Queensland nearly $1\frac{1}{2}$ and $1\frac{3}{4}$ million respectively. It will be noticed, however, that the loan expenditure per head of population was much lower in Victoria than in Queensland—where it was highest—or South Australia.

Heads of loan expenditure in Australia and Australasia.

157. Of the loan expenditure of the Australasian colonies during 1889, two-thirds was spent in the construction of railways; over one-tenth on waterworks; not quite 6 per cent. in connexion with harbours, rivers, etc.; over 3 per cent. on roads and bridges; $1\frac{2}{5}$ per cent. on the introduction of immigrants; and the balance (over 12 per cent) for other services. The following are the total and proportionate amounts expended under each of these heads in Australia and Australasia respectively during 1889:—

* Exclusive of £901,100, loans paid off.

HEADS OF LOAN EXPENDITURE IN AUSTRALIA AND
AUSTRALASIA, 1889.

Heads of Loan Expenditure.	Continent of Australia.		Australia with Tasmania and New Zealand.	
	Amount.	Amount per cent.	Amount.	Amount per cent.
	£		£	
Railways	5,562,332	68·55	5,980,786	66·48
Water Supply	955,428	11·78	955,494	10·62
Roads and Bridges	87,888	1·08	303,131	3·37
Harbours, Rivers, Lighthouses, etc.	501,288	6·18	523,430	5·82
Immigration	123,542	1·52	124,793	1·39
Other services	883,363	10·89	1,108,304	12·32
Total	8,113,841	100·00	8,995,938	100·00

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

Revenues of
British
dominions.

REVENUES OF BRITISH DOMINIONS, 1889.

Country or Colony.	Revenue.	
	Gross Amount.	Average per Head.*
	£	£ s. d.
EUROPE.		
United Kingdom (1889-90)	89,304,316	2 6 6
Gibraltar	63,674	3 8 10
Malta	251,175	1 10 8
ASIA.		
India (1888-9)†	81,696,678	0 7 9
Ceylon	1,051,867	0 7 0
Straits Settlements	661,626	1 3 4
Protected Malay States	634,363	1 8 2
British North Borneo	55,967	0 6 5
Sarawak	51,229	0 3 5
Labuan	4,272	0 14 2
Hong Kong	379,906	1 19 1
Cyprus	149,363	0 14 11

* For populations on which most of these calculations have been based, see Part "Population" post.

† Figures based on nominal value of rupee (2s.). The exchange value, however, does not exceed 1s. 5d. Revenue of India in 1889-90, £84,636,300.

REVENUES OF BRITISH DOMINIONS, 1889—continued.

Country or Colony.	Revenue.	
	Gross Amount.	Average per Head.*
	£	£ s. d.
AFRICA.		
Mauritius	874,480	2 6 11
Natal	1,327,105	2 10 1
Zululand	32,873	0 5 6
Cape of Good Hope	3,836,114	2 12 7
Basutoland	37,210	0 4 2
British Bechuanaland	15,742	0 7 2
St. Helena	8,409	1 13 0
Lagos	57,633	0 11 6
Gold Coast	111,388	0 1 7
Sierra Leone	70,836	0 18 11
Gambia	26,281	1 17 2
AMERICA.		
Canada	7,969,082†	1 11 5
Newfoundland	283,936	1 8 9
Bermuda	29,938	1 18 0
Honduras	50,523	1 13 8
British Guiana	580,763	2 1 2
West Indies—		
Bahamas	46,230	0 18 8
Turk's Island	8,373	1 12 2
Jamaica	694,955	1 2 3
St. Lucia	47,510	1 2 0
St. Vincent	27,522	0 11 9
Barbados	174,719	0 19 2
Grenada	50,441	1 0 0
Tobago	8,809	0 8 6
Virgin Islands	1,883	0 7 6
St. Christopher }	40,032	0 18 2
Nevis }		
Antigua	43,409	1 4 10
Montserrat	6,426	0 11 3
Dominica	20,502	0 14 2
Trinidad	453,274	2 6 3
AUSTRALASIA AND SOUTH SEAS.		
Australia, Tasmania, and New Zealand ‡	28,503,110	7 13 6
Fiji	63,722	0 10 2
Falkland Islands	8,628	4 9 7
Total	219,816,294	0 16 4

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

* See footnote (*) on page 131.

† Exclusive of Provincial Revenues amounting to about £2,400,930, which, however, probably includes £844,050 from subsidies granted by the General Government.

‡ For the revenue of each Australasian colony, see table following paragraph 135 ante.

159. It may be ascertained from this table that, out of 220 millions sterling, which represent the aggregate annual revenue of the British dominions, 91 per cent. is raised in the United Kingdom, India, and Australasia, the proportion contributed by each respectively being 41 per cent., 37 per cent., and 13 per cent. Of the total amount, 41 per cent. is raised in Europe, 38 per cent. in Asia, 3 per cent. in Africa, 5 per cent. in America, and 13 per cent. in Australasia.

Aggregate revenue of British dominions.

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

Large revenues per head in Australasian colonies.

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

Revenue per head in colonies and United Kingdom.

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

Revenues of foreign countries.

REVENUES OF FOREIGN COUNTRIES.

Country.	Year.	Revenue.	
		Gross Amounts (000's omitted).	Amount per Head.†
EUROPE.		£	£ s. d.
Austria-Hungary	1889-90	74,246,§	1 16 3
Belgium	1890	13,304,	2 3 8
Denmark	1889-90	3,025,	1 7 10

* For the revenue of each Australasian colony, see table following paragraph 135 *ante*.

† For a comparison of the railway revenues and land revenues of the Australasian colonies with the total revenues, see tables following paragraphs 144 to 147 *ante*.

‡ The populations of foreign countries on which these calculations are based are generally those given in Part "Population" *post*.

§ This amount is made up of £45,235,000, revenue of Austria in 1889; £29,011,000, revenue of Hungary in 1890.

REVENUES OF FOREIGN COUNTRIES—*continued.*

Country.	Year.	Revenue.	
		Gross Amounts (000's omitted).	Amount per Head.*
EUROPE— <i>continued.</i>			
		£	£ s. d.
France (including Algeria)	1890	119,406,	2 16 8
Germany	1889-91	146,638,†	3 2 7
Greece	1890	3,356,	1 10 8
Holland	"	10,184,	2 4 9
Italy	"	64,605,	2 1 9
Portugal	1889-90	9,034,	2 1 11
Roumania... ..	"	5,177,	0 19 3
Russia in Europe	1889	86,546,	0 18 0
Spain	1889-90	32,001,	1 16 6
Sweden and Norway	"	7,547,‡	1 2 4
Switzerland	1890	2,901,	0 19 9
Turkey	1888-9	16,650,	0 15 2
ASIA.			
Japan	1889-90	12,767,	0 6 5
AFRICA.			
Egypt	1890	10,052,	1 9 6
Tunis	1888-9	797,	0 10 8
AMERICA.			
Argentine Confederation	1890	14,874,	3 18 1
Brazil	"	16,086,	1 3 0
Mexico	1889-90	7,580,	0 13 1
Peru	"	1,255,	1 8 5
United States	1889	80,635,	1 5 9

Countries
raising
largest
revenue.

163. According to this table and that following paragraph 158 *ante*, the countries which raise the largest revenues of any in the world are Germany and France; and then the United Kingdom, Russia, British India, and the United States. After the revenues of

* See footnote (†) on page 133.

† This amount is made up of the estimated ordinary revenue of the Empire for 1890-91, £34,715,223 (exclusive of contributions by the States and extraordinary receipts), and of the revenues of the following States, according to their Budget estimates, for the dates named, viz. :—Alsace-Lorraine, £2,225,917 in 1891; Anhalt, £519,334 in 1890-91; Baden, £2,454,501 in 1890; Bavaria, £13,719,610 in 1890; Bremen, £362,547 in 1889; Brunswick, £592,560 in 1890; Hamburg, £2,522,188 in 1890; Hesse, £1,069,213 in 1889-90; Lippe, £50,823 in 1890; Lübeck, £169,350 in 1890; Mecklenburg-Schwerin, £510,986 in 1890-91; Oldenburg, £374,954 in 1890; Prussia, £77,908,661 in 1890; Reuss-Greiz, £52,950 in 1891; Reuss-Schleiz, £86,697 in 1891; Saxe-Altenburg, £162,631 in 1891; Saxe-Coburg-Gotha, £119,760 in 1890-91; Saxe-Meiningen, £312,960 in 1890-91; Saxe-Weimar, £376,703 in 1890; Saxony, £4,533,549 in 1890-91; Schaumburg-Lippe, £37,448 in 1890-91; Schwarzburg-Rudolstadt, £107,841 in 1891; Schwarzburg-Sonderhausen, £120,531 in 1891; Waldeck, £58,140 in 1891; and Württemberg, £2,972,670 in 1890-91.

‡ This amount is made up of £5,154,000, revenue of Sweden in 1889-90, and £2,393,000 revenue of Norway in the same year.

these countries, the largest amounts are raised in Austria-Hungary, Italy, and Spain in the order named. These are the only countries whose revenues exceed the united revenues of the Australasian colonies. The revenue of Victoria is larger than that of Denmark, Greece, Portugal, Roumania, Sweden and Norway, Switzerland, Tunis, Mexico, or Peru ; and nearly as large as that of Holland or Egypt.

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

Countries raising largest amounts per head.

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

Taxation.

TAXATION, 1889-90.

			£
Revenue raised by taxation	...	...	3,630,814
" otherwise	...	...	4,888,345
			<hr/>
Total	...	...	8,519,159
			<hr/>

166. In 1889-90 nearly 43 per cent. of the total revenue was raised by taxation ; and if the amount so raised be divided by the estimated mean population of the financial year, already stated to have been 1,103,727, an average will be obtained of £3 5s. 10d. to each individual. The following table contains a statement of the gross amount of taxation, the average amount per head, and the proportion of taxation to the total revenue, during each year since 1853 :—

Taxation per head.

TAXATION, 1853 TO 1889-90.*

Year.	Taxation.		
	Gross Amount.	Average per Head.†	Percentage of Total Revenue.
	£	£ s. d.	
1853	800,577	4 1 11	24·74
1854	1,052,462	3 18 8	34·08
1855	1,193,309	3 10 6	43·73
1856	1,458,647	3 16 7	49·07
1857	1,331,362	3 1 10	40·00
1858	1,414,511	2 18 6	47·57
1859	1,414,760	2 14 8	43·38
1860	1,330,761	2 9 10	43·11
1861	1,244,389	2 6 1	42·15
1862	1,183,194	2 3 2	36·19
1863	1,158,219	2 1 2	41·74
1864	1,167,036	1 19 10	39·49
1865	1,214,479	1 19 9	39·47
1866	1,219,567	1 18 9	39·61
1867	1,516,231	2 7 1	47·14
1868	1,352,818	2 0 10	41·87
1869	1,539,495	2 4 10	45·49
1870	1,394,333	1 19 1	42·75
1871 (six months)	724,261	0 19 10	42·82
1871-2	1,612,034	2 3 2	43·17
1872-3	1,784,056	2 7 0	48·96
1873-4	1,896,842	2 9 2	46·19
1874-5	1,724,822	2 4 0	40·71
1875-6	1,780,392	2 5 0	41·16
1876-7	1,770,685	2 4 2	37·48
1877-8	1,712,953	2 2 0	38·03
1878-9	1,730,088	2 1 10	37·44
1879-80	1,690,923	2 0 3	36·59
1880-81	2,003,704	2 6 7	38·64
1881-2	2,317,706	2 12 8	41·44
1882-3	2,334,255	2 11 11	41·60
1883-4	2,318,520	2 10 4	39·07
1884-5	2,548,171	2 13 11	40·51
1885-6	2,634,560	2 14 4	40·65
1886-7	2,739,635	2 14 9	40·68
1887-8	3,071,003	2 19 6	40·37
1888-9	3,749,670	3 9 8	43·22
1889-90	3,630,814	3 5 10	42·62

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

167. It will be observed that as compared with the previous year a falling-off of nearly £119,000 took place in the gross amount

* According to figures contained in a statement distributed to Members of the Legislative Assembly by the Honorable the Treasurer in July, 1891, the taxation in 1890-91 amounted to about £3,252,640 or £2 17s. 7d. per head of the estimated mean population (1,133,070) of that financial year.

† Corrected since last publication, for all the years from 1880-81, in accordance with amended estimates of population based on the census of 1891. For mean population of each year, see table following paragraph 108 *ante*.

Comparison
of taxation
1889-90
with former
years.

produced by taxation, whilst the taxation per head decreased by 3s. 10d. The proportion of taxation to revenue, although slightly lower than in the preceding year, shows a decided advance on the almost uniform level of the four years 1884-5 to 1887-8; it was, however, higher than in any previous year since 1873-4, except 1888-9.

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

HEADS OF TAXATION, 1882-3 TO 1889-90.*

Heads of Taxation.	Amount Received.							
	1882-3.	1883-4.	1884-5.	1885-6.	1886-7.	1887-8.	1888-9.	1889-90.
	£	£	£	£	£	£	£	£
Customs duties ..	1,740,467	1,741,053	1,887,718	1,968,640	2,094,356	2,311,331	2,824,788	2,611,184
Wharfage rates† ..	28,537	28,055	31,821	35,820	38,005	41,719	55,042	46,825
Excise :—								
Spirits	52,522	53,638	68,930	67,250	56,556	65,603	88,867	98,712
Beer	11,256							
Tobacco	70,933	70,016	72,295	70,459	64,145	62,766	57,688	‡ 38,621
Ports and Harbours§ ..	27,787	30,871	31,176	32,710	34,920	34,327	45,884	29,789
Licences (not territorial)	28,381	31,623	32,535	33,922	|| 18,898	21,002	23,904	|| 21,756
Duties on estates of deceased persons ..	86,648	77,154	124,370	104,907	114,909	151,861	236,449	400,150
Duty on bank notes ..	28,685	28,575	27,529	28,769	28,104	27,879	34,023	32,173
Stamp duty¶	133,433	133,651	143,382	165,313	165,000	230,000	260,000	230,000
Land tax	125,606	123,884	128,415	126,770	124,742	124,515	123,025	121,604
Total	2,334,255	2,318,520	2,548,171	2,634,560	2,739,635	3,071,003	3,749,670	3,630,814

169. It will be noticed that there has been an almost uninterrupted increase in the total amount raised by taxation from 1883-4 to 1889-90, viz., from £2,318,500 in the former to £3,630,800 in the latter year, or a total increase in the six years of £1,312,300. This increase is chiefly made up of £870,000 under the head of Customs, £18,800 under wharfage rates, £45,000 under Excise duty on spirits, £323,000 under Duties on estates of deceased persons, and £96,000 (estimated) under Stamp duty. Against these must be set decreases of

* See also footnotes to table following paragraph 119 *ante*.

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

‡ Duty reduced one-half on 1st January, 1890.

§ Chiefly tonnage dues. The rate was reduced from 1s. to 6d. on 1st January, 1890.

|| Decrease in 1886-7 owing to proportion of revenue from publicans' licences, etc., now being paid into the "Licensing Act 1885 Fund." Of the amount in 1889-90, £15,527 was for auctioneers' licences.

¶ Roughly estimated for 1884-5 and subsequent years. See footnote (§) on page 77 *ante*.

comparatively minor importance under tobacco Excise duty, partly in consequence of the rate of duty being lowered in 1889-90; under Ports and Harbours owing to the tonnage dues being reduced one-half in the same year; under Licences owing to portion of the revenue therefrom being transferred to an independent fund; and a slight decrease under Land tax. In 1889-90, as compared with the previous year, an accidental increase of £163,700 took place under the head of Duties on estates of deceased persons; but, on the other hand, a decrease of £213,600 occurred in the revenue from Customs duties, of £19,000 in that from Excise duty on tobacco, of £16,000 in that from Ports and Harbours, and of £30,000 in that from Stamp duty, as well as minor decreases under all the other heads except Excise duty on spirits, the net decrease being nearly £119,000. A reduction by one-half in the rate of duty on tobacco (Excise) and that of tonnage (Ports and Harbours) on the 1st January, 1890, accounts for the falling-off under those heads. Moreover, an amended tariff came into force during the earlier half of the financial year, whereby the duty on many articles was considerably increased, but, notwithstanding this, a large falling-off took place in the Customs revenue.* Particulars respecting the alterations made in the rates of taxes imposed for a series of years, and their estimated effect on the revenue, will be given in a later table.†

170. In all the years the greater portion of the taxation has been derived from Customs duties. The proportion from that source, however, has gradually decreased from 89 per cent. in 1874-5 and 87 per cent. in 1875-6, to as low as 72 per cent. in 1881-2, and between 74 and 76½ per cent. in the seven years 1882-3 to 1888-9; whilst in 1889-90 the proportion again fell to 72 per cent. The revenue derived from Customs duties during 1889-90 was equivalent to a charge of 11 per cent. on the estimated total value of imports during the same year.‡

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

* See also paragraph 104 *ante*.

† See table following paragraph 178 *post*.

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

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

Customs
revenue,
1881 to
1890.

TAXATION BY CUSTOMS DUTIES,* 1882-3 to 1889-90.

Articles.	Amounts Received.							
	1882-3.	1883-4.	1884-5.	1885-6.	1886-7.	1887-8.	1888-9.	1889-90.
	£	£	£	£	£	£	£	£
Spirits	468,746	472,259	518,370	545,170	566,134	611,256	664,438	661,129
Wine	44,100	39,096	42,101	41,086	41,335	44,688	53,146	51,409
Beer and cider ..	32,372	33,845	35,210	37,904	41,126	46,047	55,580	56,830
Tobacco and snuff	85,844	97,420	108,405	121,476	151,893	199,540	235,564	249,746
Cigars	29,453	31,311	34,299	33,583	37,843	46,896	61,195	58,244
Tea	80,298	73,970	88,093	87,544	90,660	98,955	103,402	57,938
Sugar and molasses	108,087	119,248	118,031	115,796	123,526	134,861	123,575	127,527
Coffee, chicory, co- coa, and chocolate	14,883	15,665	16,930	16,990	16,788	17,596	17,524	11,355
Opium	20,897	21,389	19,517	15,266	15,043	15,679	19,275	17,443
Rice	20,576	16,607	18,824	19,710	20,279	23,246	23,358	21,437
Hops	8,318	4,416	4,326	4,455	8,955	9,733	15,621	9,602
Malt	1,750	3,301	2,302	3,633	4,655	2,346	3,172	1,626
Fruits and vege- tables, dried and preserved	48,418	43,973	53,348	47,806	54,641	64,376	59,846	58,830
Live stock	32,945	38,359	30,064	37,741	34,706	52,632	76,891	47,590
Articles subject to <i>ad valorem</i> duties	444,038	441,470	490,677	494,512	522,884	548,699	788,361	663,669
All other articles ..	299,742	288,724	307,221	345,968	358,883	394,781	523,840	516,809
Total ..	1,740,467	1,741,053	1,887,718	1,968,640	2,094,356	2,311,331	2,824,788	2,611,184

172. It will be observed that in 1889-90 as compared with the previous year there was a falling-off under all the heads of Customs revenue except three, whilst the total net decrease amounted to £213,600. The principal reductions were £45,500 under tea, on which the duty was reduced from 3d. to 1d. per lb on the 1st January 1890; £6,200 under coffee and cocoa, etc.—the duty of 3d. per lb. on the raw product having been remitted on the same date; £6,000 under hops—notwithstanding the duty was raised from 6d. to 8d. per lb. from the 24th October, 1889; £1,500 under malt, although the duty was increased fifty per cent. on the 25th September, 1889; £29,300 under live stock; and £125,000 under articles subject to *ad valorem* duties, on many of which the duties were considerably raised at various periods during the six months ended 31st December, 1889. The principal increase was £14,000 under tobacco, there being also small increases under beer and sugar. The falling-off generally was probably due to a contraction in the import trade, which was exceptionally large in 1888-9.

Customs
duties,
1888-89
and 1889-90
compared.

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

† Including glucose.

Customs duties—
increase in
six years.

173. Comparing 1889-90 with 1883-4, it will be seen that the total amount derived from Customs duties increased by £870,000, or 50 per cent. The principal articles which contributed to this were spirits, wine, and beer, which show an increase of £224,100 or 41 per cent., tobacco and cigars of £179,300 or 139 per cent., articles subject to *ad valorem* duties of £222,200 or 50 per cent., and “all other articles” of £228,100 or 81 per cent.

Taxation on
chief
articles of
import.

174. Nearly one-third of the Customs revenue is derived from intoxicating liquors, and nearly one-eighth from tobacco and cigars, whilst close on 5 per cent. is from sugar, $2\frac{2}{3}$ per cent. from tea, coffee, and cocoa, and $2\frac{1}{4}$ per cent. from fruits and vegetables. The relative importance of the various heads of imports as sources of Customs revenue is shown in the following table, which gives a statement of the total amount per head of the population, of duty received in 1889-90 from each of the principal groups of articles; also the proportionate amount received from the articles embraced in each group to the total amount received:—

TAXATION ON CHIEF ARTICLES OF IMPORT, 1889-90.

Articles.	Duty received 1889-90.		Proportion to Total Duty received. Per cent.
	Total Amount.	Amount per Head of Population.	
	£	£ s. d.	
Spirits, wine, beer, and cider	769,368	0 13 11	29·46
Tobacco, snuff, and cigars	307,990	0 5 7	11·80
Hops and malt	11,228	0 0 2	·43
Sugar* and molasses	127,527	0 2 4	4·88
Tea, coffee, chicory, cocoa, and chocolate... ..	69,293	0 1 3	2·65
Rice	21,437	0 0 5	·82
Fruits and vegetables... ..	58,830	0 1 1	2·25
Opium	17,443	0 0 4	·67
Live stock	47,590	0 0 10	1·82
Articles subject to <i>ad valorem</i> duties	663,669	0 12 0	25·42
All other articles	516,809	0 9 4	19·80
Total	2,611,184	2 7 3	100·00

Customs
revenue
estimated
and re-
ceived, 1888
to 1890.

175. The following table shows, for the three years ended with 1889-90, the amount of Customs revenue estimated beforehand by the Treasurer, and the amount actually received under each head:—

* Including glucose.

CUSTOMS REVENUE ESTIMATED AND RECEIVED, 1887-8 TO 1889-90.

Sources of Revenue.	1887-8.		1888-9.		1889-90.	
	Estimated Receipts.	Actual Net Receipts.	Estimated Receipts.	Actual Net Receipts.	Estimated Receipts.	Actual Net Receipts.
CUSTOMS DUTIES.	£	£	£	£	£	£
Spirits	565,000	610,974	637,416	664,533	640,000	661,230
Wine	41,000	44,699	43,992	53,135	48,000	51,406
Beer and cider	41,000	46,045	45,996	55,571	58,000	56,833
Tobacco and snuff	151,000	199,587	210,996	235,600	230,000	249,718
Cigars	36,500	46,906	43,992	61,219	57,000	58,235
Tea	92,000	99,519	105,000	103,553	71,000	57,887
Sugar and molasses	152,000	135,069	136,008	123,463	124,000	127,645
Coffee, chicory, cocoa, and chocolate	18,000	17,594	15,996	17,674	10,000	11,351
Opium	13,000	15,679	15,996	19,276	18,000	17,443
Rice... ..	20,000	23,195	22,008	23,393	23,000	21,464
Hops	6,000	9,734	11,004	15,522	17,000	9,563
Malt	5,000	2,346	3,000	3,139	3,300	1,625
Fruits and vegetables, dried and preserved	50,000	64,979	66,000	59,475	60,000	58,965
Live stock	35,000	52,458	49,404	75,333	65,000	49,284
Articles subject to <i>ad valorem</i> duties	545,500	547,570	538,896	789,244	732,000	664,132
All other articles	386,700	394,292	386,904	524,133	529,000	516,756
Total	2,157,700	2,310,646	2,332,608	2,824,263	2,685,300	2,613,537
EXCISE.						
Spirits distilled in Victoria	55,000	65,603	64,992	88,859	80,000	98,720
Tobacco duty	62,000	62,766	63,000	57,688	43,875	38,620
Licences—						
Tobacco and cigars	1,150	1,225	1,248	1,137	1,250	1,275
Other	900	844	900	892	900	972
Total	119,050	130,438	130,140	148,576	126,025	139,587
MISCELLANEOUS.						
Wharfage rates	40,000	41,678	42,000	55,056	50,000	46,798
Tonnage	34,000	34,294	34,992	45,916	26,250	29,794
Fees	7,400	7,340	7,404	6,931	7,000	7,280
Fines	1,000	1,371	1,008	1,223	842	399
Miscellaneous	10,600	12,890	12,828	10,729	12,815	13,379
Total	93,000	97,573	98,232	119,855	96,907	97,650
Grand Total	2,369,750	2,538,657	2,560,980	3,092,694	2,908,232	2,850,774

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

Customs revenue estimated and received, 1880 to 1890.

176. In seven of the eleven years ended with 1889-90, the total amounts received through the Customs exceeded the Treasurer's estimate, and in four of those years the receipts were below that estimate. Over the whole period the receipts exceeded the estimate by an average of £100,000 per annum, as is shown in the following table:—

CUSTOMS REVENUE ESTIMATED AND RECEIVED, 1879-80 TO 1889-90.

Year.	Customs Revenue.		
	Estimate.	Net Receipts.	Net Receipts more (+) or less (-) than Estimates.
	£	£	£
1879-80... ..	1,458,700	1,454,138	- 4,562
1880-81... ..	1,561,420	1,649,467	+ 88,047
1881-2	1,809,000	1,950,479	+ 141,479
1882-3	1,974,580	1,949,388	- 25,192
1883-4	1,982,500	1,936,810	- 45,690
1884-5	2,010,150	2,109,477	+ 99,327
1885-6	2,097,300	2,193,148	+ 95,848
1886-7	2,201,770	2,308,634	+ 106,864
1887-8	2,369,750	2,538,657	+ 168,907
1888-9	2,560,980	3,092,694	+ 531,714
1889-90... ..	2,908,232	2,850,774	- 57,458
Total	22,934,382	24,033,666	+ 1,099,284*

177. In the same eleven years, the cost of collecting the Customs revenue ranged from £2 15s. 9d. per £100 of the net amount collected in 1888-9 to £3 18s. 3d. per £100 in 1879-80, the cost per £100 over the whole period being £3 1s. 3d. :—

COST OF COLLECTING CUSTOMS REVENUE, 1879-80 TO 1889-90.

Year.	Customs Revenue.		
	Net Receipts.	Charges of Collection.	
		Total.	Per £100 collected.
	£	£	£ s. d.
1879-80	1,454,138	56,917	3 18 3
1880-81	1,649,467	56,004	3 7 10
1881-2	1,950,479	57,615	2 19 1
1882-3	1,949,388	60,688	3 2 3
1883-4	1,936,810	62,145	3 4 2
1884-5	2,109,477	64,242	3 0 11
1885-6	2,193,148	63,808	2 18 2
1886-7	2,308,634	70,137	3 0 9
1887-8	2,538,657	74,744	2 18 11
1888-9	3,092,694	86,262	2 15 9
1889-90	2,850,774	83,198	2 18 4
Total	24,033,666	735,760	3 1 3

* Net figures.

Cost of collecting Customs revenue.

178. Difficulties lie in the way of estimating accurately the extent to which the various heads of revenue are effected by the imposition, increase, or reduction of taxes. An attempt has, however, been made to form such an estimate in the following table for the last fifteen years, which, although giving necessarily imperfect results, will afford some idea of the direction in which the contributions of the people towards the cost of Government have been added to or reduced, also the extent of such increase or reduction during the period:—

Taxes
repealed
and
imposed.

TAXES REPEALED AND IMPOSED, 1875-6 TO 1889-90.

Year ended 30th June.	Taxes Repealed or Reduced.			Taxes Imposed or Increased.		
	Heads of Taxation.	Estimated Loss to the Revenue—		Heads of Taxation.	Estimated Gain to the Revenue—	
		During the Financial Year.	In Complete Years.		During the Financial Year.	In Complete Years.
		£	£		£	£
1876	Nil ... ..	...	...	Succession duties increased from 5 to 5-10 per cent. on estates over £20,000 ...	3,000	10,700
				Tax on bank notes imposed ...	7,200	27,000
1877	Nil ... ..	...	...	Nil ... ..	...	...
1878	Customs— Wharfage rates for port of Melbourne transferred to Harbour Trust ...	(85,000)*	(85,000)*	Land tax imposed	50,000	124,000
	Various alterations resulting in a net remission of about	26,000	85,000†	Excise— Percentage of publicans' licence fees from municipal bodies ..	(4,600)*	(4,800)*
1879	Nil ... ..	...	...	Customs— Stock tax imposed ...	28,300	37,000
				Nil ... ..	...	...

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

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

TAXES REPEALED AND IMPOSED, 1875-6 TO 1889-90—continued.

Year ended 30th June.	Taxes Repealed or Reduced.			Taxes Imposed or Increased.		
	Heads of Taxation.	Estimated Loss to the Revenue.		Heads of Taxation.	Estimated Gain to the Revenue.	
		During the Financial Year.	In Complete Years.		During the Financial Year.	In Complete Years.
		£	£		£	£
1880	... ..	...	...	Stamp duties imposed ...	83,005	120,000
	Customs— (See contra) ...	...	...	Customs— Duties Increased on —Wine, opium, rice, hops, and malt; several 10 per cent. and 20 per cent. <i>ad valorem</i> duties increased by 5 per cent., besides numerous other alterations, for the most part in the direction of in- creased duties, about	47,800	53,000*
1881	Nil ... ..	...	...	Customs— Tobacco and snuff increased Cigars increased	Revenue decreased 2,300	† 3,500
	Excise— Tobacco duty imposed ...	...	...	Beer ,, ,,	21,872 62,557	65,000 100,000
1882	Customs — Duty on undressed rice reduced ...	3,000	3,500	Nil ... ..	...	...
1883	Excise—Beer duty remitted ...	88,000	100,000	Nil ... ..	...	...
1884	Nil ... ..	...	...	Nil ... ..	...	...
1885	Nil ... ..	...	...	Customs—Duty on spirits increased	74,972‡	94,500
	Nil ... ..	...	...	Excise—Duty on spirits increased	12,653	18,400
1886	Nil ... ..	...	...	Nil ... ..	...	...

* See footnote (†) on previous page.

† Of this item no satisfactory estimate can be given.

‡ This is the proportion actually received in 1884-5 at the increased rate of duty, but it does not correspond with the increased revenue from spirits, viz., £46,100, according to the table following paragraph 171 *ante*, owing to the quantity imported having fallen off by 6 per cent. The amount received from the increased duty was, moreover, much affected by an unusually large proportion—viz., 15 per cent. of the total quantity imported—having passed through the Customs during the first seventeen days of the financial year, and consequently at the lower rate of duty.

TAXES REPEALED AND IMPOSED, 1875-6 TO 1889-90—*continued.*

Year ended 30th June.	Taxes Repealed or Reduced.			Taxes Imposed or Increased.		
	Heads of Taxation.	Estimated Loss to the Revenue.		Heads of Taxation.	Estimated Gain to the Revenue.	
		During the Financial Year.	In Complete Years.		During the Financial Year.	In Complete Years.
		£	£		£	£
1887	Customs — Duty on bags and sacks and wire netting reduced or remitted ...	19,100	19,300	Customs— Duty on woollen piecegoods and wearing apparel increased 5 per cent. Duty on twine increased 50 per cent. ...	20,700	22,200
	Licences — Proportion of receipts received on account of publicans' licences transferred to Licensing Act 1885 Fund ...	(15,100)*	(16,450)*			
1888	Customs— Sugar—Duty on cane (raw) reduced 33 per cent., but that on beet sugar doubled. Net amount ...	13,900	15,000	Customs— Timber duties increased ...	5,900	6,400
	1889	Nil ...	...	Nil ...	...	...
1890	Customs— Tea — Reduced from 3d. to 1d.	40,500	81,000	Customs— Duties generally increased ...	156,000†	210,000†
	Coffee and Cocoa (raw)—Duty of 3d. remitted ...	7,500	15,000			
	Other articles — Estimated reduction ...	8,500	10,000			
	Excise— Tobacco—Duty reduced one-half	19,000	28,850			
	Harbors— Tonnage dues reduced one-half	16,000	22,800			

179. From the above table it would appear that, during the year 1889-90, additional taxation was imposed to the extent of £210,000,

Amount of taxation imposed in last fifteen years.

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

† On the assumption that there would be no falling-off in the importation of the articles affected.

and old taxes reduced or remitted to the extent of £157,650—the net result being fresh taxation equivalent to about £52,350 per annum; also that, during the last fifteen years, the taxation imposed or increased, less that repealed or reduced, has resulted in an increased annual charge amounting to over half a million sterling,* thus—

	Estimated Annual Amount.
Taxation imposed or increased	£891,700
„ repealed or reduced	380,450
	<hr/>
Net amount imposed, etc.	£511,250
	<hr/>

Duty on
bank notes.

180. The tax on bank notes was imposed under the Act 39 Vict. No. 526, which came into operation on the 1st January, 1876. It is at the rate of £2 on every £100 of the average amount of notes circulated by any bank between the 1st July and the 30th June of each financial year. The revenue received from this duty in 1889-90 was, as already shown, £32,173.

Land Tax.

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

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

Extent of
land as-
sessed for
land tax.

182. The extent of land assessed under this Act amounted in 1891 to over 7,129,000 acres, nearly half of which was placed in the lowest class, more than a third in the third class, about a ninth in the second class, and less than a twentieth in the first class.

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

183. The area of Victoria is 56,245,760 acres, of which 22,492,000 acres either had been alienated in fee-simple or were in process of alienation when the year commenced. The area assessed for land tax thus amounted to nearly 13 per cent. of the area of the colony, or to 31 $\frac{2}{3}$ per cent. of the area alienated or in process of alienation.*

Proportion of land assessed to total available and alienated land.

184. The number of estates assessed was 1,115, or 24 more than in 1890. As some proprietors own more than one estate, their number is less than the number of estates, and is set down at 871. It is, however, actually less than this, as, whilst the returns show where the proprietor holds more than one estate in the same class, they do not distinguish cases of proprietors holding estates embraced in two or more classes.

Number of estates assessed.

185. The average size of all the estates assessed is nearly 6,400 acres, which is somewhat above the average of those in Class III. In Classes I. and II. the estates average 2,600 and 3,400 acres respectively, and in Class IV. 9,700 acres.

Average size of estates assessed.

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

Proprietors and number and size of estates assessed.

PROPRIETORS AND NUMBER AND SIZE OF ESTATES ASSESSED FOR LAND TAX, 1891.†

Class.	Number of Proprietors.	Estates Assessed.				
		Number.	Area.		Average Area to each.	
			Total.	Percentage of Each Class.	Proprietor.	Estate.
			Acres.		Acres.	Acres.
I.	104	117	307,539	4.31	2,957	2,629
II.	204	229	786,644	11.03	3,856	3,435
III.	313	404	2,504,004	35.13	8,000	6,198
IV.	250	365	3,530,610	49.53	14,122	9,673
Total ...	871	1,115	7,128,797	100.00	8,185	6,394

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

Valuation of estates assessed.

* The land in process of alienation amounted to 6,650,000 acres, on which, on the average, more than half the purchase money had been paid. If this were left out of account, the proportion of freehold land assessed for land tax would be increased to 45 per cent.

† According to the returns of the half-year ended 27th February, 1891.

reduced to less than ten millions sterling. It may be pointed out that, although it may perhaps have been necessary to fix arbitrarily a scale for valuing estates for purposes of taxation, yet there is no doubt that the taxable value so arrived at is, in most cases, very much below the actual value of the estates.

Valuation of estates of each class.

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

VALUE OF ESTATES ASSESSED FOR LAND TAX, 1891.*

Class.	Capital Value.	Value of Exemptions.	Net Taxable Value.	Proportion of Net Taxable Value to Capital Value.
	£	£	£	Per cent.
I. ...	1,230,156	260,000	970,156	78·86
II. ...	2,359,932	510,000	1,849,932	78·39
III. ...	5,008,008	782,500	4,225,508	84·38
IV. ...	3,530,610	625,000	2,905,610	82·30
Total ...	12,128,706	2,177,500	9,951,206	82·05

Amount of land tax payable.

189. The land tax payable varied from 9½d. per acre in Class I. to 2½d. per acre in Class IV., the average being nearly 4¼d. per acre; the amount payable by each holder averaged £143, ranging from an average of £169 in Class III. to one of £113 in Class II., and the amount payable for each estate averaged £112, averaging £131 in Class III., and from £100 and £104 in the other classes. Subjoined is a statement of the total amount payable annually in respect to the estates of each class; also the average amount payable per acre, per holder, and per estate:—

LAND TAX PAYABLE ANNUALLY, 1891.*

Class.	Total Amount per Annum.	Amount per Acre.	Amount by each Holder.	Amount for each Estate.
	£	d.	£	£
I.	12,127	9·46	116·6	103·7
II.	23,124	7·05	113·4	101·0
III.	52,819	5·06	168·8	130·7
IV.	36,320	2·47	145·3	99·5
Total ...	124,390	4·19	142·8	111·6

* According to the returns of the half-year ended 27th February, 1891.

190. It will be observed that, although the average amount payable per acre goes, as may be supposed, in regular succession according to classes, the difference between the acreable payment by each class and its successor is very marked—the difference between each class and its succeeding one varying from 2d. to 2½d. It will also be noticed that the amount paid on behalf of each estate in Class III. is fully 30 per cent. more than that paid on behalf of those in Class IV., notwithstanding that the average area of each estate in the former class is, as is shown in a previous table, one-third smaller than that in the latter.

191. The first general hearing of the appeals against the land tax was concluded in 1880. Since then the number of proprietors has increased by 53, and the area of the estates assessed by 234,000 acres, but the taxable value has decreased by £74,700. Except a slight increase in the number of proprietors in the first and second classes, the increases have all taken place in the fourth class, the other classes showing decrease, as is shown in the subjoined table:—

ESTATES ASSESSED FOR LAND TAX, 1880 AND 1891.

	Classes.				Total.
	I.	II.	III.	IV.	
Number of proprietors, 1880	98	196	315	209	818
" " 1891	104	204	313	250	871
Increase ...	6	8	...	41	53
Decrease ...	...	...	2	...	...
	Acres.	Acres.	Acres.	Acres.	Acres.
Area of estates, 1880	339,303	816,505	2,525,221	3,213,717	6,894,746
" " 1891	307,539	786,644	2,504,004	3,530,610	7,128,797
Increase ...	...	...	...	316,893	234,051
Decrease ...	31,764	29,861	21,217	...	...
	£	£	£	£	£
Net taxable value, 1880	1,112,212	1,959,515	4,262,944	2,691,217	10,025,888
" " 1891	970,156	1,849,932	4,225,508	2,905,610	9,951,206
Increase ...	...	...	...	214,393	...
Decrease ...	142,056	109,583	37,436	...	74,682

192. The cost of administering the *Land Tax Act* during the year 1889-90 amounted to £1,293, as against £1,060 in the previous year.

193. Stamp duties were first imposed during the year 1879-80, under Act 43 Vict. No. 645, which came into force on the 18th December, 1879. The following, in a condensed form, are the

particulars of the duties levied thereunder, together with a list of the chief exemptions :—

STAMP DUTIES.

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

II.—RECEIPTS.

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

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

IV.—ANNUAL LICENCE.

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

EXEMPTIONS.

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

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

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

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

Revenue
from
stamps.

194. The revenue from the "Sale of Stamps" amounted to £797,894* in 1889-90, as compared with £875,314 in the previous year. For reasons already explained,† there is no means of ascertaining accurately what proportion of this is derived from stamp duties; but after making due allowance for the value of stamps on telegrams—which has been ascertained; of those used for postage—which has been carefully estimated; and of those used for fees—the balance representing the revenue from stamp duties is estimated

* Including £23,499 cash received in lieu of stamps in the Registrar-General's Office under Act No. 1010, as compared with £5,080 in 1888-9. The approximate stamp revenue for 1890-91 was £751,317.

† See footnote (§) on page 77 ante.

to have amounted to £230,000 in 1889-90. The latest year for which exact information is available is 1882-3, in which the revenue from stamp duties amounted to £133,433. The cost of printing stamps of all kinds amounted to £5,694 in 1889, and £5,228 in 1890. The following table shows the stamp revenue during the last six years, distinguishing that derived from telegrams from that resulting from other services :—

STAMP REVENUE, 1884-5 TO 1889-90.

Year.	Stamps used for—		Total.
	Telegrams.	Other Purposes.*	
	£	£	£
1884-5	84,031	488,382	572,413
1885-6	87,956	525,313	613,269
1886-7	104,111	526,778	630,889
1887-8	114,879	667,570	782,449
1888-9	125,458	749,856	875,314
1889-90	135,245	662,649	797,894

195. The following table shows the gross amount raised by taxation, the amount of taxation per head, and the proportion of taxation to the total revenue in Victoria during each of the last ten financial years, and in the other Australasian colonies during each of the nine years ended with 1889 :—

TAXATION IN AUSTRALASIAN COLONIES.

Colony.	Year.	Taxation.		
		Gross Amount.	Average per Head.	Percentage of Total Revenue.
		£	£ s. d.	
Victoria†	1880-81	2,003,704	2 6 7	38·64
	1881-2	2,317,706	2 12 8	41·44
	1882-3	2,334,255	2 11 11	41·60
	1883-4	2,318,520	2 10 4	39·07
	1884-5	2,548,171	2 13 11	40·51
	1885-6	2,634,560	2 14 4	40·65
	1886-7	2,739,635	2 14 9	40·68
	1887-8	3,071,003	2 19 6	40·37
	1888-9	3,749,670	3 9 8	43·23
	1889-90	3,630,814	3 5 10	42·62
New South Wales	1881	1,770,848	2 6 5	26·40
	1882	1,903,413	2 7 7	25·68
	1883	1,891,708	2 4 10	29·24
	1884	2,152,855	2 8 1	30·25
	1885	2,252,651	2 8 5	29·70
	1886	2,611,835	2 13 4	34·39
	1887	2,664,548	2 12 1	31·05
	1888	2,681,883	2 10 5	30·18
	1889	2,677,169	2 8 6	29·54

* Revenue from parcels post included, viz., £4,790 in 1887-8, £6,305 in 1888-9, and £7,964 in 1889-90.

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

TAXATION IN AUSTRALASIAN COLONIES—*continued.*

Colony.	Year.	Taxation.		
		Gross Amount.	Average per Head.	Percentage of Total Revenue.
		£	£ s. d.	
Queensland* ...	1880-81	657,753	3 1 2	32·50
	1881-2	806,719	3 11 1	38·38
	1883	929,430	3 9 5	35·98
	1884	1,090,445	3 13 0	40·79
	1885	1,200,111	3 17 9	42·24
	1886	1,196,651	3 12 0	42·59
	1887	1,338,838	3 15 6	44·15
	1888	1,577,671	4 3 8	45·56
	1889	1,574,607	3 19 4	45·77
South Australia ...	1881	557,188	1 18 7	25·65
	1882	653,864	2 5 1	31·33
	1883	637,751	2 2 8	30·96
	1884	563,841	1 16 7	27·84
	1885	749,447	2 7 11	32·45
	1886	585,123	1 17 5	29·62
	1887	648,645	2 1 5	32·21
	1888	739,353	2 6 6	29·64
	1889	711,248	2 4 3	31·33
Western Australia ...	1881	109,199	3 13 7	42·94
	1882	134,658	4 8 7	53·78
	1883	126,131	4 0 9	39·82
	1884	127,338	3 18 9	43·86
	1885	145,835	4 5 8	45·11
	1886	184,999	4 19 6	47·61
	1887	188,911	4 10 7	50·00
	1888	179,944	4 5 1	50·40
	1889	194,248	4 10 3	50·82
Tasmania ...	1881	350,146	2 19 8	69·22
	1882	370,856	3 1 5	67·28
	1883	388,406	3 2 6	69·09
	1884	344,192	2 13 7	62·66
	1885	366,118	2 15 5	64·07
	1886	371,544	2 14 10	65·29
	1887	375,501	2 13 8	63·12
	1888	405,807	2 16 3	63·40
	1889	422,644	2 16 10	62·25
New Zealand ...	1881	1,881,024	3 16 3	50·66
	1882	1,999,000	3 18 6	51·03
	1883	2,080,084	3 18 7	53·73
	1884	1,869,496	3 7 8	50·42
	1885	1,995,012	3 10 6	51·68
	1886	1,962,162	3 7 5	53·20
	1887	1,876,235	3 2 11	54·17
	1888	2,031,658	3 7 1	49·43
	1889	2,086,081	3 8 0	52·26

NOTE.—For returns of taxation in these colonies during 1890 see Summary of Australasian Statistics (third folding sheet) in the second volume; also Appendix A. to the second volume.

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

196. The amount of taxation per head in the last year referred to in the table was not so high in Victoria as in Queensland, Western Australia, or New Zealand, but higher than in the other colonies. The following is the order in which the colonies stood in this respect during that year, the colony with the highest taxation per head being placed at the top, and that with the lowest at the bottom, of the list:—

Order of colonies in respect to taxation.

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

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

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

Order of colonies in respect to revenue raised by taxation.

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

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

198. If the gross amounts raised by taxation in the different colonies during 1889, of which particulars are given in the table, be added together, it will be found that the total taxation levied on the continent of Australia amounted to nearly nine millions sterling; and the total taxation of the colonies on the continent, added to that of Tasmania and New Zealand, amounted to about eleven and a half millions sterling. The exact figures will be found in the following table, also the average amount of taxation per head of the population, and the proportion that the taxation bore to the total revenue:—

Taxation of Australia and Australasia.

TAXATION OF AUSTRALIA AND AUSTRALASIA, 1889.*

	Taxation.		
	Gross Amount.	Average per Head.	Percentage of Total Revenue.
	£	£ s. d.	
Continent of Australia	8,906,942	3 0 4	37·37
Ditto, with Tasmania and New Zealand	11,415,667	3 1 6	40·05

Comparison of Victoria and Australasia.

199. By comparing the above figures with those of this colony, it will be found that in Victoria the taxation per head of the population is 4s. 4d. higher, and the proportion of taxation to the total revenue is also somewhat higher, than the corresponding items in the Australasian colonies as a whole.

Taxation in British possessions.

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

TAXATION IN BRITISH POSSESSIONS.

Country.	Year.	Taxation.		
		Gross Amount.	Average per Head.	Percentage of Total Revenue.
		£	£ s. d.	
EUROPE.				
United Kingdom	1889-90	73,414,000	1 18 2	82·21
ASIA.				
India	1889-90	31,168,400	0 2 11	38·15
Ceylon	1888	771,324	0 5 2	73·33
Straits Settlements	1888	582,560	1 0 6	88·05
AFRICA.				
Mauritius	1888	442,809	1 3 9	50·64
Natal	"	417,905	0 15 9	31·49
Cape of Good Hope	"	1,458,608	1 0 0	38·02
Lagos	"	48,240	0 9 8	83·70
Gambia	"	17,228	1 4 4	65·55
AMERICA.				
Canada	1888-9	6,134,503	1 4 2	76·98
Newfoundland	1888	260,819	1 6 1	91·86
Bermuda	1888-90	23,900	1 10 4	79·83
West Indies—				
Turk's Island	1884	7,158	1 10 3	68·34
Jamaica	1888-9	434,839†	0 13 11	62·57
St. Lucia	1887	32,397	0 15 4	68·19
Barbados	1889	137,644	0 15 2	78·78
Grenada	"	45,931	0 18 3	91·06

* In the case of Victoria, the figures for 1888-9 have been taken.

† Including local taxation.

TAXATION IN BRITISH POSSESSIONS—*continued.*

Country.	Year.	Taxation.		
		Gross Amount.	Average per Head.	Percentage of Total Revenue.
AMERICA— <i>continued.</i>		£	£ s. d.	
West Indies—				
Tobago	1889	7,895	0 7 8	89·62
Virgin Islands	1888	1,176	0 4 8	62·45
Antigua	„	34,505	0 19 9	79·49
St. Christopher and Nevis	„	35,608	0 15 10	88·95
Montserrat	„	5,365	0 9 4	83·49
Dominica	„	15,838	0 10 11	77·25
Trinidad	1889	316,838	1 12 4	69·90
AUSTRALASIA.				
Australia, Tasmania, and New Zealand*	1889	11,415,667	3 1 6	40·05
Fiji	„	44,316	0 7 1	69·39

201. It will be observed that the amount raised by taxation in Australasia is six-sevenths more than that in Canada; but that the amount raised by taxation in India is nearly three times, and in the United Kingdom seven times, as large as that so raised in Australasia. It might be supposed that those countries which depended almost entirely on taxation for their revenue would be more heavily taxed than countries which had other ample resources. The reverse, however, is the case with the Australasian colonies; for whilst they raise only 40 per cent. of their revenue by taxation—or the smallest proportion of any of the British possessions named except India, Natal, and the Cape of Good Hope—their average taxation per head exceeds by 23s. that in the United Kingdom, which raises 82 per cent. of its revenue by taxation, and is, moreover, in proportion to population, more heavily taxed than any of its other dependencies of which particulars are at hand.

Taxation in Australasia and other British possessions compared.

202. In Victoria the gross amount of taxation is two and a half times that in the Cape of Good Hope, but is equal to less than two-thirds that in Canada. The average per head is about £1 7s. higher than in the United Kingdom; but in proportion to revenue, the taxation of Victoria, being little more than the average of Australasia, is extremely low when compared with the other portions of the British dominions of which information is available.

Taxation in Victoria and other British possessions compared.

* For gross amount of taxation and taxation per head, and proportion of taxation to total revenue, in the various Australasian colonies, see table following paragraph 195 *ante*.

Taxation in
Foreign
countries.

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

TAXATION IN FOREIGN COUNTRIES.

Countries.	Year.	Taxation.		
		Gross Amount (000's omitted.)	Average per Head.*	Percentage of Total Revenue.†
EUROPE.				
Austria-Hungary ...	1889	£ 67,262,‡	£ 1 13 0	90·59
Belgium ...	1890	6,807,	1 2 4	51·17
Denmark ...	1889	2,790,	1 5 9	92·23
France (including Algeria)	1890	92,928,	2 4 1	77·83
Greece ...	"	2,353,	1 1 6	70·11
Holland ...	"	8,322,	1 16 7	81·72
Italy ...	1889-90	52,235,	1 14 10	82·40
Portugal ...	"	7,043,	1 12 8	78·38
Russia ...	1889	57,376,	§0 12 6	66·61
Spain ...	1890-91	22,735,	1 5 11	71·04
Switzerland ...	1890	1,024,	0 7 0	35·30
Turkey ...	1883-4	12,712,	0 11 7	76·35
ASIA.				
Japan ...	1889-90	11,216,	0 5 8	87·85
AFRICA.				
Egypt ...	1890	7,216,	1 1 2	71·79
AMERICA.				
Argentine Confederation...	1890	10,390,	2 10 10	69·85
Brazil ...	"	13,971,	0 19 11	86·85
Mexico ...	"	6,667,	0 11 6	87·96
United States ...	1889	76,534,	1 4 5	94·91

Gross
amount of
taxation in
various
countries.

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

* For figures of population, see Part "Population" *post*.

† For figures of revenue, see table following paragraph 162 *ante*.

‡ This amount is made up of £42,679,000 taxation in Austria for the year 1889, and £24,583,000 taxation in Hungary for the year 1889.

§ Based on the population of Russia in Europe. The proportion to the population of the whole Russian Empire is 10s. 7d.

|| See also tables following paragraphs 195 and 200 *ante*.

Belgium. The amount in Victoria is nearly four times as large as that levied in Switzerland, and about half as large again as that levied in Greece or Denmark; but considerably below that in any other of the countries named.

205. The taxation per head is larger in the United Kingdom than in any other independent country except the Argentine Confederation or France, and in this respect Holland, Italy, Austria-Hungary, Portugal, and Spain stand next. The taxation per head, however, in all the Australasian colonies is larger than in the United Kingdom; and in all of those colonies, except New South Wales and South Australia, it is larger than in the Argentine Confederation.

Taxation per head in various countries.

206. It will be observed that, with one exception—Switzerland—all the countries named in the last table raise more than half their revenue by taxation; whilst the Australasian colonies as a whole raise two-fifths from that source. The revenues of the United States, Denmark, and Austria-Hungary appear to be almost entirely derived from taxation; and although the United Kingdom raises more than four-fifths of its revenue from that source, as many as seven of the countries named raise a higher proportion.

Proportion of revenue raised by taxation in various countries.

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

Taxation by Customs in Australasian colonies.

TAXATION BY CUSTOMS IN AUSTRALASIAN COLONIES, 1889.

Colony.	Revenue from Customs Duties.		
	Amount.	Proportion to—	
		Total Taxation.	Total Value of Imports.
	£	Per cent.	Per cent.
Victoria (1889-90)	2,611,184	71·92	11·03
New South Wales	1,905,883	71·19	8·34
Queensland	1,314,472	85·38	22·21
South Australia	529,433	74·44	7·78
Western Australia	171,990	88·54	21·02
Tasmania	307,352	72·72	19·08
New Zealand	1,473,379	70·63	23·40

208. It will be observed that in Victoria, during 1889, about 72 per cent. of the taxation was raised through the Customs, and

Customs revenue in proportion to total taxation.

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

that the proportion in New South Wales and New Zealand was somewhat less, and in Tasmania and South Australia somewhat more; whereas in Queensland all but 15 per cent., and in New Zealand all but about 11½ per cent. was levied through the Customs.

209. It will, moreover, be noticed that in Victoria the tax on the import trade as a whole was equivalent to an average duty of 11 per cent. *ad valorem*; which proportion was considerably lower than in any of the other Australian colonies, except South Australia and New South Wales, in the former of which the rates of duty are not high, and in the latter the dutiable articles are comparatively few in number. Since the duties on manufactured articles are for the most part much higher in Victoria than in any of the other colonies, the small proportion which the Customs revenue bears to the value of imports is probably owing to her importing, in a larger proportion than the others, raw, and consequently undutiable, material. The proportion of Customs duties to imports is seen to be highest in New Zealand, Queensland, Western Australia, and Tasmania, it being 23 per cent. in the first, and 19 per cent. in the last named colony.*

210. The following table gives a statement of the revenue and expenditure of municipalities in the year 1890, the amounts raised and expended in cities, towns, and boroughs being shown separately from those in shires:—

MUNICIPAL REVENUE AND EXPENDITURE, 1890.

Heads of Revenue.				Cities, Towns, and Boroughs.	Shires.	Total.
REVENUE.				£	£	£
From Government	{ Endowment ...	...	...	42,872	407,032	449,904
	{ Other receipts ...	...	...	43,763	83,789	127,552
„ Rates—General and separate	...	...	...	452,680	316,929	769,609
„ „ Special	...	...	...	31,290	1,457	32,747
„ Licences	...	...	...	72,403	30,324	102,727†
„ Registration of dogs and goats	...	...	...	6,174	7,119	13,293
„ Market and weighbridge rents and dues...	...	...	...	72,760	3,348	76,108
„ Formation of private roads, streets, etc., under <i>Health Act</i>	...	...	...	56,249	24,671	80,920
„ Contributions for flagging, asphaltting footpaths (including pitched crossings)	...	...	...	18,005	2,867	20,872
„ Registrations under <i>Health Act</i> , noxious trades, dairies, etc.	...	...	...	2,701	1,120	3,821
„ Interest	...	...	...	15,247	3,329	18,576
„ Other sources	...	...	...	111,494	43,688	155,182
Total	...	...	...	925,638	925,673	1,851,311

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

† Including receipts from the “Licensing Act 1885 Fund.” In the financial year, 1888-9, the “equivalent” amounted to £92,124, and in 1889-90 to £92,225.

Customs
revenue in
proportion
to total
imports.

Municipal
revenue
and ex-
penditure.

MUNICIPAL REVENUE AND EXPENDITURE, 1890—continued.

Heads of Expenditure.	Cities, Towns, and Boroughs.	Shires.	Total.
EXPENDITURE.*			
Public works (including labour and material) ...	596,138	640,893	1,237,031
Private streets, roads, etc., under <i>Health Act</i> ...	54,200	18,005	72,205
Salaries	72,418	99,410	171,828
Interest	106,401	33,406	139,807
Other expenditure	347,332	116,657	463,989
Total	1,176,489	908,371	2,084,860

211. In 1889-90 the subsidy voted by Parliament and paid to the municipalities amounted to £450,000, as compared with £340,854 in 1888-9, and £310,000 annually for several previous years. Endowment of municipalities.

212. According to the *Local Government Act 1874* (38 Vict. No. 506), the endowment payable to any city, town, or borough was not to exceed £2,000; and if the general rate levied in a municipality exceeded one shilling in the pound, the endowment was to be calculated on an amount which bears the same proportion to the total amount of rates received as one shilling bears to the rate levied.† Subject to these conditions, the endowment is payable to shires in the proportion of £2, and to cities, towns, and boroughs in the proportion of £1, for every £1 of general rates collected.‡ This also was generally the basis on which the subsidy paid in 1889-90 was calculated, an exception to the rule being made in the case of certain shires (15 in 1890) newly formed or of a mountainous character, which receive £3 for every £1 of rates. Rate of endowment.

213. In 1890, the expenditure exceeded the revenue in cities, towns, and boroughs by 27 per cent., but in shires the revenue exceeded the expenditure by 2 per cent., as compared with an excess of expenditure over revenue in both cases of 23 and 3 per cent. respectively in the previous year. Municipal expenditure in excess of revenue.

214. The expenditure was greater than the revenue in 31 of the 59 cities, towns, and boroughs, and in 59 of the 130 shires in 1889; and in 32 of the 59 cities, towns, and boroughs, and in 46 of the 133 shires in 1890. Municipalities in which expenditure exceeded revenue.

* Including expenditure of proceeds of loans. For amount of outstanding loans, see table showing "Municipal Debts," *post*.

† For ratings in municipalities, see Part "Population" *post*.

‡ This is under the *Local Government Act 1890* (sec. 352); also to be the basis for future subsidies, unless otherwise provided.

215. In 1890 payments of salaries formed nearly 8 per cent. of the revenue of cities, towns, and boroughs, and nearly 11 per cent. of that of shires.

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

MELBOURNE HARBOR TRUST.—ORDINARY RECEIPTS AND EXPENDITURE, 1877 TO 1890.

	Four and a half years, 1877-1881.	Five years, 1882-1886.	Year 1887.	Year 1888.	Year 1889.	Year 1890.	Total, 1877 to 1890.
NET RECEIPTS.							
	£	£	£	£	£	£	£
Wharfage rates	354,452	569,403	138,804	175,795	183,318	165,819	1,587,591
Leases	521	344	140	3,493	4,549	6,562	15,609
Licences	9,409	23,724	5,500	2,663	2,919	2,428	46,643
Interest	2,330	6,624	6,323	8,406	21,024	31,867	76,574
Spencer Street ferry .. .. .	.. .	1,526	944	1,926	607	2,042	7,045
Sundries	888	3,059	2,072	2,301	3,079	1,854	13,253
Total	367,600	604,680	153,783	194,584	215,496	210,572	1,746,715†
EXPENDITURE.‡							
Plant	106,046	216,997	9,304	4,198	118,802	64,588	519,935
Harbour improvements and maintenance, including dredging, landing, and depositing silt	165,577	509,950	103,857	113,439	150,882	217,922	1,261,627
Wharves and approaches, construction and maintenance	63,421	274,904	70,414	83,702	92,386	234,344	819,171
General management and contingent expenses	39,517	58,503	17,223	17,799	18,980	18,236	170,258
Commissioners' fees	7,480	8,142	1,700	1,700	1,275	1,700	21,997
Interest	3,061	71,434	36,250	36,250	46,250	66,250	259,495
Total	385,102	1,139,930	238,748	257,088	428,575	603,040	3,052,483

217. In the thirteen and a half years the Trust has been in existence, the net receipts have amounted to £1,746,715 and the expenditure to £3,052,483, or £1,305,768 in excess of the receipts. To meet this excess, loans§ amounting to £1,500,000 have been raised. It will be observed that the revenue, which averaged only about £120,000 in the five years ended with 1886, has since risen to an average of £206,000 in the last three years. The expenditure of the Trust may

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

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

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

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

Salaries in municipalities.

Harbor Trust receipts and expenditure.

Receipts and expenditure compared.

be condensed into three main divisions, the first being Plant, on which, during the period the Trust has been in existence, £519,935 has been laid out, or more than a sixth of the whole expenditure; the second being the Improvement and Maintenance of the Harbour, together with the wharves and approaches, on which £2,080,798 has been expended, or more than two-thirds of the whole amount; and the third being the Management of and Interest on Loans, which has absorbed £451,750, or about one-seventh of the whole amount. The cash at credit on the 31st December was £288,593; and the liabilities under contracts in progress amounted to £184,091.

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

**GENERAL AND LOCAL REVENUE AND EXPENDITURE,
1884 TO 1890.**

	Total Amounts Received and Expended.						
	1884.	1885.	1886.	1887.	1888.	1889.	1890.
REVENUE.	£	£	£	£	£	£	£
Government ...	5,934,687	6,290,361	6,481,021	6,733,826	7,607,598	8,675,990	8,519,159
Municipalities ...	756,966	789,429	859,184	921,466	1,056,437	1,182,291	1,273,855
Melbourne Harbor Trust	113,141	127,276	149,479	153,783	194,584	215,496	210,572
Total ...	6,804,794	7,207,066	7,489,684	7,809,075	8,858,619	10,073,777	10,003,586
EXPENDITURE.							
Government ...	5,715,293	6,140,356	6,513,540	6,561,251	7,287,151	7,919,902	9,645,737
Municipalities ...	839,007	847,977	897,399	986,846	1,132,783	1,400,873	1,507,404
Melbourne Harbor Trust	303,280	267,194	271,611	238,748	257,088	428,575	603,040
Total ...	6,857,580	7,255,527	7,682,550	7,786,845	8,677,022	9,749,350	11,756,181

219. The next table gives the general and local revenue and expenditure per head of population in the same seven years. It will be observed that in the last year named the local revenue, embracing that of the Municipal bodies and that of the Harbor Trust, amounted to about £1 7s. per head, and the general and local revenue combined to £9 1s. 4d. per head:—

GENERAL AND LOCAL REVENUE AND EXPENDITURE PER HEAD,
1884 TO 1890.*

	Amounts Received and Expended per Head.†																				
	1884.			1885.			1886.			1887.			1888.			1889.			1890.		
REVENUE.	£	s.	d.	£	s.	d.	£	s.	d.	£	s.	d.	£	s.	d.	£	s.	d.	£	s.	d.
Government ...	6	9	0	6	13	2	6	13	9	6	14	7	7	7	4	8	1	1	7	14	5
Municipalities	0	16	5	0	16	9	0	17	9	0	18	5	1	0	5	1	1	11	1	3	1
Melbourne Har- bor Trust	0	2	5	0	2	8	0	3	1	0	3	1	0	3	9	0	4	0	0	3	10
Total ...	7	7	10	7	12	7	7	14	7	7	16	1	8	11	6	9	7	0	9	1	4
EXPENDITURE.																					
Government ...	6	4	2	6	10	0	6	14	5	6	11	2	7	1	1	7	7	1	8	14	10
Municipalities	0	18	3	0	17	11	0	18	6	0	19	9	1	1	11	1	6	0	1	7	4
Melbourne Har- bor Trust	0	6	7	0	5	8	0	5	7	0	4	9	0	5	0	0	8	0	0	10	11
Total ...	7	9	0	7	13	7	7	18	6	7	15	8	8	8	0	9	1	1	10	13	1

220. It has been already stated that in the last two tables the expenditure of the proceeds of loans contracted by the General Government is not included. If, however, it should be desired to know the total amount of public money spent in the colony, this must be added, which, having been done, the result, together with the amount per head of the average population, is given in the following table for the twelve years ended with 1890:—

GENERAL, LOCAL, AND LOAN EXPENDITURE, 1879 TO 1890.

Year.	Expenditure.			Expenditure per head.†		
	General and Local.‡	From Government Loans.	Total.	General and Local.	From Government Loans.	Total.
	£	£	£	£ s. d.	£ s. d.	£ s. d.
1879 ...	5,507,869	1,278,217	6,786,086	6 13 2	1 10 11	8 4 1
1880 ...	5,749,623	1,507,778	7,257,401	6 16 10	1 15 10	8 12 8
1881 ...	5,777,479	830,505	6,607,984	6 14 4	0 19 4	7 13 8
1882 ...	5,850,381	1,064,516	6,914,897	6 13 0	1 4 2	7 17 2
1883 ...	6,572,203	2,656,810	9,229,013	7 6 1	2 19 1	10 5 2
1884 ...	6,857,580	1,600,233	8,457,813	7 9 0	1 14 9	9 3 9
1885 ...	7,255,527	1,141,126	8,396,653	7 13 7	1 4 2	8 17 9
1886 ...	7,682,550	1,729,768	9,412,318	7 18 6	1 15 9	9 14 3
1887 ...	7,787,845	2,068,282	9,856,127	7 15 8	2 1 4	9 17 0
1888 ...	8,678,022	2,389,944	11,067,966	8 8 0	2 6 3	10 14 3
1889 ...	9,749,350	3,716,050	13,465,400	9 1 1	3 9 0	12 10 1
1890 ...	11,756,181	3,754,005	15,510,186	10 13 1	3 8 0	14 1 1

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

† All the figures have been corrected since last publication, in accordance with amended estimates of population based on the results of the census of 1891. Although the financial years of the respective bodies named in this table terminate at different dates (see last footnote), the same populations as have already been taken (see table following paragraph 108 *ante*) to calculate the amount of general revenue and general expenditure per head have been used to make these calculations. As the population varies but slightly in so short a period, this will scarcely, if at all, affect the result.

‡ Figures for 1882 and subsequent years amended since last publication. See preceding footnote.

§ Including expenditure from Municipal and Harbor Trust loans.

221. It will be noticed that the total amount of public money spent per head ranged from £7 13s. 8d. in 1881 to £14 1s. 1d. in 1890; the proportion of which derived from Government loans varied from 19s. 4d. per head in 1881 to £3 9s. 1d. per head in 1889. It will further be remarked that the total amount per head in 1889 was much larger than in any previous year.

222. The amount of taxation under the General Government, under the Municipal Bodies, and under the Melbourne Harbor Trust, is given in the following table for each of the seven years ended with 1890, the items being specified in the last two cases. The principle upon which the items of taxation are separated from the general revenue has been already explained.* The local taxation is separated from the whole municipal revenue by rejecting—besides all grants received from the General Government—rents of buildings and land, proceeds of the letting of halls, etc., the balance being considered as taxation. The taxation levied by the Harbor Trust consists only of wharfage rates:—

GENERAL AND LOCAL TAXATION, 1884 TO 1890.†

Heads of Taxation.	Amounts Received.						
	1884.	1885.	1886.	1887.	1888.	1889.	1890.
	£	£	£	£	£	£	£
GOVERNMENT TAXATION } ‡ ...	2,318,520	2,548,171	2,634,560	2,739,635	3,071,003	3,749,670	3,630,814
MUNICIPAL TAXATION.							
Rates ...	473,412	503,474	546,830	592,235	646,694	732,324	802,356
Licences ...	87,925	92,204	90,495	102,313	104,227	101,475	102,727
Registration of dogs and goats	12,144	15,851	13,837	13,853	13,128	13,045	13,293
Market dues ...	47,392	51,697	55,258	56,881	61,064	69,285	76,108
Total ...	620,873	663,226	706,420	765,282	825,113	916,129	994,484
MELBOURNE HARBOR TRUST TAXATION.							
Wharfage rates ...	108,019	120,587	136,134	138,804	175,795	183,318	165,819
Total general and local taxation } ‡	3,047,412	3,331,984	3,477,114	3,643,721	4,071,911	4,849,117	4,791,117

223. The aggregate amounts of taxation raised by the Government and the municipalities represented, in 1884, a proportion of £3 6s. 2d. to each individual in the community; in 1885, £3 10s. 7d; in 1886,

* See paragraph 165 ante.

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

‡ For details of Government taxation, see table following paragraph 168 ante.

£3 11s. 9d.; in 1887, £3 12s. 10d.; in 1888, £3 18s. 10d.; in 1889, £4 10s.; and in 1890, £4 6s. 10d.

Chief sources of taxation.

224. It has already been pointed out that by far the greater portion of the General Government taxation is derived from Customs duties*—the proportion varying in different years from 72 to 89 per cent. Seventy-six per cent. of the Municipal taxation in 1884 and 1885, 77 per cent. in 1886, 76 per cent. in 1887, 78 per cent. in 1888, and 80 per cent. in 1889 and 1890, was derived from rates.

Public debt.

225. The public debt of Victoria amounted on the 30th June, 1890,† to £41,377,693, consisting of moneys—

				£
Borrowed in Victoria	...	...	...	1,308,993
,, England	...	...	...	40,068,700
Total	...	...	...	41,377,693

Purposes for which loans were incurred.

226. The aggregate amount of the loans raised up to the 30th June, 1890, was £51,971,313; but a total of £10,593,620 having been repaid, viz., £2,379,200 out of the general revenue, and £8,214,420 out of the proceeds of redemption loans—the balance outstanding on the 30th June, 1890, was reduced to £41,377,693. The amount of public debt borrowed under each of the purposes for which the debt was incurred, the amount paid off, and the amount outstanding on the 30th June, 1890, are shown in the following table:—

PURPOSES FOR WHICH LOANS WERE RAISED.

Purposes.	Total Amount Borrowed.†	Amount Paid off.	Amount Outstanding on 30th June, 1890.
	£	£	£
Railways	32,317,719	344,200	31,973,519§
Water supply—			
Melbourne	2,922,866	800,000	2,122,866
Country	4,392,173	...	4,392,173||
Parliament houses	246,453	...	246,453
Law courts	354,260	...	354,260
Public offices	166,195	...	166,195
Defences	100,000	...	100,000
State schools	1,105,557	...	1,105,557
Yarra Bridge	108,043	...	108,043
Harbours, etc.	275,554	...	275,554
Graving-dock	350,464	...	350,464

* See paragraph 170 *ante*.

† On the 30th June, 1891, the public debt amounted to £43,610,265 (including one million floated on the 7th July).

‡ For expenditure of the net proceeds of these amounts, see table following paragraph 127 *ante*; and for further details of the expenditure of railway loans, see portion relating to Railways in Part "Interchange" in the second volume.

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

|| Of this amount £666,463 was authorized to be re-lent to municipal bodies, £881,320 to Water Works Trusts, and £594,513 to Irrigation and Water Supply Trusts, for local waterworks, the principal and interest being repayable by annual instalments—the former into a sinking fund, the latter into the general revenue. For accumulation of Sinking Fund (Municipalities Redemption Account), see table, "Trust Funds," *post*. Waterworks Trusts also received grants from the loan account amounting to £97,558.

PURPOSES FOR WHICH LOANS WERE RAISED—*continued.*

Purposes.	Total Amount Borrowed.*	Amount Paid off.	Amount Outstanding on 30th June, 1890.
	£	£	£
Tramways in country districts...	182,609	...	182,609
Melbourne and Geelong improvements	735,000†	735,000	...
Treasury bonds	500,000	500,000	...
	43,756,893	2,379,200	41,377,693
Redemption of loans ‡ ...	8,214,420	8,214,420	...
Total	51,971,313	10,593,620	41,377,693

227. Of the debt outstanding on the 30th June, 1890, a sum of about £53,000 was authorized as early as 1857, nearly $3\frac{3}{4}$ millions during the ten years ended with 1870, over 10 millions in the next decade, and over $27\frac{1}{4}$ millions—of which nearly 8 millions, however, was for purposes of redemption—in the last decade as will be seen by the following table, which shows the years in which the various amounts of which the debt is composed were authorized and the number of the Act by which such authorization was given; also the changes that have been effected by means of conversion operations:—

Public debt, when authorized.

AUTHORIZATION OF THE PUBLIC DEBT.

Authorization.		Rate of Interest.	Amount Outstanding on the 30th June, 1890.	
Year.	Under Act.		As originally Authorized.	After Conversion Operations.
	No.	Per cent.	£	£
1857	36	6	52,780	...
1862	150	6	23,900	...
1865	287	6	850,000	850,000
1868	331	5	2,107,000	2,107,000
"	332	5	610,000	312,900
1870	371	4	100,000	...
1872	428	4	1,113,000	543,000
"	439	4	...	{ 86,780\$
				{ 13,102||
1873	468	4	1,500,000	1,500,000
1876	531	4	{ ...	500,000\$
			{ 2,500,000	2,500,000
1878	608	4½	5,000,000	5,000,000
"	611	4	...	457,000\$
"	617	5	183,900	183,900¶
1881	717	4	4,000,000	4,000,000
1882	739	4	2,000,000	2,000,000
"	741	4	167,600	167,600

* See footnote (‡) on page 164.

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

‡ Exclusive of conversion loans amounting to £1,043,780.

§ Conversion loans, the total amount of which was £1,043,780.

|| Increase of debt by conversion of 6 and 5 per cent. debentures into 4 per cent. stock.

¶ Debentures of M. and H. B. U. Railway Co., taken over by the Government.

AUTHORIZATION OF THE PUBLIC DEBT—*continued.*

Authorization.		Rate of Interest.	Amount Outstanding on the 30th June, 1890.	
Year.	Under Act.		As originally Authorized.	After Conversion Operations.
	No	Per cent.	£	£
1883	760	4	4,000,000	4,000,000
1884	805	4	4,000,000	4,000,000
1885	845	4	6,000,000	6,000,000
1887	963	4	130,000	130,000
1888	989	3½	3,000,000	3,000,000
1889	1,015	4	26,411	26,411
"	1,032	3½	4,000,000	4,000,000
	Total	...	41,364,591	41,377,693

Growth of the public debt.

228. The gross total of the public debt increased from £5,000,000 in 1860 to nearly £12,000,000 in 1870, and again to over £22,000,000 in 1880-81—the amount at the end of each decennial period being about double that at the commencement. During the nine years subsequent to 1880-81, a net amount of £18,800,000 was added to the debt. The whole increase in 29 years was in a much greater ratio than the increase of population, for the indebtedness per head gradually rose from £9 10s. in 1860 to £37 in 1889-90. A considerable increase also took place as compared with the total revenue until 1886-7, for whilst in 1860, or three years after the colony commenced to borrow, the debt was equivalent to only 1½ year's revenue, in 1870 it was equivalent to 3½ years', and in 1886-7 to nearly 5 years' revenue; since 1886-7, however, the proportion fell off to only 4½ years' revenue in 1888-9, but rose again in 1889-90 to nearly as high a proportion as prevailed in 1886-7. The amount of debt outstanding, together with the average per head and the multiple of revenue at the end of 1860 and the two following decennial periods, and of the four years ended with 1889-90, are shown in the following table:—

GROWTH OF THE PUBLIC DEBT, 1860 TO 1889-90.*

At end of the Financial Year.				Amount Outstanding.	Average per Head.			Multiple of Revenue.
				£	£	s.	d.	
1860	...	...	...	5,118,100	9	10	4	1·66
1870	...	...	...	11,924,800	16	8	5	3·66
1880-81	...	...	...	22,593,102	26	1	2	4·36
1886-7	...	...	...	33,119,164	32	11	6	4·92
1887-8	...	...	...	34,627,382	32	16	5	4·55
1888-9	...	...	...	37,627,382	34	10	2	4·34
1889-90	...	...	...	41,377,693	36	19	11	4·86

NOTE.—On the 30th June, 1891, the public debt was £43,610,265. At the same date the estimated population was about 1,148,000. The amount of indebtedness per head was thus £37 19s. 10d.; and the multiple of the revenue was 5·23.

* For amount of the public debt at the end of each year, see first folding sheet to the second volume. The averages per head for the years 1886-7 to 1888-9 have been corrected since last publication in accordance with amended estimates of population.

229. It will be noticed that in 1889-90 the public debt increased by £3,750,311. This was in consequence of the debt having been added to by a new loan for £4,000,000 floated in London in April, 1890, and by the stock on the Melbourne register having been increased by £26,411; as against which must be set £276,100 on account of a loan paid off out of revenue on the 1st October, 1889. The debt per head of population increased by £2 9s. 9d., whilst the ratio of debt to revenue rose over $4\frac{1}{2}$ years of the latter in 1888-9 to nearly 5 in 1889-90. Increase of debt, 1889-90.

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

REPAYMENT OF DEBT.

Under Act No.	When Repayable.	Rate of Interest per cent.	Amount Repayable.			
			In Melbourne.	In London.	Total.	
	<i>Debentures.</i>					
			£	£	£	
287	1st January, 1891 ...	6	...	850,000	850,000*	
331-2	„ „ 1894 ...	5	312,900	2,107,000	2,419,900	
468	1st July, 1899 ...	4	...	1,500,000	1,500,000	
531	„ „ 1901 ...	„	...	3,000,000	3,000,000	
608	1st January, 1904 ...	$4\frac{1}{2}$	...	5,000,000	5,000,000	
611	„ „ ...	4	...	457,000	457,000	
	<i>Stock (London Register).</i>					
717	1st July, 1907† ...	4	...	4,000,000	4,000,000	
739	1st April, 1908† ...	„	...	2,000,000	2,000,000	
760	1st October, 1913† ...	„	...	4,000,000	4,000,000	
805	„ „ 1919 ...	„	...	4,000,000	4,000,000	
845	„ „ 1920 ...	„	...	6,000,000	6,000,000	
989 & 1032	„ „ 1923 ...	$3\frac{1}{2}$	...	7,000,000	7,000,000	
	<i>Stock (Melbourne Register).</i>					
428 439 741 963 1015	28th November, 1897‡ ...	4	966,893	...	966,893	
617	<i>Debentures of late M. & H. B. U. Railway Co. §</i>	5	29,200	154,700	183,900	
	Total ...	...	1,308,993	40,068,700	41,377,693	

* Paid off at due date out of a new loan.

† Originally debentures convertible into inscribed stock at option of holders. The amount so inscribed, according to advices received to the 30th June, 1890, was £3,483,800, the balance being still held in the form of debentures.

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

§ Of which £30,000 is redeemable on 1st July, 1892; £22,000 on 1st July, 1895; £100,000 on 1st September, 1895; and £31,900 on 1st January, 1897. Amount payable in London and Melbourne has been apportioned according to the interest paid in each city.

Reduced
rate of
interest on
loans.

231. Loans paid off on the 1st October, 1883, and the same date in 1884, 1885, 1888, and 1889, amounting together to £8,223,320, bore interest at the rate of 6 per cent.; and it will be noticed that the last of these 6 per cent. loans, amounting to £850,000, was repayable on the 1st January, 1891, and was duly paid off at that date. With the exception of £276,100 redeemed out of revenue, all these loans have been replaced by redemption loans bearing only 4 per cent. interest, and the nominal saving by such substitution in the annual interest payable amounts to £158,945.*

Loans
redeemed.

232. The loans which had been redeemed up to the 30th June, 1890, amounted in the aggregate to £10,593,620, of which £2,379,200 was provided for out of revenue, and £8,214,420 by means of redemption loans, bearing interest at the rate of 4 per cent. Nearly three-fourths of the amount was repayable in London, and the remainder in Melbourne. The following are the particulars:—

LOANS REDEEMED TO 30TH JUNE, 1890.

Under Act No.	Date of Redemption.	Rate of Interest.	Source from which funds were provided.	Amount Redeemed.		
				Melbourne.	London.	Total.
				£	£	£
13	1855 to 1875 ...	...	Revenue	525,000	...	525,000
23	" " ...	...	"	210,000	...	210,000
40	1857 to 1872 ...	6	"	299,100	500,900	800,000
15	1872 to 1874 ...	6	"	2,900	65,200	68,100
663	1st November, 1881	5	"	166,600	...	} 500,000‡
"	" 1882†	5	"	166,700	...	
"	" 1883†	5	"	166,700	...	
617	1880 to 1886	6 & 3½§	Loans	33,800	233,400	267,200||
36	1st October, 1883	6	"	236,600	3,587,500	3,824,100
"	" 1884	6	"	...	812,500	812,500
"	" 1885	6	"	580,620	2,600,000	3,180,620
"	" 1888	6	"	130,000	...	130,000
150	1st October, 1889	6	Revenue	276,100	...	276,100
Total ...				2,794,120	7,799,500	10,593,620

NOTE.—A further 6 per cent. loan for £850,000 was paid off out of loans on 1st January, 1891.

* Exclusive of the saving, equivalent to £5,522, on the loan of £276,100, which was paid off out of revenue.

† These are the due dates. The amount due on 1st November, 1882, and portion (£138,600) of that due on 1st November, 1883, was, however, paid off in February, 1882.

‡ Treasury bonds.

§ Only £200 bore interest at 3½ per cent.

|| This amount was repaid as follows:—£100,000 on 1st July, 1880; £59,600 on 1st March, 1881; £20,400 on 1st May, 1882; £48,300 on 1st January, 1883; £38,900 on 1st January, 1883.

233. Victorian stock on the Melbourne register was first authorized under the *Public Works Loan Act* 1872 (36 Vict. No. 428), and originally amounted to £1,113,000. Owing to portion of this being converted into debentures, as being more readily negotiable by the Government in a case of emergency, which operation was counterbalanced to some extent by re-conversions and fresh issues, the amount outstanding became reduced on the 30th June, 1890, to £966,893.* In the case of the first three loans issued in London since the 1st January, 1883—amounting to £10,000,000—the option was given to holders of converting their debentures into stock, to be registered in London; whilst the subsequent loans raised up to the end of the financial year 1889-90—amounting to £17,000,000—were issued as stock in the first instance. The privilege referred to, according to advices received up to the 30th June, 1890, had been availed of to the extent of £8,483,800, so that the stock then outstanding upon the London register amounted to £25,483,800. The total amount of stock on the two registers combined was thus £26,450,693. Of this amount, £19,450,693 bears interest at the rate of 4 per cent., and £7,000,000 at the rate of 3½ per cent. per annum.

Victorian
Govern-
ment stock.

234. About a sixth of the public debt bears interest at 3½ per cent., whilst nearly two-thirds bears interest at 4 per cent., and the balance at higher rates up to 6 per cent. The following are the rates of interest payable on the various amounts of which the public debt of Victoria was composed on the 30th June, 1890:—

Rates of
interest.

Rates of Interest.	Amount at each Rate.
6 per cent.	£850,000
5 per cent.	2,603,800
4½ per cent. ... °	5,000,000
4 per cent.	25,923,893
3½ per cent.	7,000,000
Total	<u>£41,377,693</u>

235. Nearly three-fourths of the interest on the debt is payable in July and January, and the remainder in October and April. In connexion with this, Messrs. W. Westgarth & Co., of London, whilst admitting the inconvenience to the colony of having large interest amounts falling due at one time, have pointed out that the greatest degree of negotiability for the stock can only be attained by making the periods of payment uniform for all loans. All but about one

Interest on
debt.

* Of the amount outstanding, £534,895 is held by the public, and £43',998 by the Government, viz.—£301,037 on account of Trust Funds invested, and £130,961 on account of investments by municipalities.

twenty-fifth of the interest is payable in London, and the remainder in Melbourne. The following table shows the amounts falling due during the ensuing financial year at those times and places on the debt existing on the 30th June, 1890 :—

INTEREST ON PUBLIC DEBT, 1890-91.

Rate per cent.	When due.	Interest due annually—		
		In Melbourne.	In London.	Total.
		£	£	£
6	July and January ...	...	51,000	51,000
5	” ” ...	15,645	105,350	120,995
4½	” ” ...	..	225,000	225,000
4	” ” ...	...	598,280	598,280*
3½	” ” .	...	245,000	245,000
	Total ...	15,645	1,224,630	1,240,275
4	October and April ...	38,675	400,000	438,675
		54,320	1,624,630	1,678,950
	Melbourne and Hobson's Bay Railway Debentures	1,460	7,735	9,195
	Grand Total ...	55,780	1,632,365	1,688,145*

NOTE.—The figures in this table represent the annual interest on the debt (viz., £41,377,693) as it stood on the 30th June, 1890. It may be remarked that the fresh loan raised in May, 1890, will add £70,000 per annum to the interest payable, but the first half-yearly instalment will not be due until 1st July, 1891. On the other hand, the substitution of a 3½ per cent. loan for the 6 per cent. loan of £850,000 repayable on the 1st January, 1891, will reduce the annual interest by £21,250.

236. The annual interest on the public debt, as it existed at the end of the financial year 1889-90, was equivalent to an average rate of about £4 1s. 7d. per £100, the rates on the amounts borrowed for the different works in most cases varying from 4 to 4½ per cent. No money has been borrowed at 6 per cent. since 1866; and the 5, 4½, 4, and 3½ per cent. loans floated since, together with the substitution of 4 per cent. debentures for the 6 per cents. which had become due, have gradually brought down the rate of interest, so that at the end of 1889-90 it averaged only about £4 1s. 7d. per cent, as just stated. The following are the particulars of the amounts borrowed for the different works, and the annual interest and average rate of interest thereon :—

* Inclusive of £18,280 on debentures held by the Government on account of Trust Funds invested. The amount actually payable, therefore, is £1,669,865.

INTEREST ON LOANS FOR DIFFERENT WORKS.

Purpose for which Raised.	Amount Outstanding on 30th June, 1890.*	Annual Interest.	
		Amount.	Average Nominal Rate per cent.
	£	£	
Railways	31,973,519†	1,298,513	4·06
Tramways in Country Districts ...	182,609	7,141	3·91
Water Supply { Melbourne	2,122,866	83,519	3·93
{ Country	4,392,173	184,744	4·21
Law Courts and Parliament House ...	600,713	25,265	4·21
Public Offices	166,195	6,789	4·09
Defences	100,000	6,000	6·00
State Schools	1,105,557	45,222	4·09
Yarra Bridge	108,043	4,622	4·28
Harbours, etc.	275,554	11,022	4·00
Graving-dock	350,464	15,308	4·37
Total	41,377,693	1,688,145	4·08

237. By the last two tables it appears that the total sum accruing annually as interest amounts to £1,688,145; but as interest (£18,280) on debentures held by the Government is not paid, and as portion of the debt was not in existence during the whole of the year, whilst the interest accrued thereon was not payable until the ensuing year, the amount actually paid in 1889-90 was only £1,523,745, viz., £1,460,463 in London and £63,282 in Melbourne. Interest payable and paid.

238. The payment of interest in Melbourne is not attended with any expense; but in connexion with the payment of interest in London expenses are incurred, consisting chiefly of premium on the remittance of money and commission to the Banks. These charges amounted in 1889-90 to £24,400, which is equivalent to a proportion of $1\frac{2}{3}$ per cent. on the total amount paid in London, viz., £1,460,463, as just stated; as compared with £20,518, or $1\frac{1}{2}$ per cent., in 1888-9, and a similar proportion in 1887-8. During the years 1885-6 and 1886-7, the proportion was as high as $1\frac{3}{4}$ per cent., in consequence of the rate of exchange having been exceptionally high in those years. The following figures show the items of which the expenses were made up during the last five years:— Expenses of paying interest on debt.

* See also footnotes to table following paragraph 226 *ante*.

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

EXPENSES OF PAYING INTEREST ON LOANS, 1885-6 TO 1889-90.

	1885-6.	1886-7.	1887-8.	1888-9.	1889-90.
	£	£	£	£	£
Commission of $\frac{1}{2}$ per cent. on debenture coupons payable	3,598	3,262	3,182	3,161	3,152
Commission of £500 or £450 per million* for inscription of stock and payment of interest ($1\frac{1}{4}$ or $1\frac{1}{8}$ per cent. on interest payable) ...	5,798	6,586	7,984	8,709	9,932
Premium on remittances	10,701	10,107	7,187	7,540	10,755
Stamps, advertising, etc.	649	602	994†	1,108	561
Total Expenses ...	20,746	20,557	19,347	20,518	24,400
Interest paid in London	1,165,523	1,176,976	1,291,755	1,363,753	1,460,463
Percentage of expenses thereon ...	1·78	1·75	1·50	1·51	1·67

239. Adding the interest paid in Melbourne—in connexion with which, as has been already stated, there are no expenses—to the interest and expenses in the last column of the table, it will be found that the total interest and expenses of the public debt of Victoria in 1889-90 amounted to £1,548,145,‡ being in the proportion of £1 8s. 1d. per head of population, and equal to nearly a sixth of the general expenditure of the colony.

240. The following is a statement of the total amount and amount per head paid as interest and expenses of the public debt in 1860, in each fifth year from that period to 1889-90; also in each of the same years, the proportion of the total amount to the revenue of Victoria:—

INTEREST AND EXPENSES OF PUBLIC DEBT, 1860 TO 1889-90.

Year.	Interest and Expenses of Debt.		
	Total Amount.	Amount Per Head of Population.	Percentage of Revenue.
	£	£ s. d.	
1860 ...	251,777	0 9 4	8·17
1865 ...	517,081	0 16 8	16·81
1870 ...	647,674	0 17 10	19·86
1874-5 ...	719,282	0 18 3	17·25
1879-80 ...	979,864	1 3 1	21·30
1884-5 ...	1,271,907	1 6 11§	20·22
1889-90 ...	1,548,145	1 8 1	18·17

* The sum of £500 is charged for the first 10 millions of stock inscribed, £450 for the second 10 millions, and £100 for subsequent amounts.

† See under head of "Public Debt," page 100 ante.

‡ Including £153 arrears.

§ Corrected since last publication.

Interest on debt per head.

Interest and expenses of debt, 1860 to 1889-90.

241. In the other Australasian colonies, in 1889, the interest and expenses of the public debt per head varied from £2 13s. 5d. in Queensland and £2 12s. 8d. in New Zealand, to £2 7s. in South Australia, £1 12s. 9d. in New South Wales, £1 11s. 8d. in Western Australia, and £1 8s. 2d. in Tasmania; whilst the proportion to the total expenditure varied from 41 per cent. in New Zealand, 32 per cent. in South Australia, 31 per cent. in Tasmania, and 29 per cent. in Queensland, to 19½ per cent. in New South Wales, and nearly 18 per cent. in Western Australia.† In the Australasian colonies as a whole, the interest and expenses of the public debt in 1889 amounted to £6 974,272, or to nearly £1 17s. 7d. per head, and to nearly a fourth of the total expenditure.

Interest on debt in Australasian colonies and elsewhere.

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

Interest on debt.— Proportion to total expenditure.

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

Countries.	Annual Interest on Public Debt.‡	
	Amount (000's omitted).	Proportion of Total Expenditure.
	£	Per cent.
Portugal	4,720,	55
Roumania	2,360,	48
New Zealand	1,617,	41
Greece	1,480,	40
Austria	11,280,	38
Hungary	10,640,	38
France	53,480,	35
Spain	10,960,	32
South Australia	755,	32
Tasmania	210,	31
Russia	27,800,	31
Italy	12,600,	31
Belgium	3,840,	31
United Kingdom	27,000,	30
Queensland	1,060,	29
Holland	2,640,	24

* See Australasian Statistics for 1889, Table V., Appendix A., Vol. II., *Victorian Year-Book*, 1889-90. For later information see Appendix A. in the second volume.

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

‡ The figures for the Australasian colonies, which relate to the year 1889, express the expenses, in addition to the interest, of their Public Debts, except in the case of Queensland.

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

Countries.	Annual Interest on Public Debt. †	
	Amount (000's omitted).	Proportion of Total Expenditure.
	£	Per cent.
New South Wales	1,806,	20
Denmark	560,	19
Victoria	1,459,	18
Western Australia	68,	18
Sweden	800,	16
Prussia	8,480,	13
Norway	280,	11
Germany ‡	4,360,	9
Switzerland	80,	3

Relation of debt to expenditure in Victoria and other countries.

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

Loans authorized 1888 to 1890.

244. During the three years ended 31st December, 1890, four new loans were authorized, amounting altogether to £10,750,000, of which £10,000,000 was to be floated in London and £750,000 in Melbourne; the whole, with the exception of £850,000 to provide for the redemption of a loan falling due on 1st January, 1891, to be devoted to the construction of railways and waterworks (including irrigation works). The total amount raised to the 30th June, 1890, was £7,026,411. leaving a balance to be floated of £3,723,589, viz., £3,000,000 in London and £723,589 in Melbourne. The latter was to be issued as required as 4 per cent. stock similar to that already in existence; the former as 3½ per cent. inscribed stock, redeemable at any time between the 1st January, 1921, and 1st January, 1926, upon twelve months' notice being previously given to the stockholders by advertisement in the *London Gazette* and in the *Times* newspaper published in London. The following table shows the amounts authorized to be devoted to the respective purposes for which these loans were to be raised:—

* See footnote (†) on page 173.

† See footnote (‡) on page 173.

‡ The interest on the debts of the several German States is not included.

LOANS AUTHORIZED, 1888 TO 1890.

Purposes.	Under <i>Railway Loan Act</i> —			
	52 Vict., No. 989.	53 Vict., No. 1032.	53 Vict., No. 1015.*	54 Vict., No. 1196.
	£	£	£	£
Railways	4,100,000	3,150,000	500,000	550,000
Tramways in country districts	50,000	...	...	...
Water Supply—Melbourne	125,000	450,000	250,000	...
Irrigation Works, etc. ...	325,000	400,000	...	...
Redemption of loan falling due	...	...	...	850,000
Total	4,600,000	4,000,000	750,000	1,400,000
Amount raised to 30th June, 1890	3,000,000	4,000,000	26,411	...
Balance not floated ...	1,600,000	...	723,589	1,400,000

245. The first instalment—amounting to £3,000,000—of these authorized loans was floated in London on the 22nd January, 1889, in the form of inscribed stock; the rate of interest being fixed—for the first time in the history of the colony—at as low a rate as $3\frac{1}{2}$ per cent.; and a second instalment for £4,000,000 at the same rate of interest was floated on the 17th April, 1890. Par was determined on at the minimum price for which tenders would be received on both occasions, which, as interest had accrued from the 1st January, was equivalent to £99 8s. 10½d. *ex* accrued interest in the former, and £98 11s. 11½d. in the latter case.† The number of tenders sent in was 401 for the first, and 826 for the second loan; whilst the aggregate amounts tendered were £6,558,500 and £13,670,500 respectively. The average prices obtained were £103 5s. 11½d. and £101 10s. 4½d. respectively, or £102 14s. 10d. and £100 2s. 4d. *ex* accrued interest; whilst, if expenses of floating be also deducted, the net proceeds will be reduced to £101 11s. 11½d. and £98 19s. 6d. per £100 respectively. As the loans have currencies of nearly 35 and 34 years respectively the last quoted prices are equivalent to the money having been obtained at the yearly rate of £3 8s. 5d. and £3 11s. 1d. per £100 respectively. The former price is the highest ever obtained for any Australasian loan, or, indeed, for the loan of any British possession, except India

Loans
floated
in 1889 and
1890.

* Stock to be issued in Melbourne.

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

and Canada.* The lowest rate of interest at which any loan of New South Wales had been floated up to the end of 1889 was £3 9s. per £100, that being the rate actually payable on the nominal $3\frac{1}{2}$ per cent. loan floated in April, 1888.†

246. The remaining portion of the loans authorized to be raised in London, amounting to £3,000,000, was offered on the 13th April, 1891, at a minimum price of £97 10s., being equivalent after allowing for accrued interest and deferred payments from 1st January to £96 2s. $8\frac{1}{4}$ d. per £100 stock. The number of tenders was 352, but only £2,000,000 was applied for, and so the balance was withdrawn. The average price obtained was £97 11s. 4d. or £96 4s. 3d. *ex* accrued interest; whilst, if expenses of floating be also deducted, the net proceeds will be found to have averaged only £95 1s. 5d. As the loan is redeemable after 30 years' currency, the real rate of interest at which the money was obtained is equivalent to £3 15s. 4d. for every £100 actually received.‡

247. The principal feature in connexion with Australasian borrowings in 1891 is the partial failure in the floating of three consecutive loans, one of South Australia in February, one of Victoria in April, and one of Queensland in May. Only once before during the last 20 years did such an event happen in the case of Victorian borrowings, viz., in January, 1883, when only £600,700 out of the £4,000,000 offered was absorbed by the public; the balance, however, was successfully disposed of two months later. The following are the amounts offered and the amounts tendered in the case of the unsuccessful Australian loans recently offered in London:—

UNSUCCESSFUL FLOTATION OF AUSTRALASIAN LOANS IN LONDON,
1891 ($3\frac{1}{2}$ PER CENT. LOANS).

Colony.	When Offered.	Minimum Price Fixed.	Amount Offered.	Amount Tendered for.
	1891	£	£	£
South Australia	4th February	98	1,200,000	455,000
Victoria	13th April	$97\frac{1}{2}$	3,000,000	2,000,000†
Queensland	27th May	94	2,500,000	296,800§

* Canada, in June, 1888, succeeded in launching a 3 per cent. loan of £4,000,000 in London, the principal being repayable in 50 years; the average price obtained was £95 1s. per £100, or £94 14s. 10d. *ex* accrued interest. Allowing for expenses, as well as accrued interest, the net price would probably be reduced to about £93 12s., which is equivalent to an annual rate of £3 5s. 3d. per £100, or 3s. 2d. less than that paid by Victoria for the loan of 1888. Canada, which was the first colony to lower the rate of interest to $3\frac{1}{2}$ per cent.—viz., in June, 1884—was again the first to lower it to 3 per cent. The equivalent in 3 per cents at the price realized for the Victorian $3\frac{1}{2}$ per cent. loan of 1888 is about £93 2s. *ex* accrued interest. See also footnote to paragraph 371, *Victorian Year-Book*, 1887-8. In May, 1890, Ceylon also followed the example set by Canada in issuing a 3 per cent. loan; see Note to table following paragraph 258 *post*.

† The balance of £1,000,000 was taken up on the 7th July following, at £97 10s., on terms of the original prospectus, plus interest to date.

§ The balance was disposed of in June at about £90, previous subscribers to be placed on equal footing.

Loan floated
in 1891.

Failure of
Australian
loans
offered in
1891.

248. In the years 1888, 1889, and the first half of 1890, all the Australasian colonies, but especially Victoria and New South Wales, were able to borrow on exceptionally favourable terms, and every loan offered was readily disposed of, and consequently the sudden failure of the issues in 1891 came rather as a surprise. Although some of the London financial journals took the opportunity of denouncing the policy of these colonies in regard to their persistent borrowings on a large scale—to which they chiefly attributed the failures—yet a close examination of the surrounding circumstances only confirms the view expressed by some other journals that the failure of the Victorian loan was immediately due to the depressed condition of all high class securities in anticipation of an immediate rise in the bank rate, and generally to the unsettled state of the London finances since the latter half of 1890. Two or three months previously (in July and August) a collapse, accompanied by disturbances of a revolutionary character, took place in the Argentine Republic, and in the November following a crisis occurred in London seriously involving the credit of several of the leading banking houses, which was only maintained by the timely aid of the Bank of England. Nevertheless the price of all high class securities was seriously affected, the price of Consols having fallen to $93\frac{3}{8}$ on the 14th November, 1890, although the minimum price touched in the two preceding years was $96\frac{1}{2}$ and $99\frac{1}{8}$ respectively, and even about the time of floating the Victorian loan they were quoted as low as $95\frac{3}{4}$. The losses recently sustained by British speculators and investors in Argentine and other South American securities amount, it is alleged, to between £50,000,000 and £100,000,000, and hence it is reasonably inferred that in order to cover such losses it became necessary to realize on a large quantity of high class securities. The following extracts from two London journals indicate clearly the conditions prevailing at the time of the partial failure of the Victorian loan offered on the 13th April, 1891:—

Causes of failure in floating loans in 1891.

“On Monday last, when the tenders were opened, the money market here was hardening rapidly, and people talked of an immediate advance in the Bank rate—a condition of affairs quite sufficient to make the *haute finance* hold its hands, irrespective of the lifeless condition of the Stock Exchange where the bitten and crippled syndicates would fight shy of even a home Government loan. It was found that to get the loan guaranteed would cost too much, and so Victoria offered her stock at a low minimum, but without resorting to such usurious means to secure its flotation. The result has been that two-thirds of the amount she asked for was taken on the day fixed—a sum sufficient for present requirements—and the balance has been withdrawn. It was far better to withdraw it than to keep it open, as the price is likely enough to be bettered when the colony has need of the balance; and the number of present lucky subscribers was quite numerous enough. As we pointed out last week no question of Victorian credit was raised. The only point illustrated

is the present wholly depressed condition of the London market. Why, it may be asked, should Victorian stock suffer though speculators and investors here have lost £50,000,000 or even £100,000,000 on their South American investments in the past eighteen months? The answer is easily forthcoming. The South American stocks, what with the collapse in the River Plate Republics, the revolutions in Brazil and Chili, and the late troubles of Barings and Murrietas, can only be parted with at wholesale loss. Indeed, if holders determined to sell in any bulk they would find it impossible to do so, even at the existing vast depreciation. There is nothing to do, therefore, but to nurse such securities in the hope that better times will dawn; and needy people must sell out such stocks of the better class as are still marketable. Hence the fall in colonial Government stocks, home, railway, and preference stocks, and other high class securities, and the sympathetic drooping of investments which are in reality wholly removed from the zone where the actual losses have been incurred. In this general depreciation the market follows the precedents disclosed in years past, and we shall find, as soon as this realization by needy holders ceases, there will be a gradual revival in quotations showing itself first in the high class stocks with fixed dividends amongst which colonial stocks stand forth so prominently. The movement is not likely to be rapid, and we repeat our warning that all colonial loans should be kept down to the narrowest limits in the current year. We must recognise the fact that while the British investor has not now the money to lend, the London speculator, being still more heavily bitten, is even less prepared to take up stock, with a view to placing it later, though his profits on such transactions would probably be far larger than he has obtained in past years.

“It is in times like these that the plan of inviting tenders for stock at and above a *minimum*, and on a fixed day, is so open to question. The public are never ready in large numbers on a fixed day, and the minimum is a matter they do not understand. The man who subscribed for this Victorian stock at £100 Os. 6d. is hardly likely to subscribe again, as he could have got the same security upwards of $2\frac{1}{2}$ per cent. cheaper. The public better understand fixed prices—at which all foreign loans are bought out—and would, doubtless, be readier subscribers if such a price were named to them. Under the ‘minimum’ system bankers and brokers have to be consulted, and have to be paid commissions to induce them to recommend the stock.”
—*The British Australasian*, 16th April, 1891.

“Consols, etc.—At the close of last week, and throughout this week, apprehensions were entertained, up to the day of the actual event, of a rise in the Bank rate, and, in consequence, the department of high class securities was depressed. Consols for cash at one time receded to $95\frac{3}{4}-\frac{7}{8}$, but after the advance in the Bank rate there was a partial recovery.”—*The Statist*, 18th April, 1891.

“Within two months two important Colonial borrowers have met with rebuffs in London. . . . Undoubtedly the Colonial issues are adversely affected by the crippled condition of big firms who used, prior to the events of last autumn, to associate themselves in syndicates, and take Colonial issues in large blocks, gradually dispensing them through the channels of the Stock Exchange to the investing public. Some of the leaders of such syndicates, and many firms who lend their capital for carrying on syndicate operations, lately had to retire from operating or employing their capital; but this is not the only reason for the disappointing response to the Victoria and Queensland issues. Both colonies have been borrowing (as we have on more than one occasion explained) at too rapid a rate, doubtless to a great extent encouraged to take such a course in consequence of ability, till quite recently, to get money on extremely easy conditions.”—*Ibid.*, 30th May, 1891.

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

Net proceeds
of recent
loans.

PARTICULARS OF LOANS FLOATED, 1889 TO 1891.
(3½ PER CENT. STOCK.)

Particulars.	(52 Vict. No. 989, and 53 Vict. No. 1032.)*		(52 Vict. No. 989, & 54 Vict. No. 1196).
	First issue, £3,000,000.	Second issue, £4,000,000.	First portion,† £2,000,000.
When floated	22nd Jan., 1889.	17th April, 1890.	13th April, 1891.
When repayable	1923 (Oct.).	1923 (Oct.).	1921-6 (Jan.).
Minimum price fixed per £100	£ 99 8 10½	98 11 11½	96 2 11
Number of tenders	401	826	352
Amount tendered	£ 6,558,500	13,670,500	2,000,000
Number of successful tenders ‡	233	116	352
Highest tender per £100 ...	£ 103 11 4½	101 11 11½	98 13 5
Lowest successful tender per £100	£ 102 10 10½	100 1 5½	96 2 11
Gross proceeds average per £100	£ 102 14 10	100 2 3¼	96 4 3
Deduct expenses, do. §	£ 1 2 10½	1 2 9½	1 2 10
Net proceeds, do.	£ 101 11 11½	98 19 6¼	95 1 5
Bank of England min. rate of discount Consols (2¼ per cent.)	4 ||	3½ ¶	3

NOTE.—The quotations in this table are exclusive of accrued interest, which was £1 7s. 1d. for the last loan.

250. The total expenses connected with floating Victorian loans from 1855 (the time the first loans were authorized) to 30th June, 1890, including bank charges, brokerage, advertising, etc., have amounted to £538,744, which figures furnish a proportion of 1.148 per cent. (equal to £1 2s. 11½d. per £100) on the gross amount (£46,914,000) borrowed in London to that date; and a similar average prevailed for the loans recently floated, as will be seen by figures in the last table. These expenses are made up of 5s.** per

Expenses of floating and redemption of loans.

* By Act 54 Vict. No. 1057, the second issue was made redeemable at the same date as the first issue.

† For particulars of the second portion, see footnote (†) on page 246 ante.

‡ Wholly or partly successful.

§ If allowance be also made for premiums received and discounts paid on exchange operations, the expenses of the loan of 1889 would be reduced by about 1s. 10d. per £100, whilst that of 1890 would be increased by about 2s. 0½d.

|| Two days later it fell to 3½ per cent., and nine days later to 3 per cent. A 5 per cent. rate prevailed in the early part of the month, i.e., prior to the 10th.

¶ It fell on the same day to 3 per cent. A 4 per cent. rate prevailed about a week previously.

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

£100 commission to the Banks for floating, 5s. brokerage, and 12s. 6d. composition duty on inscription of stock, payable to the British Government; the balance, viz., 5½d., defraying the cost of advertisements and other charges. It should be mentioned that there are other charges which, as they do not come into operation until the debentures arrive at maturity, are not usually taken into account. These are the Banks' commission (including brokerage) of ¼ per cent. for floating the earlier debenture loans, and ⅛ per cent. for the more recent inscribable loans, besides exchange on remittances for redemption of the debentures.

Prices fixed and obtained for loans.

251. The minimum price for tenders for a loan is fixed after due inquiry from those supposed to be best acquainted with the state of the money market. The results, however, are very various, and in the case of the loans from 1874 onwards the amounts obtained per £100 debenture or stock have ranged from 1s. 4d. in 1891 to as much as £4 11s. in 1888 above the minimum fixed, as is shown in the last column of the following table:—

VICTORIAN LOANS.—PRICES FIXED AND OBTAINED, 1874 TO 1891.

When Raised.	Price per £100 <i>ex</i> Interest.						Amount above Minimum Obtained.		
	Minimum Fixed.			Average Obtained.					
	£	s.	d.	£	s.	d.	£	s.	d.
1874 ...	90	0	0	90	2	7	0	2	7
1876 ...	93	0	0	94	16	10 ^¾	1	16	10 ^¾
1879 ...	96	16	1	97	17	5 ^½	1	1	4 ^½
1880 ...	100	0	0	103	3	8 ^½	3	3	8 ^½
1883 ...	98	13	7	98	16	8 ^½	0	3	1 ^½
„ ...	96	13	3	97	14	1 ^½	1	0	10 ^½
1884 ...	98	2	8	98	5	7	0	2	11
1885 ...	97	4	9 ^½	98	18	6 ^½	1	13	9
1886 ...	101	3	3	105	12	3 ^¼	4	9	0 ^¼
1887 ...	101	6	3	102	5	6 ^¾	0	19	3 ^¾
1888 ...	103	9	11 ^¾	108	1	1 ^¼	4	11	1 ^½
1889 ...	99	8	10 ^½	102	14	10	3	5	11 ^½
1890 ...	98	11	11 ^½	100	2	4	1	10	4 ^½
1891 ...	96	2	8 ^¼	96	4	0 ^¼	0	1	4

NOTE.—The rate of interest is 4½ per cent. on the loans of 1879 and 1880, 3½ per cent. on the loans of 1889 and the subsequent years, and 4 per cent. in all other cases.

Loans floated in Melbourne.

252. The amount outstanding on loans floated in Melbourne at one time amounted to over £3,123,000, but owing to portions of such loans having been converted into debentures floated in London, and £1,223,320 having been paid off and also replaced for the most part by loans raised in London, the debt repayable in Melbourne has

become reduced to £1,279,793. The following is a statement of such loans showing the amounts as originally raised, the amounts converted or paid off, and the amounts outstanding on the 30th June, 1890:—

LOANS FLOATED IN MELBOURNE.

Authorization.		Loans as originally raised.			Amounts.		Loans Outstanding on 30th June, 1890.
Act No.	Year.	Rate of Interest.	When due.	Amount.	Converted into Stock or Debentures.	Paid off.	
		Per Cent.		£	£	£	£
DEBENTURES.							
36	1857	6	1883-5-8	1,000,000	52,780	947,220	...
150	1862	6	1889	300,000	23,900	276,100	...
332	1868	5	1894	610,000	297,100	...	312,900
371	1870	5	...	100,000	100,000	...	...
STOCK.							
428	1872	4	1897*	1,113,000	570,000	...	543,000
741	1882	4	..	167,600	...	...	167,600
963	1887	4	..	130,000†	...	...	130,000
1,015	1890	4	..	26,411	...	...	26,411
439	1872	4	..	{ 86,780† } { 13,102§ }	...	...	99,882
Total				3,546,893	1,043,780	1,223,320	1,279,793||

253. Particulars respecting the amounts, due dates of, nominal rates of interest on, and average prices obtained for, the various loans forming part of the public debt of Victoria, raised in London from 1859 to 1891, are given in the following table; also the average prices obtained after deducting expenses of floating, as well as of accrued interest; the rates of interest to which such prices are equivalent, which are really those payable by the colony on the moneys actually available (net proceeds) for the purposes for which the loans were raised; to which is added, in the last column, the minimum rate of discount, with a view of indicating the state of the money market at the time of floating the respective loans:—

Particulars of loans floated in London.

* Or at any time thereafter upon one year's notice.

† Redemption loan.

‡ Conversion loan. The other conversion loans, amounting to £957,000, were raised in London. See footnote (§§) to next table.

§ Increase of debt in conversion of 5 and 6 per cent. debentures.

|| Exclusive of debentures of late M. & H. B. U. Railway Co.

VICTORIAN LOANS FLOATED IN LONDON, 1859 TO 1891.

Act No.	When Raised.	Amount of Loan.*	When Due.	Nominal Rate of Interest.	Average price obtained per £100 Debenture.						Actual Rate of Interest per £100†	Bank of England Minimum Rate of Discount at time of Floating.		
					Ex Accrued Interest.			Ex Interest and Expenses.† (Net proceeds.)						
		£		Per cent.	£	s.	d.	£	s.	d.	£	s.	d.	Per cent.
36	1859	1,000,000	1883	6	105	1	11 ³ / ₄	103	18	11 ³ / ₄	5	14	0	2 ¹ / ₂
"	"	750,000	"	"	107	17	7 ¹ / ₄	106	14	7 ¹ / ₄	5	10	1	2 ¹ / ₂
"	1860	1,837,500	"	"	104	17	10 ¹ / ₂	103	14	10 ¹ / ₂	5	14	3	4 ¹ / ₂ 5
"	"	812,500	1884	"										
"	1861	1,000,000	1885	"	103	1	6 ¹ / ₄	101	18	6 ¹ / ₄	5	17	0	6
"	1862	1,600,000	"	"	102	19	7	101	16	7	5	17	2	2 ¹ / ₂
287	1866	850,000	1891	"	100	8	11 ³ / ₄	99	5	11 ³ / ₄	6	1	1	4 ¹ / ₂
331	1869	588,600	1894	5	98	4	2 ³ / ₄	97	1	2 ³ / ₄	5	4	3	3
"	1870	1,518,400	"	"	100	17	6 ¹ / ₂	99	14	6 ¹ / ₂	5	0	5	3
468	1874	1,500,000	1899	4	90	2	7	88	19	7	4	15	5	3-4
531	1876	{ 500,000\$ 2,500,000 }	1901	"	94	16	10 ³ / ₄	93	18	11 ³ / ₄	4	8	1	2
611	1878	457,000\$	1904	"	...			...			...			...
608	1879	3,000,000	"	4 ¹ / ₂	97	17	5 ¹ / ₂	96	19	2 ¹ / ₂	4	14	0	2 ¹ / ₂
"	1880	2,000,000	"	"	103	3	8 ¹ / ₂	102	5	11	4	6	11	2 ¹ / ₂
717	1883	4,000,000	1907	4	98	16	8 ¹ / ₂	97	13	7 ¹ / ₂	4	3	0	5-3
739	"	2,000,000||	1908	"	97	14	1 ¹ / ₂	96	10	11 ¹ / ₂	4	4	6	4
760	1884	{ 2,636,600|| 1,363,400 }	1913	"	98	5	7¶	97	2	8 ¹ / ₄	4	3	3	3
805	1885	{ 3,180,620|| 819,380 }	1919	"	98	18	6 ¹ / ₂ **	97	15	9 ¹ / ₂	4	2	5	3 ¹ / ₂
845	1886	1,500,000	1920	"	105	12	3 ¹ / ₄	104	9	0	3	15	5	3
"	1887	3,000,000	"	"	102	5	6 ³ / ₄	101	2	9	3	18	9	5
"	1888	1,500,000	"	"	108	1	1 ¹ / ₄	106	18	0 ³ / ₄	3	12	9	4
989	1889	3,000,000	1923	3 ¹ / ₂	102	14	10	101	11	11 ¹ / ₂	3	8	5	4
1032	1890	4,000,000	"	"	100	2	4	98	19	6	3	11	1	3 ¹ / ₂
1057														
989	1891	{ 850,000|| 1,150,000 }	††1921-6	"	96	4	3	95	1	5	3	15	6	3
1196														
"	"	1,000,000	"	"	96	2	11	95	0	1	3	15	7	
Total		49,914,000††												
Paid off ...		7,850,000												
Outstanding		42,064,000												

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

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

† For loans raised prior to 1876, the expenses have been uniformly assumed to have been 1·15 per cent. See paragraph 250 *ante*.

‡ Based on the prices given in the previous column.

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

|| Redemption loans.

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

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

†† Repayable at any time between these dates at option of the Government after giving twelve months' previous notice.

‡‡ Including £957,000 for conversion of debentures and stock issued in Melbourne; also £817,220 for redemption of loans falling due in Melbourne; such amounts being virtually transfers of debt from Melbourne to London.

254. It will be noticed that the nominal rate of interest was 6 per cent. for all loans floated prior to 1869, when it was reduced to 5 per cent.; it was further reduced to 4 per cent. in 1874, which rate has, with exceptions in 1879 and 1880, prevailed until 1889, when a $3\frac{1}{2}$ per cent. loan was floated. It will be seen that the first 4 per cent. loan was floated at a heavy discount, viz., 10 per cent., but the credit of the colony has improved so considerably of recent years, especially since 1885, that a $3\frac{1}{2}$ per cent. loan, floated at the beginning of 1889, brought a premium of £2 15s. per £100 debenture, although similar loans in 1890 and 1891 were not so successful. It should be stated, however, that after the Victorian loan of 1888 was floated, a large advance took place in the value of Australian securities, owing probably for the most part, to the conversion of British 3 per cents., and the possibility that English trustees might sooner or later be allowed to invest in colonial securities, in consequence of which no less than five of the Australasian colonies—viz., New South Wales, Queensland, Victoria, South Australia, and Tasmania, in the order named—have already been able to float $3\frac{1}{2}$ per cent. loans, either at a premium or at a small discount.

Terms upon which loans have been obtained.

255. By the last column but one of the table, it appears, in respect to the earlier Victorian loans, that, although the nominal rate of interest was 6 per cent., the money was usually obtained for about $5\frac{3}{4}$ per cent., the lowest rate being $5\frac{1}{2}$ per cent. in 1859, and the highest a small fraction over 6 per cent. in 1866. Since that year, however, the credit of the colony has been gradually improving, for the money was secured in 1870—or four years later—for about 5 per cent.; in the early part of 1883 for $4\frac{3}{20}$ per cent.; in 1885 for $4\frac{1}{8}$ per cent.; in 1888 for about $3\frac{5}{8}$ per cent.; in 1889 for less than, and in 1890 for a little over, $3\frac{1}{2}$ per cent.—the former being the lowest actual rate at which any Victorian—or, in fact, any Australasian—loan has yet been raised. In 1891, there was a temporary reaction, for the money could only be obtained for a little over $3\frac{3}{4}$ per cent.

Actual rate of interest on loans.

256. The following table, giving similar information respecting the loans of New South Wales, is taken in substance, as regards the earlier portion, from the *Sydney Morning Herald*, but in the case of the last ten lines the figures were compiled in the office of the Government Statist, Melbourne, from official documents. No fresh loan was issued in London in 1890:—

New South Wales loans.

NEW SOUTH WALES LOANS, 1858 TO 1890.

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

NOTE.—No loan was raised in 1890.

257. By this table it appears that during the six years ended with 1889, New South Wales has floated seven loans amounting in the aggregate to £29,500,000. The loan of 1882 was issued in the form of debentures, but with right of inscription as stock. All previous loans, it is believed, were issued as debentures only, whilst all subsequent loans were issued either as inscribed stock or debentures

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

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

‡ Redemption loan. This was the only Redemption loan during the 10 years ended with 1889.

Success of recent New South Wales loans.

inscribable as stock. It would appear that as early as 1881 and 1882 New South Wales was able to borrow, allowing for all charges, for less than 4 per cent.—the loan floated in 1881 being set down as costing only £3 18s. 1d. per £100 per annum, although, strange to say, the next two 4 per cent. loans floated in 1883 could only be raised at a discount. The last five loans, it will be observed, were launched nominally at $3\frac{1}{2}$ per cent.; New South Wales being the first Australasian, and the second British, colony* to issue loans bearing a lower nominal rate of interest than 4 per cent. The actual rate of interest payable on the first three of these, however, was nearer 4 than $3\frac{1}{2}$ per cent. per £100 borrowed; but a considerable improvement took place in the last two, which were floated at or slightly above par. The earlier of these two loans was, at the time, the most successful Australian loan floated, its great success being no doubt attributable to the extraordinary demand for Colonial securities in the London money market, owing to a great extent to the then proposed, and since accomplished, compulsory conversion of the greater portion of the British 3 per cent. debt into $2\frac{3}{4}$ per cents.—eventually to be reduced to $2\frac{1}{2}$ per cents.; but this has been since, in its turn, eclipsed by the Victorian $3\frac{1}{2}$ per cent. loan of 1889.

258. All the Australasian colonies, except Western Australia, now float their loans at $3\frac{1}{2}$ per cent. as the nominal rate of interest, New South Wales having been the first to initiate that policy as early as 1884. The most successful of these loans was the Victorian loan raised early in 1889, when the money was secured at the rate—based on the price realized *ex* interest—of only £3 7s. 4d. per £100 actually received; and next to this was the New South Wales loan of April, 1888, which was at the rate of £3 8s. 1d. per £100. In the two succeeding years, 1890 and 1891, however, the real rates of interest on the Victorian loans floated rose from £3 7s. 4d. to £3 9s. 10½d. and £3 14s. 2d. respectively, and a similar retrogression, owing probably to a temporary unfavourable state of the money market, occurred in connexion with the loans of other colonies, as will be observed by the following particulars of the Australasian loans floated during the years 1888 to 1890, and in 1891, up to July of the latter year:—

Loans of
Austral-
asian
colonies,
1888 to 1891.

* The first one was Canada. See footnote (*) on page 176 *ante*.

LOANS OF AUSTRALASIAN COLONIES RAISED IN 1888 TO 1891.

Colony.	Date.	Amount.	Currency of Loans.	Nominal Rate of Interest.	Price obtainable per £100 Debenture.		Comparative Rates of Interest per £100.*
					Gross.	Ex Accrued Interest.	
	1888.	£	Years.	Per cent.	£ s. d.	£ s. d.	£ s. d.
Victoria ...	Jan.	1,500,000	33	4	108 11 1½	108 1 1¼	3 11 11
New South Wales	April	3,500,000	30	3½	103 12 2	102 4 3	3 8 1
New Zealand ...	June	2,000,000	41	4	95 15 7	96 11 5	4 3 7
Queensland ...	July	2,500,000	36	3½	95 2 9	94 6 11	3 15 10
	1889.						
Victoria ...	Jan.	3,000,000	35	3½	103 6 0	102 14 10	3 7 4
South Australia...	„	1,317,800†	40	3½	100 1 10	99 4 6	3 10 9
Tasmania ...	April	1,000,000	30 to 50‡	3½	98 5 8	97 15 0	3 12 5
New South Wales	July	3,500,000	29	3½	102 8 1	101 4 6	3 8 8
Western Australia	July	100,000	45	4	108 15 3	108 1 11	3 12 9
New Zealand ...	Oct.	2,700,000§	50	3½	95 16 8	95 10 2	3 14 1
	1890.						
Queensland ...	Mar.	2,264,734	34½	3½	97 16 7	96 7 4	3 13 9
Victoria ...	April	4,000,000	34	3½	101 10 4½	100 2 4	3 9 10½
	1891.						
South Australia...	Feb.	455,400||	48	3½	98 1 5	97 4 6½	3 12 6
Victoria ...	April	2,000,000||	30 to 35‡	3½	97 11 4	96 4 3	3 14 2
Western Australia	July	250,000	20 to 40‡	4	100 10 10	99 1 6¼	4 1 5

NOTE.—Queensland also offered a loan of £2,500,000 on 27th May at a minimum of £94, but only about £300,000 was subscribed. Amongst other British Colonies the most remarkable recent loans are as follow:—Canada, in June, 1888, a 3 per cent. loan for £4,000,000 of 50 years' currency, realized £94 14s. 10d. *ex* interest, equivalent to interest at rate of £3 4s. 3d. per £100. Cape of Good Hope, in March, 1890, a 3½ per cent. loan for £1,150,000 of 59 years' currency, but redeemable after 39 years at option of Government, realized £100 0s. 10d. *ex* interest, equivalent to interest at the rate of £3 9s. 11½d. Ceylon, in May, 1890, offered a 3 per cent. loan for £450,000 of 50 years' currency at a minimum price of £93, but only £300,500 was applied for at an average of £93 2s. 10d., equal to £92 9s. 8d. *ex* interest, equivalent to interest at the rate of £3 6s. 4d., the balance being withdrawn.

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

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

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

† At first only £553,700 was taken up at an average price of £100 4s. 5d., but the balance of the loan was, it is believed, subsequently disposed of on the terms of the original prospectus.

‡ Repayable at the option of the Government at any time between the periods stated on giving 12 months' notice.

§ Conversion loan.

|| In the case of the recent loans of South Australia and Victoria, the total amounts offered were £1,200,000 and £3,000,000 respectively, but only the amounts actually subscribed are entered above. For terms on which the balances were subsequently disposed of, see footnote to paragraph 246 *ante*.

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

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

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

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

261. The following table shows the total amount of debt, and the indebtedness per head, in Victoria and the other Australasian colonies on the 31st December of every fifth year from 1875; also of the two years 1888 and 1889; also the number of years' revenue the debt was equal to in each of those years:—

Debts of Australasian colonies.

PUBLIC DEBTS OF THE AUSTRALASIAN COLONIES.

Colony.	Year.	On the 31st December.				
		Total Amount of Debt.	Amount of Indebtedness per Head.	Number of Years' Revenue Debt is equal to.		
		£	£	s.	d.	
Victoria	1875	13,995,093	17	0	0	3·30
	1880	22,060,749	25	13	0	4·77
	1885	28,628,588	29	10	9	4·55
	1888	34,627,382	32	3	0	4·55
	1889	37,367,027	33	17	1	4·31
New South Wales	1875	11,470,637	18	18	2	2·78
	1880	14,903,919	20	3	2	3·04
	1885	35,564,259	37	2	8	4·69
	1888	44,100,149	40	12	4	4·96
	1889	46,646,449	41	11	4	5·15

PUBLIC DEBTS OF THE AUSTRALASIAN COLONIES—*continued.*

Colony.	Year.	On the 31st December.		
		Total Amount of Debt.	Amount of Indebtedness per Head.	Number of Years' Revenue Debt is equal to.
		£	£ s. d.	
Queensland ...	1875	6,435,250	37 6 6	4·72
	1880	12,192,150	53 18 7	7·56
	1885	19,320,850	61 4 10	6·80
	1888	25,840,950	66 13 10	7·46
	1889	25,840,950	63 10 11	7·51
South Australia ...	1875	3,320,600	15 15 7	2·90
	1880	9,865,500	36 17 5	4·86
	1885	17,020,900	54 6 2	7·37
	1888	19,147,700	60 3 1	7·68
	1889	20,435,500	62 19 7	9·00
Western Australia...	1875	135,000	5 1 1	·86
	1880	361,000	12 8 9	2·00
	1885	1,288,100	36 12 4	3·99
	1888	1,275,200	30 5 3	3·57
	1889	1,371,981	31 7 11	3·59
Tasmania ...	1875	1,489,400	14 7 4	4·35
	1880	1,943,700	16 18 9	4·42
	1885	3,357,000	25 1 10	5·88
	1888	4,499,470	30 15 9	7·03
	1889	5,019,050	33 2 8	7·39
New Zealand*	1875	17,400,031	46 5 11	6·18
	1880	28,583,231	58 19 0	8·71
	1885	35,790,422	62 4 3	8·74
	1888	38,325,550	63 2 0	9·33
	1889	38,483,250	62 0 10	9·64

NOTE.—For public debts of the respective colonies at the end of 1890, see Summary of Australasian Statistics (third folding sheet at the commencement of the second volume), which gives a statement of the debts of the respective colonies at the end of each of the eighteen years 1873 to 1890; also table following paragraph 258 *ante*, and Appendix A. to the second volume.

Order of colonies in respect to indebtedness.

262. In 1889, as compared with the previous year, Queensland and New Zealand show a decrease of indebtedness per head, but an increase varying from £1 to £3 per head occurred in the other colonies. According to the returns of the same year, by far the most heavily-indebted colonies in proportion to population were Queensland and South Australia, which now stand first with about £63 per head; and New Zealand, with £62. Victoria, in proportion to population, was only about half as heavily indebted as any of these, and was, moreover, less heavily indebted than any other of the Australasian colonies,

* New Zealand, as a set-off against the debt, has an accrued sinking fund, which amounted on the 31st December, 1889, to £1,320,359. The net liability was thus £37,162,891, or £59 18s. 3d. per head, being equal to 9 times the revenue. The sinking funds in the other colonies are of no great importance.

except Western Australia and Tasmania. The following is the order in which the colonies stood in respect to their indebtedness per head, the most heavily indebted colony being placed first:—

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

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

263. The public debts of the different colonies varied, in 1889, from an amount equal to 9 years' revenue or over in New Zealand and South Australia, and about $7\frac{1}{2}$ years' revenue in Queensland and Tasmania, to a sum equal to $3\frac{1}{2}$ years' revenue in Western Australia. Victoria occupied a lower, and consequently more favourable, position in this respect than any of the colonies, except Western Australia, her debt being equal to her revenue for only $4\frac{1}{3}$ years. The following is the order in which the colonies stood in respect to this matter:—

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

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

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

264. If the amounts of debt at the latest period shown in the table be added together, it will be found that the aggregate debt of the colonies on the continent of Australia was $131\frac{2}{3}$ millions, being nearly 7 millions more than in 1888; and the aggregate debt of Australia, with the addition of Tasmania and New Zealand, exceeded 175 millions sterling, being over $7\frac{1}{3}$ millions more than in 1888. The following are the exact figures for 1889, also the proportion of indebtedness per head of the population, and the proportion the aggregate debt bore to the aggregate revenue of the colonies within the same limits:—

Public debt of Australia and Australasia.

PUBLIC DEBT OF AUSTRALIA AND AUSTRALASIA, 1889.*

	PUBLIC DEBT.		
	Total Amount.	Amount per Head.	Multiple of Revenue.
	£	£ s. d.	Per cent.
Continent of Australia	131,661,907	43 13 4	5·52
Ditto with Tasmania and New Zealand...	175,164,207	46 5 1	6·15

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

Debt per head higher in Australasia than in Australia.

265. It will be observed that a combination of the indebtedness of the insular colonies with that of the colonies upon the Australian continent gives a proportion of debt per head higher by about £2 12s. than such a proportion applied to the continental colonies alone, in explanation of which it will be remembered that, although in proportion to population, Tasmania is, next to Western Australia, the most lightly, New Zealand is one of the most heavily indebted colonies of the group.

Increase of debt in Australasia in fourteen years.

266. During the year 1889, the public debt of Australasia, taken as a whole, increased by $7\frac{1}{2}$ millions, or $5\frac{1}{2}$ per cent., but the amount per head of population increased by only 12s. 7d. During the fourteen years ended with 1889, the public debt increased by one hundred and twenty millions—or more than threefold, whilst the proportion per head nearly doubled. The debt also increased in a much greater ratio than the public revenue, for whereas in 1875 it was equal to the income of the colonies for less than four years, in 1888 and 1889 it was equal to their income for six years. This is shown by the following figures:—

INCREASE OF PUBLIC DEBT OF AUSTRALASIA, 1875 TO 1889.

Year.				Public Debt of Australia, Tasmania, and New Zealand.		
				Total Amount.	Amount per Head.*	Multiple of Revenue.
				£	£ s. d.	
1875	...	...	...	54,246,011	23 6 0	3·85
1880	...	...	...	89,910,249	33 0 8	5·27
1885	...	...	...	140,970,119	42 8 9	5·87
1888	...	...	...	167,816,401	45 12 6	6·09
1889	...	...	...	175,164,207	46 5 1	6·15
Increase 1875-89	...	...	...	120,918,196	22 9 1	2·30
„ in 1889	...	...	...	7,347,806	0 12 7	·06

Classification of debts of Australasian colonies.

267. The purposes for which the public debts of the Australasian colonies were incurred may be classified under three heads—(1.) Works yielding direct revenue, including all immediately reproductive works, such as railways, telegraphs, waterworks, harbour and river improvements, etc.; (2.) Other works of a permanent character not returning direct revenue—including roads and bridges, defence works, school buildings, and other public works and buildings; (3.) Miscellaneous—including introduction of immigrants, amounts

* In 1875, the population was 2,327,882; in 1880, 2,721,747; in 1885, 3,302,174; in 1888, 3,678,046; and in 1889, 3,786,827.

borrowed to cover deficiencies in revenue, and amounts unapportioned to their proper heads. In the following table the debt of each colony is classified under these three heads:—

PURPOSES FOR WHICH PUBLIC DEBTS OF AUSTRALASIAN COLONIES WERE INCURRED.

(Amounts outstanding on the 31st December, 1889.)

Purposes for which incurred.	Victoria.	New South Wales.	Queensland.	South Australia.	Western Australia.	Tasmania.	New Zealand.*
1.—WORKS YIELDING DIRECT REVENUE.							
Railways and Tramways	£ 29,016,625	£ 31,380,508	£ 15,374,420	£ 11,374,903	£ 824,845	£ 2,029,191	£ 13,924,072
Electric Telegraphs .. ..	.. ..	726,807	786,610	848,081	195,193	99,471	590,356
Water Supply (including Sewerage)	5,643,876	4,122,823	221,170	3,321,300	5,310	..	560,280
Harbours, Rivers, Lighthouses and Docks	626,018	2,674,345	1,693,103	1,389,562	12,913	†1,521,928	†879,152
Total	35,286,519	38,904,483	18,075,303	16,933,846	1,038,261	3,650,590	15,953,860
2.—OTHER WORKS OF A PERMANENT CHARACTER.							
Roads and Bridges	108,043	603,985	844,910	1,428,284	48,822	†	3,552,999
Defence Works	100,000	775,192	138,163	250,645	..	120,868	†429,719
School Buildings	1,105,557	55,000	..§	\$680,300	..	120,428	..
Other Public Works and Buildings	766,908	1,066,630	||1,928,263	471,425	193,861	554,879	2,099,871
Total	2,080,508	2,500,857	2,911,336	2,830,654	242,683	796,175	6,082,589
3.—MISCELLANEOUS.							
Immigration .. ..	..	569,930	2,621,727	..	..	235,714	2,143,327
Deficiencies in Revenue (including Treasury Bonds)	..	..	397,335	80,000	60,512	146,871	218,500
Balance { Other Services ¶	..	49,855	..	591,000	..	189,700	1,250,901
{ Unapportioned **	..	4,621,324	1,835,249	..	30,525	..	12,834,073
Total .. ..	..	5,241,109	4,854,311	671,000	91,037	572,285	16,446,801
Grand Total ††	37,367,027	46,646,449	25,840,950	20,435,500	1,371,981	5,019,050	38,483,250

NOTE.—The amounts set down for New South Wales and South Australia are exclusive of Treasury Bills for £1,907,100 and £250,000 respectively.

* The figures set down as showing the objects for which the Public Debt of New Zealand was contracted represent the net expenditure out of the "Public Works Fund" since 1870—the date of the first Immigration and Public Works Loan—which is the only existing record of the loan expenditure; it is, however, stated that, besides loan moneys, receipts in aid from Stamp duties, etc., contributed somewhat towards the total sum so expended. The balance required to make up the total debt at the end of 1889 has been entered as "unapportioned."

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

‡ In New Zealand a portion of the expenditure on "Defences" is included under the head of "Harbours, etc.," and a portion is under the head of "Other Services."

§ In Queensland the expenditure on "School Buildings" is included with "Other Public Works," and in South Australia the amount set down includes expenditure on other buildings.

|| Including £1,139,999, loans to local bodies, chiefly for waterworks.

¶ In New South Wales the amount under this head was expended on public works on behalf of Queensland, when it formed part of New South Wales; in South Australia on general public works for the Northern Territory; in New Zealand on land purchases (presumably from the Maoris), £1,178,554, and rates on native lands, £49,764, etc. From the amount returned for Tasmania, debentures redeemed, amounting to £96,500, have been deducted, since the purposes were not specified for which the original loans thereby paid off were raised.

** Included in this line, in the column for New Zealand, is an amount of £1,021,472 for charges and expenses of raising loans: New South Wales, £2,723,430 for repayment of loans. The amount in the last column also includes the old provincial loans of New Zealand raised prior to the abolition of provinces in 1876, and loans not accounted for, as well as the unspent balance of loan moneys. See also footnote (*) *supra*.

†† As a set-off against the public debt, New Zealand possessed an accrued sinking fund amounting, on the 31st December, to £1,320,359; the net liability for that colony was, therefore, £37,162,891. The sinking funds possessed by the other colonies are comparatively small, consisting of the following amounts:—Victoria, £54,112; Western Australia, £71,536; and Tasmania, £103,181.

Purposes for which debts of Australasian colonies were contracted.

268. The major portion of the public debt of each of the Australasian colonies was contracted for the purpose of railway construction, but smaller amounts were borrowed for water supply, immigration, electric telegraphs, harbour and defence works, roads and bridges, school-houses, and other public works. Up to the end of 1889, New South Wales had borrowed a larger amount for railway construction than any other colony, the amount being nearly £31,400,000, as against £29,000,000 borrowed for the same purpose by Victoria, nearly £15,400,000 by Queensland, not quite £14,000,000 by New Zealand, and nearly £11,400,000 by South Australia. Victoria has borrowed more for water supply than any other colony, the total amount being £5,600,000, as against £4,100,000 borrowed by New South Wales, and £3,300,000 borrowed by South Australia for the same object. No portion of the public debt of Victoria, South Australia, or Western Australia has been contracted for the promotion of immigration, but up to the end of 1889 Queensland and New Zealand had borrowed over two and a half and over two millions respectively for immigration purposes, whilst New South Wales and Tasmania had borrowed considerably smaller sums.

Order of colonies in respect to borrowings for reproductive works.

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

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

	Per Cent.		Per Cent.
1. Victoria ...	94·43	5. Tasmania ...	72·73
2. New South Wales ...	83·40	6. Queensland ...	69·95
3. South Australia ...	82·86	7. New Zealand ...	41·46*
4. Western Australia ...	75·68		

Purposes for which debt of Australasia was contracted.

270. Of the total amount borrowed by the colonies on the Australian continent to the end of 1889, over four-fifths was for railways and other reproductive works, 8 per cent. was for other works of a permanent character, and, with the exception of 5 per cent., which was unappropriated, the balance was spent chiefly on immigration. Of the amount borrowed by the continental and insular colonies combined, the proportion for reproductive works is considerably less, but the proportions for immigration and other purposes

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

are considerably more than those for like objects relating to the continental colonies alone. This is shown in the following table:—

PURPOSES FOR WHICH DEBTS OF AUSTRALIA AND AUSTRALASIA WERE CONTRACTED.

(Amounts outstanding on the 31st December, 1889.)

Purposes for which debt was contracted.	Continent of Australia.		Australia with Tasmania and New Zealand.	
	Amount of Debt.	Proportions per cent.	Amount of Debt.	Proportions per cent.
	£		£	
1.—WORKS YIELDING DIRECT REVENUE.				
Railways and Tramways ...	87,971,301	66·82	103,924,564	59·33
Electric Telegraphs ...	2,556,691	1·94	3,246,518	1·85
Water Supply (including Sewerage)	13,314,479	10·11	13,874,759	7·92
Harbours, Rivers, Lighthouses, and Docks	6,395,941	4·86	8,797,021	5·02
Total ...	110,238,412	83·73	129,842,862	74·12
2.—OTHER WORKS OF A PERMANENT CHARACTER.				
Roads and Bridges ...	3,034,044	2·30	6,587,043	3·76
Defence Works ...	1,264,000	·96	1,814,587	1·04
School Buildings ...	1,840,857	1·40	1,961,285	1·12
Other Public Works and Buildings	4,427,137	3·36	7,081,887	4·04
Total ...	10,566,038	8·02	17,444,802	9·96
3.—MISCELLANEOUS.				
Immigration ...	3,191,657	2·42	5,570,698	3·18
Revenue Deficiencies (including Treasury Bonds)	537,847	·41	903,218	·52
Balance { Other Services ...	640,855	·49	2,081,456	1·19
{ Unapportioned ...	6,487,098	4·93	19,321,171	11·03
Total ...	10,857,457	8·25	27,876,543	15·92
Grand Total ...	131,661,907	100·00	175,164,207	100·00

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

Public debts of British dominions.

PUBLIC DEBTS OF BRITISH DOMINIONS, 1889.

Country or Colony.	Public Debt.		
	Total Amount.	Amount per Head.*	Multiple of Revenue. †
EUROPE.			
	£	£ s. d.	
United Kingdom	689,944,026	17 18 11	7·73
Malta	79,168	0 9 8	·32
ASIA.			
India	206,619,559	0 19 7	2·53
Ceylon	2,209,728	0 14 9	2·10
Straits Settlements	15,700	0 0 7	·02
Protected Malay States	12,729	0 0 7	·02
Hong Kong	200,000	1 0 7	·53
AFRICA.			
Mauritius	772,449	2 1 5	·88
Natal	5,035,126	9 9 11	3·79
Cape of Good Hope	22,490,501	14 15 2	5·86
St. Helena	2,250	0 8 10	·27
Sierra Leone	58,454	0 15 7	·83
AMERICA.			
Canada	58,957,360 ‡	11 12 4	7·40
Newfoundland	861,083	4 7 3	3·03
Bermuda	7,220	0 9 2	·24
British Guiana	737,399	2 12 3	1·27
Honduras	16,032	0 11 8	·32
West Indies—			
Bahamas	83,126	1 13 7	1·80
Jamaica	1,588,337	2 10 11	2·29
St. Lucia	134,600	3 2 5	2·83
St. Vincent	13,780	0 5 11	·50
Barbados	30,100	0 3 4	·17
Grenada	44,475	0 17 8	·88
Tobago	2,000	0 1 11	·23
St. Christopher }	20,900	0 9 6	·52
Nevis ... }			
Antigua	25,871	0 14 9	·60
Montserrat	3,900	0 6 10	·61
Dominica	13,400	0 9 3	·65
Trinidad	542,420	2 15 4	1·20
AUSTRALASIA.			
Australia, Tasmania and New Zealand §	175,164,207	46 5 1	6·15
Fiji	251,090	2 0 2	3·94
Total	1,165,936,990	4 7 5	5·32

* For population of Great Britain and the various colonies, see Part "Population" *post*.

† For revenue of Great Britain and the various colonies, see table following paragraph 158 *ante*.

‡ Gross liability. The net liability, after deducting "interest bearing investments, loans, cash, and banking accounts," was only £48,619,900.

§ For public debts and amounts per head and proportion of debt to revenue in the various Australasian colonies, see table following paragraph 261 *ante*.

272. It will be observed that the total indebtedness of Great Britain and her dependencies reaches to about 1,166 millions sterling; that 690 millions, or nearly three-fifths, of this amount is owing by Great Britain herself; 206½ millions by India; 175 millions, or one-seventh of the whole, by the Australasian colonies; and the remainder, 94½ millions, by Canada, the Cape of Good Hope, and other British colonies.

Indebtedness of British dominions.

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

Indebtedness per head of British dominions.

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

Proportion of debts to revenues of British dominions.

275. During the year 1889 the public indebtedness of the British dominions increased by £14,000,000, notwithstanding a reduction of 8½ millions in the debt of the United Kingdom. An increased amount of nearly fifteen millions was borrowed by India, and seven and a third millions by Australasia.

Increased indebtedness of British dominions.

276. At the end of March, 1890, the National Debt of the United Kingdom stood in round numbers at 691 millions, the various denominations of which will be found in the following table:—

National debt of United Kingdom 1889-90.

NATIONAL DEBT OF THE UNITED KINGDOM, 31ST MARCH, 1890.

Denomination.	Total Amount of National Debt.	Amount of Debt held by Government Departments (included in previous column).
FUNDED DEBT—	£	£
Book Debt (3 per cent.)	4,879,553	4,879,553
New 3½ per Cents.	225,746	5,935
2¼ per Cents. Cons. Stock (Goschen's)	529,481,486	91,702,933
2¼ per Cents. (1905)	4,647,799	660,605
2½ per Cents.	33,079,399	12,190,245
Debt to Banks of England and Ireland	13,645,869	...
Terminable Annuities	71,731,869	60,886,464
Exchequer Bills.	4,360,800	8,827,905
Exchequer Bonds	7,140,505	
Treasury Bills	15,440,000	
Temporary Advances	5,311,000	
Deficit to Savings Banks and Friendly Societies Accounts	179,072	...
Russian-Dutch Loan	540,740	...
Total Debt	690,663,838	179,153,640

NOTE.—The information in this table has been taken from *Burdett's Official Intelligence*, 1891, page 76.

277. A gradual but continuous diminution has taken place in the national indebtedness of the United Kingdom, this reduction in the last 32 years having apparently amounted to nearly 141 millions sterling.* The decrease from period to period is shown by the following figures, which indicate the amount of the debt at the end of various financial years :—

PUBLIC DEBT† OF THE UNITED KINGDOM, 1857 TO 1889.

		Debt at the end of each Financial Year. ‡			Debt at the end of each Financial Year. ‡
		£			£
1857-8	...	831,532,535	1882-3	...	754,455,270
1862-3	...	821,992,158	1887-8	...	705,575,073
1867-8	...	799,839,663	1888-9	...	699,300,767
1872-3	...	779,222,110	1889-90	...	690,663,838
1877-8	...	772,151,725			

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

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

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

‡ Financial Year ends on the 31st March.

British National Debt, 1857 to 1889.

Public debts of Foreign countries.

PUBLIC DEBTS OF FOREIGN COUNTRIES.

Country.	Year.	Public Debt.		
		Total Amount (000's omitted).	Amount per Head.*	Multiple of Revenue.
EUROPE.				
Austria-Hungary ...	1889	£ 580,421,†	£ s. d. 14 3 3	7·82
Belgium	"	87,207,	14 6 3	6·54
Denmark	1887-8	10,723,‡	5 2 3	3·59
France	1890	1,265,833,	30 0 11	10·61
Germany	1889-90	469,166,§	8 14 2	3·20
Greece	1890	29,515,	13 9 11	8·79
Holland	"	88,771,	19 10 3	8·72
Italy	1888-9	472,488,	15 9 2	7·31
Portugal	1889	122,958,	28 11 0	13·61
Roumania	1890-91	35,652,	6 12 8	6·89
Russia	1889	563,112,	6 2 6	6·54
Spain	"	251,012,	14 6 2	7·37
Sweden and Norway ...	1889-90	22,132,||	3 5 7	2·93
Switzerland	1889	1,223,¶	0 8 4	·55
Turkey... ..	1878	292,830,**	13 6 8	17·59
ASIA.				
Japan	1889	56,234,	1 8 5	4·40
AFRICA.				
Egypt	1889	103,936,	15 5 5	9·92
Tunis	1884	5,000,††	0 8 5	6·60
AMERICA.				
Argentine Confederation ...	1889	71,700,	17 9 9	4·81
Brazil	1889	102,776,	7 6 10	6·80
Mexico... ..	1890	22,721,	1 19 2	3·00
Peru	1888	53,437,‡‡	17 16 9	40·19
United States	1890	324,090,§§	5 3 6	3·83

* For populations on which these calculations are based, see Part "Population" *post*.

† This amount is made up of £319,979,000 general debt of the whole empire; £105,863,000, special debt of Austria proper; and £154,579,000, special debt of Hungary.

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

§ This amount is made up of the debt of the Empire, £53,991,894 (including Treasury Bills) in 1889-90, together with the debts—chiefly borrowed for railway construction—of the following States at the dates named, viz.:—Alsace-Lorraine, £1,262,922 in 1890; Anhalt, £107,850 in 1889; Baden, £16,184,430 in 1890; Bavaria, £65,531,805 in 1890; Bremen, £3,359,041 in 1889; Brunswick, £1,278,985 in 1890; Hamburg, £11,589,221 in 1890; Hesse, £1,747,201 in 1889; Lippe, £39,664 in 1889; Lübeck, £677,810 in 1889; Mecklenburg-Schwerin, £1,973,962 in 1890; Mecklenburg-Strelitz, £293,686 in 1889; Oldenburg, £1,841,243 in 1889; Prussia, £254,758,897 in 1890-91; Reuss-Greiz, £10,462 in 1889; Reuss-Schleiz, £50,932 in 1890; Saxe-Altenburg, £44,624 in 1890; Saxe-Coburg-Gotha, £200,653 in 1889; Saxe-Meiningen, £624,751 in 1889; Saxe-Weimar, £281,745 in 1890; Saxony, £31,712,526 in 1890; Schaumburg-Lippe, £24,963 in 1889; Schwarzburg-Rudolstadt, £209,060 in 1889; Schwarzburg-Sondershausen, £175,684 in 1890; Waldeck, £109,148 in 1890; and Würtemberg, £21,083,290 in 1890. A large proportion of the debts of the German States was contracted for the construction of railways. As a set-off against the "Debt of the Empire," there exist war treasure (in gold) and various invested funds amounting at end of 1889 to about £31,290,000. Deductions have been made where possible, so as to prevent sums being included twice over, thus appearing in both the Imperial and the State revenues.

|| This amount is made up of £14,384,069, debt of Sweden; and £7,748,255, debt of Norway.

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

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

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

‡‡ Exclusive of £872,400 Government paper in circulation.

§§ Gross liability. The net liability after deducting the cash in the Treasury was £192,370,000. In addition to the Federal Debt, there were State Debts amounting to £49,666,000, or after deducting cash and funds in hand to £17,073,000 (net debt.)

Gross amount of debt in different countries.

279. The public debt of the United Kingdom is larger than that of any other country in the world except France, which is the larger by £575,000,000. Next to these countries in point of indebtedness are Austria-Hungary, Russia, Italy, Germany, the United States, Turkey, Spain, and British India, in the order named. These are the only countries which have larger debts than the present united debts of the Australasian colonies.*

Amount of debt per head in different countries.

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

Proportion of debt to revenue in different countries.

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

Objects of Australasian and other debts.

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

Municipal debt.

283. Municipalities in Victoria are empowered by the *Local Government Act* (54 Vict. No. 1112) to borrow money for permanent works or undertakings, but the amount so borrowed is not to exceed ten times their average annual income from general rates during the three years prior to the raising of the loan. The following is a statement of the number of cities, towns, and boroughs, and the number of shires, which had loans outstanding in September, 1890, also of the total amounts included therein. These amounts are exclusive of sums borrowed by the municipalities through the General Government for waterworks (viz., £666,463, the redemption of which is provided

* See table following paragraph 271 *ante*.

† See table following paragraph 264 *ante*.

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

MUNICIPAL DEBT, 1890.

Municipalities.	At the end of the Municipal Financial Year.	
	Number of Districts which had Loans outstanding.	Total amount of outstanding Loans.
Cities, towns, and boroughs ...	41	£ 2,533,407
Shires... ..	34	411,033
Total	75	2,944,440

284. In 1890, as compared with 1889, the number of municipalities which had outstanding loans decreased by 2 (shires). The total increase in the amount outstanding was about £680,000; of which nearly £577,000 was due to the borrowings of cities, towns or boroughs, and £103,000 to those of shires. The municipal debt has been increasing rapidly since 1883, when the debt was little more than a fourth of what it was at the end of 1890, as is indicated by the following figures, which show the municipal debt in each of the last eleven years :—

MUNICIPAL DEBT, 1880 TO 1890.

1880	...	£ 726,525	1886	...	£ 1,479,159
1881	...	728,093	1887	...	1,708,252
1882	...	742,911	1888	...	2,062,327
1883	...	776,683	1889	...	2,264,607
1884	...	1,083,613	1890	...	2,944,440
1885	...	1,229,203			

285. The interest paid by municipalities during the financial year 1890 amounted to £139,807, the rates ranging from 4 to 8 per cent. The average rate paid by cities, towns, and boroughs is 4·74 per cent., and that by shires 5·21 per cent.

286. The borrowing powers of the Melbourne Harbor Trust were limited prior to 1888 (under Act 47 Vict. No. 763) to £1,000,000, but by an Act (52 Vict. No. 994) passed in December, 1888, these powers were increased to £2,000,000.† Up to the end of 1890 the loans raised amounted to £1,500,000, of which one-third bore interest at the rate of 5 per cent., one-sixth at 4½ per cent., and the remaining half at 4 per cent. The last loan amounting to £500,000 bearing interest at 4 per cent. and having a currency of 30 years, was offered in London in the form of debentures on the 2nd July, 1889. The minimum price fixed for tenders was £101; the amount tendered was

* See table following paragraph 226 *ante*, also footnote (||) to that table.

† For revenue and expenditure of the Trust, see table following paragraph 216 *ante*.

as much as £1,435,400, ranging from the minimum to £104, and the average price realized was £102 7s. 7d., which includes 15s. 6d. interest accruing from the 1st July, 1889, up to the periods when the various instalments were due. The leading particulars of the various loans floated are shown in the following table:—

MELBOURNE HARBOR TRUST LOANS.

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

Tramways
Trust loans.

287. The tramways in Melbourne and its principal suburbs are constructed by a Trust (called the Melbourne Tramways Trust) consisting of delegates elected annually by the municipalities interested. By the original Act creating this corporation, the Trust was authorized to raise all money required for the construction of tramways, as well as for the expenses of the Trust, by means of debentures secured on the lines constructed, also on the revenues of the municipalities represented, in the proportion of the length and cost of the tramways within their respective limits. The Melbourne Tramway and Omnibus Company, to which the lines when completed were to be leased for a period of thirty years (subsequently increased to 32 years), are required to pay to the Trust the annual interest, also a yearly percentage to form a sinking fund calculated to extinguish the loan by the end of the lease. Owing to the objections raised by the London Stock Exchange, however, further Acts† were passed limiting the borrowing powers of the Trust—first to £1,200,000, subsequently to £1,500,000 and finally to £1,650,000; securing the debentures on the property as well as on the revenues of the municipalities interested; and making the latter jointly and severally liable for the amount borrowed. Although the security offered was thus of the very best character, it was some time apparently before its true value was appreciated in London, as is evident by the low price obtained for the

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

† 48 Vict. No. 788; 49 Vict. No. 836; 51 Vict. No. 952; and 54 Vict. No. 1173.

first issue as compared with the higher price for the later issues. The last loan floated, viz., £130,000, was placed on the London market in January, 1891, making a total of £1,630,000, all bearing interest at the rate of $4\frac{1}{2}$ per cent. The particulars of the various loans, together with the prices realized, are given in the following table* :—

MELBOURNE TRAMWAYS TRUST LOANS— $4\frac{1}{2}$ PER CENT.

Year.	Amount of Loan.	When due.	Price realized per £100 Debenture.			Actual rate of Interest.
			Gross.	Ex Interest.	Ex Interest and Expenses (Net).	
	£		£ s. d.	£ s. d.	£ s. d.	£ s. d.
1884	500,000	1914	100 2 10	98 2 7	97 6 6	4 13 5
1886	500,000	"	...	...	101 15 0†	4 7 10
1887	200,000	"	106 6 8	105 16 8	104 13 3	4 4 1
1888	250,000	1916	109 15 11	109 5 4	108 2 1	4 0 4
1889	50,000	"	110 4 8	109 14 2	108 8 8	3 19 8
1891	130,000	"	108 9 3	107 17 0	106 13 0	4 1 6
	1,630,000					

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

Sinking Fund for Tramways Trust loans

Sinking Fund.—Act No. 765 provides that the Company shall pay to the Trust as sinking fund $1\frac{1}{2}$ per cent. for the first ten years, 2 per cent. for the second ten years, and 3 per cent. for the last ten years on the total amount borrowed, these terms to run from the date on which the first loan was floated. The total amount, as already stated, borrowed under this Act and its subsidiary one was £1,200,000, the sinking fund on which had to be paid by the Company from the first July, 1884. It was calculated that, capitalized at 4 per cent., these contributions would give an excess over the Trust's debt of £129,000. When subsequent Acts were passed, increasing the Trust's borrowing powers by £300,000, and £150,000 respectively, the Tramway and Omnibus Company consented on condition that the liability to pay to the sinking fund on the new loans should not commence until the 1st July, 1889, and 1st July, 1890, respectively. It was also provided that these percentages should cease to be paid by the Company if at any time before the end of the extended lease (1st July, 1916) the amounts so contributed should be sufficient to repay the loan with all expenses; and that the Company should, on the other hand, be liable for any deficiency. Power was also given to the Trust to invest the sinking fund contributions in first mortgages of freehold land in Victoria, instead of restricting them to municipal and Government debentures and bank deposits. The total amount of sinking fund invested to the 31st December, 1890, is £126,200, all in 5 per cent. Victorian municipal debentures, which have cost the Trust a little over par.

289. If the municipal debts, together with the debts of the Harbor and Tramway Trusts, be added to the Government debt on the 30th June, 1890, viz., £41,377,693,‡ it will appear that the total gross

General and municipal debt.

* For further particulars relating to the Tramways Trust, see latter part of "Interchange" in the second volume, *post*.

† It should be stated that, in the first instance, the debentures for this loan were disposed of in Melbourne at a premium of 35s., to two of the Banks, who undertook to pay all expenses of floating the loan in London. The loan was duly floated there on the 4th February, 1886, and realized as high an average price as £107 16s. 8d., or about £107 *ex* accrued interest.

‡ On the 30th June, 1891, the debt of the General Government had increased to £43,610,265.

liability of the colony was £47,452,133, or a proportion of £42 8s. 6d. per head of population.

290. At the end of June, 1890, there was a total balance of nearly £2,573,000 to the credit of the various trust funds, as against a credit balance of £2,433,000 at the end of the previous year, the principal increase being under the heads of Post Office Savings Banks, and the Municipal Investments account. The following are the particulars of the various funds at each of these periods :—

TRUST FUNDS, 1889 AND 1890.

Accounts.	Credit Balances on the 30th June.		Increase.	Decrease.
	1889.	1890.		
	£	£	£	£
Assurance fund*	66,425	78,345	11,920	...
Suitors' fund	64,925	49,361	...	15,564
Police Superannuation fund	76,119	73,659	...	2,460
Port Phillip Pilot Sick and Superannua- tion fund	1,100	5,362	4,262	...
Intestate estates	115,128	117,663	2,535	...
Master-in-Lunacy—Investment account	5,319	7,029	1,710	...
Lunacy Trust	4,512	3,063	...	1,449
Municipal Investments account	100,678	130,961	30,283	...
Municipal Contributions for Prince's Bridge	1,470	2,004	534	...
Waterworks Trust Sinking fund	21	257	236	...
Melbourne and Hobson's Bay Railway Deposit account	88	...	...	88
Trustees, Executors, and Agency Com- panies, and Insurance Companies	100,000	90,000†	...	10,000
Defences— <i>Discipline Act</i> 1883—Ammu- nition and Deferred Pay fund, etc.	6,790	5,577	...	1,213
Post Office Savings Banks	1,712,630	1,820,586	107,956	...
Ocean Mails	449	2,346	1,897	...
Insolvency (unclaimed dividends)	4,133	4,237	104	...
Customs Goods overtime	665	844	179	...
Municipalities Sinking fund and Re- demption account... ..	54,112	54,721	609	...
Survey Fees account	17,429	17,424	...	5
Security account	4,784	4,727	...	57
<i>Licensing Act</i> 1885	45,567	46,371	804	...
Vermin Rate	1,038	1,630	592	...
New Falls Bridge Construction account	6,485	11,226	4,741	...
Country Tramways	15,211	7,444	...	7,767
Melbourne Police Court fund... ..	...	6,422	6,422	...
Public Instruction—Prize fund	800	1,050	250	...
Exhibition Building and Ground ... ..	...	3,207	3,207	...
Sundries	27,127	27,261	134	...
Total‡	2,433,005	2,572,777	139,772§	...

* It should be pointed out that the balance at the credit of this fund has been reduced by an advance of £75,073 towards the purchase of land adjoining the Titles Office (under Act 49 Vict. No. 835), on which amount the Assurance fund receives 4 per cent. per annum from the general revenue.

† This amount represents 7 Trustees' and 4 Insurance Companies.

‡ Exclusive of the amount of £75,073 referred to in the preceding footnote, but including £4,008 advanced to the Bungaree Loan Liquidation account.

§ Net increase.

291. The trust funds at the end of 1890 amounted to over $2\frac{1}{2}$ millions sterling, whereas twenty years previously they amounted to less than half a million. Thirty-four per cent. of the total is invested in debentures or inscribed stock, and the balance is either deposited in banks or used by the Government as a temporary loan fund to fall back on in case of emergency. The following table shows the amounts, and manner of their investment, at the end of each of the last twenty-one financial years:—

TRUST FUNDS, 1870 TO 1890.

On the 30th June.	Amount at Credit of Trust Funds.			
	Invested in Debentures or Inscribed Stock.	Deposited in Banks.	Held otherwise.*	Total.
	£	£	£	£
1870 ...	129,000	320,181	...	449,181
1871 ...	250,000	267,421	...	517,421
1872 ...	297,000	390,877	...	687,877
1873 ...	553,600	347,035	...	900,635
1874 ...	605,574	361,799	...	967,373
1875 ...	608,454	237,090	76,451	921,995
1876 ...	613,344	89,909	240,370	943,623
1877 ...	626,844	290,645	66,249	983,738
1878 ...	642,746	155,005	200,048	997,799
1879 ...	675,423	114,628	316,518	1,106,569
1880 ...	690,511	...	308,616	999,127
1881 ...	709,872	546,014	...	1,255,886
1882 ...	725,045	574,984	281,351	1,581,380
1883 ...	726,186	394,851	332,887	1,453,924
1884 ...	756,980	673,736	84,395	1,515,111
1885 ...	766,095	904,073	7,133	1,677,301
1886 ...	787,439	976,528	43,996	1,807,963†
1887 ...	782,820	985,178	41,689	1,809,687
1888 ...	829,735	1,315,508	43,486	2,188,729
1889 ...	875,027	945,269	612,709	2,433,005
1890 ...	888,998	1,272,704	411,075	2,572,777

292. All fees received from the licensing of persons authorized to sell spirituous liquors in Victoria are paid into a fund called "The Licensing Act 1885 Fund," which, after the payment of a certain proportion fixed by the Act to municipalities and termed the "equivalent," is charged with the general cost of carrying out the provisions of the Act. In 1889-90 there was a credit balance of £45,567 brought forward from the previous year, the receipts amounted to £120,055, and the expenditure to £119,252, and the

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

† Amount chargeable under advances included in this and subsequent years.

balance carried forward to the next year being £46,371. The receipts consisted of £115,939 from licences, £4,090 from fines, and £26 from sale of confiscated liquor, etc. The expenditure was made up of £92,579 "equivalent" paid to municipalities, £1,575 for travelling expenses of members of Licensing Courts, £2,654 to police acting as inspectors, £4,467 for incidental expenses, £381 for cost of taking poll of electors, £17,597 for compensation.

293. The balance at the credit of the public account on the 30th June, 1890, was £3,224,893, but as various sums—as explained in the report of the Commissioners of Audit—had been advanced in anticipation of the next year's appropriations, including interest due 1st July, remitted to England, also recoups (£166,514), rolling stock (£300,000), etc.,* the actual cash balance in hand became reduced to £1,771,313. The balance was distributed over the four principal accounts as follow:—

BALANCES AT CREDIT OF PUBLIC ACCOUNT, 30TH JUNE, 1890.†

Consolidated Revenue	...	...	...	£1,407,957
Trust Funds	...	...	...	1,318,327
Loan Account	...	...	...	474,380
Railway Construction Account	...	...	...	24,229
				£3,224,893
Credit Balance	...	...	...	£3,224,893
Less—Advances on Account of 1890-91	...	...	...	1,453,580
				£1,771,313
Cash Balance	...	...	...	£1,771,313

294. The retiring allowances paid from the Victorian revenue are of two kinds, pensions and superannuation allowances. Of the former there were in 1889-90 five in all, embracing allowances to three former Ministers released from office on political grounds, to the widow of a former Governor of Victoria, and to the daughter of an eminent explorer of the Australian coasts. The total amount included in these pensions was £3,766.

295. The persons entitled under Acts of Parliament to superannuation allowances in the same year numbered 805, and consisted of one ex-Supreme-Court Judge, seven former judges of County Courts, a late Clerk of Parliaments, a late Master-in-Equity, two late Commissioners of Audit, 710 ex-officers of the Public Service, 25 ex-officers of the Lunacy Department, 49 ex-officers of the Railway Department, and 9 ex-officers of the Defence Forces. The aggregate amount of the allowances to these persons was £86,705, or an average of £107 14s. 2d. to each recipient.

* See paragraph 101 *ante*.

† On the 30th June, 1891, the credit balance was £2,439,242, and the cash balance £695,911.

Balance at credit of public account.

Pensions.

Super-annuation allowances under Acts of Parliament.

296. Taken together, the pensions and superannuation allowances numbered 810, or 132 more than in the previous year, and the sum paid amounted to £91,005,* or £12,904 more than in that year. The average to each recipient was £112 7s., or £2 17s. less than in 1888-9. It may be mentioned that the increase in the number and amount of these allowances is more apparent than real, it being due chiefly to the circumstance that a large proportion of allowances which were formerly voted annually are now paid under Special Appropriation.

Pensions,
etc., under
Acts, 1889
and 1890.

297. The different authorities under which pensions and superannuation allowances are legalized, and the individuals to whom they were awarded, also the number on the list, and the gross and average amount of the pensions and superannuation allowances not subject to annual votes paid during 1889-90, will be found in the following table:—

Pensions,
etc.,
1889-90.

PENSIONS AND SUPERANNUATION ALLOWANCES,† 1889-90.

Authority under which legalized.	Description of the Recipients.	Number of Persons on the List.	Amount paid.					
			Total.			Average to each Recipient.		
			£	s.	d.	£	s.	d.
PENSIONS.								
18 & 19 Vict. cap. 55 (<i>Constitution Act</i> , Schedule D)	Former Ministers of the Crown	3	2,852	6	5‡	888	17	9
21 Vict. No. 20 ...	Daughter of the late Captain Flinders, R.N.	1	100	0	0	100	0	0
33 Vict. No. 362 ...	Widow of a former Go- vernour of Victoria	1	1,000	0	0	1,000	0	0
SUPERANNUATION ALLOWANCES.								
18 & 19 Vict. cap. 55	Supreme Court Judge ...	1	2,098	2	4‡	1,750	0	0
" " " " "	Clerk of Parliaments ...	1	500	0	0	500	0	0
33 " Vict. " No. " 345 (<i>County Court Sta- tute</i>)	County Court Judges ...	7	4,650	0	0	664	5	9
36 Vict. No. 435 ...	Master-in-Equity ...	1	750	0	0	750	0	0
49 Vict. No. 870 ...	Commissioners of Audit	2	1,116	13	4	558	6	8
25 Vict. No. 160 (<i>Civil Service Act</i>)	Officers in the Public Service	380	51,131	5	4	134	11	1
47 Vict. No. 773 (<i>Pub- lic Service Act</i>)	Ditto ...	330	20,805	14	11	63	0	11
31 Vict. No. 309 (<i>Lu- nacy Statute</i>)	Officers in the Lunacy Department	25	855	0	3	34	4	0
47 Vict. No. 767 (<i>Vic- torian Railways Act</i>)	Officers in the Railway Department	49	4,260	16	8	86	19	1
47 Vict. No. 777 (<i>Dis- cipline Act</i>)	Officers of the Defence Force	9	885	4	4	98	7	2
Total ...	...	810	91,005	3	7	112	7	0

* Including £534 arrears for lapsed pension.

† Not including £2,000 paid to the Police Superannuation Fund, and allowances voted annually, for which see paragraph 298 *post*.

‡ Including arrears to a deceased pensioner, viz., £186 as a former Minister of the Crown, and £348 as a former Supreme Court Judge

Police pensions, how granted.

298. Superannuation allowances to the police are not included in the foregoing statement, as they are paid under the *Police Regulations Statute* (37 Vict. No. 476) out of a fund called the Police Superannuation Fund, which is maintained by an annual income of £2,800 arising from the investment of £70,000 in Government stock; by an annual subsidy of £2,000 from the consolidated revenue; by a moiety of the fines inflicted by Courts of Petty Sessions under various Statutes (£8,348 in 1889-90); and, if necessary, by a deduction not exceeding $2\frac{1}{2}$ per cent. from the pay of the members of the force, and a further grant in aid from the consolidated revenue. In all cases of a police superannuation allowance being granted, the option is given to the retiring member to commute it for a gratuity equal to one month's pay for each year of service.

Number of police pensions and gratuities, 1889-90.

299. The number of recipients of police retiring allowances in 1889-90 was 253,* on which the annual amount payable was £25,595, or an average of £101 3s. 4d. to each recipient. It should be mentioned, however, that the actual amount paid in 1889-90 was only £24,806, in consequence of some amounts not having been drawn. In addition, gratuities in lieu of retiring allowances were paid in 12 instances, amounting in the aggregate to £3,720, or an average of £310 to each recipient.

Deduction from pay of police, and votes in aid.

300. In the year under review, for the thirteenth time, a deduction was made from the pay of the police for the purpose of enabling the superannuation fund to meet the demands made thereon. The deduction was at the rate of $2\frac{1}{2}$ per cent., or the full amount allowed by law, and realized £5,218. Even with this addition, however, the ordinary receipts have proved insufficient, and the large balance which existed in the earlier years of the fund's existence having gradually become exhausted, it became necessary for Parliament to vote in aid of the fund a sum of £2,600 in 1880-81, £5,000 in 1881-2, £8,000 in 1882-3, £10,000 in each of the four years 1883-4 to 1886-7, and £7,000 in each of the last three years. The balance to the credit of the fund at the beginning of 1889-90 was £6,819,† but at the end of the year this had decreased to £3,659.

Retiring allowances granted for infirmity.

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

* Of these 6 lapsed during the year, so that the number at the end of the year was 247.

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

‡ Now extended to 65 years, at the option of the officer, unless he is called upon by the Governor in Council to retire upon the recommendation of the Public Service Board (Act 54 Vict., No. 1133, sec. 143).

fifty-five years. Of the existing retiring allowances, however, 35 per cent. of those granted to public servants, and as many as 44 per cent. of those granted to the police,* were awarded in consequence of infirmity or disablement before the full age had been attained.

302. Besides the superannuation allowances and pensions for which amounts are specially appropriated, certain allowances are voted by Parliament each year to retired public servants who, prior to the passing of the *Public Service Act* 1883, were attached to the unclassified branches of the service, and consequently were not comprehended in any of the several Statutes under which retiring allowances are legalized; in addition to which there was voted a grant in aid of the Police Superannuation Fund, and pensions to two widows of constables who were shot by the Kelly gang of outlaws. The number of retiring allowances voted in 1889-90, the gross amount paid, and the average to each recipient, also the departments in which the several recipients served, will be found in the following table:—

SUPERANNUATION ALLOWANCES AND PENSIONS VOTED BY
PARLIAMENT, 1889-90.

Department.	Number of Recipients.	Allowances voted.	
		Total Amount paid.	Average to each Recipient.
SUPERANNUATION ALLOWANCES.		£	£ s. d.
Chief Secretary†	10	546	54 12 0
Minister of Public Instruction	60	4,646	77 8 8
Attorney-General	1	240	240 0 0
Treasurer	1	68	68 0 0
Commissioner of Crown Lands and Survey	1	18	18 0 0
Commissioner of Public Works	14	1,372	98 0 0
Commissioner of Trade and Customs	3	567	189 0 0
Postmaster-General	9	389	43 4 5
Commissioner of Railways	9	904	100 8 11
PENSIONS.			
Widows of Constables shot by the Kelly gang of outlaws	2	87	43 10 0
Total	110	8,837	80 6 9

303. The following is a summary of the pensions, superannuation allowances, compensations, and gratuities, paid out of the general

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

† Four of these pensions, amounting to £116, were granted to ex-constables of police for injuries received in execution of duty, in addition to amounts paid out of Police Superannuation Fund.

revenue during the year 1889-90, distinguishing payments from special appropriations from those from annual votes or other sources:—

PENSIONS, RETIRING ALLOWANCES, COMPENSATIONS, AND GRATUITIES
PAID, 1889-90.

Pensions, Compensations, etc.	Annual Allowances.	Compensations and Gratuities.	Total.
	£	£	£
<i>Under Special Appropriations—</i>			
<i>Constitution Act</i>	5,450	...	5,450
County Court Judges	4,650	...	4,650
Master-in-Equity	750	...	750
Commissioners of Audit	1,117	...	1,117
Railway Department	4,261	13,253	17,514
Public Service*	73,677	8,367	82,044
Others (Lady Darling and Mrs. Petrie) ...	1,100	...	1,100
Total	91,005	21,620	112,625
<i>Under Annual Votes—</i>			
Railway Department	904	8,508	9,412
Public Service	7,846	11,573	19,419
Others	87	...	87
Total	8,837	20,081	28,918
Total, exclusive of Police Pensions ...	99,842	41,701	141,543
<i>To the Police—</i>			
Endowment and amount voted £9,000† } From Police Superannuation Fund 19,526 }	24,806	3,720	28,526
Grand Total	124,648	45,421	170,069
Less amount derived from Police Superannuation Fund	15,806	3,720	19,526
Amount paid by State ‡	108,842	41,701	150,543

Retiring allowances, etc., 1888-9 and 1889-90.

304. Taking into account pensions, retiring allowances, compensations, and gratuities of all kinds, whether specially appropriated or voted, the amount paid by the State was greater by only £17 in 1889-90 than in the previous year.

Pilots' pensions.

305. The Port Phillip Pilot Sick and Superannuation Fund was originally under the control of the Pilot Board, but under the *Marine Board Act* (55 Vict. No. 965), it was handed over to the Treasurer of the colony on the 26th April, 1889. The amount then at its credit

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

† These figures represent the amount paid from the general revenue, which consists of the usual endowment of £2,000, and an additional grant of £7,000 voted by Parliament.

‡ See table following paragraph 120 *ante*.

was £41,460, consisting of £40,900 in securities and £560 in cash. The receipts during the financial year 1889-90 amounted to £3,406, of which £821 was deducted from the pay of pilots, and £2,585 was received as interest on moneys invested; whilst the expenditure, all but £5 being on account of pensions, amounted to £2,144. The number of pensions on the list at the end of the year was 18, and the annual amount payable was £2,131. The balance at the credit of the fund on 30th June, 1890, was £43,262. These pensions are not included in the foregoing tables.

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