

## PART II.—FINANCE.

220. The following is a statement of the revenue and expenditure of Victoria in the financial year ended on the 30th June, 1888; the excess of the former over the latter; the credit balance brought forward from 1886-7, and that carried forward to 1888-9:—

## FINANCE ACCOUNT OF VICTORIA, 1887-8.\*

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

	£	s.	d.
Receipts ... ..	7,607,597	14	3
Expenditure ... ..	7,287,151	2	1
Receipts in excess of expenditure ... ..	320,446	12	2
Credit balance from 1886-7 ... ..	628,311	12	5½
Credit balance carried forward to 1888-9 ... ..	948,758	4	7

221. It is thus shown that during the financial year under review there was a surplus of revenue amounting to £320,446, which being added to a credit balance of £628,312 brought forward from 1886-7, a total is arrived at of £948,758 to be carried forward to 1888-9. This exceeds by fully £300,000 the largest credit balance ever previously remaining in Victoria at the end of any financial year.

222. In the following table the receipts and expenditure, exclusive of advances recouped and to be recouped, are given for each of the

\* According to a statement distributed to members of the Legislative Assembly in July, 1889, by the Honorable the Treasurer, the revenue of 1888-9 was £8,674,710, and the expenditure was £8,015,909, the former thus exceeding the latter by £658,801, which amount being added to the balance at the beginning of the financial year gives a credit balance of £1,607,559 to be carried forward. The estimated mean population of the same twelve months was 1,085,630; so that the revenue per head was £7 19s. 10d., and the expenditure per head £7 7s. 8d. It was understood that the figures in the statement referred to were not final. Further details are given in an Appendix published at the end of this volume.

† In former years advances to be recouped from loans, etc., were included in the expenditure, and, subsequently, when such advances had been recouped they were included in the revenue. This is still done to some extent in the Treasurer's Finance Statement; but in this work it is proposed in future to exclude such items from the figures of revenue and expenditure, except where the contrary is specially stated. For this reason the balance carried forward at the end of 1887-8 is here set down as £948,758, instead of £893,493, as shown in the Finance Statement referred to. For particulars of recoups, etc., see paragraph 239 and tables following paragraph 241 *et seq.*, *post*.

‡ Corrected since last publication, where it was set down as £604,135, owing to an amount of £24,177 advanced in previous years and recouped in 1887-8 not having been previously deducted from the expenditure.

fourteen financial years ended with 1887-8; 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 1887-8.**

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

Net revenue  
and expen-  
diture.

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

Gross sur-  
plus or de-  
ficiency,  
and  
balances.

224. The following, according to the folding sheet just referred to,† are the amounts of surplus or deficiency in each year, and the balances carried forward from year to year from 1856 to 1887-8:—

\* For particulars of advances and recoups, see tables following paragraphs 241 and 245 *post*.

† Figures altered since last publication, an amount of £24,177 expended in the three years 1882-3 to 1884-5 having been recouped in 1887-8.

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

GROSS SURPLUS OR DEFICIENCY OF REVENUE, AND BALANCES,  
1856 TO 1887-8.

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

225. It will be noticed that the gross revenue showed a surplus in sixteen and a deficiency in sixteen of the years named; a deficiency also in the six months ended with June, 1871. On the whole, the deficiencies were smaller than the surpluses, as the balance carried forward at the end of the last year exceeded that at the end of the first year of the period by £643,500. The largest surplus of revenue was in 1881-2, whilst that in 1887-8 was the fifth largest during the last 32 years; by far the largest credit balance carried forward was at the end of the last year—1887-8. The largest deficiency of revenue was in 1879-80, that being also the year at the end of which the largest debit balance was carried forward.

Years of  
highest and  
lowest  
surplus and  
deficiency,  
etc.

226. In the early part of 1887-8 (27th July, 1887), the rates of duty on timber were increased, which resulted in an estimated addition to the Customs receipts of about £6,400 per annum; on the other hand, the duties on sugar were reduced or altered, resulting in an estimated net falling off in the receipts of £15,000; the net decrease thus amounting to £8,600.† As, however, the alteration did not apply to quite the whole of the financial year, the approximate result was a net decrease, as compared with the receipts under these

Changes in  
sources of  
revenue.

\* See footnote to the last table.

† For recoups, etc., see tables following paragraphs 241 and 245 post.

heads in the previous year, of £8,000, viz., a decrease of £13,900 under articles on which the duties had been reduced, less an increase of £5,900, under those on which it had been raised. Moreover, the railways were extended by an average length of 156 miles, and if £1,000\* per mile be allowed for such extension the extra revenue derivable therefrom would be £156,000. Altogether, in consequence of the changes referred to, the receipts of 1887-8, as compared with those of the previous twelve months, show a net increase of £148,000.

Revenue  
1886-7 and  
1887-8  
compared.

227. The total revenue raised in 1887-8 was nearly £900,000 in excess of that in the previous year; but, by making allowances for receipts from sources not common to both years, as shown in the last paragraph, the excess is reduced to £726,000, thus:—

#### COMPARATIVE REVENUES, 1886-7 AND 1887-8.

	1886-7. £	1887-8. £
Revenue proper ( <i>i.e.</i> , exclusive of recoups,† etc.) ...	6,733,826	7,607,598
Deduct amounts from sources not common to both years ...	...	148,000
Comparative amounts ... ..	<u>£6,733,826</u>	<u>£7,459,598</u>

Revenue,  
1887-8 and  
previous  
years.

228. The revenue of 1887-8 was by far the largest ever raised in Victoria. It exceeded the revenue of 1886-7, which was the year in which the largest revenue had previously been realized, by nearly £900,000, as already stated; and exceeded the revenue of 1885-6, which was the year in which the next highest revenue had been raised, by £1,150,000.‡ In the eleven years ended with the year under review the revenue increased from £4,500,000 to £7,600,000, or by 69 per cent., the population during the same period having increased by only about 27 per cent.

Expenditure  
1887-8 and  
former  
years.

229. The expenditure of 1887-8 was also much above that of any previous year, it being larger than in 1886-7—the year in which the next largest expenditure occurred—by over £781,000.‡ 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 1887-8 it increased from six to over seven and a quarter millions sterling.

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

† See table following paragraph 236 *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.



230. The revenue and expenditure per head for each year from that of separation from New South Wales to 1887-8 will be found in the following table:—

Revenue and expenditure per head, 1851 to 1887-8.

REVENUE AND EXPENDITURE PER HEAD, 1851 TO 1887-8.\*

Year.	Average Population of each Financial Year.	Revenue per head.			Expenditure per Head.		
		£	s.	d.	£	s.	d.
1851 ... ..	86,825	4	10	5	4	14	8
1852 ... ..	132,905	12	5	11	7	7	4
1853 ... ..	195,378	16	11	2	16	9	3
1854 ... ..	267,371	11	11	0	15	13	1
1855 ... ..	338,315	8	1	4	7	14	6
1856 ... ..	380,942	7	16	1	7	0	1
1857 ... ..	430,347	7	14	8	6	17	11
1858 ... ..	483,827	6	2	11	6	7	10
1859 ... ..	517,390	6	6	1	6	11	3
1860 ... ..	534,055	5	15	5	6	4	2
1861 ... ..	539,824	5	9	4	5	14	6
1862 ... ..	548,080	5	19	3	5	10	11
1863 ... ..	562,960	4	18	6	5	2	5
1864 ... ..	586,450	5	0	9	4	19	11
1865 ... ..	611,218	5	0	8	4	17	7
1866 ... ..	629,038	4	17	11	5	2	5
1867 ... ..	644,276	4	19	10	5	0	7
1868 ... ..	663,092	4	17	5	4	16	2
1869 ... ..	687,202	4	18	6	4	13	10
1870 ... ..	713,195	4	11	5	4	16	2
1871 (six months) †	731,528	2	6	3	2	8	0
1871-2	747,412	4	19	11	4	17	11
1872-3	758,984	4	16	0	4	12	4
1873-4	772,039	5	6	5	5	8	3
1874-5	783,274	5	8	2	5	10	3
1875-6	791,399	5	9	4	5	15	7
1876-7	801,717	5	17	10	5	8	9
1877-8	815,494	5	10	6	5	13	8
1878-9	827,439	5	11	8	5	16	10
1879-80	840,620	5	9	11	5	16	0
1880-81	860,067	6	0	7	5	18	10
1881-2	880,218	6	7	1	5	16	11
1882-3	900,222	6	4	8	6	5	7
1883-4	921,743	6	8	9	6	4	0
1884-5	946,045	6	13	0	6	9	10
1885-6	971,145	6	13	6	6	14	2
1886-7	1,003,100	6	14	3	6	10	10
1887-8	1,038,130	7	6	7	7	0	5

231. The revenue per head in 1887-8 was larger by 12s. 4d., and the expenditure per head larger by 9s. 7d., than in the previous year. The former was larger than in any year since 1857, and the latter

Revenue and expenditure, per head, in 1887-8 and former years.

\* For amounts per head in 1888-9, see footnote to paragraph 220 *ante*.

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

than in any year since 1855. It will be observed that, in proportion to population, both revenue and expenditure declined pretty steadily year by year from 1862 to 1872-3, but ever since the latter a gradual increase has taken place, which, with slight fluctuations, has been maintained up to the present time.

Revenue  
estimated  
and raised.

232. In the thirty-two and a half years ended with 1887-8 the revenue raised exceeded the Treasurer's estimate on nineteen occasions, or by £3,715,499; 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 £1,288,880. 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 1887-8.

Year.				Revenue.		
				According to Treasurer's Estimate.	Actually Raised.	More (+) or Less (—) than Estimate.*
				£	£	£
1856	...	...	...	2,738,600	2,972,496	+ 233,896
1857	...	...	...	3,005,130	3,328,303	+ 323,173
1858	...	...	...	3,197,900	2,973,382	— 224,518
1859	...	...	...	3,384,000	3,261,104	— 122,896
1860	...	...	...	3,150,000	3,082,461	— 67,539
1861	...	...	...	3,136,000	2,952,101	— 183,899
1862	...	...	...	3,113,105	3,269,079	+ 155,974
1863	...	...	...	2,945,600	2,774,686	— 170,914
1864	...	...	...	2,973,000	2,955,338	— 17,662
1865	...	...	...	3,095,400	3,076,885	— 18,515
1866	...	...	...	3,186,265	3,079,160	— 107,105
1867	...	...	...	3,439,078	3,216,317	— 222,761
1868	...	...	...	2,963,050	3,230,754	+ 267,704
1869	...	...	...	3,241,500	3,383,984	+ 142,484
1870	...	...	...	3,332,200	3,261,883	— 70,317
1871 (six months)	...	...	...	1,664,700	1,691,266	+ 26,566
1871-2	...	...	...	3,538,750	3,734,422	+ 195,672
1872-3	...	...	...	3,611,920	3,644,135	+ 32,215
1873-4	...	...	...	3,883,650	4,106,790	+ 223,140
1874-5	...	...	...	4,259,135	4,169,700	— 89,435
1875-6	...	...	...	4,109,750	4,325,156	+ 215,406
1876-7	...	...	...	4,385,716	4,513,738	+ 128,022
1877-8	...	...	...	4,672,880	4,485,412	— 187,468
1878-9	...	...	...	4,855,666	4,520,277	— 335,389

\* 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 1887-8\*—*continued.*

Year.	Revenue.		
	According to Treasurer's Estimate.	Actually Raised.	More (+) or Less (-) than Estimate.
	£	£	£
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

NOTE.—Recoups are deducted for all the years since 1873-4. See summary at end of table following paragraph 241 *post*.

233. The year in which the revenue exceeded the estimate by the largest amount is shown to have been that under review, the excess being £638,892, which is nearly twice as large as the next largest excess (£348,428) in 1881-2; whilst that in which it fell most short of the estimate was 1879-80, viz., by £608,201.

Years of excessive and defective estimates.

234. 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-two and a-half years ended with 1887-8:—

Expenditure authorized and incurred.

## AMOUNTS VOTED AND EXPENDED, 1856 TO 1887-8.

Year.	Amounts—		Balance Unexpended.
	Voted.	Expended.	
	£	£	£
1856 ... ..	2,588,086	2,327,919	260,167
1857 ... ..	2,965,610	2,733,562	232,048
1858 ... ..	3,343,812	2,764,350	579,462
1859 ... ..	3,273,642	2,982,664	290,978
1860 ... ..	3,065,784	2,818,107	247,677
1861 ... ..	2,771,100	2,535,095	236,005
1862 ... ..	2,617,664	2,359,280	258,384
1863 ... ..	2,163,855	2,003,961	159,894
1864 ... ..	2,153,324	1,968,053	185,271

\* The revenue for 1888-9 was estimated whilst these pages were going through the press, at £7,792,624, or about £882,000 below the actual result. The probable revenue for 1889-90 was estimated, in July, 1889, at £8,269,845.

AMOUNTS VOTED AND EXPENDED, 1856 TO 1887-8 \*—continued.

Year.	Amounts.		Balance Unexpended.
	Voted.	Expended.	
	£	£	£
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

Amount un-  
expended,  
1856-88.

235. By adding the figures in the last column, it is found that the sum of the unexpended balances in the thirty-two and a-half years amounted to over 8 millions sterling, the exact amount being £8,096,909, or to an average of about £249,100 per annum.

Heads of  
revenue,  
1835-6 and  
1887-8.

236. 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 1887-8, £3,071,000, or 40½ per cent., was derived from taxation; £656,000, or 8½ per cent., from Crown Lands; £3,467,000, or 45½ per cent., from what may be termed the commercial undertakings of the Government, viz.:—Public Works and Post and Telegraphs, to which the State railways contributed as much as £2,741,000, or 36 per cent. of the total revenue; whilst the balance, amounting to £413,000, or about 5½ per cent. of the whole, was derived from other sources. Of the Land Revenue, amounting to

\* The amount voted for 1888-9 was £6,356,693, and the approximate expenditure from votes in that year was £5,997,625, leaving an unexpended balance of £359,068. The probable expenditure from votes in 1889-90 was estimated in July, 1889, at £7,319,046.  
† Figures altered since last publication.

£656,000, by far the greater proportion, or  $7\frac{1}{4}$  per cent. of the total revenue, was derived from the sale of public land, which, being a receipt arising from the realization of one of the most valuable assets of the country, is obviously not a permanent source of income. Portion of this amount is now properly treated as capital, for on reference to the statement of expenditure it will be seen that a sum of £118,000 was paid 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 1887-8, however, the amount so paid represented barely one-fifth of the total proceeds from land sales, the great bulk of land alienated being disposed of otherwise than at auction. The following is a statement of the amounts received under various heads† in each of those divisions during the last two financial years, together with the increase or decrease under each head:—

## HEADS OF REVENUE, 1886-7 AND 1887-8.

Heads of Revenue.	Amounts Received.		Increase.	Decrease.
	1886-7.	1887-8.		
TAXATION.				
Customs duties (including also wharfage rates)	£ 2,132,361	£ 2,353,050	£ 220,689	£ ...
Excise ... ..	120,701	128,369	7,668	...
Ports and harbours (chiefly tonnage dues)	34,920	34,327	...	593
Licences (business) ... ..	18,898	21,002	2,104	...
Duties on estates of deceased persons ...	114,909	151,861	36,952	...
Duties on bank notes ... ..	28,104	27,879	...	225
Stamp duty† ... ..	165,000	230,000	65,000§	...
Land tax ... ..	124,742	124,515	...	227
Total ... ..	2,739,635	3,071,003	331,368	
LAND REVENUE.				
Land sales (including rents counting towards purchase money)	504,734	549,149	44,415	...
Rents of Crown lands (not counting towards purchase money)	81,562	106,817	25,255	...
Penalties under Land Acts ... ..	795	301	...	494
Total ... ..	587,091	656,267	69,176.	...

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

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

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

§ Rough estimate. See note (†) ante.

|| Net figures.

## HEADS OF REVENUE, 1886-7 AND 1887-8—continued.

Heads of Revenue.	Amounts Received.		Increase.	Decrease.
	1886-7.	1887-8.		
<hr/>				
PUBLIC WORKS.	£	£	£	£
Railways ... ..	2,453,345	2,741,488	288,143	...
Water Supply * ... ..	215,401	235,743	20,342	...
Other public works ... ..	5,062	4,764	...	298
Total ... ..	2,673,808	2,981,995	308,187†	...
<hr/>				
POST AND TELEGRAPHS.				
Postal receipts, etc.‡ ... ..	303,762	354,796	51,034	...
Telegraph receipts, etc. ... ..	109,773	130,737	20,964	...
Total ... ..	413,535	485,533	71,998	...
<hr/>				
OTHER SOURCES.				
Mint charges ... ..	11,058	10,377	...	681
„ subsidy returned ... ..	1,986	3,874	1,888	...
Fees, fines, etc. (inclusive of fee stamps)‡	131,095	164,721	33,626§	...
Interest on public account ... ..	93,216	136,811	43,595	...
Rents (other than Crown lands) ... ..	5,049	2,908	...	2,141
Reimbursements in aid   ... ..	54,033	69,041	15,008	...
Miscellaneous receipts ... ..	23,320	25,068	1,748	...
Total ... ..	319,757	412,800	93,043†	...
<hr/>				
Grand Total ¶ ... ..	6,733,826	7,607,598	873,772	...

NOTE.—For further details of the revenue under each head, see table following paragraph 238 *post*, and for particulars of revenue in 1888-9, see Appendices at the end of this volume.

Increased  
revenue  
1887-8  
under  
various  
heads.

237. Comparing the revenue proper of 1887-8 with that of the previous year, it will be observed that the total increase, amounting to £873,800, was contributed to by all sources of revenue—viz., £331,400 from Taxation, £69,200 from Land, £308,200 from Public works, £72,000 from Post and Telegraphs, and £93,000 from “Other Sources”—chiefly fees and interest. The increase in the Land Revenue was made up of an increase of £44,000 in land sales, and of £25,000 in the receipts from temporary occupation. The increase from land sales was entirely due to land sold by auction—there being a falling off in the deferred payments\*\* counting towards the purchase of selected

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

† Net figures.

‡ See footnote (†) on page 133.

§ Rough estimate. See note (†) on page 133 *ante*.

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

¶ Exclusive of recoups. The amount recouped from loans in 1887-8 was £24,177.

\*\* See next table.



land. An increase in the amounts received from rents of Crown lands was naturally expected, as the revenue from that source in the previous year was exceptionally low, in consequence of delay in the issue of pastoral leases under the *Land Act* 1884, which came into force on the 29th December, 1884; still the amount of rental received in 1887-8 was less by about £4,000 than that in 1884-5. In the Public Works division, the largest increase was £288,000 in the revenue from Railways, which, moreover, exceeds by £132,000 the amount which might have been expected (*viz.*, £156,000)\* from the increased length of lines open for traffic. Notwithstanding the reductions made on the 1st July, 1885 and 1886,† in the cost of telegrams to the neighbouring colonies and Europe, it is satisfactory to note a further increase in the telegraph revenue in 1887-8 of £21,000, making a total increase since 1883-4, the year before the reductions were made, of £43,800 or 50 per cent. The Postal receipts, however, show an apparent increase of £51,000; but it should be pointed out that, although carefully estimated in the office of the Government Statist from the amount of correspondence transmitted, this 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 on the 1st January, 1884, in the rates of postage on newspapers and packets to the neighbouring colonies§ still further increase the difficulty of forming a correct estimate. The total stamp revenue in 1887-8 was £782,449, but after deducting the amount received on account of telegrams, which is known, there remains a balance of £667,570 for stamp duty, postage, and fees, as compared with £526,778 in 1886-7. Thus the stamp revenue, exclusive of telegraphs, showed a substantial increase of £140,792 in 1887-8 as compared with that in the previous year, as against an increase of only £1,465 in 1886-7, of £36,931 in 1885-6, and of £43,372 in 1884-5. Of the increase in 1887-8, about £43,000 was estimated to have been derived from postage, and, after allowing a reasonable increase for fees, the balance of £65,000 was set down to stamp duty (taxation); it is to be desired that some plan might be adopted for distinguishing the stamp duty, which is taxation, from the postal revenue and fees, which are made up of payments for actual services rendered, so that the receipts under each of these heads might be known with some degree of accuracy. The increase in the amount raised by taxation will be subsequently referred to.||

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\* See paragraph 226 *ante*.

† See footnote (†) to last table.

‡ See paragraph 289 *et seq. post*.

† See *Victorian Year-Book* for 1884-5, paragraph 1040.

§ See *Victorian Year-Book*, 1883-4, paragraph 774.

Heads of  
revenue  
detailed.

238. 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, 1886-7 AND 1887-8.

Heads of Revenue.	1886-7.	1887-8.
<b>LAND SALES.</b>		
Sales by Auction† ... ..	£ 68,980	£ 118,482
„ under Deferred Payments—Progress payments ...	378,682	359,549
„ „ „ „ Final „ ...	54,825	65,013
„ otherwise ... ..	2,247	6,105
Total ... ..	504,734	549,149
<b>RENTS OF CROWN LANDS.</b>		
Pastoral Occupation—Rents of pastoral and grazing lands‡	8,054	21,147
„ „ „ „ Grazing licences... ..	20,003	21,789
„ „ „ „ Mallee pastoral leases ... ..	4,541	6,890
Auriferous and Mineral Lands (including Miners' Rights) ...	14,336	16,965
Licences and Leases (not agricultural) ... ..	34,380	39,724
Business Licences on goldfields ... ..	248	302
Total ... ..	81,562	106,817
<b>WATER SUPPLY, ETC.</b>		
Melbourne (Yan Yean) ... ..	155,355	174,415
Geelong ... ..	8,121	8,415
Goldfields ... ..	20,951	21,218
Interest on Loans to Municipalities ... ..	18,039	17,546
„ „ „ „ Water Trusts ... ..	12,935	14,149
Total ... ..	215,401	235,743
<b>OTHER PUBLIC WORKS.</b>		
Alfred Graving Dock ... ..	2,513	2,245
Fifty-ton Crane ... ..	289	} 853
Ferry Fares (from Harbour Trust) ... ..	572	
Interest on Loans to Municipalities (bridges) ... ..	1,688	1,666
Total ... ..	5,062	4,764
<b>POST AND TELEGRAPHS.</b>		
Postal receipts, etc.:—		
Postage on letters, etc. (estimated)§ ... ..	} 291,778	{ 334,600
„ „ parcels ... ..		
Private boxes, etc.... ..	1,263	2,314
Commission, etc., on Money Orders and Postal Notes	10,481	11,843
Landing and Storage of Mails for other colonies, etc. ...	240	1,249

\* See paragraph 290, *et seq. post.*

† Including £1,950 in 1886-7, and £4,535 in 1887-8, for interest on deferred payments. The purchase money of land sold by auction may be spread over three years with interest at 6 per cent. added.

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

§ See note (†) on page 133 *ante*.

|| Estimated from the amount of correspondence transmitted.

## HEADS OF REVENUE DETAILED, 1886-7 AND 1887-8—continued.

Heads of Revenue.	1886-7.	1887-8.
<b>POST AND TELEGRAPHS—continued.</b>		
Electric Telegraphs ... ..	£ 104,111	£ 114,879
Telephone Exchanges ... ..	...	13,018*
Private telephone wires, etc. ... ..	5,662	2,728
Expenses reimbursed ... ..	...	112
Total ... ..	413,535	485,533
<b>FINES, FEES, ETC.</b>		
Fee Stamps sold (estimated)† ... ..	70,000	98,180
Fees, Preparation and Registration of Grants and Leases, and Survey of Lands	33,028	35,564
„ Customs and Harbour Departments ... ..	8,852	9,072
„ Law Courts ... ..	4,805	4,125
„ Curator of Estates of Deceased Persons ... ..	1,664	2,076
„ Mining Department ... ..	765	943
„ Factories and Shops ... ..	2,472	2,220
„ Other ... ..	3,163	4,391
Fines, etc.—Law Courts ... ..	4,443	5,307
„ Customs ... ..	938	1,277
„ Under <i>Public Service Act</i> , etc. ... ..	339	537
„ Other ... ..	626	1,029
Total ... ..	131,095	164,721
<b>REIMBURSEMENTS IN AID.</b>		
Towards Maintenance of Industrial School children, prisoners, and lunatics	19,680	22,390
Receipts for Miscellaneous Services rendered (Police protection, storage of gunpowder, etc.)	9,575	11,986
Sale of Books and Documents (Government Printer) ...	20,712	30,948
Aboriginal Stations—Sale of produce ... ..	1,383	851
Local Forces—Sale of rifles, etc. ... ..	2,229	2,649
Other Reimbursements ... ..	454	217
Total ... ..	54,033	69,041
<b>MISCELLANEOUS RECEIPTS.</b>		
Sale of Government Property ... ..	3,202	4,481
Transfers from Trust Funds to Revenue ... ..	7,319	7,482
Balance of Intestate Estates ... ..	...	349
Melbourne City Council, etc. (on account of Park lands) ...	3,000	3,438
Immigration Tax on Chinese ... ..	1,020	1,370
Repayments to the Credit of Appropriations ... ..	2,251	832
Customs Overtime Receipts ... ..	2,784	2,835
Education Department—Sale of property, rents, etc. ...	350	1,060
Cost of Rations Recovered from warders, etc. ... ..	681	...
Void Money Orders ... ..	1,000	...
Australian Lloyds—Contribution of profits due to Government	138	...
Boroondara Cemetery—Amount of loan ... ..	300	...
Sale of Police Barracks Site, Ballarat ... ..	...	1,659†
Other Receipts ... ..	1,275	1,562
Total ... ..	23,320	25,068

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

† See note (†) on page 133 *ante*.

‡ This amount was previously expended on erection of Police Barracks.

Recoups.

239. Not included in the revenue shown in the last table is an amount of £24,177 recouped in 1887-8 from the Loan Account to reimburse the revenue on account of moneys expended in the three years ended with 1884-5 for “filling up land reserved for railway purposes in the North Melbourne Swamp with earth taken from the Kensington Hill.” Such amounts were formerly included in the returns of Revenue, but so far as this work is concerned, they are now (except in the table headed “Gross Surplus or Deficiency of Revenue,”\* and the first folding sheet published in the second volume), and will in future be, excluded from the accounts of revenue, as will also the advances to be recouped be excluded from the accounts of expenditure.

Unrecouped  
advances,  
1887-8.

240. At the end of the financial year 1887-8, the total amount owing to the revenue was about £150,500, as compared with £152,000 at the end of June, 1887. Of the former sum all but 3 per cent. is for interest due by local bodies on moneys lent for the construction of waterworks, it being arranged not only that the interest should be paid annually, but that a further amount, generally equal to about 2 per cent. upon the sum advanced, should be lodged each year to the credit of a sinking fund, in order that the debt might be eventually extinguished. The following are the particulars of the outstanding balances referred to:—

AMOUNTS DUE TO THE REVENUE, 30TH JUNE, 1888.

When advanced.	Particulars.	Balance Outstanding.
1874-5	Advanced Mining Companies, to assist in development of Mining industry, etc.	£ 4,000
1887-8 & previous years	Interest due by Corporations on Loans for Waterworks...	83,602
	„ „ Trusts „ „ ...	20,739
1875-6 & subseqt. years	Ballarat Water Commission—Arrears of Interest on Loans capitalized	32,019
	Municipal Bodies—Ditto ... ..	9,627
	Balance of Compensation—to be refunded ... ..	208
1887-8	Trustees, Coburg Cemetery ... ..	300
	Total ... ..	150,495

Heads of  
revenue,  
1874-5 to  
1887-8.

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

\* See table following paragraph 222 ante.

† See footnote (†) to paragraph 236 ante.

## HEADS OF REVENUE, 1874-5 TO 1887-8.

Heads of Revenue.	Year.	Amounts received.	Heads of Revenue.	Year.	Amounts Received.
<b>TAXATION.</b>		£	<b>TAXATION— continued.</b>		£
Custom duties (including wharfage rates)	1874-5	1,628,235	Licences (business)	1874-5	10,714
	1875-6	1,657,788		1875-6	10,712
	1876-7	1,631,832		1876-7	11,688
	1877-8	1,487,448*		1877-8	17,150§
	1878-9	1,378,384		1878-9	20,116
	1879-80	1,377,782		1879-80	21,761
	1880-81	1,474,778		1880-81	23,906
	1881-2	1,694,652		1881-2	25,977
	1882-3	1,769,004		1882-3	28,381
	1883-4	1,769,108		1883-4	31,623
	1884-5	1,919,539†		1884-5	32,535
	1885-6	2,004,460		1885-6	33,922
	1886-7	2,132,361		1886-7	18,898
	1887-8	2,353,050		1887-8	21,002
Excise† ...	1874-5	32,475	Duties on estates of deceased persons	1874-5	32,526
	1875-6	33,437		1875-6	48,963
	1876-7	34,768		1876-7	44,104
	1877-8	36,309		1877-8	72,500
	1878-9	36,088		1878-9	47,983
	1879-80	41,230		1879-80	37,928
	1880-81	136,661		1880-81	78,141
	1881-2	216,547		1881-2	74,368
	1882-3	134,711		1882-3	86,648
	1883-4	123,654		1883-4	77,154
	1884-5	141,225		1884-5	124,370
	1885-6	137,709		1885-6	104,907
	1886-7	120,701		1886-7	114,909
	1887-8	128,369		1887-8	151,861
Ports and harbours (chiefly tonnage dues)	1874-5	19,935	Duties on bank notes	1874-5	...
	1875-6	22,104		1875-6	7,191¶
	1876-7	20,993		1876-7	27,248
	1877-8	22,647		1877-8	26,672
	1878-9	20,310		1878-9	24,956
	1879-80	19,194		1879-80	22,470
	1880-81	20,577		1880-81	23,807
	1881-2	26,263		1881-2	27,324
	1882-3	27,787		1882-3	28,685
	1883-4	30,871		1883-4	28,575
	1884-5	31,176		1884-5	27,529
	1885-6	32,710		1885-6	28,769
	1886-7	34,920		1886-7	28,104
	1887-8	34,327		1887-8	27,879

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

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

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

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

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

¶ For six months only.

## HEADS OF REVENUE, 1874-5 TO 1887-8—continued.

Heads of Revenue.	Year.	Amounts Received.	Heads of Revenue.	Year.	Amounts Received.
		£			£
TAXATION— continued.	1874-5	...	LAND REVENUE— continued.	1874-5	173,601
	1875-6	...		1875-6	184,776
	1876-7	...		1876-7	208,872
	1877-8	...		1877-8	186,337
	1878-9	...		1878-9	163,207
	1879-80	83,005		1879-80	147,994
Stamp duties* ...	1880-81	115,844	Rents of Crown lands (not count- ing towards pur- chase money)	1880-81	133,913
	1881-2	131,020		1881-2	126,268
	1882-3	133,433		1882-3	114,845
	1883-4	133,651		1883-4	103,189
	1884-5	143,382		1884-5	110,777
	1885-6	165,313		1885-6	97,658
	1886-7	165,000		1886-7	81,562
	1887-8	230,000		1887-8	106,817
	1874-5	...		1874-5	5,528
	1875-6	...		1875-6	53,167
	1876-7	...		1876-7	54,232
	1877-8	50,227		1877-8	14,704
	1878-9	202,251		1878-9	3,774
	1879-80	87,553		1879-80	1,749
Land Tax† ...	1880-81	129,990	Penalties under Land Acts.	1880-81	1,281
	1881-2	121,555		1881-2	2,313
	1882-3	125,606		1882-3	1,298
	1883-4	123,884		1883-4	1,572
	1884-5	128,415		1884-5	273
	1885-6	126,770		1885-6	184
	1886-7	124,742		1886-7	795
	1887-8	124,515		1887-8	301
Tolls ...	1874-5	937			
	1875-6	197			
	1876-7	52			
LAND REVENUE.	1874-5	767,624	PUBLIC WORKS.	1874-5	921,714
	1875-6	782,069		1875-6	983,033
	1876-7	783,311		1876-7	1,078,082
	1877-8	756,674		1877-8	1,202,280
	1878-9	802,254		1878-9	1,222,241
Land sales (includ- ing rents counting towards purchase money)	1879-80	694,321		1879-80	1,468,909†
	1880-81	701,276	Railways ...	1880-81	1,578,432
	1881-2	697,558		1881-2	1,715,260
	1882-3	563,790		1882-3	1,838,284
	1883-4	614,548		1883-4	2,079,249
	1884-5	555,507		1884-5	2,200,067
	1885-6	465,766		1885-6	2,306,791
	1886-7	504,734		1886-7	2,453,345
	1887-8	549,149		1887-8	2,741,488

\* 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 133 *ante*. For particulars of the duties levied, see paragraph 314 *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 paragraphs 302 *et seq. post*.

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



HEADS OF REVENUE, 1874-5 TO 1887-8—*continued.*

Heads of Revenue.	Year.	Amounts Received.	Heads of Revenue.	Year.	Amounts Received.
<b>PUBLIC WORKS— <i>continued.</i></b>		£	<b>OTHER SOURCES.</b>		£
Water supply* ...	1874-5	96,707	Mint charges ...	1874-5	7,504
	1875-6	102,438		1875-6	7,659
	1876-7	115,869		1876-7	7,512
	1877-8	112,183		1877-8	7,247
	1878-9	120,346		1878-9	7,906
	1879-80	121,103		1879-80	10,158
	1880-81	139,411		1880-81	10,197
	1881-2	138,274		1881-2	10,917
	1882-3	152,328		1882-3	11,292
	1883-4	165,033		1883-4	10,415
	1884-5	165,968		1884-5	13,042
	1885-6	190,815		1885-6	11,705
	1886-7	215,401		1886-7	11,058
	1887-8	235,743		1887-8	10,377
Other Public works	1874-5	5,897	Mint subsidy re- turned	1874-5	4,299
	1875-6	5,845		1875-6	10,695
	1876-7	5,638		1876-7	7,104
	1877-8	5,190		1877-8	447
	1878-9	5,879		1878-9	6,624
	1879-80	4,142		1879-80	6,350
	1880-81	2,470		1880-81	5,628
	1881-2	4,035		1881-2	5,344
	1882-3	2,357		1882-3	4,103
	1883-4	1,866		1883-4	4,852
	1884-5	3,325		1884-5	5,304
	1885-6	3,364		1885-6	4,613
	1886-7	5,062		1886-7	1,986
	1887-8	4,764		1887-8	3,874
<b>POST AND TELE- GRAPHS.</b>					
Postage, tele- graphs, tele- phones, money orders, etc.†	1874-5	198,326	Fees, fines, etc.† (exclusive of Land Act pen- alties)	1874-5	111,304
	1875-6	209,213		1875-6	112,664
	1876-7	226,597		1876-7	121,676
	1877-8	239,002		1877-8	119,632
	1878-9	244,761		1878-9	113,177
	1879-80	249,414		1879-80	110,639
	1880-81	272,316		1880-81	113,736
	1881-2	297,701		1881-2	120,768
	1882-3	324,967		1882-3	117,296
	1883-4	349,278		1883-4	111,695
	1884-5	380,556		1884-5	123,428
	1885-6	394,184		1885-6	128,523
	1886-7	413,535		1886-7	131,095
	1887-8	485,533		1887-8	164,721

\* Including interest on loans to local bodies.

† Partly estimated since 1882-3. See also footnote (†) on page 133 *ante*.

## HEADS OF REVENUE, 1874-5 TO 1887-8—continued.

Heads of Revenue.	Year.	Amounts Received.	Heads of Revenue.	Year.	Amounts Received.
OTHER SOURCES— <i>continued.</i>		£	OTHER SOURCES— <i>continued.</i>		£
Interest on public Account, etc.	1874-5	66,874	Reimbursements in aid	1874-5	28,981
	1875-6	38,595		1875-6	37,619
	1876-7	79,456		1876-7	34,372
	1877-8	70,716		1877-8	36,774
	1878-9	42,281		1878-9	28,637
	1879-80	45,611		1879-80	23,860
	1880-81	78,605		1880-81	31,290
	1881-2	92,025		1881-2	33,675
	1882-3	55,922		1882-3	33,570
	1883-4	85,537		1883-4	49,441
Rents (other than Land)	1884-5	98,341	Miscellaneous re- ceipts †	1884-5	52,232
	1885-6	84,973		1885-6	49,187
	1886-7	93,216		1886-7	54,033
	1887-8	136,811		1887-8	69,041
	1874-5	749		1874-5	55,770
	1875-6	674		1875-6	16,317
	1876-7	730		1876-7	19,602
	1877-8	824		1877-8	20,449
	1878-9	935		1878-9	28,167
	1879-80	799		1879-80	24,655
	1880-81	921		1880-81	41,861
	1881-2	997		1881-2	27,131
	1882-3	1,548		1882-3	46,211
	1883-4	3,058		1883-4	36,325
	1884-5	2,031		1884-5	31,339
	1885-6	14,905*		1885-6	29,178
	1886-7	5,049		1886-7	23,320
	1887-8	2,908		1887-8	25,068

## SUMMARY OF HEADS OF REVENUE, 1874-5 TO 1887-8.

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

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

† 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.

242. Of the total expenditure of Victoria in 1887-8, £1,208,000—Heads of expenditure, 1886-7 and 1887-8. or  $16\frac{2}{3}$  per cent.—was disbursed to defray the cost of Government, maintenance of law and order, and provision against foreign attacks; £722,000—or 10 per cent.—was contributed towards public instruction and the advancement and dissemination of knowledge; £279,000—or nearly 4 per cent.—was expended on public charities, or devoted to the preservation of the public health; £106,000—or nearly  $1\frac{1}{2}$  per cent.—was expended on the management and survey of the Crown lands, being slightly less than the gross annual rental therefrom during the same financial year; as much as £3,536,000—or 48 per cent.—was absorbed in connexion with working of the various commercial undertakings of the Government, viz., £1,622,000 on Railways and Waterworks, £643,000 on Post and Telegraphs, and £1,271,000\* in interest upon loans raised for their construction; £114,000 was paid as interest on amounts borrowed for the construction of other public works; £84,000 was the cost of collecting the revenue from Customs duties and Excise, whilst £32,000 was spent on the maintenance of Ports and Harbours; and £188,000—or  $2\frac{1}{2}$  per cent.—was granted in aid of the agricultural and mining industries. The amounts just enumerated, together with £181,000,† expended on miscellaneous services, form the ordinary annual expenditure for the year; but beside this, an amount of £837,000—or  $11\frac{1}{2}$  per cent. of the total expenditure—was spent on productive and unproductive public works of a permanent character, viz., £118,000 on Railways, and £719,000 on “Miscellaneous Public Works,” which embraces the cost of erection of public offices and buildings of all kinds, expenditure on roads and bridges, and municipal subsidies. These amounts appear as a set-off against the proceeds of land sales, before referred to,‡ which they even exceeded by £287,000. The following is a classification of the expenditure§ under 9 principal and 26 subsidiary heads, during the years 1886-7 and 1887-8, also the increase or decrease in the latter year:—

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\* The total amount of interest and expenses of the public debt was £1,385,000, but the amount here given is that payable for Railways and Waterworks only.

† This, however, includes the exceptional item of £100,000 towards defraying the cost of the Centennial International Exhibition, Melbourne.

‡ See paragraph 236 *ante*.

§ See footnote (†) to paragraph 236 *ante*.

## HEADS OF EXPENDITURE\*, 1886-7 AND 1887-8.

Heads of Expenditure.	Amounts Expended.		Increase.	Decrease.
	1886-7.	1887-8.		
GENERAL GOVERNMENT.				
Civil list† ... ..	£ 36,416	£ 45,361	£ 8,945	...
Legislature ... ..	57,202	58,631	1,429	...
Civil Establishment‡ ... ..	129,001	132,983	3,982	...
Retiring allowances and pensions ... ..	85,160	88,484	3,324	...
Gratuities, compensations, etc. ... ..	40,237	43,329	3,092	...
Total ... ..	348,016	368,788	20,772	...
LAW, ORDER, AND PROTECTION.				
Judicial and legal ... ..	193,905	211,111	17,206	...
Police ... ..	233,173	240,840	7,667	...
Gaols and penal establishments ... ..	59,894	65,385	5,491	...
Defences—Naval and Military§ ... ..	304,764	322,119	17,355	...
Total ... ..	791,736	839,455	47,719	...
EDUCATION, SCIENCE, CHARITY, ETC.				
Public instruction, science, etc.   ... ..	676,569	722,102	45,533	...
Charitable institutions, medical, etc.¶ ... ..	268,864	278,879	10,015	...
Total ... ..	945,433	1,000,981	55,548	...
CROWN LANDS.				
Administration and survey... ..	111,969	106,408	...	5,561
Agriculture, etc. ... ..	71,552	69,947	...	1,605
Mining ... ..	103,654	117,837	14,183	...
Total ... ..	287,175	294,192	7,017	...
PUBLIC WORKS.				
Railways—Working expenses ... ..	1,363,587	1,574,786	211,199	...
„ Construction account ... ..	67,529	118,090	50,561	...
Water supply ... ..	39,756	46,966	7,210	...
Other Public works** ... ..	671,973	718,427	46,454	...
Total ... ..	2,142,845	2,458,269	315,424	...

\* For further details see table following paragraph 244 *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.

§ For expenditure on Defences. See also Part "Defences," *post*.

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

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

\*\* The cost of erecting and repairing Government Offices, and making and repairing furniture therefor, is not charged to the respective departments, but it is placed under this head, which also embraces the cost of all Public Works, except Railways, Waterworks, and Telegraph lines, and works provided for out of loans; it also includes expenditure on Roads and Bridges, and the annual subsidy of £310,000 to Municipalities. For a summary of the various works, see detailed table, page 149 *post*.

## HEADS OF EXPENDITURE,\* 1886-7 and 1887-8—continued.

Heads of Expenditure.	Amounts Expended.		Increase.	Decrease.
	1886-7.	1887-8.		
	£	£	£	£
Post and Telegraphs† ... ..	585,990	643,113	57,123	...
PUBLIC DEBT.				
Interest and expenses—Railways ...	985,308	1,070,950	85,642	...
„ „ Water supply ...	173,751	199,718	25,967	...
„ „ Other works ...	111,750	114,453	2,703	...
Total ... ..	1,270,809	1,385,121	114,312	...
TRADE, NAVIGATION, ETC.				
Customs ... ..	78,579	83,975‡	5,396	...
Harbours and lights ... ..	39,819	32,460	...	7,359
Total ... ..	118,398	116,435	...	1,963
OTHER EXPENDITURE.				
Mint subsidy § ... ..	20,000	20,000	...	...
Aborigines ... ..	10,508	10,982	474	...
Miscellaneous services ... ..	40,341	149,815	109,474	...
Total ... ..	70,849	180,797	109,948	...
Grand Total ... ..	6,561,251	7,287,151	725,900	...

NOTE.—For particulars of Expenditure in 1888-9 see Appendices at the end of this volume.

243. It will be observed that an increase appears under all the heads but three, the net increase amounting to £726,000. The most prominent increases were £211,000 under the head of working expenses of Railways, £114,000 in interest on the Public Debt, £109,000—of which £100,000 was in consequence of the Exhibition—under Miscellaneous Services, £57,000 under Post and Telegraphs, £46,000 under Miscellaneous Public Works, £45,000 under Public Instruction, etc., and £50,000 in the amount paid towards the construction of Railways. It has already been stated that nearly half the total expenditure is in connection 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 1887-8 with

Chief items  
of increased  
expendi-  
ture, 1887-8.

\* For further details, see table following paragraph 244 post.

† Including interest on Post Office Savings Banks deposits.

‡ Including £275, refunds of duty, and £5 for Immigration.

§ 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 241 ante, under the head "Mint subsidy returned."

|| Including £100,000 towards the expenses of the Melbourne Centennial International Exhibition.

those of the previous year shows that, whilst the working expenses increased by nearly £211,000, the revenue increased by nearly £288,000. Owing to the constantly-increasing amount borrowed for Railway Construction, the interest payable thereon increased during the year referred to by nearly £68,000. The next most important commercial undertakings are the Postal and Telegraphic services, which it has been the policy of the Government to work, irrespective of loss; thus, whilst the annual expenditure on these services was in excess of £643,000, it is estimated that the annual revenue was a little over £485,000, and thus the deficiency in 1887-8 amounted to about £158,000\* as against £172,000 in the previous year.† If, however, allowance were made for official correspondence, transmitted free of cost, the deficit would be reduced to less than £100,000.

Heads of expenditure, detailed.

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

#### HEADS OF EXPENDITURE DETAILED, 1886-7 AND 1887-8.

Heads of Expenditure.						1886-7.	1887-8.
CIVIL LIST.						£	£
Governor's Salary	...	...	...	...	...	10,000	10,000
Salaries of Ministers	...	...	...	...	...	15,500	15,500
Executive Council	...	...	...	...	...	1,468	1,474
Agent-General	...	...	...	...	...	2,500	2,500
Commissioners of Audit	...	...	...	...	...	2,448	2,000
Public Service Board	...	...	...	...	...	4,500	4,500
Protectorate of New Guinea—Contribution towards	...	...	...	...	...	...	9,387†
Total	...	...	...	...	...	36,416	45,361
LEGISLATURE.							
Legislative Council	...	...	...	...	...	6,060	6,108
„ Assembly	...	...	...	...	...	11,073	11,281
Parliamentary Library	...	...	...	...	...	2,871	3,134
„ Refreshment Rooms	...	...	...	...	...	1,048	1,105
Parliament Buildings Commission	...	...	...	...	...	...	493
Victorian <i>Hansard</i>	...	...	...	...	...	2,193	2,225
Expenses of Members of the Legislative Assembly	...	...	...	...	...	22,594	22,656
Electoral Expenses	...	...	...	...	...	11,363	10,736
Federal Council—Contribution to	...	...	...	...	...	...	893
Total	...	...	...	...	...	57,202	58,631

\* For further details see postal receipts and expenditure in Part “Interchange” *post*.

† The amount of postal revenue is not accurately known. See footnote (†) to table on page 133 *ante*.

‡ Including arrears from 1886-7.



HEADS OF EXPENDITURE DETAILED—*continued.*

Heads of Expenditure.	1886-7.	1887-8.
<b>CIVIL ESTABLISHMENT.</b>		
	£	£
Public Service Board—Office ... ..	2,167	2,527
Chief Secretary's Office ... ..	8,990	9,270
Secretary to Premier ... ..	7,720	5,995
Shorthand Writer ... ..	2,301	2,110
Agent-General's Office ... ..	4,797	3,495
Audit Office ... ..	8,535	9,101
Treasury ... ..	30,689	31,636
Government Printer ... ..	53,982	59,000
"    "    Stamp printing ... ..	4,957	5,527
Inspector of Stores ... ..	598	595
Registrar of Friendly Societies * ... ..	404	367
Inspector of Factories and Shops ... ..	2,723	2,627
Sundries ... ..	1,138	733
Total ... ..	129,001	132,983
<b>JUDICIAL AND LEGAL.</b>		
Judges' Salaries (including Master-in-Equity) ... ..	19,958	20,000
"    other Expenditure ... ..	5,005	5,193
Crown Law Officers... ..	18,325	20,328
"    Solicitor ... ..	7,650	7,226
Prothonotary ... ..	2,396	2,317
Master-in-Equity and Lunacy ... ..	3,981	4,403
Court of Insolvency... ..	1,098	1,023
Registrar-General and Registrar of Titles ... ..	33,794	43,461
"    Interest on purchase money of land, etc. bought near Titles Office † ... ..	3,035	2,972
Deputy Registrars ... ..	5,895	6,500
Sheriffs ... ..	23,542	25,898
Judges—County Courts, Courts of Mines, and General Sessions ... ..	9,300	10,431
"    other Expenditure ... ..	13,532	14,586
Police Magistrates and Wardens ... ..	17,428	17,928
Clerks of Courts ... ..	20,362	20,005
Coroners ... ..	5,797	6,047
Curator of Estates of Deceased Persons ... ..	1,524	1,633
Land Tax Act Administration ... ..	1,071	1,157
Sundries ... ..	212	3
Total ... ..	193,905	211,111
<b>DEFENCES.</b>		
Special Appropriation authorized under Act 47 Vict. No. 777 (for 5 years) ... ..	110,000	110,000
Voted to augment special appropriation consequent upon the increase of the permanent forces ... ..	...	21,278
Office Staff ... ..	1,737	6,198
Ammunition Fund—To replace loss on supply to Rifle Clubs. etc. ... ..	7,000	3,000

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

† 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.	1886-7.	1887-8.
DEFENCES—continued.		
	£	£
Purchase of Rifles and modern warlike stores ... ..	3,584*	{ 2,088* 6,000
Cadet Corps ... ..	6,154	3,239
Mounted Rifles ... ..	4,831	5,388
Grants to Rifle Associations, etc., for prizes ... ..	1,675	1,975
Expenses in connection with Easter Encampment ... ..	4,492	11,689
Rifle Clubs ... ..	581	3,208
Expenses of sending a team of riflemen to England ... ..	1,000	...
Compensation for injuries sustained ... ..	240	147
Naval Forces ... ..	8,149	...
Victorian Artillery ... ..	2,574	...
Torpedo Corps ... ..	1,297	...
Amount due Railway Department for transport of Volun- teers prior to passing of <i>Discipline Act</i> ... ..	3,288	...
Grant to Richmond charities for Volunteer Corps Orderly Room ... ..	600	...
Grant for strengthening two private vessels to render them eligible as armed cruisers ... ..	...	1,000
Sundries ... ..	40	148
Total ... ..	47,242	65,358
Defence Works and Buildings .. ...	147,522	146,761
Grand total ... ..	304,764	322,119
PUBLIC INSTRUCTION, SCIENCE, ETC.		
State School Education† ... ..	588,736	626,739
University—Endowment ... ..	14,500	14,500
„ Grant in aid of buildings ... ..	5,000	...
„ School for Biology ... ..	...	7,000
Working Men's College ... ..	...	3,000
Melbourne Public Library, Museums, and National Gallery... ..	20,266	23,865
Mechanics' Institutes, Public Libraries, etc.‡ ... ..	18,000	15,600
Victorian Academy of Arts ... ..	250	250
Gordon Memorial School of Arts, Geelong—Grant in aid ... ..	500	500
Art Galleries—Ballarat, Sandhurst, etc.... ..	2,000	2,000
Zoological and Acclimatisation Society, etc. ... ..	3,200	4,200
Royal Society ... ..	200	200
Geographical Society... ..	1,000	...
College of Pharmacy... ..	1,000	900
Schools of Mines§ ... ..	6,000§	6,200
„ Design ... ..	1,249	1,399
Government Statist ... ..	7,011	6,918
„ Astronomer ... ..	4,592	6,067
„ Botanist ... ..	2,518	2,744
Other Expenditure ... ..	547	20
Total ... ..	676,569	722,102

\* 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 £18,000 per annum, but exclusive of pensions and gratuities. See also table following paragraph 250 *post*.

‡ Including £8,000 in 1886-7, and £8,100 in 1887-8, in aid of buildings.

§ Including £2,000 in aid of buildings.

|| Including £325 in aid of Gladman Memorial Fund.

HEADS OF EXPENDITURE DETAILED—*continued.*

Heads of Expenditure.	1886-7.	1887-8.
<b>CHARITABLE INSTITUTIONS, MEDICAL, ETC.</b>		
	£	£
Charitable Institutions—Grant in aid ... ..	114,000	120,382
Industrial and Reformatory Schools—State ... ..	{ 42,078	{ 41,730
Grant in Aid of Private Institutions ... ..		{ 1,764
Hospitals for the Insane ... ..	98,347	101,994
Central Board of Health and Quarantine, etc. ... ..	8,815	7,310
Vaccination Allowances ... ..	5,499	5,496
Allowance to Instructor of the Blind, etc. ... ..	100	100
Other Expenditure ... ..	25	103*
Total ... ..	268,864	278,879
<b>WATER SUPPLY.</b>		
Melbourne—Salaries and Maintenance ... ..	18,593	21,930
Country Waterworks—		
Salaries ... ..	8,360	8,725
Coliban District—Travelling Expenses, Contingencies, etc. ... ..	4,390	4,399
Geelong District do. do. ... ..	856	1,332
Boring for Water and Repairs to Reservoirs ... ..	4,889	7,930
Surveys and Reports <i>re</i> Projects of Water Supply and Gauging Rivers ... ..	2,668	2,650
Total ... ..	39,756	46,966
<b>OTHER PUBLIC WORKS.</b>		
Works and Buildings (including Furniture, Fittings, etc.)—		
Government House ... ..	1,695	{ 2,454
Country Residence for Governor ... ..	4,292	
„ „ „ Maintenance ... ..	355	{ 2,193
Parliamentary Buildings ... ..	3,544	
Public Offices, etc.—		
Public Offices, Melbourne ... ..	723	2,819
New Printing Office... ..	...	20,000
„ „ Fittings, Furniture for, etc....	8	497
Registrar-General's Offices—Addition to Strong room ... ..	1,336	203
Sandhurst Public Offices—Erection of ... ..	9,392	3,343†
Ballarat Public Offices—Erection of ... ..	2,500	819†
Rents and Furniture... ..	22,587	23,439
Repairs and Additions ... ..	2,629	495
Telephonic communication for police and other buildings ... ..	957	784
Insurance ... ..	561	505
Court Houses ... ..	15,339	18,799
Police Buildings, etc. ... ..	22,046	31,009
Gaols and Penal Establishments ... ..	8,233	2,408
Public Library, National Gallery, and Museums ... ..	14,356	8,488
Observatory ... ..	163	192
Lunatic Asylums ... ..	16,802	20,220

\* Relief of shipwrecked seamen.

† Including Law Courts.

‡ Extension of Post Office.

HEADS OF EXPENDITURE DETAILED—*continued.*

Heads of Expenditure.	1886-7.	1887-8.
	£	£
<b>OTHER PUBLIC WORKS—<i>continued.</i></b>		
Works and Buildings (including Furniture, Fittings, etc.)—		
Industrial and Reformatory Schools ...	497	494
Immigrants Aid Society—Painting and Improvements to Building	...	499
Cemeteries ...	1,118	1,027
Sanatory Station—Fencing, Repairs, etc. ...	555	1,422
Lands and Agriculture (including parks, gardens, etc.)	5,334	2,725
Laboratory for Agricultural Chemist ...	...	398
Raising Low-lying Lands, Draining Lands, Spreading Silt, etc.	33,206	37,656
Preventing Encroachment by Sand ...	...	650
Post and Telegraph Offices—		
General Post Office, Melbourne—Extension of Building, etc.	21,192	31,998
Post Offices at other places* ...	16,542	17,230
Customs Buildings ...	1,171	1,560
Wharfs, Jetties, Harbours, Rivers, etc. ...	54,175	62,689
Lighthouses and Lightships ...	6,200	6,112
Miscellaneous ...	563	443
Total Works and Buildings ...	268,071	303,570
Subsidy to Municipalities ...	310,561	310,300
Roads and Bridges ...	40,430	53,202
Other Expenditure (including Cost of Department) ...	52,911	51,355
Total ...	671,973	718,427
<b>CROWN LANDS.</b>		
Survey, Sale, and Management of Crown Lands† ...	78,045	63,689
Surveys by contract, including surveys in Mallee districts ...	3,783	4,571
Surveys of "Grazing Areas" ...	...	2,945
Feature Surveys of Rivers in Gippsland ...	...	769
Parks, Gardens, etc.—		
Botanical Gardens and Reserves ...	9,143	8,757
Public Parks, Gardens, and Reserves in and around Melbourne	8,277	11,557
Public Parks and Gardens in Country Districts—Fencing and Improving	11,708	8,717
Other Expenditure ...	1,013	5,403†
Total ...	111,969	106,408
<b>AGRICULTURE, ETC.</b>		
Grants to Agricultural and Horticultural Societies, etc. ...	21,435	23,477
Special Prizes and Awards for invention of improvements in Agricultural machinery	...	80
Prizes for best managed farms in Victoria ...	100	150
Grant to a Board of Vinegrowers appointed by the Governor in Council	...	500

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

† Including Land Titles Branch.

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

HEADS OF EXPENDITURE DETAILED—*continued.*

Heads of Expenditure.	1886-7.	1887-8.
<b>AGRICULTURE, ETC.—<i>continued.</i></b>		
	£	£
State Forests and Nurseries ... ..	6,070	6,860
Experimental Cultivation ... ..	244	297
Eradication of Vine Diseases * ... ..	725	1,614
Scab Prevention and Diseases in Stock ... ..	8,128	7,968
Extermination of Rabbits and Wild Animals ... ..	27,104	21,051
Rates on Mallee Blocks held by Government ... ..	704	327
Cost of Rabbit-proof Fencing in the Mallee Country ... ..	4,999	5,630
Mallee Extermination—Expenses of testing, etc. ... ..	173	...
Departmental and other Expenditure ... ..	1,870	1,993
<b>Total ... ..</b>	<b>71,552</b>	<b>69,947</b>
<b>MINING.</b>		
Mining Department ... ..	21,305	20,730
Mining Boards ... ..	3,500	3,500
Purchase and Working of Diamond Drills to assist Miners in Prospecting Operations, etc. ... ..	72,369	80,742
Boring for Coal ... ..	1,650	4,344
Geological Surveys, etc. ... ..	1,386	2,480
Underground Surveys of Mines ... ..	849	1,193
Cutting Tracks and opening up unexplored areas ... ..	1,989	2,493
Construction of Dynamite and Powder Magazines ... ..	...	1,566
Reward for Discovery of Ararat Goldfield ... ..	...	100
Miscellaneous ... ..	606	689
<b>Total ... ..</b>	<b>103,654</b>	<b>117,837</b>
<b>RAILWAYS.</b>		
Commissioners' Salaries ... ..	5,621	6,000
Salaries and Wages ... ..	103,598	119,512
Contingencies ... ..	1,254,298	1,446,252†
Other Expenditure ... ..	70	3,022
<b>Total Working Expenses ... ..</b>	<b>1,363,587</b>	<b>1,574,786</b>
Paid to "Railway Construction Account" ‡ ... ..	67,029	113,946
Towards Construction ... ..	500	4,144
<b>Total (including Capital Account) ... ..</b>	<b>1,431,116</b>	<b>1,692,876</b>
<b>POST AND TELEGRAPHS.</b>		
Post and Telegraph Offices—Administration§ ... ..	327,396	340,834
Inland Mail Service ... ..	112,473	108,174

\* The Governments of South Australia and New South Wales contributed £6,667 each to Victoria towards this object.

† Including £25,000 additional expenses on account of 1886-7.

‡ See footnote (‡) on page 158 *post*.

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

|| Of which £50,000 was paid to the Railway Department, and £58,174 to the private contractors, etc.

HEADS OF EXPENDITURE DETAILED—*continued.*

Heads of Expenditure.	1886-7.	1887-8.
<b>POST AND TELEGRAPHS—<i>continued.</i></b>		
	£	£
Steam Postal Communication* ... ..	69,322	70,106
Telegraph Lines—Construction, Repairs, etc. ..	14,430	13,554
Telephones—		
Purchase of property, goodwill, etc., of the Victorian Telephone Exchange Company	...	40,000
Solicitors' costs in connection with do. ...	...	204
Telephone Exchanges, telephones, battery materials, wire, etc.	...	7,497
Maintenance of lines to various departments...	...	370
Subsidy towards Duplicate Telegraph Cable (Port Darwin to Penang)	14,510	14,544
,, to Eastern Extension Telegraph Co., Tasmania† ...	1,231	629
Interest on Post Office Savings Banks Deposits—4 per cent.	46,233	46,870
Miscellaneous ... ..	395	331†
<b>Total</b> ... ..	<b>585,990</b>	<b>643,113</b>
<b>PUBLIC DEBT.</b>		
Interest payable—		
In London ... ..	1,176,976	1,291,755
In Melbourne ... ..	73,276	74,019
<b>Total Interest</b> ... ..	<b>1,250,252</b>	<b>1,365,774</b>
Expenses of paying Interest in London—		
Commission to Banks of $\frac{1}{2}$ per cent. ... ..	3,262	3,182
Commission to Bank of from £450 to £500 per million for inscribing stock and paying interest thereon	6,586	7,984
Premium on remittances ... ..	10,107	7,187
Stamps, advertising, etc. ... ..	602	994
<b>Total</b> ... ..	<b>1,270,809</b>	<b>1,385,121</b>
<b>MISCELLANEOUS SERVICES.</b>		
Expenses of Commissions of Inquiry ... ..	1,878	3,406
Imperial Convention—Expenses of Delegates ... ..	1,206	...
Expenses <i>re</i> Chinese Immigration (including Conference at Sydney)	...	482
Subsidy to Union S.S. Co. for s.s. <i>Taupo</i> calling at Havannah Harbour, New Hebrides	...	100
Law Costs, Awards, etc. ... ..	343	284

\* Including sums paid as gratuities to masters of vessels, £1,934 in 1887-8.

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

‡ Including £43 contribution towards International Bureau at Berne, and £277 plaintiff's costs of action *re* illegal detention of letters.



HEADS OF EXPENDITURE DETAILED—*continued.*

Heads of Expenditure.	1886-7.	1887-8.
MISCELLANEOUS SERVICES— <i>continued.</i>	£	£
<i>Poisons and Pharmacy Act</i> —Administration ... ..	300	300
Advertising ... ..	5,330	5,329
Transport, etc. ... ..	1,633	2,066
Exhibitions—		
Colonial and Indian Exhibition, London, 1886 ... ..	9,995	4,900
Melbourne Centennial International do. ... ..	999	100,000
Adelaide Jubilee do. ... ..	2,800	2,998
Bendigo Juvenile Industrial do. ... ..	500	...
Geelong Juvenile Jubilee do. ... ..	...	500
Cost of John Batman's Family visiting Melbourne during Centennial Exhibition ... ..	...	25
Expenses incurred by the Exhibition Trustees ... ..	2,999	299
Powder Magazines* ... ..	1,281	1,434
Fisheries ... ..	792	836
Payments from Estates of Deceased Persons ... ..	250	...
Refunds, etc. ... ..	310	316
Carriage of Volunteer Fire Brigades ... ..	2,973	4,000
Expenses <i>re</i> the celebration of Her Majesty's Jubilee ... ..	504	7,781
Imperial Institute†—Contribution towards ... ..	...	5,922
Banquet to Earl of Carnarvon ... ..	...	360
Expenses <i>re</i> the opening of Queen's Hall, Parliament House ... ..	127	...
Expenses of visits of Governor and party to country districts ... ..	41	206
Expenses of Ministerial visit to Western Port and Coast lighthouses ... ..	57	...
Expenses of Parliamentary party to Heads, Adelaide, etc. ..	729	...
Metropolitan Liedertafel, travelling expenses <i>en route</i> for Adelaide ... ..	...	321
Cost of maintenance of unemployed ... ..	225	...
Payments to late warders, Kew Lunatic Asylum, in settlement of claims for services having been irregularly dispensed with ... ..	455	...
Bonus for wire fencing ... ..	888	...
Bonus for manufacture in the colony of the first 10,000 yards of worsted woollen tweeds ... ..	...	5,000
Other Expenditure‡... ..	3,726	2,950
Total ... ..	40,341	149,815

245. The following are the heads of expenditure during the last fourteen financial years, and the amounts expended under each head, the expenditure specially appropriated by Acts of Parliament other than the *Appropriation Act*, being distinguished from that sanctioned

Heads of expenditure,  
1874-5 to  
to 1887-8.

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

† The National Memorial of the completion of fifty years of the reign of Queen Victoria.

‡ Including balance at credit of Pension Fund, returned to revenue, viz., £1,346 in 1886-7, and £500 in 1887-8.

under that Act in accordance with the annual votes of the Legislature :—

HEADS OF EXPENDITURE, 1874-5 TO 1887-8.

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
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
Civil establishment* ... ..	1874-5	...	90,422	90,422
	1875-6	...	87,647	87,647
	1876-7	...	89,837	89,837
	1877-8	...	90,215	90,215
	1878-9	...	90,059	90,059
	1879-80	...	91,872	91,872
	1880-81	...	89,987	89,987
	1881-2	...	90,833	90,833
	1882-3	...	117,610	117,610
	1883-4	...	113,628	113,628
	1884-5	...	117,586	117,586
	1885-6	...	122,593	122,593
	1886-7	...	129,001	129,001
	1887-8	...	132,983	132,983

\* For particulars of the items included under these heads, see footnotes to table following paragraph 242 *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 1887-8—*continued*.

Heads of Expenditure.	Year.	Expenditure from—		Total.
		Special Appropriations.	Votes.	
		£	£	£
Retiring allowances and pensions * ... ..	1874-5	26,529	2,587	29,116
	1875-6	27,423	2,426	29,849
	1876-7	26,214	4,725	30,939
	1877-8	28,370	5,587	33,957
	1878-9	33,952	9,153	43,105
	1879-80	35,202	9,336	44,538
	1880-81	36,817	12,499	49,316
	1881-2	41,749	16,040	57,789
	1882-3	40,474	20,095	60,569
	1883-4	41,334	24,355	65,689
	1884-5	43,589	26,598	70,187
	1885-6	52,685	20,529	73,214
	1886-7	64,844	20,316	85,160
	1887-8	71,583	16,901	88,484
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
Judical and legal ... ..	1874-5	16,417	156,558	172,975
	1875-6	16,125	154,469	170,594
	1876-7	16,750	154,932	171,682
	1877-8	16,567	154,498	171,065
	1878-9	14,000	158,056	172,056
	1879-80	14,000	157,664	171,664
	1880-81	15,047	142,444	157,491
	1881-2	16,919	141,263	158,182
	1882-3	17,000	159,689	176,689
	1883-4	16,655	158,319	174,974
	1884-5	16,381	166,916	183,297
	1885-6	19,096	172,194	191,290
	1886-7	22,993	170,912	193,905
	1887-8	22,972	188,139	211,111

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

HEADS OF EXPENDITURE, 1874-5 TO 1887-8—continued.

Heads of Expenditure.	Year.	Expenditure from—		Total.
		Special Appropriations.	Votes.	
		£	£	£
Police ... ..	1874-5	...	198,312	198,312
	1875-6	...	199,738	199,738
	1876-7	...	197,371	197,371
	1877-8	...	207,119	207,119
	1878-9	...	209,041	209,041
	1879-80	...	233,732	233,732
	1880-81	...	207,674	207,674
	1881-2	...	201,063	201,063
	1882-3	...	204,561	204,561
	1883-4	...	216,973	216,973
	1884-5	...	217,684	217,684
	1885-6	...	224,237	224,237
	1886-7	...	233,173	233,173
	1887-8	...	240,840	240,840
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
Defences ... ..	1874-5	...	53,507	53,507
	1875-6	...	58,233	58,233
	1876-7	...	74,020	74,020
	1877-8	...	121,266	121,266
	1878-9	...	118,122	118,122
	1879-80	...	93,779	93,779
	1880-81	...	78,732	78,732
	1881-2	...	79,442	79,442
	1882-3	...	191,360	191,360
	1883-4	...	231,038	231,038
	1884-5	110,000	88,773	198,773
	1885-6	110,000	209,938	319,938
	1886-7	110,000	194,764	304,764
	1887-8	110,000	212,119*	322,119

\* Including vote of £21,278 to augment special appropriation.

HEADS OF EXPENDITURE, 1874-5 TO 1887-8—*continued*.

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

\* For particulars of the items included under these heads, see footnotes to table following paragraph 242 *ante*.

† Since 1874-5 the amount expended on school buildings has been paid entirely out of loans.— See table following paragraph 248 *post*.

## HEADS OF EXPENDITURE, 1874-5 TO 1887-8—continued.

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

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

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

‡ The amount entered under the head of Special Appropriations in 1885-6, with the exception of £6,000 for salaries of the Railway Commissioners, was paid into the "Railway Construction Account" in accordance with the direction of *The Land Act* 1884 (48 Vict. No. 812), sec. 78, whereby it is provided that all moneys arising from the sale by auction of Crown lands shall be placed to a trust account, the amount standing to the credit of which should be available for the construction of railways. The amounts entered prior to 1882-3 also represent the payment of moneys derived from the alienation of Crown lands, but fixed at £200,000 per annum, to a similar account (known as the "Railway Loan Liquidation and Construction Account"), which was created under *The Land Act* 1869 (33 Vict. No. 366)—full particulars of which are given in the *Victorian Year-Book*, 1885-6, page 123. The total amount paid into both these accounts up to the 30th June, 1888, was £2,469,642, which has been expended on the survey or construction of lines of railway. The amounts entered under the head of "Votes" represent the working expenses of railways, except £500 in 1886-7, and £4,144 in 1887-8 paid towards construction.

HEADS OF EXPENDITURE, 1874-5 TO 1887-8—*continued*.

Heads of Expenditure.	Year.	Expenditure from—		Total.
		Special Appropriations.	Votes.	
		£	£	£
Railways*— <i>continued</i> .	1879-80	...	771,527	771,527
	1880-81	200,000	818,601	1,018,601
	1881-2	200,000	829,103	1,029,103
	1882-3	...	1,173,535	1,173,535
	1883-4	2,750	1,104,285†	1,107,035
	1884-5	6,000	1,403,993	1,409,993
	1885-6	94,667	1,317,873	1,412,540
	1886-7	72,650	1,358,466	1,431,116
	1887-8	119,946	1,572,930	1,692,876
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
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

\* See footnote (†) on page 158.

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

‡ Exclusive of school buildings and of all public works paid for out of loans, but including endowments of municipalities under the *Local Government Act*. The expenditure on the Port of Melbourne, included under this head prior to 1st January, 1877, has since been paid out of the Harbour Trust Fund. See tables following paragraphs 248 and 337 *post*.

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

|| Corrected since last publication by transfer of certain amounts recouped in 1887-8 to "Amounts to be recouped from loans, etc."



## HEADS OF EXPENDITURE, 1874-5 TO 1887-8—continued.

Heads of Expenditure.	Year.	Expenditure from—		Total.
		Special Appropriations.	Votes.	
		£	£	£
Post and telegraphs†	1874-5	85,890	294,726	380,616
	1875-6	26,908*	280,981	307,889*
	1876-7	64,542	298,467	363,009
	1877-8	53,996	312,958	366,954
	1878-9	55,855	333,120	388,975
	1879-80	61,101	338,088	399,189
	1880-81	63,229	375,533	438,762
	1881-2	77,348	358,795	436,143
	1882-3	86,240	386,006	472,246
	1883-4	94,215	407,045	501,260
	1884-5	118,121	416,252	534,373
	1885-6	126,944	437,676	564,620
	1886-7	130,065	455,925	585,990
	1887-8	131,520	511,593	643,113
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
Redemption of loans ...	1874-5	35,000	...	35,000
Customs ...	1874-5	...	57,364	57,364
	1875-6	...	56,311	56,311
	1876-7	...	56,186	56,186
	1877-8	...	64,058	64,058
	1878-9	...	59,467	59,467
	1879-80	...	62,226	62,226
	1880-81	...	58,621	58,621
	1881-2	...	63,330	63,330
	1882-3	...	65,047	65,047

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

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

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

HEADS OF EXPENDITURE, 1874-5 TO 1887-8—*continued*.

Heads of Expenditure.	Year.	Expenditure from—		Total.
		Special Appropriations.	Votes.	
		£	£	£
Customs— <i>continued</i> ...	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
Harbours and lights ...	1874-5	...	35,035	35,035
	1875-6	...	34,703	34,703
	1876-7	...	29,980	29,980
	1877-8	...	29,017	29,017
	1878-9	...	28,876	28,876
	1879-80	...	29,272	29,272
	1880-81	...	23,448	23,448
	1881-2	...	25,471	25,471
	1882-3	...	26,763	26,763
	1883-4	...	24,632	24,632
	1884-5	...	28,941	28,941
	1885-6	...	38,988	38,988
	1886-7	...	39,819	39,819
	1887-8	...	32,460	32,460
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
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

\* Including £275 refund of duty, and £5 for immigration.

† The annual subsidy to the Mint is £20,000 ; portion of this sum, however, has been repaid each year to the revenue.—See page 141 *ante*, under the head "Mint subsidy returned."

HEADS OF EXPENDITURE, 1874-5 TO 1887-8—*continued*.

Heads of Expenditure.	Year.	Expenditure from—		Total.
		Special Appropriations.	Votes.	
		£	£	£
Miscellaneous services *	1874-5	2,500	30,108	32,608
	1875-6	2,500	30,627	33,127
	1876-7	2,500	23,364	25,864
	1877-8	2,500	31,222	33,722
	1878-9	2,500	40,566	43,066
	1879-80	2,500	29,772	32,272
	1880-81	4,000	58,244	62,244
	1881-2	4,000	25,574	29,574
	1882-3	4,000	35,177	39,177
	1883-4	4,000	30,567	34,567
	1884-5	4,000	25,851	29,851
	1885-6	4,000	43,569	47,569
	1886-7	2,234	38,107	40,341
	1887-8	750	149,065	149,815
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
Amounts to be recouped from loans, etc. ...	1874-5	...	21,472	21,472
	1875-6	15,221	163,556	178,777
	1876-7	19,001	2,956	21,957
	1877-8	32,042	66,245	98,287
	1878-9	20,655	3,000	23,655
	1879-80	18,945	52,294	71,239
	1880-81	2,310	6,107	8,417
	1881-2	...	...	...
	1882-3	...	8,000†	8,000†
	1883-4	...	62,000†	62,000†
	1884-5	...	18,792†	18,792†
	1887-8	...	55,265	55,265

\* The amounts in the column for Special Appropriations prior to 1886-7 are the unexpended balances of the Pension Fund (Schedule D, Part V.), repaid each year to the revenue, as also is £1,346 in 1886-7, and £500 in 1887-8.

† Corrected since last publication. See footnote (†) page 126 *ante*.

HEADS OF EXPENDITURE, 1874-5 TO 1887-8—*continued*.

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

246. Of the total expenditure proper in 1887-8, £1,962,804, or about 27 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 1887-8 as compared with the previous year by £172,300, and that under votes increased by about £553,600. Of the former increase, about £47,000 was due to the larger proceeds arising from the sale of lands, and payable to the Railway Construction Account; and £114,000 under that of interest, consequent on the growth of the public debt.

Increased expenditure under special appropriations.

247. No increases have been made in the last two financial years in the amounts specially appropriated under Acts of Parliament, but, in the previous three years, such appropriations were added to by £255,550; of this amount, however, an appropriation of £110,000, for Defences, was authorized for only five years; and £80,000 was merely the re-investment of portions of the land revenue in the Government railways. The following is a statement of the new appropriations referred to:—

New special appropriations.

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

ADDITIONAL SPECIAL APPROPRIATIONS AUTHORIZED,  
1883-4 TO 1887-8.

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.	13,000*
	47 Vict. No. 777	Public Service Board—Salaries ...	4,500
	47 Vict. No. 777	„ „ Pensions, etc. ...	12,500*
	47 Vict. No. 780	Defences—Works, etc. ...	110,000†
	47 Vict. No. 781	„ „ Pensions, etc. ...	900*
	47 Vict. No. 781	Salary of Additional Minister ...	1,500
1884-5 ...	Subsidy towards maintenance of telegraphic communication between Port Darwin and Penang		20,000*
	Total ...		168,400
	48 Vict. No. 807	Addition to Agent-General's salary	500
1885-6 ...	48 Vict. No. 812	Proceeds of land sales by auction paid to "Railway Construction Account"	80,000‡
	Total ...		80,500
	49 Vict. No. 835	Interest on payment out of Assurance Fund (Government Trust Fund) for purchase of land near Titles Office	3,000
1886-7 ...	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 ...	...
Total increase in five years			255,550

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.

Expenditure  
of loans,  
etc.

248. 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 1882-3 and during each subsequent year.

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

This is intended to supplement the last table but one 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 NET PROCEEDS OF LOANS TO 30TH JUNE, 1888.

Purposes of Expenditure.	Amounts Expended.*							
	Prior to 1852-3.	1882-3.	1883-4.	1884-5.	1885-6.	1886-7.	1887-8.	Total.
	£	£	£	£	£	£	£	£
Railways .. ..	16,376,868	2,187,183	1,191,132	848,358	1,401,511	1,521,817	1,742,149	25,269,018
Water Supply† ..	3,368,558	367,416	304,585	172,465	235,485	373,994	462,562	†5,285,065
Law Courts and Parliament Houses	345,901	44,860	45,505	568	12,153	32,770	44,954	526,711
Public Offices ..	162,280	..	..	..	..	..	..	162,280
Defences .. ..	98,299	..	..	..	..	..	..	98,299
State School Buildings	804,926	56,651	36,923	69,995	45,438	49,284	54,308	1,117,525
Yarra Bridge ..	1,500	300	8,382	3,663	14,205†	42,561†	32,627	§103,238
Alfred Graving Dock	341,819	..	..	..	..	..	..	341,819
Harbour Works, etc.	..	400	13,706	46,077	20,976	47,856	53,344	182,359
<b>Total ..</b>	<b>21,500,151</b>	<b>2,656,810</b>	<b>1,600,233</b>	<b>1,141,126</b>	<b>1,729,768†</b>	<b>2,068,282†</b>	<b>2,389,944</b>	<b>33,086,314</b>

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

249. 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 £690,000, of which not quite half is paid to municipalities, nearly a sixth 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 nearly £600,000; or for the maintenance of the Government charitable institutions—such as the hospitals for the insane and the industrial and reformatory schools—which cost annually about £140,000. The following is a statement of the amounts payable under the various heads:—

\* 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 which £2,230,529 was for Melbourne Water Supply, and £3,054,536 for Country Waterworks, etc. For further particulars, see Waterworks in Part "Production" in the second volume.

‡ Corrected since last publication.

§ Net charge after deducting contributions by the Melbourne City Council, amounting to £41,317.

|| Including an expenditure in 1887-8 of £15,760 on works for opening the sea entrance to the Gippsland Lakes, making a total of £48,004 up to the end of that year.

## ANNUAL SUBSIDIES, GRANTS, ENDOWMENTS, ETC.

Subsidy to Municipalities	...	...	...	...	£310,000
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*Educational Grants, etc.—*

Melbourne University—Endowment under Act	...	...	...	9,000
"    "    Additional Endowment voted	...	...	...	5,500
Schools of Mines	...	...	...	6,200
"    Design	...	...	...	1,400
Public Libraries, etc.—Grant for purchase of books	...	...	...	7,500
"    "    Grant in aid of building funds	...	...	...	8,100
Grant to Royal Society	...	...	...	200
"    College of Pharmacy	...	...	...	900
"    Victorian Academy of Arts	...	...	...	250
"    Fine Arts Galleries, Ballarat, Sandhurst, etc.	...	...	...	2,000
"    Zoological and Acclimatisation Society, etc.	...	...	...	4,200
Grant to Charitable Institutions	...	...	...	120,000

*Post and Telegraphs—*

Subsidy—Foreign Mail Service (net amount payable by Victoria)	67,200*
"    Maintenance of telegraph line between Port Darwin and Penang	14,550
"    Eastern Extension Telegraph Co., Tasmania	630

*Mining, Agricultural, and other Industries—*

Mining Boards	...	...	...	3,500
Milit Subsidy	...	...	...	20,000
Diamond Drills—Purchase and working expenses of	...	...	...	} 81,000
Grant to assist miners in prospecting operations...	...	...	...	
"    Agricultural Societies	...	...	...	} 21,800
"    Horticultural Societies	...	...	...	
"    Poultry and Dog Society	...	...	...	200

*Defences—*

Prizes to Rifle Associations, etc.	...	...	...	1,975
Supply of Ammunition to Rifle Clubs, Cadet Corps, etc.	...	...	...	3,000

Total	...	...	...	...	£690,605
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Expenditure  
on public  
instruction.

250. The system of free public instruction, which was legalized under Act 36 Vict. No. 447, came into force on the 1st January, 1873, and since that date, close upon nine and a-half 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., nearly seven millions and three-quarters—represents the cost of education, including that of office staff, inspection, instruction, pensions, gratuities, and contingencies, for the last sixteen years. The following table shows the

\* A set-off against this amount appears in the account of Postal Revenue, under the head of "Postages Collected," which reduces the ultimate net cost to about £40,000. Under the new weekly service this will be still further reduced to about £6,000.



expenditure under those heads for each year from 1872-3 to 1887-8, also the total for the period :—

EXPENDITURE ON PUBLIC INSTRUCTION,\* 1872-3 to 1887-8.

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	2-6,671
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
Total ...	7,629,843	118,309	1,713,811	9,461,963

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 tables following paragraphs 244 and 249 *ante*.

251. 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 next three years it increased by £76,000. During the last seven years, the annual expenditure on school buildings has been tolerably uniform, varying from £62,000 in 1883-4 to £92,000 in 1884-5. It may be remarked that prior to 1872-3 the total annual expenditure on public instruction was under £200,000.

252. 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 four, and only £65 during the last seven 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 1887-8.\*

£			£			£		
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	<hr/> Total ... £2,013,099 <hr/>		
1862	...	115,209	1875-6...	...	760			
1863	...	50,081	1176-7...	...	500			
1864	...	47,887	1877-8...	...	366			

Expenditure on immigration in Australasian colonies.

253. Up to the end of 1887, all the Australasian colonies except Victoria had continued to expend considerable sums on the introduction of immigrants, and as a whole they spent only £25,000 less in 1887 than in the previous year. Over £231,000 were spent by the colonies on immigration in 1887, of which Queensland contributed two-thirds, and New South Wales more than one-eighth. Only £59,000 or 26 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 far the highest in Queensland and Western Australia, in which colonies it averaged over 8s. per head, the average for the whole of Australasia being only 1s. 4d. per head. The following are the total amounts, and the amounts per head, expended on immigration in each colony in 1886 and 1887 :—

EXPENDITURE ON IMMIGRATION IN THE AUSTRALASIAN COLONIES, 1886 AND 1887.

Colony.	Expenditure on Immigration.			
	Total Amount.		Amount per Head of Population.	
	1886.	1887.	1886.	1887.
	£	£	s. d.	s. d.
Victoria ...	...	5	...	...
New South Wales...	35,397	31,534	0 9	0 7
Queensland	178,610	151,440	10 9	8 6
South Australia	22,789	9,989	1 5	0 8
Western Australia	11,000	17,000	5 11	8 2
Tasmania	3,808	2,680	0 8	0 5
New Zealand	4,589	18,382	0 2	0 7
Total ...	256,193	231,030	1 6	1 4

\* 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.

254. During the seventeen years\* ended with 1887 the subjoined amounts were spent on immigration in the following colonies:—  
 Victoria, £80,049; New South Wales, £752,941; South Australia, £643,243; New Zealand, £2,170,214.†

Expenditure  
on immi-  
gration in  
Austral-  
asian  
colonies,  
1871-87.

255. During the last thirty-eight years over fifty-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 three millions and a quarter were spent in 1887-8. The whole is inclusive of loans to local bodies and water trusts for the construction of waterworks, but exclusive of the sums expended by the former on public works, roads, etc., and on the Port of Melbourne‡ since the 1st January, 1877. The following table gives the amounts expended by the State prior to and during 1887-8:—

Expenditure  
on public  
works.

#### GOVERNMENT EXPENDITURE ON PUBLIC WORKS.

Public Works.	Amount Expended.		
	Prior to 1887-8.	During 1887-8.	Total.
	£	£	£
Railways—Construction ... ..	26,171,609	2,040,455	28,212,064
„ Maintenance ... ..	3,555,979	349,342	3,905,321
Roads and bridges ... ..	7,256,256	53,214	7,309,470
Waterworks, Melbourne—Construction	2,171,083	271,647	2,442,730
„ „ Maintenance	115,433	6,998	122,431
„ „ Management	209,038	13,020	222,058
„ Country ... ..	2,875,668	220,140	3,095,808
Other public works ... ..	11,818,362	430,072	12,248,434
Total ... ..	54,173,428	3,384,888	57,558,316

256. The total revenue and expenditure, and the amount of each per head of the living population, in each of the Australasian colonies are shown in the following table for the seven years ended with 1887. As the financial year of Victoria terminates on the 30th June, the items for this colony are given for eight 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  
expendi-  
ture in  
Austral-  
asian  
colonies.

\* For Victoria and South Australia 17½ years.

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

‡ See table following paragraph 337 *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 16 11
	1882-3	5,611,253	6	4	8	5,651,885	6 5 7
	1883-4	5,934,687	6	8	9	5,715,293	6 4 0
	1884-5	6,290,361	6	13	0	6,140,356	6 9 10
	1885-6	6,481,021	6	13	6	6,513,540	6 14 2
	1886-7	6,733,826	6	14	3	6,561,251	6 10 10
	1887-8	7,607,598	7	6	7	7,287,151	7 0 5
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
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
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
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
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

REVENUE AND EXPENDITURE IN AUSTRALASIAN COLONIES—  
continued.

Colony.	Year.	Revenue.		Expenditure.	
		Total Amount.	Amount per Head.	Total Amount.	Amount per Head.
		£	£ s. d.	£	£ s. d.
New 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

NOTE.—In 1888-9, the revenue of Victoria was £8,674,710, and the expenditure £8,015,909, and in 1888, the revenue of New South Wales was £8,886,360, and the expenditure £8,778,851. For the revenue and expenditure of each of the neighbouring colonies during 1888, see Appendix A. at the end of this volume.

257. 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 for the year 1887, sums can be traced amounting in the aggregate to at least £235,800,\* which are included in and go to swell both the revenue and expenditure of that colony, whereas they would not be so included in Victoria, and this may possibly not be the full extent to which such differences occur. It is not known whether a similar system of cross-entry prevails in the other Australasian colonies, but it is probable such entries are not so rigidly excluded in any of the colonies as they are in Victoria.

Victorian statements differ from those of New South Wales.

258. In the last year named in the table Victoria was the only colony in which there was a surplus of revenue over expenditure. In all the other colonies the deficiencies were heavy, amounting to £516,000 in New South Wales, £491,000 in New Zealand, £318,000

Revenue and expenditure compared.

\* Such items are as follow :—£23,904 repayments to credit of votes; £79,180 drawbacks and refunds of duty; £27,684 railway revenue collected for the Victorian Government; about £105,000 other revenue returned, etc., etc.

in Queensland, £131,000 in South Australia, £79,000 in Western Australia, and £74,000 in Tasmania. These deficiencies amounted altogether to £1,609,000, but allowing for the surplus in Victoria amounting to over £320,000, the aggregate net deficiency in the revenues of the Australasian colonies in 1887 was £1,289,000, as compared with £2,608,000 in 1886. During the years named there has been a surplus six times in Victoria, four times in Western Australia, three times in New South Wales, Queensland, and Tasmania, twice in New Zealand, and once in South Australia.

Revenue and  
expendi-  
ture in  
colonies,  
1887 and  
former  
years.

259. In the last year named in the table a larger revenue than in any previous year was raised in Victoria, New South Wales, Queensland and Tasmania; and there was only a slight falling off in the case of Western Australia. The expenditure was greater in the last than in any previous year in all the colonies except South Australia and New Zealand.

Revenue and  
expendi-  
ture per  
head in  
colonies.

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

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

261. Although, as has been already stated,\* the returns of Victoria and New South Wales are not strictly comparable, there can be no doubt that in all the years shown in the table the revenue and expenditure of New South Wales exceeded that of Victoria. In both these respects the 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, 1887.

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

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

262. In regard to revenue and expenditure per head, Victoria occupied a lower position in 1887 than Western Australia, Queensland, or New South Wales, but a higher position than any of the other colonies. The following is the order in which the colonies stood in these respects—the order being the same for both :—

\* See paragraph 257 *ante*.

ORDER OF COLONIES IN REFERENCE TO AMOUNTS OF REVENUE AND  
EXPENDITURE PER HEAD, 1887.

1. Western Australia.
2. Queensland.
3. New South Wales.
4. Victoria.

5. South Australia.
6. New Zealand.
7. Tasmania.

263. Adding together the amounts of revenue and likewise the amounts of expenditure for 1887,\* it will be found that on the continent of Australia the former amounted to  $20\frac{3}{4}$  millions, and the latter to over  $21\frac{1}{2}$  millions; also that the aggregate revenue of Australia, with the addition of that of Tasmania and New Zealand, amounted to over  $24\frac{3}{4}$  millions, and the aggregate expenditure to nearly  $26\frac{1}{4}$  millions sterling. In Continental Australia there was a deficiency on the year's transactions of nearly a million, and in the Australasian colonies as a whole one of nearly  $1\frac{1}{2}$  million, which deficiencies were partly made good by means of balances carried forward from previous years. The following are the exact amounts of revenue and expenditure, also the proportions per head of population:—

Revenue and  
expendi-  
ture of Aus-  
tralia and  
Austral-  
asia.

REVENUE AND EXPENDITURE OF AUSTRALIA AND AUSTRALASIA,  
1887.

	Revenue.		Expenditure.	
	Total Amount.	Amount per head.	Total Amount.	Amount per head.
	£	£ s. d.	£	£ s. d.
Continent of Australia ...	20,741,105	7 11 8	21,611,792	7 18 0
Ditto, with Tasmania and New Zealand	24,799,576	7 2 10	26,234,841	7 11 2

264. A comparison of the aggregate revenue of the colonies upon the Australian continent in 1873 and in 1887 shows that, in the fourteen years, it had risen from £9,161,000 to £20,741,000, the increase being  $11\frac{1}{2}$  millions sterling, or 126 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 £24,800,000 at the latter period, the increase being over  $12\frac{1}{2}$  millions, or 102 per cent. In the same fourteen years, the population of the Australian continent increased from 1,702,840 to 2,806,000, or 65 per cent., and the population of the whole of Australasia increased from 2,103,000 to 3,552,000, or 69 per cent.

Increased  
revenue of  
Austral-  
asia in  
fourteen  
years.

\* In the case of Victoria, the figures for 1886-7 have been taken.



Heads of  
revenue of  
Austral-  
asian  
colonies.

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

HEADS OF REVENUE IN AUSTRALASIAN COLONIES, 1887.

Heads of Revenue.	Victoria, 1887-8.	New South Wales.	Queens- land.	South Australia.	Western Aus- tralia.	Tas- mania.	New Zealand.
Taxation :—	£	£	£	£	£	£	£
Customs, etc. ...	2,353,050	2,011,947	1,084,709	467,889	170,972	274,065	1,273,236
Other Taxes * ...	†717,953	652,601	254,129	180,756	17,939	101,436	†602,999
Total ...	3,071,003	2,664,548	1,338,838	648,645	188,911	375,501	1,876,235
Crown Lands ...	656,267	2,378,995	580,903	191,971	76,929	65,886	†284,356
Railways ...	2,741,488	§2,285,836	710,458	674,419	41,104	53,074	990,395
Post and Telegraphs ...	†485,533	524,298	197,779	194,995	23,488	46,317	†241,501
Other Sources ...	653,307	729,134	204,485	304,072	47,471	54,198	71,008
Total ...	7,607,598	8,582,811	3,032,463	2,014,102	377,903	594,976	3,463,495

Proportions per cent.

Taxation :—							
Customs, etc. ...	30·93	23·44	35·77	23·24	45·25	46·07	36·76
Other Taxes ...	9·44	7·61	8·38	8·97	4·75	17·05	17·41
Total ...	40·37	31·05	44·15	32·21	50·00	63·12	54·17
Crown Lands ...	8·63	27·72	19·16	9·53	20·35	11·07	8·21
Railways ...	36·04	26·63	23·43	33·48	10·88	8·92	28·60
Post and Telegraphs ...	6·38	6·11	6·52	9·68	6·21	7·78	6·97
Other Sources ...	8·58	8·49	6·74	15·10	12·56	9·11	2·05
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, 1888, but those for the other colonies are for the calendar year 1887. Refunds of revenue, drawbacks, and such similar entries, are rigidly excluded from the accounts of revenue and expenditure of Victoria, but are included in those of New South Wales and some of the other colonies. For later information see Appendix A. at end of this volume.

Proportion  
of revenue  
from dif-  
ferent  
sources.

266. It will be observed that the proportion of revenue raised by taxation—chiefly derived from Customs duties—varied from 31 per cent. in New South Wales to 63 per cent. in Tasmania, the proportion in Victoria being 40 per cent., or lower than in any other colonies

\* 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.

† The revenue of Victoria and New Zealand derived from “ Other Taxes ” and “ Post and Telegraphs ” has been partly estimated.

‡ Inclusive of revenue from gold-fields, £13,588.

§ Exclusive of tramways.

|| Including revenue returned to the extent of at least £235,800—viz., £23,904, being repayments to credit of votes ; £79,180, for drawbacks and refunds of duty ; £27,684, railway revenue collected for the Victorian Government ; about £105,100, being other revenue returned, etc.

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 an eleventh to more than a third of the whole. The Crown lands revenue varied in the different colonies from 8 to 28 per cent., and that from Post and Telegraphs from 6 to 10 per cent.

267. 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 revenues be deducted from the total revenues of the two colonies, the revenue of Victoria, notwithstanding the cross entries in the New South Wales returns already alluded to, would exceed the revenue of that colony by £747,000, the respective amounts for 1887 being £6,951,000 and £6,204,000. It also appears that the railway revenue of Victoria exceeded that of New South Wales by nearly half a million; in the former colony it forms much more than one-third, and in New South Wales over one-fourth, of the total revenue. The total taxation of Victoria was greater than that of New South Wales by about £406,000, the excess appearing chiefly under the head of Customs. Under other heads, the revenue in New South Wales from Post and Telegraphs exceeded that in Victoria by £40,000, and that from other sources by £76,000.

268. In 1887 the aggregate land revenue of the Australasian colonies amounted to £4,235,000. 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 1887. The colonies are arranged in order according to that proportion:—

LAND REVENUE IN AUSTRALASIAN COLONIES, 1887.

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 ...	1,226,776	1,152,219	2,378,995	27·72
Western Australia ...	5,825	71,104	76,929	20·35
Queensland ...	245,460	335,443	580,903	19·16
Tasmania ...	47,317	18,569	65,886	11·07
South Australia ...	123,354	68,617	191,971	9·53
Victoria (1887-8) ...	549,149	107,118	656,267	8·63
New Zealand ...	80,252	204,104	284,356*	8·21
Total ...	2,278,133	1,957,174	4,235,307	16·49

\* Inclusive of revenue from goldfields, etc., £13,588.

Prospective  
diminution  
of land  
revenue in  
colonies.

269. It will be noticed that a sixth of the aggregate revenues of the Australasian colonies in 1887 was derived from Crown lands; and that the proportion amounted to a little over a twelfth in Victoria, and a little less than that proportion in New Zealand; not quite a tenth in South Australia; about a ninth in Tasmania; about a fifth in Queensland and Western Australia; and over a fourth in New South Wales. It will also be remarked that in the colonies, as a whole, the greater proportion of the land revenue was derived from alienation in fee-simple.

Land  
revenue in  
Austral-  
asia,  
1878-1887.

270. In 1887, as compared with 1886, an increase of £735,000 occurred in the land revenue of New South Wales, of £69,000 in that of Victoria, and of £3,400 in that of Tasmania; whilst the other colonies showed a decrease, viz.:—New Zealand of £54,000, South Australia of £35,000, Western Australia of £27,000, and Queensland of £16,000. Taking the colonies as a whole, considerable fluctuations will be observed in the land revenue during the ten years ended with 1887, as shown in the following table, from which it will be seen that it was larger in 1887 than in any previous years named, except 1878, 1881, and 1882.

LAND REVENUE OF AUSTRALASIAN COLONIES, 1878 TO 1887.

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

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.

Sources of  
revenue in  
Austral-  
asia.

271. Of the 24 $\frac{3}{4}$  millions sterling which formed the total revenue of the Australasian colonies in 1887 nearly 10 millions—or about two-fifths—was raised by taxation, chiefly through the Customs; nearly 7 $\frac{1}{4}$  millions—or something less than one-third—was derived from Railways; over 4 millions from Crown lands; and about 1 $\frac{2}{3}$  millions

from Post and Telegraphs. The following are the exact figures, also the amounts per head, distinguishing those relating to Continental Australia from those relating to the Australasian colonies taken as a whole:—

### HEADS OF REVENUE IN AUSTRALIA AND AUSTRALASIA, 1887.

Heads of Revenue.	Continent of Australia.		Australia with Tasmania and New Zealand.	
	Amount.	Proportions per cent.	Amount.	Proportions per cent.
<b>Taxation—</b>	£		£	
Customs ... ..	5,867,878	28·29	7,415,179	29·90
Other Taxes ... ..	1,712,699	8·26	2,417,134	9·75
<b>Total ... ..</b>	<b>7,580,577</b>	<b>36·55</b>	<b>9,832,313</b>	<b>39·65</b>
Crown Lands ... ..	3,815,889	18·40	4,166,131	16·80
Railways ... ..	6,165,162	29·73	7,208,631	29·07
Post and Telegraphs ... ..	1,354,095	6·52	1,641,913	6·62
Other Sources ... ..	1,825,382	8·80	1,950,588	7·86
<b>Total ... ..</b>	<b>20,741,105</b>	<b>100·00</b>	<b>24,799,576</b>	<b>100·00</b>

NOTE.—For similar figures for 1888, see Appendix A. *post*.

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

Heads of expenditure of Australasian colonies.

### HEADS OF EXPENDITURE IN AUSTRALASIAN COLONIES, 1887.\*

Heads of Expenditure.	Victoria. (1887–8.)	New South Wales.	Queens- land.	South Australia.	Western Australia.	Tasmania.	New Zealand.
	£	£	£	£	£	£	£
Railways (working expenses)	1,574,786	1,457,761	534,381	409,128	47,712	80,752	653,363
Post and Tele- graphs	643,113	633,813	323,477	177,093	40,298	61,306	270,996
Interest and expenses of Public Debt, etc.†	1,385,121	1,693,926	942,815†	710,030	65,840	182,571	1,499,784
Immigration§	5	31,534	...	9,989	17,000	449	...
Other services	3,684,126	5,281,426	1,549,376	838,895	286,047	343,681	1,530,147
<b>Total ...</b>	<b>7,287,151</b>	<b>9,098,460</b>	<b>3,350,049</b>	<b>2,145,135</b>	<b>456,897</b>	<b>668,759</b>	<b>3,954,290</b>

\* The figures for Victoria are for the year ended 30th June, 1888, those for the other colonies for the year ended 31st December, 1887. For later figures see Appendix A. *post*.

† Interest only.

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

§ Further amounts on the introduction of immigrants were expended during the year out of loans, as follow:—Queensland, £151,440; Tasmania, £2,231; New Zealand, £18,382. See Table VI. *Victorian Year-Book* 1887–8, Vol. III., page 127.

HEADS OF EXPENDITURE IN AUSTRALASIAN COLONIES, 1887\*—  
continued.

Heads of Expenditure.	Proportions per Cent.						
	Victoria. (1887-8).	New South Wales.	Queens- land.	South Australia.	Western Australia.	Tasmania.	New Zealand.
Railways (working expenses)	21·61	16·02	15·95	19·07	10·44	12·07	16·52
Post and Tele- graphs	8·83	6·97	9·66	8·25	8·82	9·17	6·85
Interest and expenses of Public Debt, etc.	19·01	18·62	28·14	33·10	14·41	27·30	37·93
Immigration	...	·34	...	·47	3·72	·07	...
Other services	50·56	58·05	46·25	39·11	62·61	51·39	38·70
Total ...	100·00	100·00	100·00	100·00	100·00	100·00	100·00

Heads of ex-  
penditure  
in Austral-  
asian  
colonies  
compared.

273. It will be observed that the Railway expenditure was smaller by nearly £120,000 in New South Wales than in Victoria, where it amounted to over 1½ million sterling, or more than a fifth of the total expenditure, but the interest payable on the Public debt was larger by £310,000 in the former than in the latter colony. In New Zealand also, which has little more than half the revenue of Victoria, the interest on the Public debt exceeded that in Victoria by over £110,000. Four of the colonies have now an annual charge for interest varying from something less than 1 to close on 1¾ million sterling. In Victoria and New South Wales the Postal and Telegraph expenditure exceeds £600,000, it being somewhat higher in the former than in the latter colony. The expenditure on immigration should be considered in conjunction with that expended during the year from loans.†

Proportion  
of expendi-  
ture on  
various  
objects.

274. It will also be noticed that about half the total expenditure in Victoria, Queensland, and Tasmania, and over three-fifths in South Australia and New Zealand, was devoted to the working of Railways and Post and Telegraphs, and the payment of interest on the Public debt. In Victoria, the Railway working expenses alone amounted to over one-fifth of the total, and the interest on the Public debt to nearly a similar proportion, the former being somewhat

\* See footnote (\*) on page 177.  
† See also table following paragraph 278 post.

higher than in South Australia, and much higher than in the other colonies, whilst the latter was not nearly so high in Victoria as in Queensland or Tasmania, where it amounted to 27 or 28 per cent., or in South Australia, where it was 33 per cent., or in New Zealand, where it was as high as 38 per cent. The proportion expended on Post and Telegraph Services, it will be noticed, varied from nearly 7 per cent. in New Zealand and New South Wales to nearly 10 per cent. in Queensland and Tasmania. In Victoria it was not quite 9 per cent.

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

Heads of ex-  
penditure  
in Austral-  
asia.

HEADS OF EXPENDITURE IN AUSTRALIA AND AUSTRALASIA, 1887.

Heads of Expenditure.	Continent of Australia.		Australia with Tasmania and New Zealand.	
	Amount.	Amount per cent.	Amount.	Amount per cent.
	£		£	
Railways (working expenses)...	3,812,569	17·64	4,546,684	17·34
Post and Telegraphs ...	1,760,671	8·15	2,092,973	7·98
Interest on Public Debt, etc. ...	4,683,420	21·67	6,365,775	24·26
Immigration * ...	58,523	·27	58,972	·22
Other services ...	11,296,609	52·27	13,170,437	50·20
Total ...	21,611,792	100·00	26,234,841	100·00

NOTE.—The amounts in this table are summarized from statements of the various colonies for the year ended 31st December, 1887, except in the case of Victoria, for which colony the amounts for the year ended 30th June, 1887, have been taken. For later figures, see Appendix A. *post*.

276. In addition to the expenditure of amounts derived from the General Revenue, as shown in the last two tables, all the colonies spend large sums of borrowed money, chiefly on railways and water-works, but, also, in some instances, on the construction of electric telegraphs, harbour works and lighthouses, defence works, roads and bridges, school buildings, and other public works, and on immigration. The following table shows the total loan expenditure of the various colonies during 1887, also the amounts per head :—

Loan ex-  
penditure  
in Austral-  
asian  
colonies,  
1887.

\* For further amounts expended from loans during the year, see table following paragraph 278 *post*.

EXPENDITURE FROM LOANS IN AUSTRALASIAN COLONIES, 1887.

Name of Colony.	Expenditure from Loans during 1887.		
	Total Amount.		Amount per Head.
	£	£	s. d.
Victoria ... ..	2,087,960	2	1 8
New South Wales ... ..	1,979,504	1	18 9
Queensland ... ..	1,895,607	5	6 10
South Australia ... ..	1,222,482	3	18 0
Western Australia ... ..	204,649	4	18 2
Total ... ..	7,390,202	2	14 0
Tasmania ... ..	379,586	2	14 3
New Zealand ... ..	1,980,650	3	6 5
Grand Total ... ..	9,750,438	2	16 2

NOTE.—In this table the figures for Victoria relate to the year ended 30th June, 1887, those for the other colonies to that ended 31st December. For later information, see Appendix A. *post*.

Loan ex-  
penditure  
of different  
colonies  
compared.

277. It will be observed that the aggregate loan expenditure of the Australasian colonies, in 1887, was about 9 $\frac{3}{4}$  millions sterling, Victoria spending rather over, and New Zealand, New South Wales, and Queensland rather less than £2,000,000. It will also be noticed that the loan expenditure per head of population was much lower in New South Wales and Victoria, but much higher in Queensland and Western Australia than in any other colonies.

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

278. Of the loan expenditure of the Australasian colonies during 1887, two-thirds was spent in the construction of railways; nearly one-eleventh on waterworks; 5 per cent. in connection with harbours, rivers, etc.; 3 $\frac{1}{3}$  per cent. on roads and bridges; 1 $\frac{3}{4}$  per cent. on the introduction of immigrants; and the balance, (about 17 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 1887:—

HEADS OF LOAN EXPENDITURE IN AUSTRALIA AND AUSTRALASIA, 1887.

Heads of Loan Expenditure.	Continent of Australia.		Australia with Tasmania and New Zealand.	
	Amount.	Amount per cent.	Amount.	Amount per cent.
	£		£	
Railways ... ..	5,211,145	70·51	6,229,130	63·89
Water Supply ... ..	867,093	11·74	867,093	8·89
Roads and Bridges ... ..	98,076	1·33	328,705	3·37
Harbours, Rivers, Lighthouses, etc.	264,205	3·58	491,210	5·04
Immigration ... ..	151,440	2·04	172,053	1·76
Other services ... ..	798,243	10·80	1,662,247	17·05
Total ... ..	7,390,202	100·00	9,750,438	100·00



279. 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, 1887.

Country or Colony.	Revenue.	
	Gross Amount.	Average per Head.*
EUROPE.		£ s. d.
United Kingdom (1887-8)	89,802,254	2 7 8
Gibraltar	55,517	2 17 10
Malta	219,185	1 7 3
Heligoland	8,820	4 0 2
ASIA.		
India	77,337,134	0 7 4
Ceylon	1,064,134	0 7 1
Straits Settlements	689,372	1 5 8
Protected Malay States	485,591	1 12 4
British North Borneo	24,234	0 2 4
Sarawak	54,006	0 3 7
Labuan	4,168	0 13 11
Hong Kong	297,393	1 7 11
AFRICA.		
Mauritius	685,892	1 17 3
Natal	794,774	1 13 4
Cape of Good Hope	3,160,659	2 5 11
St. Helena	8,044	1 11 7
Lagos	51,347	0 10 3
Gold Coast	122,351	0 1 9
Sierra Leone	60,637	0 16 2
Gambia	13,453	0 17 11
AMERICA.		
Canada	7,346,916	1 9 10
Newfoundland	248,167	1 4 10
Bermuda	27,401	2 1 1
Honduras	43,187	1 8 9
British Guiana	463,871	1 13 6
West Indies—		
Bahamas	48,420	1 0 0
Turk's Island	6,203	1 4 10
Jamaica	605,998	0 19 11
St. Lucia	39,967	0 18 11
St. Vincent	29,398	0 13 1
Bardados	163,489	0 18 2
Grenada	47,170	0 19 6
Tobago	9,387	0 9 2

\* For populations on which most of these calculations have been based, see table following paragraph 106 ante.

REVENUES OF BRITISH DOMINIONS, 1887—continued.

Country or Colony.						Revenue.			
						Gross Amount.	Average per Head.*		
AMERICA—continued.						£	£	s.	d.
West Indies—									
Virgin Islands...	...	...	...	...	...	1,745	0	7	0
St. Christopher	}	...	...	...	...	38,702	0	17	2
Nevis									
Antigua	...	...	...	...	...	44,032	1	5	2
Montserrat	...	...	...	...	...	5,803	0	9	11
Dominica	...	...	...	...	...	15,702	0	10	8
Trinidad	...	...	...	...	...	456,167	2	9	9
AUSTRALASIA AND SOUTH SEAS.									
Australia, Tasmania and New Zealand†						24,799,576	7	2	10
Fiji	...	...	...	...	...	64,916	0	10	5
Falkland Islands	...	...	...	...	...	8,963	4	17	3
Total						209,454,145	0	15	8

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

Aggregate  
revenue of  
British  
dominions.

280. It may be ascertained from this table that, out of 209 millions sterling, which represent the aggregate annual revenue of the British dominions, 92 per cent. is raised in the United Kingdom, India, and Australasia, the proportion contributed by each respectively being 43 per cent., 37 per cent., and 12 per cent. Of the total amount, 43 per cent. is raised in Europe, 38 per cent. in Asia, 2½ per cent. in Africa, 4½ per cent. in America, and 12 per cent. in Australasia.

Large  
revenues  
per head  
in Austral-  
asian  
colonies.

281. 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.‡

Revenue per  
head in  
colonies  
and United  
Kingdom.

282. Besides the Australasian colonies, Gibraltar, Heligoland, Trinidad, and the Falkland Islands, were the only British possessions which raised larger amounts per head than the United Kingdom.

\* See footnote (\*) on page 181.  
† For the revenue of each Australasian colony, see table following paragraph 256 ante.  
‡ For a comparison of the railway revenues and land revenues of the Australasian colonies with the total revenues, see paragraphs 268 to 270 ante.

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

## REVENUES OF FOREIGN COUNTRIES.

Country.	Year,	Revenue.	
		Gross Amounts (000's omitted.)	Amount per Head.*
EUROPE.		£	£ s. d.
Austria-Hungary ... ..	1887	73,569,†	1 15 9
Belgium ... ..	1887	12,478,	2 2 3
Denmark ... ..	1888-9	2,989,	1 8 6
France (including Algeria) ... ..	1888	130,143,	3 1 11
Germany ... ..	1886-8	126,000,‡	2 13 9
Greece ... ..	1887	2,958,	1 9 11
Holland ... ..	1886	9,845,	2 4 10
Italy ... ..	1887-8	61,752,	2 1 3
Portugal ... ..	1886-7	7,647,	1 15 6
Roumania... ..	1887	5,529,	1 0 1
Russia in Europe ... ..	1887	74,410,§	0 16 10
Spain ... ..	1885-6	34,590,	2 0 2
Sweden and Norway ... ..	1887-8	7,145,	1 1 8
Switzerland ... ..	1888	2,243,	0 15 3
Turkey ... ..	1888-9	16,650,	0 15 2
ASIA.			
Japan ... ..	1886-7	15,561,	0 8 2
AFRICA.			
Egypt ... ..	1888	9,840,	1 8 11
Tunis ... ..	1887-8	864,	0 8 3
AMERICA.			
Argentine Confederation ... ..	1887	10,597,	3 1 8
Brazil ... ..	1888	11,874,	0 18 5
Mexico ... ..	1886-7	6,625,	0 12 8
Peru ... ..	1885	1,578,	0 10 6
United States ... ..	1888	79,792,	1 8 9

\* The populations of foreign countries on which these calculations are based are generally those given in paragraph 108 *ante*.

† This amount is made up of £41,395,000 revenue of Austria in 1887; £32,174,000, revenue of Hungary in the same year.

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

§ Exclusive of loans and advances repaid amounting to £4,901,500.

|| This amount is made up of £4,705,388, revenue of Sweden in 1887-8, and £2,439,427 revenue of Norway in 1887-8.

Countries  
raising  
largest  
revenue.

284. According to this table and that following paragraph 279 *ante*, the country which raises the largest revenue of any in the world is France; then Germany, and then the United Kingdom. After the revenues of these countries, the largest amounts are raised in the United States, British India, Russia, 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, Roumania, Sweden and Norway, Switzerland, Tunis, Peru, or Mexico; and about the same as that of Portugal.

Countries  
raising  
largest  
amounts  
per head.

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

Taxation.

286. 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, 1887-8.

			£
Revenue raised by taxation ...	...	...	3,071,003
„ otherwise ...	...	...	4,536,595
Total ...	...	...	<u>7,607,598</u>

Taxation  
per head.

287. In 1887-8 over 40 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 1,038,130, an average will be obtained of £2 19s. 2d. to each individual. The following table contains a statement of the gross amount of taxation, the average amount per head, and the proportion of taxation to the total revenue, during each year since 1853:—

## TAXATION, 1853 TO 1887-8.\*

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

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.

288. It will be observed that, whilst an increase of over £330,000 took place in the gross amount produced by taxation in 1887-8, as compared with the preceding year, the taxation per head being also

Comparison of taxation 1887-8 with former years.

\* According to figures contained in a statement distributed to Members of the Legislative Assembly by the Honorable the Treasurer in July, 1889, the taxation in 1888-9 amounted to about £3,733,660 or £3 8s. 9d. per head of the estimated mean population (1,085,630) of that financial year.

† For mean population of each year, see table following paragraph 230 *ante*.

higher by 4s. 6d., the latter was also higher in 1887-8 than in any previous year since 1857. The proportion of taxation to revenue was slightly lower in 1887-8 than in the three previous years; it was, however, higher than in any other previous year since 1875-6 except 1881-2 and 1882-3.

Heads of  
taxation.

289. 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, 1880-81 TO 1887-8.\*

Heads of Taxation.	Amount Received.							
	1880-81.	1881-2.	1882-3.	1883-4.	1884-5.	1885-6.	1886-7.	1887-8.
	£	£	£	£	£	£	£	£
Customs duties ..	1,450,137	1,667,306	1,740,467	1,741,053	1,887,718	1,968,640	2,094,356	2,311,331
Wharfage rates† ..	24,641	27,346	28,537	28,055	31,821	35,820	38,005	41,719
Excise:—								
Spirits .. ..	52,232	52,620	52,522	53,638	68,930	67,250	56,556	65,603
Beer .. ..	62,557	98,955	11,256	..	..	..	..	..
Tobacco .. ..	21,872	64,972	70,933	70,016	72,295	70,459	64,145	62,766
Ports and Harbours‡	20,577	26,263	27,787	30,871	31,176	32,710	34,920	34,327
Licences (not territorial)	23,906	25,977	28,381	31,623	32,535	33,922	§ 18,898	21,002
Duties on estates of deceased persons ..	78,141	74,368	86,648	77,154	124,370	104,907	114,909	151,861
Duty on bank notes ..	23,807	27,324	28,685	28,575	27,529	28,769	28,104	27,879
Stamp duty    .. ..	115,844	131,020	133,433	133,651	143,382	165,313	165,000	230,000
Land tax .. ..	129,990	121,555	125,606	123,884	128,415	126,770	124,742	124,515
Total .. ..	2,003,704	2,317,706	2,334,255	2,318,520	2,548,171	2,634,560	2,739,635	3,071,003

Heads of  
taxation in  
1887-8 and  
previous  
years  
compared.

290. It will be observed that during the three years prior to 1884-5, the amounts received under the head of taxation were almost identical, but in that year there was an increase of £229,600, and further increases of £86,400 in 1885-6, of £105,000 in 1886-7, and of £331,000 in 1887-8, the total increase in the four years being thus £752,000. Only about £90,650 of this increase can be attributed to fresh taxation—viz., £113,000 imposed about the beginning of 1884-5 in the form of increased Customs and Excise duties on spirits, less £13,750 Customs duties remitted in 1886-7, and £8,600 in 1887-8;¶ whilst the balance (over £661,000) represents the natural growth of the interests by which the sources of taxation are affected. The main

\* See also footnotes to table following paragraph 241 ante.  
† Consisting, chiefly, of one-fifth of the total amount of wharfage rates collected at the Port of Melbourne. Since the 30th June, 1877, the remaining portion of these rates has formed part of the revenue of the Melbourne Harbour Trust.  
‡ Chiefly tonnage dues.  
§ Decrease owing to proportion of revenue from publicans' licences, etc., now being paid into the "Licensing Act 1885 Fund."  
|| Roughly estimated for 1884-5 and subsequent years. See footnote (†) on page 133 ante.  
¶ For particulars see table following paragraph 298 post.

increase in 1887-8 took place under the head of Customs duties, which showed an increase of £217,000; besides which there was an increase of £3,700 under wharfage rates, £65,000 under stamp duty, £9,000 under excise on spirits, and £37,000 under duties on estates of deceased persons. Under all other heads, there was either a slight decrease or little or no increase. With the exception of a few alterations in the Customs duties on the 27th July, 1887, as detailed in a subsequent paragraph, there was no change made affecting the sources of taxation during the year 1887-8.

291. In all the years the greater portion of the taxation has been derived from Customs duties. The proportion from that source, however, has gradually decreased from 89 per cent. in 1874-5, and 87 per cent. in 1875-6, to as low as 72 per cent. in 1881-2, and between 74 and 76½ per cent. in the last six years. The revenue derived from Customs duties during 1887-8 was equivalent to a charge of 10¾ per cent. on the estimated total value of imports during the same year.\*

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

#### TAXATION BY CUSTOMS DUTIES,† 1880-81 TO 1887-8.

Articles.	Amounts Received.							
	1880-81.	1881-2.	1882-3.	1883-4.	1884-5.	1885-6.	1886-7.	1887-8.
	£	£	£	£	£	£	£	£
Spirits .. ..	430,909	443,431	468,746	472,259	518,370	545,170	566,134	611,256
Wine .. ..	43,171	45,112	44,100	39,096	42,101	41,086	41,335	44,688
Beer and cider ..	29,721	29,770	32,372	33,845	35,210	37,904	41,126	46,047
Tobacco and snuff	53,379	71,525	85,844	97,420	108,405	121,476	151,893	199,540
Cigars .. ..	21,691	24,927	29,453	31,311	34,299	33,583	37,848	46,896
Tea .. ..	76,540	81,706	80,298	73,970	88,093	87,544	90,660	98,955
Sugar‡ and molasses	94,312	103,466	108,087	119,248	118,031	115,796	128,526	134,861
Coffee, chicory, co- coa, and chocolate	13,882	14,491	14,883	15,665	16,930	16,990	16,788	17,596
Opium .. ..	21,645	21,359	20,897	21,389	19,517	15,266	15,043	15,679
Rice .. ..	23,136	20,169	20,576	16,607	18,824	19,710	20,279	23,246
Hops .. ..	7,805	14,948	8,318	4,416	4,326	4,455	8,955	9,733
Malt .. ..	3,371	4,272	1,750	3,301	2,302	3,633	4,655	2,346
Fruits and vege- tables, dried and preserved	34,312	47,510	48,418	43,973	53,348	47,806	54,641	64,376
Live stock ..	39,167	34,948	32,945	38,359	30,064	37,741	34,706	52,632
Articles subject to <i>ad valorem</i> duties	334,296	434,532	444,038	441,470	490,677	494,512	522,884	548,699
All other articles ..	222,800	275,140	299,742	288,724	307,221	345,968	358,883	394,781
Total ..	1,450,137	1,667,306	1,740,467	1,741,053	1,887,718	1,968,640	2,094,356	2,311,331

\* See also table following paragraph 328 *et seq. post.*

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

‡ Including glucose.



Customs  
duties,  
1886-7 and  
1887-8  
compared.

293. The Customs revenue in 1887-8, it will be observed, exceeded that in 1886-7 by £217,000, which was by far the largest excess for many years past; whilst the total increase since 1879-80 amounted to close on one million sterling. The increase of £217,000 just referred to is made up chiefly of £53,400 under the head of spirits, wine and beer; £56,700 under tobacco and cigars; £17,900 under live stock; £9,700 under fruits, etc.; £8,300 under tea; £25,800 under articles subject to *ad valorem* duties; and £35,900 under miscellaneous articles not distinguished in the table; whilst the only decrease that occurred was one of £2,300 under the head of malt. This large increase under the various heads of Customs revenue is entirely due to the recent large expansion of the import trade of the colony, which rose from 19 millions in 1887 to close on 24 millions in 1888; for the only articles on the list affected by an alteration in the tariff in 1887-8 were sugar and "all other articles." Under the former item, the duty on raw cane sugar imported with a view of being manufactured in the colony, was reduced by one-third, but that on beet sugar was doubled; whilst under the latter, the timber duties were considerably increased.

Taxation on  
chief  
articles of  
import.

294. The relative importance of the various heads of Imports as sources of Customs revenue is shown in the following table, which gives a statement of the total amount and the amount per head of the population, of duty received in 1887-8 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, 1887-8.

Articles.	Duty received 1887-8:			Proportion to Total Duty received.	
	Total Amount.	Amount per Head of Population.			
	£	£	s.	d.	Per cent.
Spirits, wine, beer, and cider ... ..	701,991	0	13	6	30·37
Tobacco, snuff, and cigars ... ..	246,436	0	4	9	10·66
Hops and malt ... ..	12,079	0	0	3	·52
Sugar* and molasses ... ..	134,861	0	2	7	5·83
Tea, coffee, chicory, cocoa, and chocolate ...	116,551	0	2	3	5·04
Rice ... ..	23,246	0	0	5	1·01
Fruits and vegetables ... ..	64,376	0	1	3	2·79
Opium ... ..	15,679	0	0	4	·68
Live stock ... ..	52,632	0	1	0	2·28
Articles subject to <i>ad valorem</i> duties ...	548,699	0	10	7	23·74
All other articles ... ..	394,781	0	7	7	17·08
Total ... ..	2,311,331	2	4	6	100·00

\* Including glucose.

295. The following table shows, for the three years ended with 1887-8, the amount of Customs revenue estimated beforehand by the Treasurer, and the amount actually received under each head:—

CUSTOMS REVENUE ESTIMATED AND RECEIVED, 1885-6 TO 1887-8.

Customs  
revenue  
estimated  
and  
received,  
1886 to 1888.

Sources of Revenue.	1885-6.		1886-7.		1887-8.	
	Estimated Receipts.	Actual Net Receipts.	Estimated Receipts.	Actual Net Receipts.	Estimated Receipts.	Actual Net Receipts.
<b>CUSTOMS DUTIES.</b>	£	£	£	£	£	£
Spirits ...	526,000	545,481	540,900	566,059	565,000	610,974
Wine ...	41,000	41,077	41,400	41,335	41,000	44,699
Beer and cider ...	35,000	37,904	38,200	41,125	41,000	46,045
Tobacco and snuff ...	111,000	121,456	119,800	151,880	151,000	199,587
Cigars ...	35,500	33,603	34,200	37,828	36,500	46,906
Tea ...	85,000	88,107	88,500	89,915	92,000	99,519
Sugar and molasses ...	114,000	115,938	117,600	128,487	152,000	135,069
Coffee, chicory, cocoa and chocolate	16,000	16,881	16,900	16,758	18,000	17,594
Opium ...	20,000	15,262	15,300	15,043	13,000	15,679
Rice... ..	19,000	19,695	19,600	20,277	20,000	23,195
Hops ...	3,000	4,459	4,400	8,932	6,000	9,734
Malt ...	3,000	3,633	2,800	4,655	5,000	2,346
Fruits and vegetables, dried and preserved	55,000	48,146	46,900	54,291	50,000	64,979
Live stock ...	26,000	37,989	37,000	34,497	35,000	52,458
Articles subject to <i>ad valorem</i> duties	484,000	495,232	513,200	521,977	545,500	547,570
All other articles ...	303,000	344,781	348,000	359,520	386,700	394,292
Export duty ...	...	...	...	19	...	...
<b>Total ...</b>	<b>1,876,500</b>	<b>1,969,644</b>	<b>1,984,700</b>	<b>2,092,598</b>	<b>2,157,700</b>	<b>2,310,646</b>
<b>EXCISE.</b>						
Spirits distilled in Victoria	72,000	67,126	68,600	56,556	55,000	65,603
Tobacco duty ...	73,000	70,459	69,800	64,145	62,000	62,766
Licences—						
Tobacco and cigars ...	1,200	1,213	1,150	1,225	1,150	1,225
Other ...	1,000	817	850	840	900	844
<b>Total ...</b>	<b>147,200</b>	<b>139,615</b>	<b>140,400</b>	<b>122,766</b>	<b>119,050</b>	<b>130,438</b>
<b>MISCELLANEOUS.</b>						
Wharfage rates ...	30,000	35,896	30,300	37,990	40,000	41,678
Tonnage ...	31,000	32,687	33,000	34,931	34,000	34,294
Fees ...	7,300	7,163	7,300	7,180	7,400	7,340
Fines ...	300	366	400	951	1,000	1,371
Miscellaneous ...	5,000	7,777	5,670	12,218	10,600	12,890
<b>Total ...</b>	<b>73,600</b>	<b>83,889</b>	<b>76,670</b>	<b>93,270</b>	<b>93,000</b>	<b>97,573</b>
<b>Grand Total ...</b>	<b>2,097,300</b>	<b>2,193,148</b>	<b>2,201,770</b>	<b>2,308,634</b>	<b>2,369,750</b>	<b>2,538,657</b>

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,  
1879 to 1888.

296. In six of the ten years ended with 1887-8, the total amounts received through the Customs exceeded the Treasurer's estimate, and in four of those years the receipts were below that estimate. Over the whole period the receipts exceeded the estimate by over £535,000, as is shown in the following table:—

### CUSTOMS REVENUE ESTIMATED AND RECEIVED, 1878-9 TO 1887-8.

Year.				Customs Revenue.		
				Estimate.	Net Receipts.	Net Receipts more (+) or less (-) than Estimate
				£	£	£
1878-9	...	...		1,539,450	1,449,793	-89,657
1879-80	...	...		1,458,700	1,454,138	-4,562
1880-1	...	...		1,561,420	1,649,467	+88,047
1881-2	...	...		1,809,000	1,950,479	+141,479
1882-3	...	...		1,974,580	1,949,388	-25,192
1883-4	...	...		1,982,500	1,936,810	-45,690
1884-5	...	...		2,010,150	2,109,477	+99,327
1885-6	...	...		2,097,300	2,193,148	+95,848
1886-7	...	...		2,201,770	2,308,634	+106,864
1887-8	...	...		2,369,750	2,538,657	+168,907
Total	...	...		19,004,620	19,539,991	+535,371*

Cost of  
collecting  
Customs  
revenue.

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

### COST OF COLLECTING CUSTOMS REVENUE, 1878-9 TO 1887-8.

Year				Customs Revenue.		
				Net Receipts.	Charges of Collection.	
					Total.	Per £100 collected.
				£	£	£ s. d.
1878-9	...	...		1,449,793	54,150	3 14 8
1879-80	...	...		1,454,138	56,917	3 18 3
1880-1	...	...		1,649,467	56,004	3 7 10
1881-2	...	...		1,950,479	57,615	2 19 1
1882-3	...	...		1,949,388	60,688	3 2 3
1883-4	...	...		1,936,810	62,145	3 4 2
1884-5	...	...		2,109,477	64,242	3 0 11
1885-6	...	...		2,193,148	63,808	2 18 2
1886-7	...	...		2,308,634	70,137	3 0 9
1887-8	...	...		2,538,657	74,744	2 18 11
Total	...	...		19,539,991	620,450	3 3 6

\* Net figures.

298. Difficulties lie in the way of estimating accurately the extent to which the various heads of revenue are affected by the imposition, increase, or reduction of taxes. An attempt has, however, been made to form such an estimate in the following table for the last thirteen 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 1887-8.

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

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

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

TAXES REPEALED AND IMPOSED, 1875-6 TO 1887-8—*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 increased duties, about .. ..	47,800	53,000*
1881	Nil ... ..	...	...	Customs— Tobacco and snuff increased Cigars increased Excise— Tobacco duty imposed ... Beer „ „	Revenue decreased 2,300 21,872 62,557	† 3,500 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 Excise—Duty on spirits increased	74,972† 12,653	94,500 18,400
1886	Nil ... ..	...	...	Nil ... ..	...	...

\* See footnote (†) on page 191.

† 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 292 *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 1887-8—*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.		
	Licences — Proportion of receipts received on account of publican's licences transferred to Licensing Act 1885 Fund ...	(15,100)*	(16,450)*	Duty on twine increased 50 per cent. ...	20,700	22,200
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

299. From the above table it would appear that although additional taxation was imposed in 1887-8 to the extent of £6,400 per annum, there was a remission of taxation under another head of £15,000, resulting in a net reduction in the taxation of £8,600; also that, during the last thirteen years, the taxation imposed or increased, less that repealed or reduced, has resulted in an increased annual charge amounting to nearly half a million sterling,† thus—

Amount of taxation imposed in last thirteen years.

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

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

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

Duty on  
bank notes.

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

Land tax.

301. 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.

302. The extent of land assessed under this Act amounted in 1888 to over 7,000,000 acres, nearly half of which was placed in the lowest class, more than a third in the third class, about a ninth in the second class, and not quite a twentieth in the first class.

Proportion  
of land  
assessed to  
total avail-  
able and  
alienated  
land.

303. The area of Victoria is 56,245,760 acres of which 22,478,000 acres either had been alienated in fee-simple or were in process of alienation\* when the year commenced. The area assessed for land tax thus amounted to nearly 13 per cent. of the area of the colony, or to nearly 32 per cent of the area alienated or in process of alienation.

Number of  
estates  
assessed.

304. The number of estates assessed was 1,085 or 2 less than in 1887. As some proprietors own more than one estate, their number is less than the number of estates, and is set down as 859. It is, however, actually less than this, as, whilst the returns show where the proprietor holds more than one estate in the same class, they do not distinguish cases of proprietors holding estates embraced in two or more classes.

Average size  
of estates  
assessed.

305. The average size of all the estates assessed is about 6,500 acres, which is somewhat above the average of those in Class III. In Classes I. and II. the estates average 2,600 and 3,500 acres respectively, and in Class IV., 10,000 acres.

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\* The land in process of alienation amounted to 7,334,000 acres, on which, on the average, more than half the purchase money had been paid.



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

PROPRIETORS AND NUMBER AND SIZE OF ESTATES ASSESSED FOR LAND TAX, 1889.\*

Class.	Number of Proprietors.	Estates Assessed.				
		Number.	Area.		Average Area to each.	
			Total	Percentage of Each Class.	Proprietor.	Estate.
			Acres.		Acres.	Acres.
I.	107	124	320,767	4.56	2,998	2,587
II.	198	223	787,674	11.17	3,978	3,532
III.	307	393	2,491,544	35.35	8,116	6,340
IV.	247	345	3,448,792	48.92	13,963	9,996
Total ...	859	1,085	7,048,777	100.00	8,206	6,497

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

308. 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, 1889.\*

Class.	Capital Value.	Value of Exemptions.	Net Taxable Value.	Proportion of Net Taxable Value to Capital Value.
	£	£	£	Per cent.
I. ...	1,283,068	267,500	1,015,568	79.15
II. ...	2,363,022	495,000	1,868,022	79.05
III. ...	4,983,088	767,500	4,215,588	84.60
IV. ...	3,448,792	617,500	2,831,292	82.10
Total ...	12,077,970	2,147,500	9,930,470	82.22

\* According to the returns of the half-year ended 27th February, 1889.

Amount of  
land tax  
payable.

309. The land tax payable varied from 9½d. per acre in Class I. to 2½d. per acre in Class IV., the average being about 4¼d. per acre ; the amount payable by each holder averaged £144, ranging from an average of £172 in Class III. to one of about £118 in Classes I. and II. ; and the amount payable for each estate averaged £114, averaging £134 in Class III., and between £102 and £105 in the other classes. Subjoined is a statement of the total amount payable annually in respect to the estates of each class ; also the average amount payable per acre, per holder, and per estate :—

LAND TAX PAYABLE ANNUALLY, 1889.\*

Class.	Total Amount per Annum.	Amount per Acre.	Amount by each Holder.	Amount for each Estate.
	£	d.	£	£
I. ...	12,695	9·50	118·6	102·4
II. ...	23,350	7·11	117·9	104·7
III. ...	52,695	5·08	171·6	134·1
IV. ...	35,391	2·46	143·3	102·6
Total ...	124,131	4·23	144·5	114·4

Difference in  
payments  
in each  
class.

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

Estates  
assessed,  
1880 and  
1889.

311. The first general hearing of the appeals against the land tax was concluded in 1880. Since then the number of proprietors has increased by 41, and the area of the estates assessed by 154,000 acres, but the taxable value has decreased by £95,400. Except a slight increase in the number of proprietors in the first and second classes, the increases have all taken place in the fourth class, the other classes showing decrease, as is shown in the subjoined table :—

\* According to the returns of the half-year ended 27th February, 1889.

## ESTATES ASSESSED FOR LAND TAX, 1880 AND 1889.

	Classes.				Total.
	I.	II.	III.	IV.	
Number of proprietors, 1880	98	196	315	209	818
„ „ 1889	107	198	307	247	859
Increase	9	2	...	38	41
Decrease	...	...	8	...	...
	Acres.	Acres.	Acres.	Acres.	Acres.
Area of estates, 1880	339,303	816,505	2,525,221	3,213,717	6,894,747
„ „ 1889	320,767	787,674	2,491,544	3,448,792	7,048,777
Increase	...	...	...	235,075	154,030
Decrease	18,536	28,831	33,677	...	...
	£	£	£	£	£
Net taxable value, 1880	1,112,212	1,959,515	4,262,944	2,691,217	10,025,888
„ „ 1889	1,015,568	1,868,022	4,215,588	2,831,292	9,930,470
Increase	...	...	...	140,075	...
Decrease	96,644	91,493	47,356	...	95,418

312. The cost of administering the *Land Tax Act* during the year 1887-8 amounted to £1,157, as against £1,071 in the previous year. Cost of administering  
*Land Tax Act*.

313. 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.

## STAMP DUTIES.

I.—BILLS OF EXCHANGE AND PROMISSORY NOTES. £ s. d.

Bills of exchange, payable on demand, cheques, etc., each ... 0 0 1

All other kinds (except bank notes)—

For every £25 or fraction thereof of the total value up to £100 ... 0 0 6

For every additional £50 or fraction thereof ... 0 1 0

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

## II.—RECEIPTS.

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

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

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

STAMP DUTIES—*continued*.

## IV.—ANNUAL LICENCE.

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

## EXEMPTIONS.

*Class I.*—Cheques drawn on public accounts, or on those of a registered building or friendly society; drafts or instruments affecting the transmission of public moneys; drafts, orders, 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.

314. The revenue from the "Sale of Stamps" amounted to £782,449 in 1887-8, as compared with £686,686 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 from the amount of correspondence transmitted, and of those used for fees, the balance representing the revenue from stamp duties may be fairly estimated to have amounted to £230,000 in 1887-8. 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 £5,527 in 1887-8.

Taxation in  
Austral-  
asian  
colonies.

315. 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 eight financial years, and in the other Australasian colonies during each of the seven years ended with 1887:—

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\* See footnote (†) on page 133 *ante*.

## TAXATION IN AUSTRALASIAN COLONIES.

Colony.	Year.	Taxation.		
		Gross Amount.	Average per head.	Percentage of Total Revenue.
		£	£ s. d.	
Victoria * ...	1880-81	2,003,704	2 6 7	38·64
	1881-2	2,317,706	2 12 8	41·44
	1882-3	2,334,255	2 11 10	41·60
	1883-4	2,318,520	2 10 4	39·07
	1884-5	2,548,171	2 13 10	40·51
	1885-6	2,634,560	2 14 3	40·65
	1886-7	2,739,635	2 14 8	40·68
	1887-8	3,071,003	2 19 2	40·37
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
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
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
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
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

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

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

TAXATION IN AUSTRALASIAN COLONIES—continued.

Colony.	Year.	Taxation.		
		Gross Amount.	Average per head.	Percentage of Total Revenue.
		£	£ s. d.	
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

NOTE.—For returns of taxation in these colonies during 1888 see Summary of Australasian Statistics (third folding sheet) in the second volume ; also Appendix A. *post*.

Order of colonies in respect to taxation.

316. The amount of taxation per head in the last year referred to in the table was not so low in Victoria as in Tasmania, New South Wales or South Australia, but lower than in the other colonies; whilst in Western Australia it was far higher than in any other colony. 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 REFERENCE TO AMOUNT OF TAXATION PER HEAD.

1. Western Australia.

2. Queensland.

3. New Zealand.

4. Victoria.
5. Tasmania.

6. New South Wales.

7. South Australia.

Order of colonies in respect to revenue raised by taxation.

317. 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 about two-fifths, and New South Wales and South Australia about a third. The following is the order in which they respectively stand in this particular, the colony in which the proportion of revenue raised by taxation is largest being placed first, and the remainder in succession :—

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

1. Tasmania.

2. New Zealand.

3. Western Australia.

4. Queensland.
5. Victoria.

6. South Australia.

7. New South Wales.

318. If the gross amounts raised by taxation in the different colonies during 1887,\* of which particulars are given in the table, be added together, it will be found that the total taxation levied on the continent of Australia amounted to over seven and a half millions sterling; and the total taxation of the colonies on the continent, added to that of Tasmania and New Zealand, amounted to nearly ten 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 Aus-  
tralasia.

TAXATION OF AUSTRALIA AND AUSTRALASIA, 1887.

	Taxation.		
	Gross Amount.	Average per Head.	Percentage of Total Revenue.
	£	£ s. d.	
Continent of Australia ... ..	7,580,577	2 15 5	36·55
Ditto, with Tasmania and New Zealand	9,832,313	2 16 8	39·65

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

Comparison  
of Victoria  
and Aus-  
tralasia.

320. 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.

TAXATION IN BRITISH POSSESSIONS.

Country.	Year.	Taxation.				
		Gross Amount.	Average per Head.			Percentage of Total Revenue.
EUROPE.		£	£	s.	d.	
United Kingdom	1887-8	75,660,000	2	0	3	84·25
ASIA.						
India	1886-7	31,056,000	0	2	11	40·16
Ceylon	1887	621,819	0	4	2	46 26
Straits Settlements	1886	512,036	1	0	3	85·23
AFRICA.						
Mauritius	1886	428,338	1	3	3	59·24
Natal	1887	346,717	0	14	6	43 62

\* In the case of Victoria, the figures for 1886-7 have been taken.



TAXATION IN BRITISH POSSESSIONS—continued.

Country.	Year.	Taxation.		
		Gross Amount.	Average per Head.	Percentage of Total Revenue.
AFRICA—continued.		£	£ s. d.	
Cape of Good Hope ... ..	1887	1,053,553	0 15 4	33·33
Lagos ... ..	1886	44,427	0 8 11	86·52
Gambia ... ..	1887	9,709	0 12 11	72·17
AMERICA.				
Canada ... ..	1887-8	5,870,295	1 3 7	78·47
Newfoundland ... ..	1886	197,647	0 19 9	79·64
Bermuda ... ..	1887	23,950	0 15 11	87·40
West Indies—				
Turk's Island ... ..	1884	7,158	1 10 3	68·34
Jamaica ... ..	1885	494,729*	0 16 7	80·79
St. Lucia ... ..	1887	32,397	0 15 4	81·06
Barbados ... ..	1886	103,101	0 12 0	75·65
Grenada ... ..	"	28,390	0 11 9	60·19
Tobago ... ..	1884	10,294	0 10 0	72·62
Virgin Islands ... ..	1886	1,223	0 4 8	84·46
Antigua ... ..	1884	33,558	0 19 2	74·09
Montserrat ... ..	1883	5,415	0 10 0	92·36
Dominica ... ..	1885	12,526	0 8 8	79·07
Trinidad ... ..	1886	317,715	1 15 8	70·07
AUSTRALASIA.				
Australia, Tasmania, and New Zealand†	1887	9,832,313	2 16 8	39·65
Fiji ... ..	1887	41,616	0 6 8	64·11

Taxation in Australasia and other British possessions compared.

321. It will be observed that the amount raised by taxation in Australasia is two-thirds more than that in Canada ; but that the amount raised by taxation in India is more than three times, and in the United Kingdom nearly eight times as large as that so raised in Australasia. It might be supposed that those countries which depended almost entirely on taxation for their revenue would be more heavily taxed than countries which had other ample resources. The reverse, however, is the case with the Australasian colonies; for whilst they raise barely 40 per cent. of their revenue by taxation—or the smallest proportion of any of the British possessions named except the Cape of Good Hope—their average taxation per head exceeds by 16s. that in the United Kingdom, which raises 84 per cent. of its revenue by taxation, and is, moreover, in proportion to population, more heavily taxed than any of its other dependencies of which particulars are at hand.

Taxation in Victoria and other British possessions compared.

322. In Victoria the gross amount of taxation is three times that in the Cape of Good Hope, but is equal to little more than half that in

\* Including local taxation.  
† For gross amount of taxation and taxation per head, and proportion of taxation to total revenue, in the various Australasian colonies, see table following paragraph 315 ante.

Canada. The average per head is 19s. higher than in the United Kingdom; but, in proportion to revenue, the taxation of Victoria, being about the same as the average of Australasia, is extremely low when compared with the other portions of the British dominions of which information is available.

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

TAXATION IN FOREIGN COUNTRIES.

Countries.	Year.	Taxation.		
		Gross Amount (000's omitted)	Average per Head.*	Percentage of Total Revenue.†
EUROPE.		£	£ s. d.	
Austria-Hungary ...	1887-8	52,715,‡	1 5 8	76·24
Belgium ...	1887	6,782,	1 2 11	54·35
Denmark ...	1888	2,490,	1 3 9	83·31
France (including Algeria)	„	113,310,	2 13 11	87·07
Greece ...	1887	2,207,	1 2 4	74·65
Holland ...	1886	7,990,	1 16 5	81·16
Italy ...	1887-8	50,599,	1 13 10	81·94
Portugal ...	„	6,512,	1 10 3	85·03
Russia ...	1887	51,943,	0 11 9	69·81
Spain ...	1885-6	31,660,	1 16 9	91·56
Switzerland ...	1888	897,	0 6 1	39·99
Turkey ...	1883-4	12,712,	0 10 4	86·59
ASIA.				
Japan ...	1886-7	14,480,	0 7 7	93·05
AFRICA.				
Egypt ...	1886	6,904,	1 0 3	70·37
AMERICA.				
Argentine Confederation	1887	6,584,	1 18 4	62·13
Brazil ...	1888	9,088,	0 15 2	76·45
Mexico ...	1887	6,042,	0 11 7	91·20
United States ...	1888	71,722,	1 5 10	89·89

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

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

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

‡ This amount is made up of £33,172,000 taxation in Austria for the year 1887, and £19,543,000 taxation in Hungary for the year 1888.

§ See also tables following paragraphs 315 and 320 *ante*.

in Belgium, Portugal, or the Argentine Confederation, and considerably larger than that in Egypt, Holland, or Brazil; whilst the amount in Victoria is more than three times as large as that levied in Switzerland, and about one-third larger than that levied in Greece or Denmark; but considerably below that in any other of the countries named.

Taxation  
per head in  
various  
countries.

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

Proportion  
of revenue  
raised by  
taxation in  
various  
countries.

326. 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 only two-fifths from that source. The revenues of Spain, Japan, Mexico, and the United States appear to be almost entirely derived from taxation; and although the United Kingdom raises over six-sevenths of its revenue from that source, as many as six of the countries named raise a higher proportion.

Taxation by  
Customs in  
Austral-  
asian  
colonies.

327. 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, 1887.

Colony.	Revenue from Customs Duties.		
	Amount.	Proportion to—	
		Total Taxation.	Total Value of Imports.
	£	Per cent.	Per cent.
Victoria ... ..	2,311,331	75·26	10·75
New South Wales ... ..	2,011,947	75·51	10·70
Queensland ... ..	1,084,709	81·02	18·63
South Australia ... ..	467,889	72·13	9·18
Western Australia ... ..	170,972	90·50	25·66
Tasmania ... ..	274,065	72·99	17·16
New Zealand ... ..	1,273,236	67·86	20·39

Customs  
revenue in  
proportion  
to total  
taxation.

328. It will be observed that in New South Wales, Victoria, South Australia, and Tasmania during 1887 about three-fourths of the taxation was raised through the Customs. The colony in which the proportion

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

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

329. It will, moreover, be noticed that in Victoria the tax on the import trade as a whole was equivalent to an average duty of  $10\frac{3}{4}$  per cent. *ad valorem*; which proportion was considerably lower than in any of the other Australasian colonies, except South Australia and New South Wales, in the former of which the rates of duty are not high, and in the latter the dutiable articles are comparatively few in number. Since the duties on manufactured articles are for the most part much higher in Victoria than in any of the other colonies, the small proportion which the Customs revenue bears to the value of imports is probably owing to her importing, in a larger proportion than the others, raw, and consequently undutiable, material. The proportion of Customs duties to imports is seen to be highest in Western Australia, New Zealand, Queensland, and Tasmania, it being 26 and 20 per cent. respectively in the first two, and 19 and 17 per cent. in the last two colonies named.\*

330. The following table gives a statement of the revenue and expenditure of municipalities in the year 1888, the amounts raised and expended in cities, towns, and boroughs being shown separately from those in shires:—

#### MUNICIPAL REVENUE AND EXPENDITURE, 1888.

Heads of Revenue and Expenditure.				Cities, Towns, and Boroughs.	Shires.	Total.
REVENUE.				£	£	£
From Government	Endowment	...	...	33,135	274,487	307,622
	Other receipts	...	...	18,295	44,592	62,887
„	Rates—General and separate	...	...	343,523	271,172	614,695
„	„ Special	...	...	30,505	1,494	31,999
„	Licences	...	...	73,134	31,093	104,227†
„	Registration of dogs and goats	...	...	5,896	7,232	13,128
„	Market and weighbridge rents and dues	...	...	58,008	3,056	61,064
„	Other sources	...	...	190,410	40,914	231,324
Total				752,906	674,040	1,426,946
EXPENDITURE.‡						
Public works	...	...	...	421,627	506,238	927,865
Salaries, etc.	...	...	...	62,702	87,824	150,526
Other expenditure	...	...	...	314,133	110,768	424,901
Total				798,462	704,830	1,503,292

\* 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, 1886-7, the “equivalent” amounted to £92,115, and in 1887-8 to £108,493.

‡ Including expenditure of proceeds of loans. For amount of outstanding loans, see paragraph 404 *post.*

Endowment  
of municipi-  
palities.

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

Rate of en-  
dowment.

332. According to the Act just mentioned, the endowment payable to any city, town, or borough was not to exceed £2,000; and if the rate levied in a municipality exceeded one shilling in the pound, the endowment was to be calculated on an amount which bears the same proportion to the total amount of rates received as one shilling bears to the rate levied.\* Subject to these conditions, the endowment was paid to shires in the proportion of £2, and to cities, towns, and boroughs in the proportion of £1, for every £1 of general rates collected. This is also the basis on which the equivalent subsidy, voted after the appropriation terminated, was calculated. Where the rates levied in municipalities were in excess of one shilling in the pound, the amount of subsidy payable during 1888 was at the rate of 19s. 1d. to shires, and 9s. 6½d. to cities, towns, and boroughs, for every £1 up to £2,000 of rates†; as compared with averages payable in the preceding year of £1 0s. 7d. and 10s. 3½d. respectively.

Municipal  
expendi-  
ture in  
excess of  
revenue.

333. In 1888, the expenditure exceeded the revenue in cities, towns, and boroughs by 6 per cent., and in shires by 4½ per cent.; as compared with an excess of 8½ and 1½ per cent. respectively in the previous year.

Municipi-  
palities in  
which ex-  
penditure  
exceeded  
revenue.

334. The expenditure was greater than the revenue in 26 of the 59 individual cities, towns, and boroughs, and in 61 of the 126 individual shires in 1887; and in 20 out of 59 cities, towns, and boroughs, and in 64 out of 128 shires in 1888.

Salaries in  
municipi-  
palities.

335. Payments for salaries formed about 8 per cent. of the expenditure of cities, towns, and boroughs, and about 13 per cent. of the expenditure of shires in each of the last four years.

Harbour  
Trust  
receipts  
and ex-  
penditure.

336. Subjoined is a statement of the revenue and expenditure of the Melbourne Harbour Trust‡ during the eleven 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:—

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\* For ratings in municipalities, see paragraph 168 *et seq. ante*.

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

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

MELBOURNE HARBOUR TRUST.—ORDINARY RECEIPTS AND  
EXPENDITURE, 1877 TO 1888.

	Four and a half years, 1877-1881.	Five years, 1882-1886.	Year 1887.	Year 1888.	Total 1877 to 1888.
<b>NET RECEIPTS.</b>	£	£	£	£	£
Wharfage rates ...	354,452	569,403	138,804	175,795	1,238,454
Leases ...	521	344	140	3,493	4,498
Licences ...	9,409	23,724	5,500	2,663	41,296
Interest ...	2,330	6,624	6,323	8,406	23,683
Spencer Street ferry fares ...	...	1,526	944	1,926	4,396
Sundries ...	888	3,059	2,072	2,301	8,320
<b>Total</b> ...	<b>367,600</b>	<b>604,680*</b>	<b>153,783</b>	<b>194,584</b>	<b>1,320,647</b>
<b>EXPENDITURE.</b>					
Plant ...	106,046	216,997	9,304	4,198	336,545
Harbour improvements and maintenance	28,225	169,309	27,272	28,554	253,360
Dredging, landing, and de- positing silt	129,712	340,323	76,585	84,885	631,505
Wharves and approaches, con- struction and maintenance	48,532	177,717	37,457	32,797	296,503
Special survey by Sir John Coode	7,640	318	...	...	7,958
Timber ...	13,463	96,906	32,839	50,905	194,113
General contingent expenses management	53,935	74,523	18,223	18,799	165,480
Commissioners' fees ...	7,480	8,142	1,700	1,700	19,022
Interest ...	1,061	68,722	36,250	36,250	142,283
Sundries ...	1,426	281	118	...	1,825
<b>Total</b> ...	<b>397,520</b>	<b>1,153,238</b>	<b>239,748</b>	<b>258,088</b>	<b>2,048,594</b>

337. In the eleven and a half years the Trust has been in existence, the net receipts have amounted to £1,320,647 and the expenditure to £2,048,594, or £727,947 in excess of the receipts. To meet this excess loans† amounting to £1,000,000 have been raised. It will be observed that the revenue, which averaged only about £120,000 in the five years ended with 1886, rose to over £150,000 in 1887, and to over £190,000 in 1888; the revenue thus doubled itself in seven years. The expenditure of the Trust may be condensed into three main divisions, the first being Plant, on which, during the period the Trust has been in existence, £336,545 has been laid out, or less than a sixth of the whole expenditure; the second being the

Receipts and  
expendi-  
ture com-  
pared.

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

† For account of Harbour Trust loans see paragraph 407 *post*



Improvement and Maintenance of the Harbour, together with the wharves and approaches, on which £1,385,264 has been laid out, or more than two-thirds of the whole expenditure; and the third being the Management and Interest on Loans, on which £326,785 has been expended, or about one-sixth of the whole amount. The balance on hand on the 31st December was £280,271; and the liabilities under contracts in progress, £76,630.

General and local revenue and expenditure.

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

GENERAL AND LOCAL REVENUE AND EXPENDITURE,  
1882 TO 1888.\*

	Total Amounts Received and Expended.						
	1882.	1883.	1884.	1885.	1886.	1887.	1888.
REVENUE.	£	£	£	£	£	£	£
Government ...	5,592,362	5,611,253	5,934,687	6,290,361	6,481,021	6,733,826	7,607,598
Municipalities	653,891	693,167	756,966	789,429	859,184	921,466	1,056,437
Melbourne Harbour Trust	110,849	103,935	113,141	127,276	149,479	153,783	194,584
Total ...	6,357,102	6,408,355	6,804,794	7,207,066	7,489,684	7,809,075	8,858,619
EXPENDITURE.							
Government ...	5,145,764	5,651,885	5,715,293	6,140,356	6,513,540	6,561,251	7,287,151
Municipalities	583,037	730,745	839,007	847,977	897,399	986,846	1,132,783
Melbourne Harbour Trust	121,580	189,573	303,280	267,194	271,611	239,748	258,088
Total ...	5,850,381	6,572,203	6,857,580	7,255,527	7,682,550	7,787,845	8,678,022

General and local revenue and expenditure per head.

339. The next table gives the general and local revenue and expenditure per head of population in the same seven years. It will be observed that in the last year named the local revenue, embracing that of the Municipal Bodies and that of the Harbour Trust, amounted to £1 4s. 1d. per head, and the general and local revenue combined to £8 10s. 8d. per head:—

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



GENERAL AND LOCAL REVENUE AND EXPENDITURE PER HEAD,  
1882 TO 1888.\*

	Amounts Received and Expended per Head.†																				
	1882.			1883.			1884.			1885.			1886.			1887.			1888.		
REVENUE.	£	s.	d.	£	s.	d.	£	s.	d.	£	s.	d.	£	s.	d.	£	s.	d.	£	s.	d.
Government ...	6	7	1	6	4	8	6	8	9	6	13	0	6	13	6	6	14	3	7	6	7
Municipalities	0	14	10	0	15	5	0	16	5	0	16	8	0	17	8	0	18	4	1	0	4
Melbourne Har- bour Trust	0	2	6	0	2	4	0	2	6	0	2	8	0	3	1	0	3	1	0	3	9
Total ...	7	4	5	7	2	5	7	7	8	7	12	4	7	14	3	7	15	8	8	10	8
EXPENDITURE.																					
Government ...	5	16	11	6	5	7	6	4	0	6	9	10	6	14	2	6	10	10	7	0	5
Municipalities	0	13	3	0	16	3	0	18	3	0	17	11	0	18	6	0	19	8	1	1	10
Melbourne Har- bour Trust	0	2	8	0	4	2	0	6	7	0	5	7	0	5	7	0	4	9	0	5	0
Total ...	6	12	10	7	6	0	7	8	10	7	13	4	7	18	3	7	15	3	8	7	2

340. 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 ten years ended with 1888 :—

General,  
local, and  
loan ex-  
penditure,  
1879-88.

GENERAL, LOCAL, AND LOAN EXPENDITURE, 1879 TO 1888.

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

\* See footnote (\*) on page 208.  
† 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 230 ante) to calculate the amount of general revenue and general expenditure per head have been used to make these calculations. As the population varies but slightly in so short a period, this will scarcely, if at all, affect the result.  
‡ Including expenditure from Municipal and Harbour Trust loans.  
§ Corrected since last publication.

Public money spent in 1883 and other years.

341. It will be noticed that the total amount of public money spent per head ranged from £7 13s. 8d. in 1881 to £10 13s. 3d. in 1888; the proportion of which derived from Government loans varied from 19s. 4d. per head in 1881 to £2 19s. per head in 1883. It will further be remarked that the total amount per head in 1888 was larger than in any previous year.

General and local taxation.

342. The amount of taxation under the General Government, under the Municipal Bodies, and under the Melbourne Harbour Trust, is given in the following table for each of the seven years ended with 1888, 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 Harbour Trust consists only of wharfage rates :—

GENERAL AND LOCAL TAXATION, 1882 TO 1888.†

Heads of Taxation.	Amounts Received.						
	1882.	1883.	1884.	1885.	1886.	1887.	1888.
GOVERNMENT TAXATION } ‡	£ 2,317,706	£ 2,334,255	£ 2,318,520	£ 2,548,171	£ 2,634,560	£ 2,739,635	£ 3,071,003
MUNICIPAL TAXATION.							
Rates ... ..	422,033	445,961	473,412	503,474	546,830	592,235	646,694
Licences ... ..	94,731	92,610	87,925	92,204	90,495	102,313	104,227
Registration of dogs and goats	10,961	11,767	12,144	15,851	13,837	13,853	13,128
Market dues ... ..	38,088	43,795	47,392	51,697	55,258	56,881	61,064
Total ... ..	565,813	594,133	620,873	663,226	706,420	765,282	825,113
MELBOURNE HARBOUR TRUST TAXATION.							
Wharfage rates ... ..	105,854	98,809	108,019	120,587	136,134	138,804	175,795
Total general and local taxation } §	2,989,373	3,027,197	3,047,412	3,331,984	3,477,114	3,643,721	4,071,911

General and local taxation per head.

343. The aggregate amounts of taxation raised by the Government and the municipalities represented, in 1882, a proportion of £3 7s. 11d. to each individual in the community; in 1883, £3 7s. 3d.; in 1884,

\* See paragraph 286 ante.  
† The financial year of the General Government ends on the 30th June; that of Melbourne and Geelong on the 31st August; that of other municipalities on the 30th September; and that of the Melbourne Harbour Trust on the 31st December.  
‡ For details of Government taxation, see table following paragraph 289 ante.

£3 6s. 1d.; in 1885, £3 10s. 5d.; in 1886, £3 11s. 7d.; in 1887, £3 12s. 8d.; in 1888, £3 18s. 5d.

344. 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-four per cent. of the Municipal taxation in the four years ended with 1882, 75 per cent. in 1883, 76 per cent. in 1884 and 1885, 77 per cent. in 1886, 76 per cent. in 1887, and 78 per cent. in 1888 was derived from rates.

345. The public debt of Victoria amounted on the 30th June, 1888,† to £34,627,382, consisting of moneys—

				£
Borrowed in Victoria	...	...	...	1,529,482
„ England	...	...	...	33,097,900†
Total	...	...	...	£34,627,382†

346. The aggregate amount of the loans raised up to the 30th June, 1888, was £44,547,702; but a total of £9,920,320 having been repaid, viz., £2,103,100 out of the general revenue, and £7,817,220 out of the proceeds of redemption loans—the balance outstanding on the 30th June, 1888, was reduced to £34,627,382. The amount of public debt borrowed under each of the purposes for which the debt was incurred, the amount paid off, and the amount outstanding on the 30th June, 1888, are shown in the following table:—

#### PURPOSES FOR WHICH LOANS WERE RAISED.

Purposes.	Total Amount Borrowed.	Amount Paid off.	Amount Outstanding on 30th June, 1888.§
	£	£	£
Railways ...	26,493,806	68,100	26,425,706
Water supply—			
Melbourne ...	2,364,934	800,000	1,564,934
Country ...	3,780,216	...	3,780,216 ¶
Law courts and Parliament houses	600,713	...	600,713
Public offices ...	166,195	...	166,195
Defences ...	100,000	...	100,000

\* See paragraph 291 *ante*. † On the 30th June, 1889, the public debt amounted to £37,627,382.

‡ This is exclusive of £119,354, being portion of a redemption loan of £130,000 to redeem debentures falling due 1st October, 1888; but is inclusive of a liability of £183,900 (originally £465,300) for debentures falling due between 1st July, 1892, and 1st January, 1897, which was taken over by the Government upon their purchase of the Melbourne and Hobson's Bay United Railway Company's lines of railway. The interest on these debentures is 5 per cent. per annum, payable half-yearly. In the years prior to 1884–5 this liability was not included with the public debt.

§ For expenditure of the net proceeds of these amounts, see table following paragraph 248 *ante*; and for further details of the expenditure of railway loans, see portion relating to Railways in Part "Interchange" *post*.

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

¶ Of this amount £663,973 was authorized to be re-lent to municipal bodies, and £743,088 to Water Trusts, for local waterworks, the principal and interest being repaid by annual instalments—the former into a sinking fund, the latter into the general revenue. For accumulation of Sinking Fund (Municipalities Redemption Account), see table following paragraph 411 *post*.

PURPOSES FOR WHICH LOANS WERE RAISED—*continued.*

Purposes.	Total Amount Borrowed.	Amount Paid off.	Amount Outstanding on 30th June, 1888.*
	£	£	£
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
Tramways in country districts	150,000	...	150,000
Melbourne and Geelong im- provements	735,000†	735,000	...
Treasury bonds ... ..	500,000	500,000	...
	36,730,482	2,103,100	34,627,382
Redemption of loans ...	7,817,220	7,817,220	...
Total ‡ ... ..	44,547,702	9,920,320	34,627,382

Public debt,  
when  
authorized.

347. Of the debt outstanding on the 30th June, 1888, a sum of about £200,000 was authorized as early as 1857, nearly 4 millions during the ten years ended with 1870, over 10 millions in the next decade, and over 20 millions—of which over  $7\frac{3}{4}$  millions, however, was for purposes of redemption—in the eight years ended with 1888, as will be seen by the following table, which shows the years in which the various amounts of which the debt is composed were authorized and the number of the Act by which such authorization was given:—

AUTHORIZATION OF THE PUBLIC DEBT.

Authorization.					Rate of Interest.	Amount Outstanding on the 30th June, 1888.
Year.		Act.				
					Per cent.	£
1857	...	...	21 Vict. No. 36	...	6	182,780
1862	...	...	25 Vict. No. 150	...	6	300,000
1865	...	...	29 Vict. No. 287	...	6	850,000
1868	...	...	32 Vict. Nos. 331 and 332	...	5	2,717,000
1870	...	...	34 Vict. No. 371	...	4	100,000
1872	...	...	36 Vict. Nos. 428 and 439	...	4	1,113,000
1873	...	...	37 Vict. No. 468	...	4	1,500,000
1876	...	...	39 Vict. No. 531	...	4	2,500,000
1878	...	...	42 Vict. No. 608	...	4½	5,000,000
1881	...	...	45 Vict. No. 717	...	4	4,000,000
1882	...	...	46 Vict. No. 741	...	4	167,600
1882	...	...	46 Vict. No. 739	...	4	2,000,000
1883	...	...	47 Vict. No. 760	...	4	4,000,000
1884	...	...	48 Vict. No. 805	...	4	4,000,000
1885	...	...	49 Vict. No. 845	...	4	6,000,000
Increase of debt by conversion of 6 and 5 per cent. debentures into 4 per cent. stock					4	13,102
Debentures of late M. & H. B. U. Railway Co.					5	183,900
Total ... ..					...	34,627,382

\* See footnote (§) on page 211.  
† 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.  
‡ See footnote (‡) on page 211.

348. 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 eight years subsequent to 1880-1, a net amount of over £12,000,000 was added to the debt. The whole increase in 28 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 £32 13s. in 1887-8. A considerable increase also took place as compared with the total revenue, for whilst in 1860, or three years after the colony commenced to borrow, the debt was equivalent to only  $1\frac{2}{3}$  year's revenue, in 1870 it was equivalent to  $3\frac{2}{3}$  years', and in 1887-8 to  $4\frac{1}{2}$  years' revenue. The amount of debt outstanding, together with the average per head and the multiple of revenue at the end of 1860 and the two following decennial periods, and of the three years ended with 1887-8, are shown in the following table:—

GROWTH OF THE PUBLIC DEBT, 1860 to 1887-8.\*

At end of the Financial Year.	Amount Outstanding.	Average per Head.			Multiple of Revenue.
	£	£	s.	d.	
1860 ... ..	5,118,100	9	10	4	1.66
1870 ... ..	11,924,800	16	8	5	3.66
1880-81 ... ..	22,593,102	26	1	2	4.36
1885-6 ... ..	30,110,935	30	10	2	4.69
1886-7 ... ..	33,119,164	32	10	0	4.92
1887-8 ... ..	34,627,382	32	13	1	4.55

NOTE.—On the 30th June, 1889, the public debt was £37,627,382. At the same date the estimated population was about 1,104,288. The amount of indebtedness per head was thus £34 1s. 6d.; and the multiple of the revenue was 4.34.

349. It will be noticed that in 1887-8 the public debt increased by £1,508,218. This was in consequence of a loan of £1,500,000 having been floated in London in January, 1888, and additional stock to the value of £8,218 having been sold at Melbourne. No loans were redeemed during the financial year, and the debt per head of population only slightly increased, whilst the ratio of debt to revenue fell from 5 years' of the latter in 1886-7 to a little over  $4\frac{1}{2}$  in 1887-8.

350. The debt is composed of debentures—some of which are inscribable as stock—and a small amount of permanent stock, registered in Melbourne, which is liable to be paid off at any time

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

after the 28th November, 1897, by giving a year's notice in the *Government Gazette*. The following are the dates and places at which the various amounts of which the debt is composed are repayable :—

REPAYMENT OF DEBT.

Under Act No.	When Repayable.		Rate of Interest per cent.	Amount Repayable.		
				In Melbourne.	In London.	Total.
	<i>Debentures.</i>			£	£	£
36	1st October, 1888	...	6	130,000	...	130,000
150	" 1889	...	"	276,100	...	276,100
287	1st January, 1891	...	"	...	850,000	850,000
331-2	" 1894	...	5	312,900	2,107,000	2,419,900
468	1st July, 1899	...	4	...	1,500,000	1,500,000
531	" 1901	...	"	...	3,000,000	3,000,000
608	" "	...	4½	...	5,000,000	5,000,000
611	1st January, 1904	...	4	...	457,000	457,000
717	1st July, 1907*	...	"	...	4,000,000	4,000,000
739	1st April, 1908*	...	"	...	2,000,000	2,000,000
760	1st October, 1913*	...	"	...	4,000,000	4,000,000
	<i>Stock† (London Register).</i>					
805	1st October, 1919	...	4	...	4,000,000	4,000,000
845	" 1920	...	"	...	6,000,000	6,000,000
	<i>Stock (Melbourne Register).</i>					
428 } 439 } 741 }	Permanent debt‡	...	4	810,482	...	810,482
617		<i>Debentures of late M. &amp; H. B. U. Railway Co.§</i>	5	...	183,900	183,900
	Total	...	...	1,529,482	33,097,900	34,627,382

Reduced rate of interest on loans.

351. Loans paid off on the 1st October, 1883, and the same date in 1884 and 1885, amounting together to £7,817,220, bore interest at the rate of 6 per cent.; and it will be noticed that a further amount of £130,000 was repayable on the 1st October, 1888, which was duly paid. By these repayments the portion of the debt bearing 6 per cent. interest has become reduced to £1,126,100 ; all of which will fall due on or

\* Convertible into inscribed stock at option of holders. The amount so inscribed, according to advices received to the 30th June, 1888, was £8,368,600.

† See also stock referred to in preceding footnote.

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

§ 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.

|| Paid off at due date by a loan raised for the purpose.



before 1st January, 1891. The redemption loans bear only 4 per cent. interest, and the saving in the annual interest payable by the substitution of these for the 6 per cent. loans duly paid off amounts to over £158,600 per annum.

352. Victorian Government stock on the Melbourne register was first authorized under the *Public Works Loan Act* 1872 (36 Vict. No. 428), and originally amounted to £1,500,000. Owing to portion of this being converted into debentures, as being more readily 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, 1888, to £810,482.\* In the case of the first three loans issued in London since the 1st January, 1883—amounting to £10,000,000—the option was given to holders of converting their debentures into stock, to be registered in London; whilst the subsequent loans raised up to the end of the financial year 1887-8—amounting to £10,000,000—were issued as stock in the first instance. The privilege referred to, according to advices received up to the 30th June, 1888, had been availed of to the extent of £8,368,600, so that the stock then outstanding upon the London register amounted to £18,368,600. The total amount of stock on the two registers combined was thus £19,179,082. The whole of the stock bears interest at the rate of 4 per cent. per annum.

353. Over two-thirds of the public debt bears interest at 4 per cent., and the balance at higher rates up to 6 per cent. The following are the rates of interest payable on the various amounts of which the public debt of Victoria was composed on the 30th June, 1888:—

Rates of Interest.					Amount at each Rate.	
6 per cent.	...	...	...	...	£1,256,100	
5 per cent.	...	...	...	...	2,603,800	
4½ per cent.	...	...	...	...	5,000,000	
4 per cent.	...	...	...	...	25,767,482	
Total					£34,627,382	

354. More than two-thirds of the interest on the debt is payable in July and January, and the remainder in October and April. In connexion with this, Messrs. W. Westgarth and 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

\* Exclusive of £119,354 raised to redeem a loan falling due in 1888-9. Of the amount outstanding, £463,961 is held by the public, and £346,521 by the Government on account of Trust Funds invested.



degree of negociability for the stock can only be attained by making the periods of payment uniform for all loans. About nineteen-twentieths of the interest is payable in London, and the remainder in Melbourne. The following table shows the amounts payable during the ensuing financial year at those times and places on the debt existing on the 30th June, 1888:—

INTEREST ON PUBLIC DEBT.

Rate per Cent.	When Due.	Amount payable Annually—		
		In Melbourne.	In London.	Total.
		£	£	£
6	July and January ...	...	51,000	51,000
5	„ „ ...	15,645	105,350	120,995
4½	„ „ ...	...	225,000	225,000
4	„ „ ...	...	598,280*	598,280
	Total ...	15,645	979,630	995,275
6	October and April ...	24,366	...	24,366
4	„ „ ...	32,419	400,000	432,419
	Total ...	56,785	400,000	456,785
	Melbourne and Hobson's Bay Railway Debentures	72,430 1,460	1,379,630 7,735	1,452,060 9,195
	Grand Total ...	73,890	1,387,365	1,461,255

NOTE.—The figures in this table represent the amounts of interest payable in 1888-9 on the debt (viz., £34,627,382) as it stood at the commencement of that year. The fresh loan raised in January, 1889, will add £105,000 per annum to the interest payable, but the first half-yearly instalment does not accrue until 1889-90. On the other hand, a 4 per cent. redemption loan of £130,000, which will replace a 6 per cent. loan, falling due on 1st October, 1888, will reduce the annual interest by £2,600.

Interest on  
loans for  
different  
works.

355. The annual interest payable on the public debt, as it existed at the end of the financial year 1887-8, was equivalent to an average rate of about £4 4s. 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, and 4 per cent. loans floated since, together with the substitution of 4 per cent. debentures for the 6 per cents. which had become due, have gradually brought down the rate of interest, so that at the end of 1887-8 it averaged less than 4¼ per cent. as just stated. The following are the particulars of the amounts borrowed for the

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

different works, and the amount and average rate of interest payable thereon annually :—

### INTEREST ON LOANS FOR DIFFERENT WORKS.

Purpose for which Raised.	Amount Outstanding on 30th June, 1888.*	Interest Payable Annually.	
		Amount.	Average Nominal Rate per cent.
	£	£	
Railways ... ..	26,425,706†	1,113,842	4·21
Tramways in Country Districts ...	150,000	6,000	4·00
Water Supply { Melbourne ...	1,564,934	63,860	4·08
{ Country ...	3,780,216	163,326	4·32
Law Courts and Parliament Houses ...	600,713	25,265	4·21
Public Offices ... ..	166,195	6,789	4·09
Defences ... ..	100,000	6,000	6·00
State Schools ... ..	1,105,557	45,222	4·09
Yarra Bridge ... ..	108,043	4,622	4·28
Harbours, etc. ... ..	275,554	11,022	4·00
Graving-dock ... ..	350,464	15,307	4·37
Total ... ..	34,627,382	1,461,255	4 22

356. By the last two tables it appears that the total sum payable annually as interest amounts to £1,461,255 ; but as interest (£18,280) on debentures held by the Government is not paid, and as a portion of the debt did not bear interest during the whole of the year, the amount actually paid in 1887-8 was only £1,365,773, viz., £1,291,755 in London and £74,018 in Melbourne. Interest payable and paid.

357. 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 1887-8 to £19,347, which is equivalent to a proportion of  $1\frac{1}{2}$  per cent. on the total amount paid in London, viz., £1,291,755, as just stated ; as compared with £20,557, or  $1\frac{3}{4}$  per cent. in 1886-7 ; and with only £14,420, or  $1\frac{1}{4}$  per cent. in 1884-5—three years previously. The reduction of the proportion, as compared with that in the previous year, was due to lower premiums on remittances, the rate of exchange having been exceptionally high in 1885-6 and 1886-7 ; but the increase as compared with the proportion in 1884-5 is mainly due to the Expenses of paying interest on debt.

\* See also footnotes to table following paragraph 346 *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.

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

EXPENSES OF PAYING INTEREST ON LOANS, 1884-5 TO 1887-8.

	1884-5.	1885-6.	1886-7.	1887-8.
	£	£	£	£
Commission of $\frac{1}{2}$ per cent. on debenture coupons payable ...	4,444	3,598	3,262	3,182
Commission of £500 or £450 per million* for inscription of stock and payment of interest ( $1\frac{1}{4}$ or $1\frac{1}{8}$ per cent. on interest payable)	3,541	5,798	6,586	7,984 .
Premium on remittances ...	5,782	10,701	10,107	7,187
Stamps, advertising, etc. ...	653	649	602	994†
Total Expenses ...	14,420	20,746	20,557	19,347
Interest paid in London ...	1,150,684	1,165,523	1,176,976	1,291,755
Per centage of expenses thereon	1·25	1·78	1·75	1·50

Interest on  
debt  
per head.

358. 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 1887-8 amounted to £1,385,121,‡ being in the proportion of £1 6s. 8d. per head of population, and equal to nearly a fifth of the total expenditure.

Interest and  
expenses of  
debt, 1860  
to 1887-8.

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

\* The sum of £500 is charged for the first 10 millions of stock inscribed, £450 for the second 10 millions, and £400 for subsequent amounts.  
† Including £153 arrears.  
‡ See under head of "Public Debt," page 152 ante.

## INTEREST AND EXPENSES OF PUBLIC DEBT, 1860 TO 1887-8.

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

360. In the other Australasian colonies, in 1887, the interest and expenses of the public debt per head varied from £2 13s. 2d. in Queensland and £2 10s. 3d. in New Zealand, to £2 5s. 4d. in South Australia, £1 13s. 2d. in New South Wales, £1 11s. 7d. in Western Australia, and £1 6s. 1d. in Tasmania; and the proportion to the total expenditure varied from 38 per cent. in New Zealand, 33 per cent. in South Australia, and 27 or 28 per cent. in Queensland and Tasmania, to 19 per cent. in New South Wales, and 14 per cent. in Western Australia.\* In the Australasian colonies as a whole, the interest and expenses of the public debt in 1887 amounted to £6,365,775, or to nearly £1 16s. 6d. per head, and to over 24 per cent. of the total expenditure. In a former issue of the *Victorian Year-Book*† it was also shown that in only one of 29 of the principal countries in the world—viz., France—was the annual charge per head in respect to the public debt as high as in Victoria.

Interest on debt in Australasian colonies and elsewhere.

361. A loan of £4,600,000—to be floated in instalments as required—was authorized on the 17th December, 1888.‡ This includes a balance of £2,000,000 not floated under the previous Act, and is the first Victorian loan authorized since 1885. It is provided that this loan should have a currency of 35 years, and be issued either as debentures or as inscribed stock, interest to be payable half-yearly, the rate of which—not to exceed  $3\frac{1}{2}$  per cent.—is left to be determined by an order of the Governor in Council prior to the time of issue. The following are the amounts authorized to be devoted to the respective purposes for which the loan was to be raised:—

Loans authorized, 1888.

\* See Australasian Statistics for 1887, Table V., Appendix A., Vol. III., *Victorian Year-Book*, 1887-8. For later information see Appendix A. *post*.

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

‡ Under the *Railway Loan Act* 1888 (52 Vict. No. 989).

LOAN AUTHORIZED, 1888.

Purposes.						Amounts.
						£
Railways	...	...	...	...	...	4,100,000
Tramways in country districts	...	...	...	...	...	50,000
Water Supply—Melbourne	...	...	...	...	...	125,000
Irrigation Works, etc.	...	...	...	...	...	325,000
Total						4,600,000
When due						1st Oct., 1923.

Loan  
floated in  
1889.

362. The first instalment—amounting to £3,000,000 \*—of this loan 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 3½ per cent. Par was determined on as the minimum price for which tenders would be received, which, as interest had accrued from the 1st January, was equivalent to £99 8s. 10½d. *ex* accrued interest.† The number of tenders sent in was 401, amounting in the aggregate to £6,558,500, the prices offered ranging from par to £104. Of the tenders lodged, 233 were wholly or partly successful, and the average price obtained was £103 5s. 11½d., or £102 14s. 10d. *ex* accrued interest; whilst, if expenses of floating be also deducted, the net proceeds will be reduced to £101 11s. 11½d. per £100. As the loan has a currency of nearly 35 years, this last quoted price is equivalent to the money being obtained at the yearly rate of £3 8s. 5d. per £100, or 4s. 4d. less than the rate of interest at which the previous loan—nominally a 4 per cent. one—was obtained. The price, moreover, is the highest ever obtained for any Australasian loan, or, indeed, for the loan of any British possession, except India and Canada.‡ The lowest rate of interest at which any loan of New South Wales had been floated up to the end of 1888 was £3 9s. per £100, that being the rate actually payable on the nominal 3½ per cent. loan floated in April, 1888. §

\* It was stated in the prospectus that no further borrowing would take place during the current year (1889).

† The proceeds were payable—5 per cent. on application, 10 per cent. on the 31st January, and 85 per cent on the 5th March.

‡ 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 her last loan. Canada, which was the first colony to lower the rate of interest to 3½ per cent—viz., in June, 1884—is again the first to lower it to 3 per cent. The equivalent at 3 per cent. interest of the price realized for the Victorian 3½ per cent. loan is about £93 2s. (gross). See also footnote to paragraph 371, *Victorian Year-Book*, 1887-8.

§ See table following paragraph 369 *post*.

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

PARTICULARS OF LOANS FLOATED, 1886 TO 1889.

Particulars.	4 per cent.—Stock. (49 Vict. No. 845.)			£4,600,000, 3½ per cent.— Stock. (52 Vict. No. 989.)
	First issue, £1,500,000.	Second issue, £3,000,000.	Third issue, £1,500,000.	First issue, £3,000,000.
When floated ...	2nd Feb., 1886.	20th Jan., 1887.	10th Jan., 1888.	22nd Jan., 1889.
When repayable ...	1st Oct., 1920.	1st Oct., 1920.	1st Oct., 1920.	1st Oct., 1923.
Minimum price fixed per £100	£101 3 3	£101 6 3	£103 9 11¾	£99 8 10½
Number of tenders ...	643	817	273	401
Amount tendered ...	£10,834,250	£10,191,500	£3,466,800	£6,558,500
Number of successful tenders *	27	62	113	233
Highest tender per £100	£105 15 9	£102 18 9	£108 15 5¾	£103 11 4½
Lowest successful tender per £100	£105 11 9	£102 5 9	£107 17 5¾	£102 10 10½
Gross proceeds average per £100	£105 12 3¼	£102 5 6¾	£108 1 1¼	£102 14 10
Deduct expenses, do. ...	£1 3 3¼	£1 2 9¾	£1 3 0½	†£1 2 10½
Net proceeds, do. ...	£104 9 0	£101 2 9	£106 18 0¾	£101 11 11½
Bank of England mini- mum rate of discount per cent.	3	5	4‡	4§

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

364. The total expenses connected with floating Victorian loans from 1855 (the time the first loans were authorized) to the 30th June, 1888, including bank charges, brokerage, advertizing, etc., have amounted to £458,833, which figures furnish a proportion of a fraction over 1 per cent. (1·061) on the gross amount (£43,245,700) borrowed to that date. On the loans recently floated, however, the expenses averaged 1·15 per cent. (equal to £1 3s. per £100), as will be seen by figures in the last table. These expenses are made up

\* Wholly or partly successful.

† As against this a premium of ½ per cent. on portion of this loan was received on bills drawn on London at 30 days, being equivalent to about 1s. 10d. per £100 on the whole loan.

‡ Followed by a 3½ per cent. rate on the 11th, and a 3 per cent. rate on the 18th January.

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

of 5s.\* per £100 commission to the Banks for floating, 5s. brokerage, 12s. 6d. composition duty on inscription of stock, payable to the British Government; the balance, viz., 6d., defraying the cost of advertisements and other charges. It should be mentioned that there are other charges, which, as they do not come into operation until the debentures arrive at maturity, are not usually taken into account. These are the Banks' commission (including brokerage) of  $\frac{1}{4}$  per cent. for floating the earlier debenture loans, and  $\frac{1}{8}$  per cent. for the more recent inscribable loans, besides exchange on remittances for redemption of the debentures.

Prices fixed  
and ob-  
tained for  
loans.

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

VICTORIAN LOANS.—PRICES FIXED AND OBTAINED, 1874 TO 1889.

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

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

Particulars  
of loans  
floated in  
London.

366. 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 1889, 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

\* It has been asserted that South Australia saves this commission by floating the loans through the medium of the Agent-General.



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 :—

VICTORIAN LOANS FLOATED IN LONDON, 1859 to 1889.

Act No.	When Raised.	Amount of Loan.*	When Due.	Nomi- nal Rate of In- terest.	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 <sup>3</sup> / <sub>4</sub>	104 1 11 <sup>3</sup> / <sub>4</sub>	5 13 9	2 <sup>1</sup> / <sub>2</sub>
"	"	750,000	"	"	107 17 7 <sup>1</sup> / <sub>4</sub>	106 17 7 <sup>1</sup> / <sub>4</sub>	5 9 10	2 <sup>1</sup> / <sub>2</sub>
"	1860	1,837,500	"	"	104 17 10 <sup>1</sup> / <sub>2</sub>	103 17 10 <sup>1</sup> / <sub>2</sub>	5 14 1	4 <sup>1</sup> / <sub>2</sub> -5
"	"	812,500	1884	"	103 1 6 <sup>1</sup> / <sub>4</sub>	102 1 6 <sup>1</sup> / <sub>4</sub>	5 16 10	6
"	1861	1,000,000	1885	"	102 19 7	101 19 7	5 16 11	2 <sup>1</sup> / <sub>2</sub>
"	1862	1,600,000	"	"	100 8 11 <sup>3</sup> / <sub>4</sub>	99 8 11 <sup>3</sup> / <sub>4</sub>	6 0 10	4 <sup>1</sup> / <sub>2</sub>
287	1866	850,000	1891	"	98 4 2 <sup>3</sup> / <sub>4</sub>	97 4 2 <sup>3</sup> / <sub>4</sub>	5 4 0	3
331	1869	588,600	1894	5	100 17 6 <sup>1</sup> / <sub>2</sub>	99 17 6 <sup>1</sup> / <sub>2</sub>	4 19 10	3
"	1870	1,518,400	"	"	90 2 7	89 2 7	4 15 3	3-4
468	1874	1,500,000	1899	4	94 16 10 <sup>3</sup> / <sub>4</sub>	93 18 11 <sup>3</sup> / <sub>4</sub>	4 8 1	2
531	1876	3,000,000	1901	"	...	...	...	...
611	1878	457,000	1904	"	97 17 5 <sup>1</sup> / <sub>2</sub>	96 19 2 <sup>1</sup> / <sub>2</sub>	4 14 0	2 <sup>1</sup> / <sub>2</sub>
608	1879	3,000,000	"	4 <sup>1</sup> / <sub>2</sub>	103 3 8 <sup>1</sup> / <sub>2</sub>	102 5 11	4 6 11	2 <sup>1</sup> / <sub>2</sub>
"	1880	2,000,000	"	"	98 16 8 <sup>1</sup> / <sub>2</sub>	97 13 7 <sup>1</sup> / <sub>2</sub>	4 3 0	5-3
717	1883	4,000,000	1907	4	97 14 1 <sup>1</sup> / <sub>2</sub>	96 10 11 <sup>1</sup> / <sub>2</sub>	4 4 6	4
739	"	2,000,000§	1908	"	98 5 7	97 2 8 <sup>1</sup> / <sub>4</sub>	4 3 3	3
760	1884	( 2,636,600\$ 1,363,400 )	1913	"	98 18 6 <sup>1</sup> / <sub>2</sub> ¶	97 15 9 <sup>1</sup> / <sub>2</sub>	4 2 5	3 <sup>1</sup> / <sub>2</sub>
805	1885	( 3,180,620\$ 819,380 )	1919	"	105 12 3 <sup>1</sup> / <sub>4</sub>	104 9 0	3 15 5	3
845	1886	1,500,000	1920	"	102 5 6 <sup>3</sup> / <sub>4</sub>	101 2 9	3 18 9	5
"	1887	3,000,000	"	"	108 1 1 <sup>1</sup> / <sub>4</sub>	106 18 0 <sup>3</sup> / <sub>4</sub>	3 12 9	4
"	1888	1,500,000	"	"	102 14 10	101 11 11 <sup>1</sup> / <sub>2</sub>	3 8 5	4
989	1889	3,000,000	1923	3 <sup>1</sup> / <sub>2</sub>				
	Total	42,914,000**						

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

367. 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

Terms upon which loans have been obtained.

\* The loans referred to in the first six lines have been paid off by means of more recent loans.  
† For loans raised prior to 1876, the expenses have been uniformly assumed to have been 1 per cent. See paragraph 364 ante.  
‡ Based on the prices given in the previous column. § Redemption loans.  
|| It is believed that a higher price by fully 5s. per £100 would have been obtained but for the unusual occurrence of the shipment of large quantities of gold to Australia, which took place just prior to the loan being floated.  
¶ Money market much affected at time of issue of this loan by a misunderstanding with Russia and the supposed probability of war with that country.  
\*\* Including redemption loans amounting to £7,817,220, of which £7,000,000 was for loans falling due in London. This being deducted, the net amount borrowed there is reduced to £35,914,000.

a 3½ 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 3½ per cent. loan, floated at the beginning of 1889, brought a premium of nearly £3 per £100 debenture. 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, as will be hereafter shown, to the conversion of British 3 per cents., and the possibility that English trustees might sooner or later be allowed to invest in colonial securites, 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 3½ per cent. loans, either at a premium or at a small discount.

Actual rate  
of interest  
on loans.

368. 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 5¾ per cent., the lowest rate being 5½ 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 a little less than 5 per cent.; in the early part of 1883 for 4¾ per cent.; in 1885 for 4⅛ per cent.; in 1888 for about 3⅝ per cent., and in 1889 for even less than that rate, which was the lowest actual rate at which any Victorian—or, in fact, any Australasian—loan had yet been raised.

New South  
Wales  
loans.

369. 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 nine lines the figures were compiled in the office of the Government Statist, Melbourne, from official documents:—

NEW SOUTH WALES LOANS, 1858 TO 1888.

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

\* 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.

## NEW SOUTH WALES LOANS, 1858 TO 1888\*—continued.

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.
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	30	985,100	973,696	97·91	5	5 2 11
1871						
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
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

370. By this table it appears that during the five years ended with 1888, New South Wales has floated six loans amounting in the aggregate to £26,000,000. The loan of 1882 was issued in the form of debentures, but with right of inscription as stock. All previous loans, it is believed, were issued as debentures only, whilst all subsequent loans were issued either as inscribed stock or debentures inscribable as stock. It would appear that as early as 1881 and 1882 New South Wales was able to borrow, allowing for all charges, for 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 four loans, it will be observed, were launched nominally at 3½ per cent.; New South Wales being the first Australasian, and the second British colony || to issue loans bearing a lower

Success of recent New South Wales loans.

\* A loan of 3½ millions, having a currency of 29 years, was raised by New South Wales in 1889. The average price realized was £102·4, or, less interest and estimated expenses, £99·82. The actual interest payable would probably be £3 10s. 2d. per £100. See next table.

† See footnote on page 224.

‡ Figures revised and corrected since last publication.

§ 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.

|| The first one was Canada. See footnote (†) to paragraph 362 ante.

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 one, which was floated slightly above par. This 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 proposed, and now accomplished, compulsory conversion of the greater portion of the British 3 per cent. debt, first into  $2\frac{3}{4}$ , and eventually into  $2\frac{1}{2}$  per cents. ; but this has been since, in its turn, eclipsed by the Victorian  $3\frac{1}{2}$  per cent. loan of 1889.

Loans of Australasian colonies, 1888 and 1889.

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

LOANS OF AUSTRALASIAN COLONIES RAISED IN 1888 AND 1889.

Colony.	Date.	Amount.	Currency of Loans.	Nominal Rate of Interest.	Price obtained per £100 Debenture		Comparative Rates of Interest per £100.*
					Gross.	<i>Ex</i> 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 0	101 4 5	3 8 8½
Western Australia	July	100,000	45	4	108 15 3	108 1 11	3 12 9

NOTE.—Amongst other British Colonies the most remarkable recent loans are as follow:—Canada, in June, 1888, a 3 per cent. loan for £4,000,000 of 50 years' currency, realized £94 14s. 10d. *ex* interest, equivalent to interest at rate of £3 4s. 3d. per £100. Cape of Good Hope, in January, 1889, a 4 per cent. loan for £520,000 of 45 years' currency, but redeemable after 27 years at option of Government, realized £108 13s., *ex* interest, equivalent to interest at the rate of £3 12s. 4d.

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

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

‡ Repayable at the option of the Government at any time after 30 years on giving 12 months' notice. § Less estimated expenses, the rate would be £3 10s. 2d. per £100.

372. 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 9s. 7d. The following table contains a statement of the average expense of floating loans in the two colonies during the eight years ended with 1889:—

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

EXPENSES OF FLOATING LOANS OF VICTORIA AND NEW SOUTH WALES, 1882 TO 1889.\*

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	...	1	2	11	...
Total ... ..	23,000,000	28,000,000	1	3	0	1 9 7

373. 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 manag-  
ing stock of  
Victoria  
and New  
South  
Wales.

374. As there can be no doubt that the proposal of the Chancellor of the Exchequer (Mr. G. J. Goschen) to reduce the interest on the National Debt of the United Kingdom,† has had a marked effect in raising the values of Colonial Government Securities, a short account of the details of Mr. Goschen's scheme will be given. At the end of March, 1888, the National Debt stood in round numbers at 706 millions sterling, the various denominations of which will be found in the following table:—

National  
Debt of the  
United  
Kingdom.

\* See also table following paragraph 364 ante.  
† The details of this proposal were laid before the House of Commons on the 9th March, 1888.

NATIONAL DEBT OF THE UNITED KINGDOM, 31ST MARCH, 1888.

Denomination.	Total Amount of National Debt.	Amount of Debt held by Government Departments (included in previous column).
	£	£
FUNDED DEBT—		
3 per Cents. (Consols) ... ..	322,681,033	40,325,271
New 3 per Cents. ... ..	166,399,043	28,526,007
Reduced 3 per Cents. ... ..	68,912,433	15,552,694
New 3½ per Cents. ... ..	225,746	5,935
2¾ per Cents. ... ..	4,647,799*	615,393
2½ per Cents. ... ..	33,228,820	12,666,522
Debt to Banks of England and Ireland	13,645,869	...
Terminable Annuities ... ..	78,449,230	67,862,837
Exchequer Bills. . ... ..	5,150,200 )	4,943,100
Exchequer Bonds ... ..	3,589,900 )	
Treasury Bills ... ..	8,645,000	...
Deficit to Savings Banks and Friendly Societies Accounts	570,170	...
Total Debt ... ..	706,145,243†	170,497,759

NOTE.—The information in this table has been taken from *Burdett's Official Intelligence*, 1889, page 65.

Mr. Gos-  
chen's  
scheme  
reducing  
interest on  
British  
National  
Debt.

375. The stocks affected by the reduction are those in the first three lines of the table, amounting in all to 558 millions sterling,‡ all bearing interest at the rate of 3 per cent., viz., Consols, 322½ millions; New Three per Cents., 166½ millions; and Reduced Three per Cents., 69 millions. The holders of these stocks were asked to consent to their conversion into new stock, bearing interest at the rate of 2¾ per cent. for fourteen years, and after that period at the rate of 2½ per cent.; and those holders who declined or neglected to signify such consent were paid off at par. The New Threes could have been paid off at any time, without notice, but the holders of Consols and of Reduced Threes were entitled to receive twelve months' notice,§ in consideration of their foregoing which they were paid a premium of ¼ per cent. The new stock is guaranteed against redemption for a period of 35 years, viz., until the 5th April, 1923. It may be remarked that in 1887 the price of Consols ranged from 99⅞

\* Created in 1884-5.  
† Exclusive of £26,558,959 raised for local reproductive works. Formerly this was included.  
‡ The whole of this amount, with the exception of £41,250,000 had been voluntarily converted by the bondholders up to the 21st March, 1889.  
§ This notice, which was duly given, was to expire on the 6th July, 1889.



to  $103\frac{3}{4}$ . The following interesting account of the scheme is taken from *Burdett's Official Intelligence*\*:—

“In March, 1888, Mr. Goschen brought forward in the House of Commons his scheme for the conversion of the National Debt. The then amounts of the funds were as follows:—New Three per Cents., £166,000,000; Reduced, £69,000,000; and Consols, £357,000,000. The Consols and Reduced could only be paid off after a year's notice, and in sums of £500,000. The New Threes, the same which endured conversion in 1844 and 1854, could be paid off without notice in any amount. But by the terms of their creation they were liable and subject to redemption after the year 1874, but there was nothing to imply that they must be paid off all at one time. The New Threes were to be dealt with almost precisely as Mr. Goulburn did with the Three-and-a-Half per Cents. in 1844.

“The Government agreed that no alternatives should be offered, but that an attempt should be made to secure ‘one great stock in the interests of all,’ going ‘automatically down’ from  $2\frac{3}{4}$  to  $2\frac{1}{2}$  per cent. Rejecting the proposal to convert into  $2\frac{1}{2}$  per cent. stock at one bound, the Government determined, in the interests of the annuitants, to give the holders of Consols, Reduced, and New Threes, a term of one year at 3 per cent., and 14 years at  $2\frac{3}{4}$  per cent., descending automatically to  $2\frac{1}{2}$  per cent. for 20 years. With the view of inducing the holders of Consols and Reduced Threes, who were entitled to one year's notice before redemption, to convert at once, it was proposed, in consideration of their foregoing such right, to pay them a bonus of five shillings upon every £100 worth of stock which they might bring in for conversion. In the case of New Threes, assent to conversion was assumed unless dissent was expressed. In the case of Consols and Reduced Threes, assent to conversion was required.

“The Banks of England and Ireland were empowered to pay to recognized agents a brokerage of one shilling and sixpence per cent. on Consols and Reduced Threes brought in by them for conversion.

“In the case of the dividends on Consols, which were payable on the 5th of January and the 5th of July, a payment of fifteen shillings for interest was made on the 5th of April, and provision was made for the payment of future dividends quarterly at the new rate.

“Mr. Goschen estimated the advantages which would arise to the Revenue from this conversion, as follows:—

By the conversion of New Threes:

- (a) Immediately, *i.e.*, in 1889—£410,000 per annum.
- (b) Subsequently, *i.e.*, in 1903—£820,000 „

By the conversion of Consols, New Threes, and Reduced:

- (a) Immediately, *i.e.*, in 1889—£1,400,000 per annum.
- (b) Subsequently, *i.e.*, in 1903—£2,800,000 „

“Mr. Goschen's courageous and statesmanlike proposals were held by all classes to be irresistible, and by the exercise of great tact and discrimination in dealing with the few objections which were raised to his plan, most holders were brought to believe that conversion was now inevitable. So soon as this consensus of opinion in favour of conversion made itself felt no further serious resistance was offered, and without delay or difficulty the policy of the Government proved successful, and ‘one great stock in the interests of all’ has thus been created. The new  $2\frac{1}{2}$  per cent. consolidated stock is now known as ‘Goschen's,’ a just tribute to one of the most notable financial operations of modern times.”

376. The following table shows the total amount of debt, and the indebtedness per head, in Victoria and the other Australasian colonies on the 31st December of each of the seven years ended

Debts of  
Austral-  
asian  
colonies.

\* See that work for 1889; page 8.



with 1887 ; also the number of years' revenue the debt was equal to in each year :—

### PUBLIC DEBTS OF THE AUSTRALASIAN COLONIES.

Colony.	Year.	On the 31st December.				
		Total Amount of Debt.	Amount of Indebtedness per Head.			Number of Years' Revenue Debt is equal to.
		£	£	s.	d.	
Victoria ...	1881	22,426,502	25	9	7	4·32
	1882	22,103,202	24	11	1	3·95
	1883	24,308,175	26	7	5	4·33
	1884	27,526,667	29	1	11	4·64
	1885	28,628,588	29	9	7	4·55
	1886	30,114,203	30	0	5	4·65
	1887	33,127,382	31	19	5	4·92
New South Wales ...	1881	16,924,019	21	14	8	2·52
	1882	18,721,219	23	1	9	2·53
	1883	21,632,459	25	4	5	3·34
	1884	30,101,959	33	6	0	4·23
	1885	35,564,259	37	2	8	4·69
	1886	41,034,249	40	19	1	5·43
	1887	40,995,350	39	6	2	4·78
Queensland ...	1881	13,245,150	58	7	1	6·55
	1882	13,125,350	52	17	5	6·24
	1883	14,907,850	51	17	2	5·77
	1884	16,419,850	52	19	6	6·14
	1885	19,320,850	61	4	10	6·80
	1886	20,820,850	60	15	5	7·41
	1887	23,320,850	63	11	1	7·69
South Australia ...	1881	11,196,800	38	3	6	5·16
	1882	12,472,600	42	9	10	5·98
	1883	13,891,900	45	12	5	6·74
	1884	15,473,800	49	9	5	7·64
	1885	17,020,900	54	6	2	7·37
	1886	18,340,200	58	12	10	9·28
	1887	19,168,500	60	7	8	9·52
Western Australia ...	1881	511,000	17	0	6	2·01
	1882	511,000	16	12	2	2·04
	1883	611,000	19	5	6	1·93
	1884	765,000	23	4	3	2·64
	1885	1,288,100	36	12	4	3·99
	1886	1,286,000	32	9	9	3·31
	1887	1,280,700	30	2	10	3·39
Tasmania ...	1881	2,003,000	16	16	10	3·96
	1882	2,050,600	16	14	10	3·72
	1883	2,385,600	18	18	0	4·24
	1884	3,202,300	24	10	7	5·83
	1885	3,357,000	25	1	10	5·88
	1886	4,026,720	29	6	11	7·08
	1887	4,109,370	28	16	10	6·91

PUBLIC DEBTS OF THE AUSTRALASIAN COLONIES—*continued.*

Colony.	Year.	On the 31st December.		
		Total Amount of Debt.	Amount of Indebtedness per Head.	Number of Years' Revenue Debt is equal to.
		£	£ s. d.	
New Zealand*	1881	29,659,111	59 4 2	7·89
	1882	30,235,711	58 8 1	7·72
	1883	31,385,411	58 0 6	8·11
	1884	32,860,982	58 4 8	8·86
	1885	35,790,422	62 4 3	8·74
	1886	37,587,776	63 15 6	10·20
	1887	38,225,537	63 7 1	11·04

NOTE.—The following colonies have floated loans in London since the 31st December, 1887:—Victoria, £1,500,000 in January, 1888, and £3,000,000 in January, 1889; New South Wales, £3,500,000 in April, 1888, and £3,500,000 in July, 1889; Queensland, £2,500,000 in July, 1888; South Australia, £1,317,800 early in 1889; Western Australia, £100,000 in July, 1889; Tasmania, £1,000,000 in April, 1889; New Zealand, £2,000,000 in June, 1888. For public debts of the respective colonies at the end of 1888, 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 sixteen years 1873 to 1888; also table following paragraph 371 *ante*, and Appendix A. *post*.

377. In 1887, as compared with the previous year, New South Wales, Western Australia, Tasmania, and New Zealand show a decrease of indebtedness per head, but an increase amounting to from £2 to £3 per head occurred in the other colonies. According to the returns of the same year, by far the most heavily-indebted colonies in proportion to population were Queensland, which now stands first, and New Zealand, both with over £63; and next South Australia, with over £60 per head. Victoria, in proportion to population, was only half as heavily indebted as any of these, and was, moreover, less heavily indebted than any other of the Australasian colonies, except Western Australia and Tasmania. The following is the order in which the colonies stood in respect to their indebtedness per head, the most heavily indebted colony being placed first:—

Order of colonies in respect to indebtedness.

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

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

\* New Zealand, as a set-off against the debt, has an accrued sinking fund, which amounted on the 31st December, 1887, to £3,271,502. The net liability was thus £34,954,035, or £57 18s. 8d. per head, and was equal to 10·09 times the revenue. The sinking funds in the other colonies are of no great importance.

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

378. The public debts of the different colonies varied, in 1887, from an amount equal to 11 years' revenue in New Zealand, and 9½ years' revenue in South Australia, to a sum equal to 3½ years' revenue in Western Australia. Victoria occupied a lower, and consequently more favourable, position in this respect than any of the colonies, except New South Wales and Western Australia, her debt being equal to her revenue for not quite 5 years. The following is the order in which the colonies stood in respect to this matter:—

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

1. New Zealand.

2. South Australia.

3. Queensland.

4. Tasmania.
5. Victoria.

6. New South Wales.

7. Western Australia.

Public debt of Australia and Australasia.

379. If the amounts of debt at the latest period shown in the table be added together, it will be found that the aggregate debt of the colonies on the continent of Australia was nearly 118 millions, being 6½ millions more than in 1886; and the aggregate debt of Australia, with the addition of Tasmania and New Zealand, was over 160 millions sterling, being 7 millions more than in 1886. The following are the exact figures for 1887, 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, 1887.\*

	PUBLIC DEBT.				
	Total Amount.	Amount per Head.			Multiple of Revenue.
	£	£	s.	d.	Per cent.
Continent of Australia ... ..	117,892,782	42	0	4	5·68
Ditto with Tasmania and New Zealand	160,227,689	45	2	3	6·46

Debt per head higher in Australasia than in Australia.

380. It will be observed that a combination of the indebtedness of the insular colonies with that of the colonies upon the Australian continent gives a proportion of debt per head higher by £3 2s. 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 the most lightly, New Zealand is, next to Queensland, the most heavily, indebted colony of the group.

\* For later figures, see Appendix A. *post*.

381. During the year 1887, the public debt of Australasia, taken as a whole, increased by 7 millions—or nearly 5 per cent., but the amount per head of population increased by only 8s. During the fourteen years ended with 1887, the public debt increased by one hundred and seventeen and a half millions—or nearly fourfold—whilst the proportion per head was much more than doubled. The debt also, in the same fourteen years, increased in a much greater ratio than the public revenue, for whereas in 1873 it was equal to the income of the colonies for only about three and a half years, in 1887 it was equal to their income for six and a half years. This is shown by the following figures :—

Increase of debt in Australasia in thirteen years.

INCREASE OF PUBLIC DEBT OF AUSTRALASIA, 1873 TO 1887.

Year.					Public Debt of Australia, Tasmania, and New Zealand.		
					Total Amount.	Amount per Head.*	Multiple of Revenue.
					£	£ s. d.	
1873	...	...	...	...	42,672,423	20 7 1	3·46
1885	...	...	...	...	140,970,119	42 13 10	5·87
1886	...	...	...	...	153,209,998	44 14 3	6·52
1887	...	...	...	...	160,227,689	45 2 3	6·46
Increase 1873-87	...	...	...	...	117,555,266	24 15 2	3·00
„ 1887	...	...	...	...	7,017,691	0 8 0	- 0·06†

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

Classification of debts of Australasian colonies.

\* In 1873, the population was 2,096,560; in 1885, 3,302,174; in 1886, 3,426,562; and in 1887, 3,551,751.

† Decrease.

# PURPOSES FOR WHICH PUBLIC DEBTS OF AUSTRALASIAN COLONIES WERE INCURRED.

(Amounts outstanding on the 31st December, 1887)

Purposes for which Incurred.	Victoria.	New South Wales.	Queensland.	South Australia.	Western Australia.	Tasmania.	New Zealand.*
<b>1.—WORKS YIELDING DIRECT REVENUE.</b>	£	£	£	£	£	£	£
Railways and Tramways ..	25,413,206	29,989,750	13,127,799	10,891,728	816,147	1,771,928	13,362,424
Electric Telegraphs ..	..	693,509	745,207	826,030	170,156	90,971	561,963
Water Supply (including Sewerage)	5,007,650	3,472,882	472,115	2,729,500	..	..	559,941
Harbours, Rivers, Light-houses and Docks	626,019	1,650,942	1,430,193	1,364,313	..	1,079,338	822,125†
<b>Total .. ..</b>	<b>31,046,875</b>	<b>35,807,083</b>	<b>15,775,314</b>	<b>15,811,571</b>	<b>986,303</b>	<b>2,942,237</b>	<b>15,306,453</b>
<b>2.—OTHER WORKS OF A PERMANENT CHARACTER.</b>							
Roads and Bridges ..	108,042	556,414	731,885	1,323,284	48,822	..	3,363,551
Defence Works ..	100,000	528,867	137,390	187,220	..	97,073	429,719†
School Buildings ..	1,105,557	50,000	..‡	674,000§	..	110,428	..
Other Public Works and Buildings	766,908	1,021,317	1,332,685	471,425	125,478	506,577	2,006,867
<b>Total .. ..</b>	<b>2,080,507</b>	<b>2,156,598</b>	<b>2,251,960</b>	<b>2,655,929</b>	<b>174,300</b>	<b>714,078</b>	<b>5,800,137</b>
<b>3.—MISCELLANEOUS.</b>							
Immigration ..	..	569,930	2,379,447	..	..	235,714	2,133,669
Deficiencies in Revenue (including Treasury Bonds)	..	..	397,440	100,000	..	146,871	218,500
Balance { Other Services ..	..	1,385,086	633,618	601,000¶	..	70,470**	1,185,703††
Unapportioned‡‡ ..	..	1,076,653	1,883,071	..	120,097	..	13,581,070
<b>Total .. ..</b>	<b>..</b>	<b>3,031,669</b>	<b>5,293,576</b>	<b>701,000</b>	<b>120,097</b>	<b>453,055</b>	<b>17,118,947</b>
<b>Grand Total ..</b>	<b>33,127,382</b>	<b>40,995,350</b>	<b>23,320,850</b>	<b>19,168,500</b>	<b>1,280,700</b>	<b>4,109,370</b>	<b>38,225,537</b>

Purposes for which debts of Australasian colonies were contracted.

383. The major portion of the public debt of each of the Australasian colonies was contracted for the purpose of railway construction, but smaller amounts were borrowed for water supply, immigration, electric telegraphs, harbour and defence works, roads and bridges, school-houses, and other public works. Up to the end of 1887, New South Wales had borrowed a larger amount for railway construction than any other colony, the amount being nearly £30,000,000, as against

\* The figures for New Zealand represent not the whole, but the bulk of the expenditure out of loans (i.e., the net expenditure out of the "Public Works Fund" since 1870, the date of the first Immigration and Public Works Loan); it is, however, stated that, besides loan moneys, receipts in aid from Stamps duties, etc., contributed somewhat towards the total sum so expended. The balance required to make up the total debt at the end of 1887, which comprises the old provincial loans, of which particulars are not available, has been entered as "Unapportioned."

† In New Zealand, portions of the expenditure on "Defence Works" are included under the head of "Harbours, etc.," and "Unapportioned."

‡ Included with "Other Public Works."

§ Including other buildings.

|| Consisting of "Repayment of Loans," £1,335,230, and Public Works in Queensland when it formed part of New South Wales, £49,856. The former amount should properly have been distributed under the purposes for which the original loan was raised.

¶ Consisting of General Public Works for Northern Territory.

\*\* Debentures redeemed, amounting to £74,000, have been deducted from the amount returned for "Other Services," since the purposes were not specified for which the original loans thereby paid off were raised.

†† Including £1,141,283 land purchases (presumably from the Maoris).

‡‡ Consisting chiefly of unexpended balances, except in the case of New Zealand. See first footnote *supra*.

£25,400,000 borrowed for the same purpose by Victoria, over £13,000,000 by Queensland, and nearly £11,000,000 by South Australia. The amount set down as having been borrowed by New Zealand for railway construction is nearly £13,400,000, but the purposes for which £13,600,000\* of the debt—consisting chiefly of old provincial debts—(about a third of the whole New Zealand debt)—were contracted are not accurately known, and possibly some portion of this may have been devoted to railways, although not a large amount, as the total cost of railways in New Zealand, up to the end of 1887 is returned as £13,353,000, or about the same as the amount known to have been borrowed for railway construction. Victoria has borrowed more for water supply than any other colony, the total amount being £5,000,000, as against nearly £3,500,000 borrowed by New South Wales, and £2,700,000 borrowed by South Australia for the same object. No portion of the public debt of Victoria, South Australia, or Western Australia has been contracted for the promotion of immigration, but up to the end of 1887, Queensland and New Zealand had each borrowed over two millions for immigration purposes, whilst New South Wales and Tasmania had borrowed smaller sums.

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

Order of colonies in respect to borrowings for reproductive works.

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

	Per Cent.		Per Cent.
1. Victoria ...	93·72	5. Tasmania ...	71·60
2. New South Wales ...	87·34	6. Queensland ...	67·64
3. South Australia ...	82·49	7. New Zealand ...	40·04†
4. Western Australia ...	77·01		

385. Of the total amount borrowed by the colonies on the Australian continent to the end of 1887, over four-fifths was for railways and other reproductive works, nearly 8 per cent. was for other works of a permanent character, and, with the exception of  $2\frac{1}{2}$  per cent., which was unapportioned, the balance was spent on immigration and other services. Of the amount borrowed by the continental and insular

Purposes for which debt of Australasia was contracted.

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

† The purposes for which a large portion of the New Zealand debt was incurred cannot now be determined. See last footnote and paragraph to which it relates.

colonies combined, the proportion for reproductive works is considerably less, but the proportions for immigration and other purposes are considerably more than those for like objects relating to the continental colonies alone. This is shown in the following table :—

**PURPOSES FOR WHICH DEBTS OF AUSTRALIA AND AUSTRALASIA  
WERE CONTRACTED.**

(Amounts outstanding on the 31st December, 1887.)

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.
	£		£	
<b>1.—WORKS YIELDING DIRECT REVENUE.</b>				
Railways and Tramways ...	80,238,630	68·06	95,372,982	59·52
Electric Telegraphs ...	2,434,902	2·06	3,087,836	1·93
Water Supply (including Sewerage)	11,682,147	9·91	12,242,088	7·64
Harbours, Rivers, Lighthouses, and Docks	5,071,467	4·31	6,972,930	4·35
Total ...	99,427,146	84·34	117,675,836	73·44
<b>2.—OTHER WORKS OF A PERMANENT CHARACTER.</b>				
Roads and Bridges ...	2,768,447	2·35	6,131,998	3·83
Defence Works ...	953,477	·81	1,480,269	·92
School Buildings ...	1,829,557	1·55	1,939,985	1·21
Other Public Works and Buildings	3,767,813	3·20	6,281,257	3·92
Total ...	9,319,294	7·91	15,833,509	9·88
<b>3.—MISCELLANEOUS.</b>				
Immigration ...	2,949,377	2·50	5,318,760	3·32
Revenue Deficiencies (including Treasury Bonds)	497,440	·42	862,811	·54
Balance { Other Services ...	2,619,704	2·22	3,875,882	2·42
{ Unapportioned ...	3,079,821	2·61	16,660,891	10·40
Total ...	9,146,342	7·75	26,718,344	16·68
Grand Total...	117,892,782	100·00	160,227,689	100·00

Public debts  
of British  
dominions.

386. 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, 1887.

Country or Colony.	Public Debt.		
	Total Amount.	Amount per Head.*	Multiple of Revenue.†
<b>EUROPE.</b>			
United Kingdom ...	£ 705,575,073‡	£ s. d. 18 14 7	7·86
Malta ...	78,368	0 9 9	·36
<b>ASIA.</b>			
India ...	185,671,156	0 17 7	2·41
Ceylon ...	2,250,114	0 15 0	2·11
Straits Settlements ...	32,600	0 1 3	·05
Protected Malay States ...	94,297	0 6 3	·19
Hong Kong ...	200,000	0 18 9	·67
<b>AFRICA.</b>			
Mauritius ...	740,600	2 0 3	1·08
Natal ...	4,035,126	8 9 2	5·08
Cape of Good Hope ...	22,518,002	16 7 0	7·12
St. Helena ...	4,250	0 16 8	·53
Lagos ...	Nil	...	...
Sierra Leone ...	36,486	0 9 9	·60
<b>AMERICA.</b>			
Canada ...	46,708,515§	9 9 9	6·36
Newfoundland ...	626,050	3 2 7	2·52
Bermuda ...	10,114	0 15 2	·37
British Guiana ...	446,700	1 12 3	·96
Honduras ...	23,451	0 15 8	·54
West Indies—			
Bahamas ...	83,126	1 14 4	1·72
Jamaica ...	1,567,851	2 11 7	2·59
St. Lucia ...	113,700	2 13 9	2·84
St. Vincent ...	15,720	0 7 0	·53
Barbados ...	30,100	0 3 4	·18
Grenada ...	23,975	0 9 11	·51
Tobago ...	800	0 0 9	·09
St. Christopher )			
Nevis ... )	12,100	0 5 5	·31
Antigua ...	21,271	0 12 2	·48
Montserrat ...	3,900	0 6 8	·67
Dominica ...	13,400	0 9 1	·85
Trinidad ...	562,440	3 1 4	1·23
<b>AUSTRALASIA.</b>			
Australia, Tasmania and New Zealand	160,227,689	45 2 3	6·46
Fiji ...	265,389	2 2 7	4·09
<b>Total</b> ...	<b>1,131,992,363</b>	<b>4 5 3</b>	<b>5·41</b>

\* For population of Great Britain and the various colonies, see table following paragraph 103 *ante*.

† For revenue of Great Britain and the various colonies, see table following paragraph 279 *ante*.

‡ For particulars as to the rates of interest on various portions of the British Debt, see paragraph 374 *ante*.

§ "Net liabilities of the Dominion and Provincial Governments, after deducting the assets." This expression is not exactly understood. If the Australasian colonies were to deduct the assets (reproductive works constructed) the debt would probably be wiped out altogether.

|| For public debts and amounts per head and proportion of debt to revenue in the various Australasian colonies, see table following paragraph 376 *ante*.

Indebted-  
ness of  
British  
dominions.

387. It will be observed that the total indebtedness of Great Britain and her dependencies reaches to about 1,132 millions sterling; that  $705\frac{1}{2}$  millions, or nearly two-thirds, of this amount is owing by Great Britain herself; 185½ millions by India; 160 millions, or one-seventh of the whole, by the Australasian colonies; and the remainder, 81 millions, by Canada, the Cape of Good Hope, and other British colonies.

Indebted-  
ness per  
head of  
British  
dominions.

388. In Australasia, taken as a whole, the indebtedness, in proportion to population, is about two and a half times as large as that of the United Kingdom, which in this respect is far above any of its other dependencies. As regards individual colonies, the indebtedness per head of New Zealand, Queensland, or South Australia is more than three times as large as the indebtedness per head of the United Kingdom; whilst that of New South Wales is twice as large, and that of Victoria is larger by more than one-half. The two first-named colonies are, in proportion to population, by far the most heavily-indebted countries in the world. It may be observed that the indebtedness per head of Canada—which moreover includes its provincial debts—is considerably less than one-third of that of Australasia. It is stated, however, that the figures given for the former represent the net debt, after deducting assets, so that the gross debt may be much larger.

Proportion  
of debts to  
revenues  
of British  
dominions.

389. In proportion to revenue, the debt of Great Britain is much larger than that of any of her dependencies, of which the Cape of Good Hope stands first in this respect; but, with this exception, there is no possession in which the debt is so high a multiple of its revenue as the united debts of the Australasian colonies are of their united revenues. The proportion in Canada, however, does not fall far short of that in Australasia.

Increased  
indebted-  
ness of  
British  
dominions.

390. During the year 1887 the public indebtedness of the British dominions fell off by £10,800,000, there having been a reduction of  $30\frac{3}{4}$  millions\* in the debt of the United Kingdom; but, on the other hand, an increased amount of eleven millions was borrowed by India, seven millions by Australasia, and one million by Canada.

British  
National  
Debt, 1857  
to 1887.

391. A gradual but continuous diminution has taken place in the national indebtedness of the United Kingdom; this reduction in the last 30 years has amounted to 126 millions sterling. The decrease

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\* Of this decrease, however, about  $26\frac{1}{2}$  millions is accounted for by now deducting from the debt the amount borrowed for local reproductive works, which was formerly included.

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 1887.**

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

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

Public debts  
of Foreign  
countries.

**PUBLIC DEBTS OF FOREIGN COUNTRIES.**

Country.	Year.	Public Debt.		
		Total Amount (000's omitted).	Amount per Head.†	Multiple of Revenue.
EUROPE.		£	£ s. d.	
Austria-Hungary ...	1887	406,689,§	9 17 8	5·53
Belgium ...	1887-8	78,217,	13 4 8	6·27
Denmark ...	1887-8	10,723,	5 2 3	3·59
France ...	1888	949,124,	24 16 8	7·29
Germany ...	1887-8	407,968,¶	8 14 2	3·24
Greece ...	1887	23,649,	11 19 0	8·00
Holland ...	1887	91,263,	20 10 1	9·27
Italy ...	1885-6	454,959,	15 3 11	7·65
Portugal ...	1886-7	115,384,	26 15 11	15·09
Roumania ...	1887	30,337,	5 10 4	5·49

\* 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.

‡ For populations on which these calculations are based, see table following paragraph 108 *ante*.

§ This amount is made up of £240,941,000, general debt of the whole empire; £53,883,000, special debt of Austria proper; and £111,865,000, special debt of Hungary.

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

¶ This amount is made up of the debt of the Empire, £35,761,023 (including Treasury Bills) in 1888-9, together with the debts of the following States at the dates named, viz.:—Alsace-Lorraine, £1,334,175 in 1887; Anhalt, £243,770 in 1887; Baden, £17,222,470 in 1886; Bavaria, £2,268,125 in 1886; Brunswick, £3,659,530 in 1886; Hamburg, £9,708,350 in 1886; Hesse, £1,805,539 in 1887; Lippe, £48,645 in 1887; Lübeck, £729,750 in 1887; Mecklenburg-Schwerin, £1,178,500 in 1887; Oldenburg, £1,871,570 in 1886; Prussia, £209,095,650 in 1887-8; Reuss-Greiz, £22,527 in 1887; Reuss-Schleiz, £72,778 in 1887; Saxe-Altenburg, £52,538 in 1887; Saxe-Coburg-Gotha, £384,920 in 1887; Saxe-Meiningen, £609,750 in 1886; Saxe-Weimar, £292,838 in 1886; Saxony, £32,203,070 in 1887; Schaumburg-Lippe, £25,500 in 1887; Schwarzburg-Rudolstadt, £230,350 in 1887; Schwarzburg-Sondershausen, £190,937 in 1887; Waldeck, £116,280 in 1887; and Würtemberg, £21,202,576 in 1887. A large proportion of the debts of the German States was contracted for the construction of railways. As a set-off against the "Debt of the Empire," there exist various invested funds amounting to £35,968,828. 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.

PUBLIC DEBTS OF FOREIGN COUNTRIES—*continued.*

Country.	Year.	Public Debt.				
		Total Amount (000's omitted).	Amount per Head.*			Multiple of Revenue.
EUROPE— <i>continued.</i>		£	£	s.	d.	
Russia ... ..	1886	518,919,†	4	19	7	6·25
Spain ... ..	1886-7	260,000,	15	1	10	7·52
Sweden and Norway ...	1886-7	19,443,‡	2	19	3	2·73
Switzerland ... ..	1887	1,467,§	0	12	0	·70
Turkey... ..	1878	292,830,	13	6	8	19·95
ASIA.						
Japan ... ..	1887	49,085,	1	5	9	3·15
AFRICA.						
Egypt ... ..	1887	102,779,	15	2	0	10·45
Tunis ... ..	1884	5,000,¶	0	8	5	6·60
AMERICA.						
Argentine Confederation ...	1887	32,758,	9	10	9	3·09
Brazil ... ..	1885	93,666,	1	0	7	7·05
Mexico ... ..	1886	42,079,	4	0	5	6·35
Peru ... ..	1884	50,000,**	16	13	11	31·69
United States ... ..	1887	258,371,	4	13	0	3·24

Gross  
amount  
of debt in  
different  
countries.

393. 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 £244,000,000. Next to these in point of indebtedness are Russia, Italy, Germany, Austria-Hungary, Turkey, Spain, the United States, 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.

394. In proportion to population, the most heavily-indebted independent countries are Portugal and France, 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, also less than Holland, but larger than in any other country outside Australasia.

\* See footnote (†) on page 239.

† Including the debt bearing no interest, consisting of bank note circulation amounting to £69,496,000; also Treasury bonds to the amount of £24,000,000; also the Railway debt (guaranteed by the State), amounting to £125,295,000. According to the *London Statist*, the debt of Russia was increased by nearly £200,000,000 during a recent decade.

‡ This amount is made up of £13,656,012, debt of Sweden; and £5,786,883, 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 £2,200,000.

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

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

\*\* Exclusive of £14,000,000 Government paper in circulation.

†† See table following paragraph 386 *ante*.

‡‡ See table following paragraph 376 *ante*.

395. According to the table, Peru is very much more heavily indebted in proportion to its revenue than any other country. The debt of that country, and the debts of Turkey, Portugal, Egypt, Holland and Greece, are all larger in proportion to their revenues than the debt of the United Kingdom\* is to its revenue. The united debts of the Australasian colonies\* are much smaller in proportion to their united revenues than the debts of Italy, Spain, France, or Brazil, as well as those of the countries previously so mentioned, are to their respective revenues; whilst such proportion in Australasia closely approximates to that in Russia, Belgium or Mexico.

Proportion  
of debt to  
revenue in  
different  
countries.

396. In comparing the indebtedness of the Australasian colonies with that of other countries, it cannot be borne in mind too distinctly 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 of a reproductive character.

Objects of  
Austral-  
asian and  
other debts.

397. Municipalities in Victoria are empowered by the *Local Government Act* (38 Vict. No. 506) to borrow money for permanent works or undertakings, but the amount so borrowed—except in the case of cities, which have additional powers†—is not to exceed ten times their average annual net income during the three years prior to the raising of the loan. The following is a statement of the number of cities, towns, and boroughs, and the number of shires, which had loans outstanding in September, 1888, also of the total amounts included therein. These amounts are exclusive of sums borrowed by the municipalities through the General Government for waterworks (viz., £663,973, towards the redemption of which £78,570 has been repaid into a sinking fund)—they being included in the public debt of the colony‡ :—

Municipal  
debt.

## MUNICIPAL DEBT, 1888.

Municipalities.	At the end of the Municipal Financial Year.	
	Number of Districts which had Loans outstanding.	Total amount of outstanding Loans.
Cities, towns, and boroughs ...	41	£ 1,787,763
Shires ... ..	35	274,564
Total ... ..	76	2,062,327

\* See table following paragraph 386 *ante*.

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

‡ See table following paragraph 346 *ante*, also footnote (||) to that table.

Increase in  
municipal  
borrowings.

398. In 1888, as compared with 1887, the number of municipalities which had outstanding loans increased by 3, made up of 4 shires, less 1 borough. The total increase in the amount outstanding was £354,075; of which £276,580 was due to the borrowings of cities, towns or boroughs, and £77,495 to those of shires. The municipal debt has nearly trebled itself in the last five years.

Rates of  
interest  
paid by  
municipalities.

399. The interest payable by municipalities amounts to £103,952 per annum, the rates ranging from 4 to 8 per cent. The average rate paid by cities, towns, and boroughs is 4·99 per cent., that by shires 5·39 per cent. The following are the amounts borrowed by the two classes of municipalities at each rate of interest:—

RATES OF INTEREST ON MUNICIPAL LOANS, 1888.

Rate of Interest.	Loans outstanding in—		
	Cities, Towns, and Boroughs.	Shires.	Total.
	£	£	£
4	150,000	...	150,000
4½	325,000	...	325,000
5	1,039,462	195,550	1,235,012
5¼	...	1,000	1,000
6	248,426	50,000	298,426
6½	19,950	6,800	26,750
7	3,775	16,834	20,609
7½	...	1,200	1,200
8	1,150	3,180	4,330
Total ...	1,787,763	274,564	2,062,327

Harbour  
Trust  
loans.

400. The borrowing powers of the Melbourne Harbour 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 1888 the loans raised amounted to £1,000,000, of which one half bore interest at the rate of 5 per cent., one fourth at 4½ per cent., and the remaining fourth at 4 per cent. The last instalment amounting to £250,000, bearing interest at 4 per cent. and having a currency of 30 years, was offered in London in the form of debentures on the 7th November, 1888. The minimum price fixed for tenders was £101; the amount tendered was £436,100, ranging from the minimum to £105 ls., and the average price realized was £101 16s.,

\* For revenue and expenditure of the Trust, see paragraph 336 ante.

which includes £1 15s 5d. interest which had accrued from the 1st July, 1888. The price *ex* interest was thus £100 0s. 7d., or slightly above par. The leading particulars of the various loans floated are shown in the following table:—

## MELBOURNE HARBOUR 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.	£ 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
Total	1,000,000†						

401. The tramways in Melbourne and its principal suburbs are constructed by a Trust, consisting of delegates elected annually by the municipalities interested, called The Melbourne Tramways Trust. By the original Act creating this corporation, the Trust was authorized to raise all money required for the construction of tramways, as well as for the expenses of the Trust, by means of debentures secured on the lines constructed, also on the resources of the municipalities represented, in the proportion of the length and cost of the tramways within their respective limits. The Melbourne Tramway and Omnibus Company, to which the lines when completed were to be leased for a period of 30 years (subsequently increased to 32 years), are required to pay to the Trust the annual interest, also a yearly percentage to form a sinking fund calculated to extinguish the loan by the end of the lease. Owing to objections raised by the London Stock Exchange, however, further Acts‡ were passed limiting the borrowing powers of the Trust—first to £1,200,000, and subsequently to £1,500,000; securing the debentures on the property as well as on the revenues of the municipalities interested; and making the latter jointly and severally liable for the amount borrowed. Although the security offered was thus of the very best character, it was some time apparently before its true value was appreciated in London, as is evident by the low price obtained for

Tramways  
Trust  
loans.

\* 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.

† Whilst these pages were passing through the press, viz., on the 2nd July, 1889, a further 4 per cent. loan of £500,000, due in 1919, was floated in London at a gross average price of £102 7s. 7d. per £100, or £101 12s. 1d. *ex* accrued interest.

‡ 48 Vict. No. 783; 49 Vict. No. 836; and 51 Vict. No. 952.



the first issue as compared with the higher price for the later issues. The last instalment, viz., £50,000, was raised early in July, 1889, the borrowing of the full amount authorized, viz., £1,500,000, all bearing interest at the rate of  $4\frac{1}{2}$  per cent., being thus completed. The particulars of the various loans, together with the prices realized, are given in the following table\* :—

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

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

Sinking  
Fund for  
Tramways  
Trustloans.

402. 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. J. Hamilton, Secretary to the Trust:—

*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 1st July, 1884. It was calculated that, capitalised at 4 per cent., these contributions would give an excess over the Trust's debt of £129,000. When Act 952 was passed, increasing the Trust's borrowing powers to £1,500,000, the Tramway and Omnibus Company consented on condition that the liability to pay sinking fund on the new loan should not commence until the 1st July, 1889. It was also agreed by the corporations that these percentages should cease to be paid by the Company if at any time before the end of the extended lease (1st July, 1916) the amounts so contributed should be sufficient to repay the loan with all expenses; and that the Company should, on the other hand, be liable for any deficiency. Power was also given to the Trust to invest the sinking fund contributions in first mortgages of freehold land in Victoria, instead of restricting them to municipal and Government debentures and bank deposits. The total amount of sinking fund invested to date is £76,000, all in 5 per cent. Victorian municipal debentures, which have cost the Trust a small fraction above par.

General and  
municipal  
debt.

403. If the municipal debts, together with the debts of the Harbour and Tramways Trusts, be added to the Government debt on the 30th June, 1888, viz., £34,627,382,‡ it will appear that the total gross

\* For further particulars relating to the Tramways Trust, see latter part of "Interchange" post.  
† It should be stated that, in the first instance, the debentures for this loan were disposed of in Melbourne at a premium of 35s., to two of the Banks, who undertook to pay all expenses of floating the loan in London. The loan was duly floated there on the 4th February, 1886, and realized as high an average price as £107 16s. 8d, or about £107 *ex* accrued interest.  
‡ On the 30th June, 1889, the debt of the General Government had increased to £37,627,382.

liability of the colony was £39,139,709, or a proportion of £36 18s. 1d. per head of population.

404. At the end of June, 1888, there was a total balance of nearly £2,189,000 to the credit of the various trust funds, as against a credit balance of £1,810,000 at the end of the previous year, the principal increase being under the head of Post Office Savings Banks. The following are the particulars of the various funds at each of those periods:—

### TRUST FUNDS, 1887 AND 1888.

Accounts.	Credit Balances on the 30th June.		Increase.	Decrease.
	1887.	1888.		
	£	£	£	£
Assurance fund* ... ..	43,513	53,886	10,373	...
Suitors' fund ... ..	35,954	88,649	52,695	...
Police Superannuation fund ... ..	78,093	79,615	1,522	...
Intestate estates ... ..	120,692	115,110	...	5,582
Municipal Investments account ... ..	61,465	78,570	17,105	...
Melbourne and Hobson's Bay Railway Deposit account	12,018	12,498	480	...
Trustees, Executors, and Agency Com- panies, and Insurance Companies	35,000	55,000†	20,000	...
Defences— <i>Discipline Act</i> 1883—Am- munition and Deferred Pay fund, etc.	19,644	9,929	...	9,715
Post Office Savings Banks ... ..	1,240,578	1,537,197	296,619	...
Insolvency (unclaimed dividends) ... ..	3,974	4,006	32	...
Customs Goods overtime ... ..	599	574	...	25
Municipalities Sinking fund and Re- demption account	52,393	53,117	724	...
Survey Fees account ... ..	27,076	18,406	...	8,670
Security account ... ..	3,781	4,755	974	...
<i>Licensing Act</i> 1885 ... ..	29,649	26,817	...	2,832
Sundries ... ..	45,258	50,600	5,342	...
Total ‡ ... ..	1,809,687	2,188,729	379,042§	...

405. The trust funds at the end of 1888 exceeded 2 millions sterling, whereas eighteen years previously they amounted to less than half a million. Thirty-eight per cent. of the total is invested in debentures or inscribed stock and 60 per cent. is deposited in banks. The following table shows the amounts, and manner of their investment, at the end of each of the last nineteen financial years:—

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

† This amount represents 4 Trustees and 3 Insurance Companies.

‡ Exclusive of the amount of £75,073 referred to in the preceding footnote, but including £5,315 advanced to the Bungaree Loan Liquidation Account. § Net increase.

## TRUST FUNDS, 1870 TO 1888.

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

## Pensions.

406. The retiring allowances paid from the Victorian revenue are of two kinds, pensions and superannuation allowances. Of the former there were in 1887-8 six in all, embracing allowances to four former Ministers released from office on political grounds, to the widow of a former Governor of Victoria, and to the daughter of an eminent explorer of the Australian coasts. The total amount included in these pensions was £4,700.

## Super-annuation allowances under Acts of Parliament.

407. The persons entitled under Act of Parliament to superannuation allowances in the same year numbered 572, and consisted of two ex-Supreme Court Judges, seven former judges of County Courts, a late Clerk of Parliaments, a late Master-in-Equity, two late Commissioners of Audit, 510 ex-officers of the Public Service, 21 ex-officers of the Lunacy Department, 19 ex-officers of the Railway Department, and 9 of the Defence Forces. The aggregate amount of the allowances to these persons was £64,883, or an average of £113 8s. 8d. to each recipient.

## Pensions, etc., under Acts, 1887 and 1888.

408. Taken together, the pensions and superannuation allowances numbered 578, or 70 more than in the previous year, and the sum paid

\* 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.

amounted to £69,583, or £6,739 more than in that year. The average to each recipient was £120 7s. 9d., or £3 6s. 5d. less than in 1886-7. 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 Appropriations.

409. 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 1887-8, will be found in the following table:—

Pensions,  
etc., 1887-8.

PENSIONS AND SUPERANNUATION ALLOWANCES,\* 1887-8.

Authority under which legalized.	Description of the Recipients.	Number of Persons on the List.	Amount Paid.	
			Total.	Average to each Recipient.
	PENSIONS.		£ s. d.	£ s. d.
18 & 19 Vict. cap. 55 ( <i>Constitution Act</i> , Schedule D)	Former Ministers of the Crown	4	3,599 19 4	899 19 10
21 Vict. No. 20 ...	Daughter of the late Captain Flinders, R.N.	1	100 0 0	100 0 0
33 Vict. No. 362 ...	Widow of a former Governor of Victoria	1	1,000 0 0	1,000 0 0
	SUPERANNUATION ALLOWANCES.			
18 & 19 Vict. cap. 55	Supreme Court Judges ...	2†	3,500 0 0	1,750 0 0
33 " Vict. " No. 345	Clerk of Parliaments ...	1	500 0 0	500 0 0
( <i>County Court Statute</i> )	County Court Judges ...	7	4,500 0 0‡	642 17 2
36 Vict. No. 435 ...	Master-in-Equity ...	1	750 0 0	750 0 0
49 Vict. No. 870 ...	Commissioner of Audit ...	2	1,116 13 3	558 6 7
25 Vict. No. 160( <i>Civil Service Act</i> )	Officers in the Public Service	296	38,597 16 1	130 8 0
47 Vict. No. 773( <i>Public Service Act</i> )	Ditto ...	214	12,544 10 8	58 12 5
31 Vict. No. 309( <i>Lunacy Statute</i> )	Officers in the Lunacy Department	21	463 12 1	22 1 6
47 Vict. No. 767( <i>Victorian Railways Act</i> )	Officers in the Railway Department	19	2,079 4 3	109 8 8
47 Vict. No. 777( <i>Discipline Act</i> )	Officers of the Defence Force	9	831 0 3	92 6 8
Total ...	...	578	69,582 15 11	120 7 9

\* Not including £2,000 paid to the Police Superannuation Fund, and allowances voted annually, for which see paragraph 410 *post*.

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

‡ One pension of £900 not paid, as it only commenced near the end of the financial year.

Police pensions, how, granted.

410. 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 (£7,269 in 1887-8); 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, 1887-8.

411. The number of recipients of police retiring allowances in 1887-8 was 242,\* on which the annual amount payable was £24,290, or an average of £100 7s. 5d. to each recipient. It should be mentioned, however, that the actual amount paid in 1887-8 was only £22,006, in consequence of some amounts not having been drawn. In addition, gratuities in lieu of retiring allowances were paid in 18 instances, amounting in the aggregate to £5,303, or an average of nearly £295 to each recipient

Deduction from pay of police, and votes in aid.

412. In the year under review, for the eleventh time, a deduction was made from the pay of the police for the purpose of enabling the superannuation fund to meet the demands made thereon. The deduction made was at the rate of  $2\frac{1}{2}$  per cent., or the full amount allowed by law, and realised £4,762. Even with this addition, however, the ordinary receipts have proved insufficient, and the large balance which existed in the earlier years of the fund's existence having gradually become exhausted, it became necessary for Parliament to vote in aid of the fund a sum of £2,600 in 1880-81, of £5,000 in 1881-2, of £8,000 in 1882-3, of £10,000 in each of the four years 1883-4 to 1886-7, and of £7,000 in 1887-8. The balance to the credit of the fund at the beginning of 1887-8 was £13,100,† but at the end of the year this had decreased to £9,615.

Retiring allowances granted for infirmity.

413. Except in cases of infirmity of mind or body, the ordinary minimum age at which retiring allowances are granted to members of the civil service is sixty years, and to members of the police force fifty-five years. Of the existing retiring allowances, however, 37 per

\* Of these 4 lapsed during the year, so that the number at the end of the year was 238.

† The actual balance was only £8,100, but £5,000 of the Government grant due on account of the year was paid soon afterwards.

cent. of those granted to public servants, and as many as 47 per cent. of those granted to the police,\* were awarded in consequence of infirmity or disablement before the full age had been attained.

414. Besides the superannuation allowances and pensions for which amounts are specially appropriated, certain allowances are voted by Parliament each year to retired public servants who, whilst in the employment of the State, were attached to the unclassified branches of the service, and consequently were not comprehended in any of the several Statutes under which retiring allowances are legalized; in addition to which there was voted a grant in aid of the Police Superannuation Fund, and pensions to three persons—two being the widows of constables who were shot by the Kelly gang of outlaws. The number of retiring allowances voted in 1887-8, 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, 1887-8.

Department.	Number of Recipients.	Allowances voted.			
		Total Amount Paid.	Average to each Recipient.		
SUPERANNUATION ALLOWANCES.		£	£	s.	d.
Chief Secretary ... ..	12	643†	53	11	8
Minister of Public Instruction ...	65	4,770	73	7	8
Attorney-General ... ..	1	240	240	0	0
Treasurer ... ..	1	69	69	0	0
Commissioner of Crown Lands and Survey	1	75	75	0	0
Commissioner of Public Works ...	15	1,467	97	16	0
Commissioner of Trade and Customs ...	3	567	189	0	0
Postmaster-General... ..	4	180	45	0	0
Commissioner of Railways ... ..	11	1,750	159	1	10
PENSIONS.					
Widows of Constables shot by the Kelly gang of outlaws	2	88	44	0	0
Pioneer ‡ of overland route to India and Australia	1	52	52	0	0
Total... ..	116	9,901	85	7	1

415. The following is a summary of the pensions, superannuation allowances, compensations, and gratuities, paid out of the general

Pensions, gratuities, etc.

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

† Five of these pensions, amounting to £140, were granted to ex-constables of police for injuries received in execution of duty, in addition to amounts paid out of Police Superannuation Fund.

‡ Pension granted to sister.



revenue during the year 1887-8, distinguishing those paid from special appropriations from annual votes or otherwise:—

PENSIONS, RETIRING ALLOWANCES, COMPENSATIONS, AND GRATUITIES PAID 1887-8.

Pensions, Compensations, etc.	Annual Allowances.	Compensations and Gratuities.	Total.
	£	£	£
<i>Under Special Appropriations—</i>			
<i>Constitution Act</i> ... ..	7,600	...	7,600
County Court Judges ... ..	4,500	...	4,500
Master-in-Equity ... ..	750	...	750
Commissioners of Audit ... ..	1,117	...	1,117
Railway Department ... ..	2,079	12,681	14,760
Public Service* ... ..	52,437	6,941	59,378
Others (Lady Darling, Mrs. Petrie, and Hon. Peter Lalor)	1,100	4,000	5,100
Total ... ..	69,583	23,622	93,205
<i>Under Annual Votes—</i>			
Railway Department ... ..	1,750	10,486	12,236
Public Service ... ..	8,011	9,221	17,232
Others ... ..	140	...	140
Total ... ..	9,901	19,707	29,608
Total, exclusive of Police Pensions ...	79,484	43,329	122,813
<i>To the Police—</i>			
Endowment and amount voted £9,000† } From Police Superannuation Fund 18,309 }	22,006	5,303	27,309
Grand total ... ..	101,490	48,632	150,122
Less amount derived from Police Superannuation Fund	13,006	5,303	18,309
Amount paid by State ... ..	88,484	43,329	131,813‡

Retiring allowances, etc., 1886-7 and 1887-8.

416. 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 £6,417 in 1887-8 than in the previous year.

Abolition of retiring allowances.

417. 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.

\* 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 242 ante.