

Imports of
live stock
overland.

309. The returns of live stock imported overland made by the inspectors of stock always differ more or less from those of the officers of the Customs. In 1880 the former showed larger numbers as regards horses and cattle, but slightly smaller numbers as regards sheep, than the latter. The following are the imports of these descriptions of stock, according to the returns of both authorities:—

IMPORTS OF LIVE STOCK OVERLAND, 1880.

	Horses.	Cattle.	Sheep.
According to returns of the stock inspectors	6,180 ...	76,921 ...	924,115
” ” Customs	3,039 ...	75,403 ...	932,061

Imports of
pigs.

310. According to the returns of the stock inspectors, the pigs imported overland in 1880 numbered 1,009. According to the Customs returns, the total number of pigs imported in the same year numbered 10,035, but it is not stated how many were imported by land and how many by sea.

Value of live
stock over-
land.

311. According to the Customs returns, the value of live stock (exclusive of pigs) imported overland in 1879 was £761,185, and in 1880, £751,041.

PART IV.—FINANCE.

Public
finance
accounts.

312. There are in most countries two bodies which have the power of levying taxes for certain defined objects, viz., the Central or General Government, and the Municipal or Local Government; therefore, in dealing with questions affecting the total amounts raised and expended, it is desirable that the accounts of both these bodies should be taken into consideration. It has been too often the custom, in making statements respecting the finances of a country, to take no account of municipal revenue, taxation, and expenditure. It will, however, be at once obvious that these elements cannot be ignored except at the expense of accuracy. Taxation for local purposes forms part of the burdens of a people just as much as that for general services; and in some countries certain functions are performed by the one government which in other countries are performed by the other. It should further be pointed out that, in comparing the amounts raised in the same country in different years, allowance should be made for changes arising from transfer of portion of the revenue of the General Government to Local Bodies, and *vice versa*; also for the abandonment of revenue

for special public purposes which it is considered desirable to carry on by means of trusts, &c., and of the resumption of such revenue, should these be abolished. Of trusts in operation by which revenue has been affected, there is only one in Victoria, viz., the Melbourne Harbor Trust, which, for the sake of convenience, has been treated in this work as a local body.

313. During the financial year ended on the 30th June 1880 the general revenue was augmented by the imposition, on the 18th December 1879, of stamp duties, which realized £83,000; by the revenue, amounting to £159,950, derived from the late Melbourne and Hobson's Bay Railway, which was worked by the Government from the commencement of the financial year; and by a sum estimated to amount to £47,800, consequent on alterations in the tariff.* An increase of £290,750 is thus directly attributable to the sources of revenue having been disturbed by legislation, besides which an average of about 40 additional miles of railway were opened for traffic during the period.

Changes effected by legislation.

314. As against the increase from these sources must, however, be set a diminution of £115,000 in the amount of land tax collected. This arose not from any falling-off in the revenue from this source, but from the fact that the amount in 1878-9 had been unduly swelled by large arrears from 1877-8, representing the sums which had been left unpaid during the period the appeals against the land tax assessment were being considered.

Falling-off in land tax receipts.

315. The financial year 1879-80 commenced with a debit balance of £135,000, and the expenditure of the year exceeded its revenue by £254,000. The debit balance to carry forward to the ensuing year was therefore £389,000. The following are the exact figures:—

Finance account, 1879-80.

FINANCE ACCOUNT, 1879-80.†

	£	s.	d.
Net receipts	4,621,282	4	1
Net expenditure	4,875,029	5	0
<hr/>			
Expenditure in excess of receipts	253,747	0	11
Debit balance of 1878-9 brought forward	134,907	4	8
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Debit balance to carry forward to 1880-81	388,654	5	7
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* See paragraph 332 post.

† According to the Treasurer's Finance Statement, published whilst these pages were going through the press, the revenue of 1880-81 (exclusive of £500,000 raised by means of Treasury Bonds) was £5,186,011; and the expenditure was £5,108,642. The estimated mean population of the same twelve months was 869,067; so that the revenue per head was £6 0s. 7½d., and the estimated expenditure per head £5 18s. 9½d.

Recoups.

316. During the financial year under review £67,030 was recouped* to the revenue on account of moneys expended in previous years, whilst on the other hand £52,294 of the expenditure was left to be recouped to the revenue at a future period. Such amounts as these do not properly belong to the transactions of the year, but it has always been customary to include them therewith.

Excess of receipts and contrary.

317. In only one year of the last seven were the net receipts in excess of the net expenditure. The following figures show the surplus or deficiency in each of those years—the advances to be recouped, and the recoups, being left out of the account :—

		Receipts in Excess of Expenditure.		Expenditure in Excess of Receipts.
		£		£
1873-4	...	...	...	80,485
1874-5	...	...	...	126,949
1875-6	...	...	...	84,131
1876-7	...	158,598	...	...
1877-8	...	...	...	82,692
1878-9	...	...	...	313,959
1879-80	...	...	...	268,483

Debit balance in seven years.

318. According to these figures, the transactions of the septennial period resulted in a net debit balance of £798,101.

Revenue of 1879-80 and former years.

319. If recoups be excluded, and allowance made for changes effected by legislation, &c.,† the revenue from sources of income common to the years 1878-9 and 1879-80 will be found to have been in favor of the former by about £137,900, but inclusive of recoups and irrespective of such allowances, the revenue of the two years was almost identical, the excess in favor of 1878-9 being reduced to £238. The total revenue of 1879-80 was less than that in 1876-7 by £102,595, but was greater than in any except the two years named.

Expenditure of 1879-80 and former years.

320. The expenditure of 1879-80 was less than that of 1878-9 by £7,644, if expenditure of amounts to be recouped be excluded, but greater by £41,650 if they be included, and was in the latter case the largest amount that had ever been expended in the colony in one year.‡

Revenue and expenditure per head, 1851 to 1879-80.

321. The revenue and expenditure per head for each year from that of separation from New South Wales to 1879-80 will be found in the following table :—

* A recoup is a recovery in after years of moneys advanced in previous years from the revenue. It is included in the revenue in order to balance a similar amount charged to the expenditure of a previous year. Such advances are usually voted by Parliament in anticipation of a loan.

† See paragraphs 313 and 314 *ante*.

‡ Figures showing the revenue and expenditure in each year from the first settlement of the colony will be found in the Statistical Summary of Victoria (first folding sheet) *ante*.

REVENUE AND EXPENDITURE PER HEAD, 1851 TO 1879-80.*

Year.			Average Population of each 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 $\frac{1}{4}$	4	17	11
1872-3	...	...	758,984	4	16	0 $\frac{1}{4}$	4	12	4 $\frac{1}{2}$
1873-4	...	...	772,039	5	6	4 $\frac{3}{4}$	5	8	2 $\frac{3}{4}$
1874-5	...	...	783,274	5	8	2 $\frac{1}{2}$	5	10	3 $\frac{1}{4}$
1875-6	...	...	791,399	5	9	3 $\frac{3}{4}$	5	15	6 $\frac{3}{4}$
1876-7	...	...	801,717	5	17	10 $\frac{1}{4}$	5	8	8 $\frac{3}{4}$
1877-8	...	...	815,494	5	10	5 $\frac{3}{4}$	5	13	8
1878-9	...	...	827,439	5	11	8 $\frac{1}{2}$	5	16	10
1879-80...	...	...	840,620	5	9	11 $\frac{1}{2}$	5	15	11 $\frac{3}{4}$

322. In 1879-80 the revenue per head was less than in the three previous years, but was greater than in any other year since 1862. The expenditure per head was exceeded in 1878-9, but was not equalled in any other year since 1860. It will be observed that, in proportion to population, both revenue and expenditure declined pretty steadily year by year from 1862 to 1872-3, but in 1873-4 an augmentation took place, which has been maintained ever since.

Revenue and expenditure per head in 1879-80 and former years.

323. In the sixteen and a half years ended with 1879-80 the revenue raised exceeded the Treasurer's estimate on nine occasions, or by £1,468,881; and was less than that estimate on eight occasions, or by £1,109,470. Deducting the latter from the former, the net amount by which the result exceeded the estimate is found to have been £359,411. The following table shows the revenue estimated and

Revenue estimated and raised.

* For amounts per head in 1880-81, see footnote to paragraph 315 ante.

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

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

REVENUE ESTIMATED AND RAISED, 1864 TO 1879-80.

Year.	Revenue.		
	According to Treasurer's Estimate.	Actually Raised.	More (+) or less (-) than Estimate.*
	£	£	£
1864	2,973,000	2,955,338	— 17,662
1865	3,095,400	3,076,885	— 18,515
1866	3,186,265	3,079,160	— 107,105
1867	3,379,078	3,216,317	— 162,761
1868	2,963,050	3,230,754	+ 267,704
1869	3,241,500	3,383,984	+ 142,484
1870	3,529,100	3,261,883	— 267,217
1871 (6 months) ...	1,664,700	1,691,266	+ 26,566
1871-2	3,538,750	3,734,422	+ 195,672
1872-3	3,611,920	3,644,135	+ 32,215
1873-4	3,883,650	4,106,790	+ 223,140
1874-5	4,259,135	4,236,423	— 22,712
1875-6	4,109,750	4,325,156	+ 215,406
1876-7	4,385,716	4,723,877	+ 338,161
1877-8	4,476,880	4,504,413	+ 27,533
1878-9	4,855,666	4,621,520	— 234,146
1879-80... ..	4,900,634	4,621,282	— 279,352

Years in which estimates were exceeded and contrary.

324. The year in which the revenue exceeded the estimate by the largest amount is shown to have been 1876-7, viz., by £338,161, whilst that in which it fell most short of the estimate was 1879-80, viz., by £279,352.

Expenditure authorized and incurred.

325. The sums voted by the legislature in any year exceed, as is well known, those actually spent, the difference being sometimes erroneously designated the "savings" of the year. The following table shows the amount voted and expended and the difference in each of the sixteen and a half years ended with 1879-80 :—

AMOUNTS VOTED AND EXPENDED.

Year.	Amounts—		Balance Unexpended.
	Voted.	Expended.	
	£	£	£
1864	2,153,324	1,968,053	185,271
1865	2,399,936	1,976,587	423,349
1866	2,493,213	2,227,297	265,916
1867	2,316,423	2,190,279	126,144
1868	2,355,307	2,199,504	155,803
1869	2,378,772	2,202,798	175,974
1870	2,338,927	2,086,736	252,191

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

AMOUNTS VOTED AND EXPENDED—*continued.*

Year.	Amounts—		Balance Unexpended.
	Voted.	Expended.	
	£	£	£
1871 (6 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 ...	3,226,289	2,869,488	356,801
1875-6 ...	3,074,198	2,917,422	156,776
1876-7 ...	2,996,676	2,815,361	181,315
1877-8 ...	3,369,151	3,040,060	329,091
1878-9 ...	3,423,656	3,186,240	237,416
1879-80...	3,699,552	3,499,089	200,463

326. By adding the figures in the last column, it is found that the sum of the unexpended balances in the sixteen and a half years amounted to nearly four millions sterling, the exact amount being **£3,855,752.** Amount unexpended, 1864-80.

327. By taking the difference between the total amounts of revenue and expenditure for the sixteen and a half years ended with 1879-80, as given in the first folding sheet *ante*, the surplus or deficiency of the gross Public Revenue of each year will be ascertained. The amounts, which are as follow, differ from those given in a previous paragraph for the last seven years,* as there the advances to be recouped and the recoups are omitted from the account :— Surplus or deficiency of revenue.

SURPLUS OR DEFICIENCY OF REVENUE, 1864 TO 1879-80.

	Surplus.	Deficiency.		Surplus.	Deficiency.
	£	£		£	£
1864 ...	26,435	...	1872-3	139,182	...
1865 ...	93,108	...	1873-4	...	70,548
1866 ...	...	142,865	1874-5	...	81,698
1867 ...	...	25,501	1875-6	...	247,688
1868 ...	41,433	...	1876-7	365,781	...
1869 ...	157,819	...	1877-8	...	129,936
1870 ...	...	166,499	1878-9	...	211,859
1871 (6 months)	...	62,985	1879-80	...	253,747
1871-2	74,888	...			

328. By these figures it appears that in seven of the years the revenue exceeded the expenditure, whereas in nine, as well as in the half-year ended on the 30th June 1871, the reverse was the case. The revenue exceeded the expenditure by the largest amount in 1876-7, and the expenditure exceeded the revenue by the largest amount in 1879-80. Years in which revenue exceeded expenditure and contrary.

329. If the figures be added, those in the surplus column will be found to amount to **£898,646**, and those in the deficiency column to **£1,393,326**. The difference, representing the net deficiency of income, in fifteen and a half years is thus **£494,680.** Net deficiency of income, 1864-80.

* See paragraph 317 *ante*.

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

HEADS OF REVENUE, 1874-5 TO 1879-80.

Heads of Revenue.	Amounts Received.					
	1874-5.	1875-6.	1876-7.	1877-8.	1878-9.	1879-80.
	£	£	£	£	£	£
Customs	1,628,235	1,657,788	1,631,832	1,487,448†	1,378,384	1,377,781
Excise	32,475	33,437	34,768	36,309	36,088	41,230
Ports and harbors ...	19,935	22,104	20,993	22,647	20,310	19,193
Licenses (business)	10,714	10,712	11,688	17,150‡	20,116	21,761
Duties on estates of deceased persons	32,526	48,963	44,103	72,500	47,983	37,928
„ on bank notes	...	7,191§	27,248	26,672	24,956	22,470
Land tax ... ..	...	...	...	50,227	202,251||	87,553||
Stamp duty ... ..	...	...	...	...	...	83,005¶
Mint charges	7,504	7,659	7,512	7,247	7,906	10,158
„ subsidy returned	4,299	10,695	7,104	447	6,624	6,350
Land sales (including rents counting towards purchase-money)	767,624	782,069	783,311	756,674	802,254	694,321
Rents of Crown lands (not counting towards purchase-money)	173,601	184,776	208,872	186,337	163,207	147,994
Penalties under Land Acts	5,528	53,167	54,233	14,704	3,774	1,749
Railways	921,714	983,033	1,078,082	1,202,280	1,222,241	1,425,181**
Water supply	88,556	92,947	100,219	104,819	115,287	117,871
Public works (exclusive of railways and water supply)	6,834	6,042	5,690	5,190	5,879	4,142
Post and telegraphs	198,326	209,213	226,597	239,002	244,761	249,414
Fines, fees, and forfeitures (exclusive of Land Act penalties)	111,304	112,664	121,676	119,632	113,177	110,640
Rents (ordinary) ...	749	674	730	824	935	799
Reimbursements in aid	29,341	37,739	34,492	36,894	28,757	24,189
Interest and exchange	75,025	48,086	95,106	78,080	43,483	46,196
Miscellaneous receipts	55,410††	16,197	19,482	20,329	28,047	24,327
Recoups from Loans and assets realized	4,169,700 66,723	4,325,156 ...	4,513,738 210,139	4,485,412 19,001	4,516,420 105,100	4,554,252 67,030
Total	4,236,423	4,325,156	4,723,877	4,504,413	4,621,520	4,621,282

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

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

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

§ For six months only.

|| Including arrears, which in 1878-9 were unusually heavy.

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

** Including, for the first time, revenue derived from the Melbourne and Hobson's Bay system—recently purchased by the Government—amounting to £159,951.

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

331. The following table shows the various items of which the Customs revenue for the years 1878-9 and 1879-80 are made up, together with the increase or decrease in the latter year:—

CUSTOMS REVENUE, 1878-9 AND 1879-80.

Heads of Revenue.	Amounts Received.		Increase.	Decrease.
	1878-9.	1879-80.		
	£	£	£	£
Spirits	455,157	420,872	...	34,285
Wine	31,462	34,095	2,633	...
Beer and cider	27,143	27,372	229	...
Tobacco and snuff	75,161	59,384	...	15,777
Cigars	17,818	16,404	...	1,414
Tea	68,703	68,541	...	162
Sugar and molasses	93,197	89,379	...	3,818
Coffee, chicory, cocoa, and chocolate... ..	13,380	13,153	...	127
Opium	13,988	18,877	4,889	...
Rice	12,434	15,555	3,121	...
Hops	8,277	9,364	1,087	...
Malt	12,710	10,907	...	1,803
Dried and preserved fruits and vegetables	38,297	34,809	...	3,488
Live stock	30,115	43,056	12,941	...
All other articles (including <i>ad valorem</i> duties)*	454,013	491,898	37,885	...
Wharfage rates†... ..	26,520	24,125	...	2,395
Export duty on timber	9	<i>Dr.</i> 10	...	19
		Net figs.		Net figs.
Grand Total	1,378,384	1,377,781	...	603

332. In comparing the amounts for the two periods, it should be borne in mind that the tariff was altered on the 30th July 1879, thus affecting eleven-twelfths of the financial year under review. The duties on opium, rice, and hops were doubled, the duty on malt increased by one-half, and that on wine reduced, whilst the duties on the numerous items embraced in the heading "all other articles," were subjected to various alterations; but, notwithstanding these changes, which were for the most part in the direction of increased duties, the total Customs revenue, it will be observed, was less than in 1878-9 by £603. By far the largest decrease was under the head of spirits, and the next under that of tobacco, from both of which sources the revenue has for years past been falling off. Large decreases also occurred in the receipts from sugar, dried fruits, and wharfage rates. The result of the increased duties is shown in the improved revenue from opium, rice, hops, and "all other articles," whilst the revenue from the importation of live

* The receipts from *ad valorem* duties amounted to £248,622 in 1878-9, and to £273,835 in 1879-80.

† Including proportion received from the Melbourne Harbor Trust, which amounted in 1878-9 to £20,039, and in 1879-80 to £17,225. For net amount of wharfage rates received by that body, formerly included as Customs revenue, see paragraph 397 *post*.

stock, which was not affected by the alterations in the tariff, also increased, as likewise did the receipts from wine, on which the duty, as has been already said, was actually lowered.

Heads of expenditure.

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

HEADS OF EXPENDITURE, 1874-5 TO 1879-80.

Heads of Expenditure.	Year.	Expenditure from—		Total.
		Votes.	Special Appropriations.	
		£	£	
Legislature ...	1874-5	15,739	40,813	56,552
	1875-6	15,909	41,612	57,521
	1876-7	14,889	43,918	58,807
	1877-8	15,878	48,162	64,040
	1878-9	16,502	42,710	59,212
	1879-80	16,502	44,306	60,808
Civil establishment † ...	1874-5	103,681	...	103,681
	1875-6	100,130	...	100,130
	1876-7	102,444	...	102,444
	1877-8	101,175	...	101,175
	1878-9	101,451	...	101,451
	1879-80	104,867	...	104,867
Judicial and legal ...	1874-5	156,558	16,417	172,975
	1875-6	154,469	16,125	170,594
	1876-7	154,932	16,750	171,682
	1877-8	154,498	16,567	171,065
	1878-9	158,056	14,000	172,056
	1879-80	157,664	14,000	171,664
Public instruction, science, &c.	1874-5	405,662	9,000	414,662
	1875-6	463,776	9,000	472,776
	1876-7	481,409	9,000	490,409
	1877-8	510,175	9,000	519,175
	1878-9	560,673	9,000	569,673
	1879-80	557,579	11,250	568,829
State school buildings ‡	1874-5	181,440	...	181,440
	1875-6	...	...	...
	1876-7	...	...	...
	1877-8	...	...	...
	1878-9	...	...	...
	1879-80	...	...	...

* See footnote (*) to paragraph 330 ante.

† Including cost of the following departments:—Chief Secretary, Government Statist, Shorthand Writer, Agent-General, Audit Office, Registrar of Friendly Societies, Inspector of Stock, Treasury, Stores and Transport, and Government Printer. See also "Civil List," page 155 post.

‡ Since 1874-5 the amount expended on school buildings has been paid entirely out of loans. See table following paragraph 335 post.

HEADS OF EXPENDITURE, 1874-5 TO 1879-80—continued.

Heads of Expenditure.	Year.	Expenditure from—		Total.
		Votes.	Special Appropriations.	
		£	£	£
Charitable institutions, medical, &c.	1874-5	273,537	...	273,537
	1875-6	270,318	...	270,318
	1876-7	278,970	...	278,970
	1877-8	281,509	...	281,509
	1878-9	277,016	...	277,016
	1879-80	272,539	...	272,539
Mining*	1874-5	27,153	3,500	30,653
	1875-6	34,653	3,500	38,153
	1876-7	34,043	3,500	37,543
	1877-8	25,030	3,500	28,530
	1878-9	48,882	3,500	52,382
	1879-80	24,704	3,500	28,204
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
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
Mint †	1874-5	...	20,000	20,000
	1875-6	...	20,000	20,000
	1876-7	...	18,333	18,333
	1877-8	...	20,000	20,000
	1878-9	...	20,000	20,000
	1879-80	...	20,000	20,000
Crown lands and survey	1874-5	140,246	...	140,246
	1875-6	139,070	...	139,070
	1876-7	164,011	...	164,011
	1877-8	150,248	...	150,248
	1878-9	149,976	...	149,976
	1879-80	157,057	...	157,057
Railways	1874-5	437,931	...	437,931
	1875-6	489,751	...	489,751
	1876-7	562,517	...	562,517
	1877-8	616,207	...	616,207
	1878-9	662,178	...	662,178
	1879-80	771,527	...	771,527

* Including money lent by the Government to assist in developing the mining industry. The sum lent for this purpose was in 1879-80 £500, in 1878-9 £18,800, and in 1877-8 £250.

† The annual subsidy to the Mint is £20,000; portion of this sum, however, has been repaid each year to the revenue. See table following paragraph 330 ante, under the head "Mint subsidy returned."

HEADS OF EXPENDITURE, 1874-5 TO 1879-80—continued.

Heads of Expenditure.	Year.	Expenditure from—		Total.
		Votes.	Special Appropriations.	
		£	£	£
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
Public works *	1874-5	339,855	315,640	655,495
	1875-6	332,465	347,754	680,219
	1876-7	242,283	310,704	552,987
	1877-8	252,505	310,000	562,505
	1878-9	276,401	310,000	586,401
	1879-80	476,593†	155,000†	631,593
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
Harbors and lights	1874-5	35,035	...	35,035
	1875-6	34,703	...	34,703
	1876-7	29,980	...	29,980
	1877-8	29,017	...	29,017
	1878-9	28,876	...	28,876
	1879-80	29,272	...	29,272
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
Post and telegraphs	1874-5	294,726	63,164	357,890
	1875-6	280,981	20,928	301,909
	1876-7	298,467	61,931	360,398
	1877-8	312,958	63,133	376,091
	1878-9	333,120	53,984	387,104
	1879-80	338,088	57,188	395,276
Retiring allowances and pensions †	1874-5	2,587	26,529	29,116
	1875-6	2,426	27,423	29,849
	1876-7	4,725	26,214	30,939
	1877-8	5,587	28,370	33,957
	1878-9	9,153	34,751	43,904
	1879-80	9,336	36,340	45,676

* Exclusive of school buildings and of all public works paid for out of loans, but including endowments of municipalities under the Local Government Act. The expenditure on the Port of Melbourne included under this head prior to 1st January 1877 has since been paid out of the Harbor Trust fund; see next table.

† The provision of the Local Government Act 1874 authorizing the subsidy to municipalities having lapsed on the 31st December 1879, an amount equivalent to half a year's subsidy was voted by Parliament. This accounts for the large decrease in the expenditure from Special Appropriations, and a corresponding increase in that from Votes.

‡ Extensive reductions in the Public Service were made in 1877-8, which caused an increase in the amount of retiring allowances and pensions.

HEADS OF EXPENDITURE, 1874-5 TO 1879-80—continued.

Heads of Expenditure.	Year.	Expenditure from—		Total.
		Votes.	Special Appropriations.	
		£	£	£
Gratuities, compensations, &c.*	1874-5	10,884	3,078	13,962
	1875-6	5,963	1,752	7,715
	1876-7	7,187	3,478	10,665
	1877-8	7,146	42,582	49,728
	1878-9	33,444	12,360	45,804
	1879-80	19,416	1,406	20,822
Redemption of loans	1874-5	...	35,000	35,000
	1875-6	...	...	...
	1876-7	...	...	...
	1877-8	...	...	...
	1878-9	...	...	...
	1879-80	...	...	...
Interest	1874-5	...	742,008	742,008
	1875-6	...	793,600	793,600
	1876-7	1,867	816,803	818,670
	1877-8	...	920,911	920,911
	1878-9	3,842	914,698	918,540
	1879-80	...	1,002,722	1,002,722
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
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
Placed to railway loan liquidation and construction account ‡	1874-5	...	100,000	100,000
	1875-6	...	300,000	300,000
	1876-7	...	200,000	200,000
	1877-8	...	100,000	100,000
	1878-9	...	200,000	200,000
	1879-80	...	...	...

* Extensive reductions in the Public Service were made in 1877-8, which caused an increase in the amount of gratuities and compensations.

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

‡ This account was created under the Land Act 1869 (33 Vict. No. 360, secs. 42 and 43), whereby it was provided that an amount of £200,000, proceeding from the alienation of land, should be placed annually to a trust account, the moneys standing to the credit of which should be available for the repurchase of debentures, or the further construction of railways. The total amount which had been paid to this fund up to the 30th June 1879, all of which had been expended on the survey or construction of lines of railway, was £2,191,172 16s. 11d., viz., £1,800,000 paid in accordance with these provisions, and £391,172 16s. 11d. advanced from time to time under the Railway Loan Act 1876 (39 Vict. No. 531), section 11, and the Railway Loan Act 1878 (42 Vict. No. 608), section 11, which provide that advances to this fund out of the Railway Loans may be made in anticipation of the whole sum of money accruing and becoming available, viz., £2,200,000, up to the expiry of the Principal Act, on the 31st December 1880.

HEADS OF EXPENDITURE, 1874-5 TO 1879-80—continued.

Heads of Expenditure.	Year.	Expenditure from—		Total.
		Votes.	Special Appropriations.	
		£	£	£
Miscellaneous services * ...	1874-5	30,108	2,500	32,608
	1875-6	30,627	2,500	33,127
	1876-7	21,497	2,500	23,997
	1877-8	31,222	2,500	33,722
	1878-9	39,598	2,500	42,098
	1879-80	31,725	2,500	34,225
Total, exclusive of amounts to be recouped from loans, &c. ...	1874-5	2,848,016	1,448,633	4,296,649
	1875-6	2,753,866	1,655,421	4,409,287
	1876-7	2,812,405	1,542,735	4,355,140
	1877-8	2,973,815	1,594,289	4,568,104
	1878-9	3,183,240	1,647,139	4,830,379
	1879-80	3,446,795	1,375,940	4,822,735
Amounts to be recouped ...	1874-5	21,472	...	21,472
	1875-6	163,556	...	163,556
	1876-7	2,956	...	2,956
	1877-8	66,245	...	66,245
	1878-9	3,000	...	3,000
	1879-80	52,294	...	52,294
Grand total of expenditure ...	1874-5	2,869,488	1,448,633	4,318,121
	1875-6	2,917,422	1,655,421	4,572,843
	1876-7	2,815,361	1,542,735	4,358,096
	1877-8	3,040,060	1,594,289	4,634,349
	1878-9	3,186,240	1,647,139	4,833,379
	1879-80	3,499,089	1,375,940	4,875,029

Votes more, appropriations less, than in other years.

334. It will be observed that the total expenditure from Votes was much greater, but that from Special Appropriations much less, than in any previous year. This is partly accounted for by the non-payment in 1879-80 of £200,000 appropriated annually to the Railway Loan Liquidation Account, and to the subsidy to local bodies being charged—half to Special Appropriations and half to Votes, as already explained in a footnote to the item "Public Works" *ante*.

Expenditure of loans, &c.

335. The following table shows the expenditure of amounts raised by means of loans during each of the six years ended with the year under review; also the expenditure on the Port of Melbourne during each of the three years which have elapsed since the establishment of the Harbor Trust on 1st January 1877. This is intended to supplement the foregoing table by exhibiting those items which, having never been, or having ceased to be, a charge on the general revenue, are treated in separate accounts:—

* The amounts in the column for Special Appropriations are the unexpended balances of the Pension Fund (Schedule D, Part V.), repaid each year to the revenue.

EXPENDITURE OF PROCEEDS OF LOANS AND OF THE HARBOR TRUST FUND, 1874-5 TO 1879-80.

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

336. The total revenue and expenditure, and the amount of each per head of the living population, of each of the Australasian colonies, are shown in the following table for the seven years ended with 1879. 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 except Queensland, in which the financial year also now ends on the 30th June, so the returns of it are twelve months behind those of Victoria and six months behind those of all the other colonies:—

Revenue and expenditure in Australasian colonies.

REVENUE AND EXPENDITURE IN AUSTRALASIAN COLONIES.

Colony.	Year.	Revenue.			Expenditure.		
		Total Amount.	Amount per Head.		Total Amount.	Amount per Head.	
		£	£	s. d.	£	£	s. d.
Victoria	1872-3	3,644,135	4	16 0½	3,504,953	4	12 4½
	1873-4	4,106,790	5	6 4¾	4,177,338	5	8 2¾
	1874-5	4,236,423	5	8 2½	4,318,121	5	10 3¼
	1875-6	4,325,156	5	9 3¾	4,572,844	5	15 6¾
	1876-7	4,723,877	5	17 10¼	4,358,096	5	8 8¼
	1877-8	4,504,413	5	10 5¾	4,634,349	5	13 8
	1878-9	4,621,520	5	11 8½	4,833,379	5	16 10¼
	1879-80	4,621,282	5	9 11½	4,875,029	5	15 11¾

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

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

‡ The figures in this line apply to the years ended 31st December. For details of Harbor Trust expenditure, see table following paragraph 397 post.

REVENUE AND EXPENDITURE IN AUSTRALASIAN COLONIES—*continued.*

Colony.	Year.	Revenue.		Expenditure.	
		Total Amount.	Amount per Head.	Total Amount.	Amount per Head.
		£	£ s. d.	£	£ s. d.
New South Wales	1873	3,324,713	6 0 11½	2,333,166	4 4 10½
	1874	3,509,966	6 2 8	2,939,227	5 2 8¾
	1875	4,121,996	6 18 5¼	3,341,324	5 12 2¾
	1876	5,033,828	8 2 10¼	4,749,013	7 13 7¾
	1877	5,748,245	8 17 11½	4,627,979	7 3 3½
	1878	4,983,864	7 7 0½	5,672,154	8 7 4
	1879	4,475,059	6 5 4¼	5,839,150	8 3 6¾
Queensland	1873	1,120,034	7 19 10½	956,335	6 16 6
	1874	1,160,947	7 9 8½	1,121,710	7 4 7¾
	1875	1,261,464	7 6 4	1,404,198	8 2 10¾
	1875-6	1,263,268	6 19 4½	1,283,520	7 1 7¼
	1876-7	1,436,582	7 13 6¾	1,382,806	7 7 9¾
	1877-8	1,559,111	7 13 6½	1,543,820	7 12 0½
	1878-9	1,461,824	6 18 10½	1,678,631	7 19 5¾
South Australia...	1873	937,648	4 16 1¼	839,152	4 6 0
	1874	1,003,820	4 19 8½	1,051,622	5 4 5½
	1875	1,143,312	5 10 2¼	1,176,412	5 13 4¼
	1876	1,320,204	6 1 1	1,323,337	6 1 4½
	1877	1,441,401	6 4 7¾	1,443,653	6 4 10¼
	1878	1,592,634	6 11 2	1,620,310	6 13 5½
	1879	1,662,498	6 10 10¼	1,847,256	7 5 4¾
Western Australia	1873	134,832	5 4 9	114,270	4 8 9¼
	1874	148,073	5 13 11½	143,266	5 10 3¼
	1875	157,775	5 19 3	169,230	6 7 10¾
	1876	162,189	6 0 1	179,484	6 12 10½
	1877	165,412	5 19 11½	182,959	6 12 8
	1878	163,344	5 16 8	198,243	7 1 7
	1879	196,315	6 18 2	195,812	6 17 9¾
Tasmania	1873	324,257	3 2 7½	303,947	2 18 8
	1874	333,732	3 4 0½	325,195	3 2 5
	1875	342,606	3 5 11½	388,090	3 14 8¼
	1876	327,017	3 2 6½	341,889	3 5 4½
	1877	366,118	3 8 10¾	352,461	3 6 3¾
	1878	385,936	3 11 1½	379,232	3 9 10¾
	1879	375,570	3 7 6¼	481,216	4 6 6½
New Zealand	1873	2,776,388	9 12 11¾	2,119,524	7 7 3¾
	1874	3,063,811	9 12 1¾	3,035,711	9 10 4½
	1875	2,813,928	7 16 10	3,431,973	9 11 3¼
	1876	3,580,294	9 4 9¾	4,305,337	11 2 2¾
	1877	3,916,023	9 11 9½	3,822,426	9 7 2½
	1878	4,167,889	9 17 8¼	4,365,275	10 7 0¾
	1879	3,134,905	6 19 11	3,845,036	8 11 7¼

NOTE.—For revenue and expenditure of the neighboring colonies during 1880, see Summary of Australasian Statistics (third folding sheet) *ante*.

Expenditure
greater
than
revenue
in colonies.

337. In the last year but one there was a considerable deficit in all the colonies except Queensland and Tasmania, and in the last year named in all except Western Australia. During the last seven years there

has been a deficit twice in New South Wales, thrice in Queensland and Tasmania, four times in Western Australia and New Zealand, and six times in South Australia and Victoria.

338. It will be observed that the large and sudden increase in the total revenue of New South Wales in 1876 and 1877, when it considerably exceeded that raised in Victoria, was not maintained, as it again declined to little more in 1879 than it was in 1875. In New Zealand also the total revenue, which had been increasing steadily from 1876 to 1878, underwent a considerable reduction in 1879.* Decreases, although in a less degree, likewise occurred in the revenues of Victoria, Queensland, and Tasmania in the same year. The revenue of Victoria has remained tolerably steady, but South Australia and Western Australia are the only colonies which show larger figures for 1879 than for any previous year. Notwithstanding these reductions in the revenue, however, the expenditure of most of the colonies was largest in 1879; and in all but New Zealand it was much above the average. During the period to which the table relates, the expenditure of Victoria increased by a third, whilst that of New South Wales and South Australia much more than doubled, and that of Queensland and New Zealand nearly doubled.

Decrease of revenue and increase of expenditure in colonies.

339. The only colony in which the revenue per head was greater in the last year than in any of the previous ones was Western Australia. In most of the other colonies it showed a tendency to decline, which was most marked in the case of New South Wales, Queensland, and New Zealand. The only colonies in which the expenditure per head was greatest in the last of the years named were South Australia and Tasmania.

Revenue and expenditure per head in colonies.

340. The following is the order in which the respective colonies stand in regard to the total amount they raised and expended in the last year shown. In that year the revenue of Victoria exceeded that of New South Wales by nearly £150,000, but the expenditure of New South Wales exceeded that of Victoria by nearly £1,000,000. These are the only colonies which occupy different positions in the two groups. All the others follow the same order both in regard to revenue and to expenditure :—

Order of colonies in respect to revenue and expenditure.

ORDER OF COLONIES IN REFERENCE TO REVENUE AND EXPENDITURE, 1879.

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

* This falling-off in the revenue of New South Wales and New Zealand is attributable to a large decrease in the land revenue. See paragraph 348 post.

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

341. In regard to the revenue and expenditure per head, Victoria occupied in the last year the same place she had held in the four previous years, viz., the sixth. New South Wales was just above her in point of revenue per head, but in point of expenditure per head was second only to New Zealand. The following is the order in which the colonies stood in these respects :—

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

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

Revenue and expenditure of Australasia.

342. Adding together the amounts of revenue and likewise the amounts of expenditure for 1879, it will be found that the aggregate revenue of the colonies on the continent of Australia amounted to over 12 $\frac{2}{3}$ millions, and their aggregate expenditure to nearly 14 $\frac{2}{3}$ millions sterling; also that the aggregate revenue of Australia, with the addition of Tasmania and New Zealand, amounted to nearly 16 millions, and the aggregate expenditure to 18 $\frac{2}{3}$ millions sterling. The deficit on the year's transactions was thus about 2 millions sterling for Australia, and 2 $\frac{2}{3}$ millions for Australasia. The following are the exact figures, also the proportions per head of population :—

REVENUE AND EXPENDITURE OF AUSTRALIA AND AUSTRALASIA, 1879.

	Revenue.		Expenditure.	
	Total Amount.	Amount per Head.	Total Amount.	Amount per Head.
	£	£ s. d.	£	£ s. d.
Continent of Australia ...	12,417,216	5 19 1	14,394,228	6 18 0 $\frac{1}{2}$
Ditto, with Tasmania and New Zealand	15,927,691	6 0 5 $\frac{1}{2}$	18,720,480	7 1 7

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

343. It will be observed that the large revenue and expenditure of New Zealand more than counterbalanced the small revenue and expenditure of Tasmania, and hence the amounts per head for Australia were below those for all Australasia. It will also be noticed that in Victoria the revenue per head was over 9s., and the expenditure per head was

over £1 2s., less than the average of Australia, and both revenue and expenditure were below the average of Australasia by still higher amounts.

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

Revenues of British dominions.

REVENUES OF BRITISH DOMINIONS.

Country or Colony.	Year.	Revenue.	
		Gross Amount.	Average per Head.*
EUROPE.			
United Kingdom	1879-80	£ 81,265,055	£ s. d. 2 7 1
Gibraltar	1878	43,163	2 7 11
Malta	"	189,536	1 4 10
ASIA.			
India	1878	58,969,301	0 6 2
Ceylon	"	1,543,321	0 11 10
Straits Settlements	"	366,449	1 3 9
Labuan	"	7,419	1 10 3
Hong Kong	1876	184,406	1 6 6
AFRICA.			
Mauritius	1878	789,553	2 4 6
Seychelles	1876	11,126	0 16 8
Natal	1878	369,384	1 0 8
Cape of Good Hope	1878-9	2,082,889†	2 1 4
St. Helena	1878	14,198	2 5 6
Lagos	"	50,889	0 16 11
Gold Coast	"	105,092	0 5 2
Sierra Leone	1876	178,813	4 16 5
Gambia	1878	25,731	1 16 4
AMERICA.			
Canada	1877-8	4,661,461	1 5 5
Newfoundland	1878	212,298	1 6 4
Bermudas	"	26,903	1 18 11
Honduras	"	40,361	1 12 8
British Guiana	"	409,259	1 15 9
West Indies—			
Bahamas	"	41,518	1 1 2
Turk's Island	"	8,567	1 12 1
Jamaica	1877-8	539,476	1 1 4

* For populations on which these calculations have been based, see table following paragraph 83 ante.

† Excluding £2,629,287, temporary loans received and repaid in 1878.

REVENUES OF BRITISH DOMINIONS—continued.

Country or Colony,	Year.	Revenue.	
		Gross Amount.	Average per Head.*
		£	£ s. d.
AMERICA.			
<i>West Indies—continued—</i>			
St. Lucia	1878	28,297	0 16 0
St. Vincent	"	28,843	0 16 1
Barbadoes	"	131,192	0 14 11
Grenada	"	34,078	0 16 1
Tobago	"	14,986	0 16 1
Virgin Islands	"	1,537	0 4 9
St. Christopher	"	32,034	1 2 9
Nevis	"	10,077	0 17 3
Antigua	"	37,662	1 1 2
Montserrat	"	9,340	1 1 6
Dominica	"	20,998	0 15 5
Trinidad	"	470,513	4 5 10
AUSTRALASIA AND SOUTH SEAS.			
Australia, Tasmania, and New Zealand † ...	1879	15,927,691	6 0 5½
Fiji	"	67,771	0 11 3
Falkland Islands	1878	11,576	8 6 1
Total ... ..	...	168,962,763	0 14 2

Aggregate
revenue of
British
dominions.

345. By this table it will be noticed that, out of the 169 millions sterling which represent the aggregate annual revenue of British dominions, 92 per cent. is raised in the United Kingdom, India, and Australasia, the proportion contributed by each respectively being about one-half, one-third, and one-tenth. Of the total amount, 48½ per cent. is raised in Europe, 36½ per cent. in Asia, 2½ per cent. in Africa, 4 per cent. in America, and 9½ per cent. in Australasia.

Land revenue
in Austral-
asian
colonies.

346. The very large amount of revenue in proportion to population raised in every one of the Australasian colonies, as compared with other British possessions, will be at once noticed.‡ It will, however, be remembered that these colonies possess an immense territory, scantily peopled, and that a considerable revenue is derived from the usufruct of the unsold lands, which is not generally the case elsewhere; also that the revenues are swelled by the large sums which are received annually from the alienation of Crown lands in fee-simple. This will be more readily observed by reference to the following table, which shows the receipts from those sources and their proportion to the total revenue in each of the Australasian colonies during 1879:—

* For populations on which these calculations have been based, see table following paragraph 83 ante.

† See table following paragraph 342 ante.

‡ See table following paragraph 336 ante.

LAND REVENUE IN AUSTRALASIAN COLONIES.

Colony.	Year.	Revenue derived from Crown Lands for—			Proportion of Land Revenue to Total Revenue.
		Alienation in Fee-simple, and Progressive Alienation.	Temporary Occupation.	Total.	
		£	£	£	Per Cent.
Victoria* ...	1878-9	802,254	163,207	965,461	20·89
New South Wales ...	1879	1,117,963	196,477	1,314,440	29·37
Queensland ...	1878-9	182,999	195,137	378,136	25·87
South Australia ...	1879	433,402	72,940	506,342	30·46
Western Australia ...	"	...	...	33,398	17·01
Tasmania ...	"	32,770	16,141	48,911	13·03
New Zealand ...	"	...	...	318,661	10·16
Total ...	...	...	...	3,565,349	22·39

347. It will be noticed that in New South Wales and South Australia nearly a third, and in Queensland a fourth, of the revenue was derived from Crown lands; whilst in Victoria the proportion was about a fifth, in Western Australia about a sixth, in Tasmania as low as an eighth, and in New Zealand only a tenth. When, moreover, it is considered that nearly the whole of the land revenue in Victoria, New South Wales, and South Australia, and much more than half in Queensland, is, according to the table, received for alienation in fee-simple, it is evident that in the course of a few years the rapid diminution of the public estate in these colonies will necessitate either a resort to other modes of sustaining the revenue or to a considerable reduction in the expenditure.

Prospective diminution of land revenue in colonies.

348. The total land revenue of the Australasian colonies amounted in 1878 to £5,814,388, but in 1879 to only £3,565,349, thus showing a falling-off of £2,249,039; in the former year the proportion to the total revenue was 33 per cent., in the latter only 22½ per cent. This large decrease in so short a period is almost entirely confined to New South Wales and New Zealand, in which colonies the falling-off amounted to £1,000,437 and 1,190,520 respectively.

Decrease of land revenue in Australasia, 1879.

349. In countries out of Australasia, calculations respecting the land revenue (revenue from domains and forests) appear to be generally made in connection with the total expenditure instead of the total revenue; but as these totals in most countries vary but little from each other, the result would probably be about the same as if the calculations were made according to the principle adopted for the Australian colonies, as shown in the last table. In the following statement, taken

Proportion of land revenue in various countries.

* In Victoria, in 1879-80, the land revenue was:—Alienation in fee-simple, £694,321; temporary occupation, £147,994; total, £842,315. The proportion to the total revenue was 18·23.

from *l'Almanach de Gotha*,* the proportion of the revenue from domains and forests to the total expenditure is given for some of the principal States of the world:—

LAND REVENUE IN PROPORTION TO TOTAL EXPENDITURE OF VARIOUS COUNTRIES.

Countries.	Net Revenue from Domains and Forests in proportion to Total Expenditure.	Countries.	Net Revenue from Domains and Forests in proportion to Total Expenditure.
	Per Cent.		Per Cent.
Bavaria ...	15.9	Spain ...	2.2
Württemberg ...	9.9	Italy ...	2.0
Germany ...	9.1	France ...	1.9
Saxony ...	8.9	Holland ...	1.3
Prussia ...	7.5	Belgium ...	.9
Denmark ...	4.6	Great Britain ...	.7
Sweden ...	4.5	Norway ...	.7
Baden ...	3.9	United States ...	.7
Greece ...	3.4	Russia ...	.4
Hungary ...	2.7	Austria ...	.2
Chili ...	2.3	Portugal ...	.2

Small proportion of land revenue in most countries.

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

Revenue per head in colonies and United Kingdom.

351. Besides the Australasian colonies and the comparatively insignificant possession of the Falkland Islands—in which the revenue from all sources, amounting to less than £12,000 per annum, bears an exceptionally high proportion to the population, which numbers only 1,400—the only colonies which raise a larger amount of revenue per head than the United Kingdom, are Sierra Leone, Trinidad, and Gibraltar.

Revenue of foreign countries.

352. The following table shows the actual or estimated revenues of the principal foreign countries at latest 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:—

* See *l'Almanach de Gotha*, 1880, page 1,041. Gotha, Justus Perthes.

REVENUES OF FOREIGN COUNTRIES.

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

353. According to this table and that following paragraph 344 *ante*, the country which raises the largest revenue of any in the world is France, next Russia, next Germany, and next the United Kingdom. After the revenues of these countries, the largest amounts are raised in Austro-Hungary, British India, the United States, Italy, and Spain.

Countries raising largest revenue.

* For populations of foreign countries on which these calculations are based, see paragraph 80 *ante*. The quotations of revenue are generally for somewhat later dates than those of population. The averages per head will not, however, be much affected thereby.

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

‡ Including local revenue.

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

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

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

These are the only countries whose revenues exceed the united revenues of the Australasian colonies.

Countries raising largest amounts per head.

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

Taxation.

355. The amounts of which revenue is made up are of two classes, *viz.*, those raised by taxation and those raised otherwise. In Victoria, the former class consisted in 1879-80 of Customs and Excise duties, wharfage rates, port and harbor dues, business licenses, duties on bank notes, duties on estates of deceased persons, a land tax, and stamp duties.* The latter class comprised amounts derived from the sale or occupation of Crown lands, from railways, water supply, and other public works, from post and telegraph offices, from fees, fines, and forfeitures, from the labor of prisoners, from the interest on the public account, &c. The following figures show the result of a division of the Victorian revenue upon this principle:—

TAXATION, 1879-80.			£	s.	d.
Revenue raised by taxation ...	...	...	1,690,922	15	5
„ otherwise ...	...	...	2,930,359	8	8
Total ...	...	...	4,621,282	4	1

Taxation increased by legislation.

356. During the year 1879-80 fresh taxation was imposed to the extent of £130,000, *viz.*, £83,000 by means of stamp duties, and an estimated amount of £47,800 by increased Customs duties. For reasons explained in a previous paragraph,† a decrease of £115,000 took place in the receipts under the head of land tax, and this will account for the circumstance that, notwithstanding the new imposts, the total revenue raised by taxation was less in the year under review than in the previous one.

Taxation per head.

357. The amount raised by taxation divided by the estimated mean population of the financial year, already stated to have been 840,620, gives an average of £2 0s. 2¼d. to each individual. The following table contains a statement of the gross amount of taxation, the average amount per head, and the proportion of taxation to the total revenue during each year since 1852:—

* For amount under each of these heads during the last five years, see table following paragraph 401 *post.* The stamp duties were imposed on the 18th December 1879. On the 1st November 1880, beer and tobacco duties were added to the list. See *Tariff of Victoria*, in Appendix C.

† Paragraph 314 *ante.*

TAXATION, 1853 TO 1879-80.*

Year.	Taxation.			Year.	Taxation.		
	Gross Amount.	Average per Head.†	Percentage of Total Revenue.		Gross Amount.	Average per Head.†	Percentage of Total Revenue.
	£	£ s. d.			£	£ s. d.	
1853 ...	800,577	4 1 11½	24·74	1868 ...	1,352,818	2 0 9¾	41·87
1854 ...	1,052,462	3 18 8½	34·08	1869 ...	1,539,495	2 4 9¾	45·49
1855 ...	1,193,309	3 10 6½	43·73	1870 ...	1,394,333	1 19 1¼	42·75
1856 ...	1,458,647	3 16 7	49·07	1871 (6 months)	724,261	0 19 9¾	42·82
1857 ...	1,331,362	3. 1 10½	40·00	1871-2	1,612,034	2 3 1¾	43·17
1858 ...	1,414,511	2 18 5¾	47·57	1872-3	1,784,056	2 7 0¼	48·96
1859 ...	1,414,760	2 14 8½	43·38	1873-4	1,896,842	2 9 1¾	46·19
1860 ...	1,330,761	2 9 10¼	43·11	1874-5	1,724,822	2 4 0½	40·71
1861 ...	1,244,389	2 6 1¼	42·15	1875-6	1,780,392	2 5 0	41·16
1862 ...	1,183,194	2 3 2¼	36·19	1876-7	1,770,685	2 4 2¼	37·48
1863 ...	1,158,219	2 1 1¾	41·74	1877-8	1,712,953	2 2 0¼	38·03
1864 ...	1,167,036	1 19 9¾	39·49	1878-9	1,730,088	2 1 10	37·44
1865 ...	1,214,479	1 19 9	39·47	1879-80	1,690,923	2 0 2¾	36·59
1866 ...	1,219,567	1 18 9½	39·61				
1867 ...	1,516,231	2 7 0¾	47·14				

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

358. It will be observed that in 1879-80 the gross amount produced by taxation † was less than in 1878-9 by £39,165, and also less than in any year since 1871-2; also, that the average per head was smaller than in any of the other years named except 1864, 1865, 1866, and 1870; § and further, that the proportion of taxation to revenue, viz., about 36¾ per cent., was less than in any previous year except 1862, 1854, and 1853.

Comparison of taxation, 1879-80, with former years.

359. 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 amount of notes issued by any bank between the 1st July and the 30th June of each year. This tax produces about £25,000 per annum.

Duty on bank notes.

360. 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 their capital value, the estates in question are divided into four classes, their value being estimated according to the number of sheep they are able to carry, as follows:—

Land tax.

* According to the Treasurer's figures, published whilst these pages were passing through the press, the taxation in 1880-81 amounted to £2,003,704, or £2 6s. 7d. per head of the estimated mean population (860,067) of that financial year.

† For mean population of each year, see table following paragraph 321 ante.

‡ See also paragraphs 390 and 401 post.

§ The heads under which this falling-off occurred will be observed by reference to the table following paragraph 401 post.

		Value per Acre.
Class I.,	carrying 2 or more sheep per acre ...	£4
Class II.,	" 3 sheep to 2 acres ...	3
Class III.,	" 1 sheep per acre ...	2
Class IV.,	" under 1 sheep per acre ...	1

Extent of land assessed for land tax. 361. The extent of land assessed under this Act amounted in 1880 to nearly seven million acres, nearly half of which was placed in the lowest class, more than a third in the third class, less than an eighth in the second class, and not quite a twentieth in the first class.

Proportion of land assessed to total available and alienated land. 362. The land in Victoria suitable for occupation is estimated to amount to about 33,500,000 acres,* of which 19,200,000 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 20 per cent. of the available land in the colony, or to 36 per cent. of the area alienated or in process of alienation.

Number of estates assessed. 363. The number of estates assessed was 937. As some proprietors own more than one estate, their number is less than the number of estates, and is set down as 828. It is, however, actually less than this, as, whilst the figures 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. 364. The average size of all the estates assessed is 7,312 acres, which is slightly above the average of those in Class III. In Classes I. and II. the estates average between 3,000 and 4,000 acres, and in Class IV. nearly 13,000 acres.

Proprietors and number and size of estates assessed. 365. 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.

(According to the Returns of the Half-year ended 27th February 1881.)

Class.	Number of Proprietors. ‡	Estates Assessed.				
		Number.	Area.		Average Area to each.	
			Total.	Percentage of each Class.	Proprietor.	Estate.
I.	101	109	Acres. 337,387	4·93	Acres. 3,340	Acres. 3,095
II.	191	208	805,258	11·75	4,216	3,871
III.	324	369	2,500,831	36·50	7,719	6,777
IV.	212	251	3,207,492	46·82	15,129	12,779
Total	828	937	6,850,968	100·00	8,175	7,312

* See Part IX., Production, *post*.

† The land in process of alienation amounted to about 7,500,000 acres, on which, on the average, half the purchase-money had been paid.

‡ See paragraph 363 *ante*.

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

Valuation of estates assessed.

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

Valuation of estates of each class.

VALUE OF ESTATES ASSESSED FOR LAND TAX.

(According to the Returns of the Half-year ended 27th February 1881.)

Class.	Capital Value.	Value of Exemptions.	Net Taxable Value.	Proportion of net Taxable Value to Capital Value.
	£	£	£	Per Cent.
I.	1,349,548	252,500	1,097,048	81·29
II.	2,415,774	477,500	1,938,274	80·23
III.	5,001,662	810,000	4,191,662	83·81
IV.	3,207,492	530,000	2,677,492	83·48
Total	11,974,476	2,070,000	9,904,476	82·71

368. The land tax payable varied from 9½d. per acre in Class I. to 2½d. per acre in Class IV., the average being about 4½d. per acre; the amount payable by each holder averaged £150, ranging from £162 in Class III. to £127 in Class II.; and the amount payable for each estate averaged £132, and ranged from £142 in Class III. to £117 in Class II. Subjoined is 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:—

Amount of land tax payable.

LAND TAX PAYABLE ANNUALLY.

(According to the Returns of the Half-year ended 27th February 1881.)

Class.	Total Amount per Annum.	Amount per Acre.	Amount to each Holder.	Amount to each Estate.
	£	d.	£	£
I.	13,713	9·754	135·8	125·8
II.	24,228	7·221	126·9	116·5
III.	52,396	5·028	161·7	142·0
IV.	33,469	2·504	157·9	133·3
Total	123,806	4·337	149·5	132·1

Difference in
payments
in each
class.

369. It will be observed that, although the average amount payable per acre goes, as may be supposed, in regular succession, according to classes, the difference between the acreable payment by each class and its successor is very marked; thus, between Classes I. and II. it is about $2\frac{1}{2}$ d.; between II. and III. about $2\frac{1}{4}$ d.; and between III. and IV. about $2\frac{1}{2}$ d. It will also be noticed that the total amount paid on behalf of estates in Class III. is upwards of 50 per cent. more than that paid on behalf of those in Class IV., notwithstanding that the average area of each estate in the latter class is, as is shown in a previous table, about double that in the former.

Cost of ad-
ministering
Land Tax
Act.

370. The cost of administering the Land Tax Act during the year 1879-80 amounted to £5,451; but considerable reductions are contemplated in this item—the estimate for 1880-81 being set down at only £1,609.

Stamp
duties.

371. The principal addition to the taxation of the colony during the financial year 1879-80 was effected by the imposition, for the first time, of stamp duties, 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.

	£	s.	d.
I.—BILLS OF EXCHANGE AND PROMISSORY NOTES.			
Bills of Exchange, payable on demand, cheques, &c., each... ..	0	0	1
All other kinds (except bank notes)—			
For every £25 or fraction thereof of the total value up to £100	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	£	s.	d.
	0	5	0
IV.—ANNUAL LICENCE.			
Fire, Fidelity Guarantee, or Marine Assurance or Insurance Com- pany—			
For every £100 of premiums received or fraction thereof, a licence fee per annum of	1	10	0

EXEMPTIONS.

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

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

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

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

372. The amount collected by means of stamp duties during the financial year 1879–80 was £83,005, which was, however, for a period of only 6½ months. During the calendar year 1880, according to the last report of the post office, the duty stamps issued or impressed on documents numbered 9,782,697, of a total value of £123,131. Of these as many as 9,249,200, valued at £38,538, were penny stamps—the remainder being of higher denominations. The expenses connected with the manufacture and issue of duty stamps during 1880 amounted to £5,101. Revenue from stamp duties.

373. 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 1879 :— Taxation in Australasian colonies.

TAXATION IN AUSTRALASIAN COLONIES.

Colony.	Year.	Taxation.		
		Gross Amount.	Average per Head.	Percentage of Total Revenue.
		£	£ s. d.	
Victoria* ...	1872–3	1,784,056	2 7 0¼	48·96
	1873–4	1,896,842	2 9 1¾	46·19
	1874–5	1,724,822	2 4 0½	40·71
	1875–6	1,780,392	2 5 0	41·16
	1876–7	1,770,685	2 4 2¼	37·48
	1877–8	1,712,953	2 2 0¼	38·03
	1878–9	1,730,088	2 1 10	37·44
	1879–80	1,690,923	2 0 2¾	36·59
New South Wales ...	1873	1,382,752	2 10 3¾	41·59
	1874	1,217,401	2 2 6½	34·68
	1875	1,138,901	1 18 3	27·63
	1876	1,161,406	1 17 7	23·07
	1877	1,235,021	1 18 2¾	21·49
	1878	1,309,717	1 18 7¾	26·28
	1879	1,272,721	1 15 7¾	28·44

* The financial year in Victoria since 1871 has ended on the 30th June.

Colony.	Year.	Taxation.		
		Gross Amount.	Average per Head.	Percentage of Total Revenue.
		£	£ s. d.	
Queensland* ...	1873	546,732	3 14 6½	48·81
	1874	552,758	3 11 3¼	47·61
	1875	562,227	3 5 2¾	44·57
	1875-6	568,776	3 2 9	45·02
	1876-7	609,861	3 5 2¼	42·45
	1877-8	694,062	3 8 4¼	44·52
	1878-9	631,289	2 19 11¾	43·19
South Australia ...	1873	362,246	1 17 1½	38·63
	1874	370,440	1 16 9½	36·90
	1875	339,103	1 12 8¼	29·66
	1876	445,548	2 0 10½	33·75
	1877	499,885	2 3 2½	34·68
	1878	519,254	2 2 9¼	32·60
	1879	526,366	2 1 5¼	31·66
Western Australia ...	1873	71,625	2 15 7¾	55·35
	1874	82,275	3 3 4	55·56
	1875	80,645	3 0 11½	51·11
	1876	85,177	3 3 0¾	52·52
	1877	81,286	2 18 11¼	49·14
	1878	75,849	2 14 2	46·44
	1879	88,329	3 2 2	44·19
Tasmania ...	1873	199,480	1 18 6¼	61·52
	1874	215,126	2 1 3¾	64·46
	1875	212,336	2 0 10¼	61·98
	1876	216,405	2 1 4¾	66·18
	1877	236,777	2 4 6½	64·67
	1878	247,583	2 5 7½	64·15
	1879	236,404	2 2 6¼	62·95
New Zealand ...	1873	1,055,296	3 13 4¼	38·01
	1874	1,294,276	4 1 2	42·24
	1875	1,350,296	3 15 3	47·98
	1876	1,350,025	3 9 8¼	37·71
	1877	1,343,945	3 5 9¾	34·32
	1878	1,533,393	3 12 8¾	36·79
	1879	1,441,838	3 4 4¼	45·99

NOTE.—For returns of taxation in these colonies during 1880, see Summary of Australasian Statistics (third folding sheet) *ante*.

374. In the last year referred to in the table the amount of taxation per head was higher in New Zealand and lower in New South Wales than in any of the other colonies. In Victoria it was lower than in any other colony of the group except New South Wales. 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

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

placed at the head, and that with the lowest at the bottom, of the list:—

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

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

375. The colonies differ considerably in respect to the proportion the amount raised by taxation bears to the total revenue. Thus, in the last year named, whilst Tasmania raised more than three-fifths of her revenue by taxation, New South Wales raised little more than a fourth, and Victoria, as has been already stated, about 37 per cent. The following is the order in which they respectively stand in this particular, the colony in which the proportion raised by taxation is largest being placed first, and the remainder in succession:—

Order of colonies in respect to revenue raised by taxation.

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

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

376. If the gross totals of taxation in the different colonies raised in the last year of which particulars are given in the table be added together, it will be found that the total taxation levied on the continent of Australia amounted to nearly four and a quarter millions sterling; and the total taxation of the colonies on the continent, added to that of Tasmania and New Zealand, amounted to nearly six millions sterling. The exact figures will be found in the following table, also the average amount of taxation per head of the population, and the proportion that the taxation bore to the total revenue:—

Taxation of Australia and Australasia.

TAXATION OF AUSTRALIA AND AUSTRALASIA, 1879.

	Taxation.		
	Gross Amount.	Average per Head.	Percentage of Total Revenue.*
	£	£ s. d.	
Continent of Australia	4,248,793	1 19 8 $\frac{3}{4}$	34.22
Ditto, with Tasmania and New Zealand	5,927,035	2 3 7 $\frac{3}{4}$	37.21

* For figures of revenue, see table following paragraph 342 ante.

Comparison
of Victoria
and Aus-
tralasia.

377. 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 less, and the proportion of taxation to the total revenue is somewhat greater, than the same items in the Australian and the Australasian colonies, taken as a whole.

Taxation
in British
possessions.

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

TAXATION IN BRITISH POSSESSIONS.

Country or Colony.	Year.	Taxation.		
		Gross Amount.	Average Per Head.*	Percentage of Total Revenue.†
		£	£ s. d.	
United Kingdom... ..	1879-80	67,826,000	1 19 4	83·46
India	1877-8	24,715,392	0 2 7	41·91
Mauritius	1878	519,194	1 8 3½	65·76
Cape of Good Hope	1878	1,216,332	1 4 2	58·39
Lagos	1878	44,037	0 14 7½	86·54
Gambia	1878	22,971	1 12 4¾	89·27
Canada	1875-6	3,723,324	1 0 3½	79·87
Newfoundland	1877	173,555	1 1 6¼	81·75
Bermudas	1877	23,267	1 13 8½	86·48
West Indies—				
Jamaica	1876-7	455,729‡	0 18 0	84·48
Barbadoes	1878	119,358	0 13 7	90·98
Grenada	1878	29,175	0 13 10	85·61
Virgin Islands	1876	1,463	0 4 5	95·19
Antigua	1878	35,723	1 0 0½	94·85
Dominica	1878	15,651	0 11 6	74·54
Trinidad	1877	205,913	1 17 6¾	43·76
Australia, Tasmania, and New Zealand §	1879	5,927,035	2 3 7¾	37·21
Fiji	1879	42,260	0 7 0	62·36

Taxation in
Austral-
asia and
other
British
possessions
compared.

379. It will be observed that the gross amount raised by taxation in Australasia is about a fourth of that raised in India, and an eleventh of that raised in the United Kingdom, but is greater by over two-thirds than that in Canada. It might be supposed that those countries which depended almost entirely on taxation for their revenue would be more heavily taxed than countries which had other ample resources. The reverse, however, is the case with the Australasian colonies; for whilst they raise only 37 per cent. of their revenue by taxation—or by far the smallest proportion of any of the British possessions named—their

* For figures of population, see table following paragraph 83 ante.

For figures of revenue, see paragraph 344 ante.

‡ Including local taxation.

For gross amount of taxation and taxation per head, and for proportion of taxation to total revenue, in the various Australasian colonies, see table following paragraph 373 ante.

average taxation per head is even greater by 4s. 3½d. than in the United Kingdom, which raises 83 per cent. of its revenue by taxation, and which is moreover, in proportion to population, more heavily taxed than any other of its dependencies of which particulars are at hand.

380. In Victoria, where the gross amount of taxation is equal to about half that in Canada, the average per head (£2 0s. 2¾d.) is slightly higher than in the United Kingdom, whilst the taxation in proportion to revenue, being but little less than the average of Australasia, is extremely low when compared with the other portions of the British dominions of which information is available.

Taxation in Victoria and other British possessions compared.

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

Taxation in foreign countries.

TAXATION IN FOREIGN COUNTRIES.

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

382. It will be observed that the gross amount raised by taxation is larger in France than in any other country of which information is given, and that Russia comes next in this respect; the United Kingdom || follows; then the United States, Austro-Hungary, and Italy, in the order mentioned. The amount of taxation in the

Gross amount of taxation in various countries.

* For figures of population, see table following paragraph 85 ante. The figures of taxation are generally for somewhat later dates than those of population.

† For figures of revenue, see table following paragraph 352 ante.

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

§ Including local taxation.

|| See table following paragraph 378 ante.

Australasian colonies,* taken as a whole, is somewhat greater than that levied in Portugal, but not so great as in Holland; whilst the amount in Victoria is much greater than that in Switzerland or Greece, but somewhat less than that in Denmark, and considerably less than that in any other of the countries named.

383. The average amount of taxation per head is larger in France than in any other independent country, and that in the United Kingdom stands next. The taxation per head, however, in New Zealand, Western Australia, and Queensland, but in no other Australasian colony,† is larger than in France. The taxation per head is in Victoria about 11d. more, and in New South Wales about 3s. 8d. less, than in the United Kingdom; but in all the other Australasian colonies it is higher than in the United Kingdom.*

384. It will be observed that, with one exception—Switzerland—all the countries named in the last table raise more than half their revenue by taxation; whilst the Australasian colonies,† on the other hand, with only one exception—Tasmania—raise less than half from that source. The revenues of Spain and the United States appear to be almost entirely derived from taxation, and although the United Kingdom raises five-sixths of its revenue from that source, as many as five of the countries named raise a higher proportion. Tasmania is the only Australian colony in which the proportion is larger than in Switzerland.

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

TAXATION BY CUSTOMS DUTIES IN AUSTRALASIAN COLONIES.

Colony.	Year.	Revenue from Customs Duties.		
		Amount.	Proportion to—	
			Total Taxation.	Total Value of Imports.
			Per Cent.	Per Cent.
Victoria	1879-80	£ 1,353,656	80·05	9·00
New South Wales	1879	1,089,364	85·59	7·67
Queensland	1878-9	511,132	80·97	16·59
South Australia	1879	513,431	97·54	10·24
Western Australia	1879	87,118	98·63	21·39
Tasmania	1879	199,688	84·47	15·75
New Zealand	1879	1,230,600	85·35	14·69

* See table following paragraph 378 ante.

† See table following paragraph 373 ante.

Taxation per head in various countries.

Proportion of revenue raised by taxation in various countries.

Taxation by Customs duties in Australasian colonies.

386. It will be observed that in Victoria 80 per cent. of the taxation is raised through the Customs, and that this is a lower proportion than in any other colony of the group. In Western Australia and South Australia, all but about 2 per cent., and in the remaining colonies between 81 and 86 per cent., of the taxation is so levied.

Customs revenue in proportion to total taxation.

387. It will, moreover, be noticed that, except New South Wales, where the dutiable articles are comparatively few in number, Victoria, in proportion to the imports, collects less through the Customs than any other Australasian colony. Since the duties on manufactured articles are much higher in Victoria than in any of the other colonies, this is probably owing to her importing in a larger proportion than the others raw, and consequently undutiable, material.

Customs revenue in proportion to total imports.

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

Taxation by Customs duties in British dominions.

TAXATION BY CUSTOMS DUTIES IN BRITISH DOMINIONS.

Country or Colony.	Year.	Customs Revenue.		
		Amount.	Proportion to—	
			Total Taxation.	Total Value of Imports.
		£	Per Cent.	Per Cent.
United Kingdom ...	1879-80	19,326,000	28·5	4·8
India ...	1878	2,622,290	10·6	4·5
Mauritius ...	1878	270,821	52·2	12·0
Cape of Good Hope ...	1878-9	923,597	75·9	14·0
Canada ...	1876	2,671,633	71·8	14·2
Barbadoes ...	1878	78,197	65·5	7·1
Jamaica ...	1876-7	233,663	51·3	15·7

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

Taxation by Customs duties in foreign countries.

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

TAXATION BY CUSTOMS DUTIES IN FOREIGN COUNTRIES.

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

Local revenue and expenditure.

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

Municipal revenue and expenditure.

391. The following table gives a statement of the revenue and expenditure of municipalities in the year 1880, the amounts raised and expended in cities, towns, and boroughs being shown separately from those in shires:—

MUNICIPAL REVENUE AND EXPENDITURE, 1880.

				Cities, Towns, and Boroughs.	Shires.	Total.
REVENUE.				£	£	£
From Government	}	Endowment ...	...	27,411	142,805	170,216
		Other receipts	...	16,054	19,551	35,605†
" rates	...	...	...	211,011	190,085	401,096†
" licenses	...	...	...	64,326	30,387	94,713
" registration of dogs and goats	...	...	...	4,839	5,531	10,370
" market dues	...	...	...	37,134	317	37,451
" other sources	...	...	...	55,991	16,511	72,502
Total	...	...	...	416,766	405,187	821,953
EXPENDITURE.						
Public works	...	...	...	263,806	358,743	622,549
Salaries, &c.	...	...	...	43,371	64,698	108,069
Other expenditure	...	...	...	181,732	64,525	246,257
Total	...	...	...	488,909	487,966	976,875

* See paragraph 312 ante.

† This amount differs from that named in the next paragraph, the reason being that the financial year of the municipalities terminates in September, whilst that of the General Government ends in June.

‡ Of this amount £31,955 was levied as special rates.

392. Although the sum of £310,000, appropriated to the endowment of municipalities under the Local Government Act 1874 (38 Vict. No. 506), ceased by effluxion of time at the end of 1879, an equivalent amount was voted by Parliament for the year 1880.

Endowment of municipalities.

393. 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 endowments were 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. For the first six months of 1880, where the rates levied were in excess of one shilling in the pound, the amount voted in lieu of endowment for every £1 of rates received, was at the average rate per annum of £1 9s. 7d. in the cases of shires, and of 14s. 9½d. in the case of cities, towns, and boroughs; as against £1 8s. 3½d. and 14s. 1¾d. respectively in 1879.

Rate of endowment.

394. In 1879 the revenue exceeded the expenditure in municipalities, taken as a whole, by 4 per cent., and in shires by 18 per cent., but in cities, towns, and boroughs the reverse was the case, the expenditure being 11 per cent. in excess of the revenue. In 1880 the total expenditure of municipalities exceeded the total revenue by 11 per cent., or the expenditure of cities, towns, and boroughs exceeded the revenue by 17 per cent., and that of shires by 20 per cent.

Municipal expenditure, 1880, in excess of revenue.

395. The expenditure was greater than the revenue in 21 of the 57 individual cities, towns, and boroughs, and in 30 of the 117 individual shires, in 1879; but in 33 cities, towns, and boroughs, and as many as 88 shires, in 1880.

Municipalities in which expenditure exceeded revenue.

396. Payments for salaries formed about 8½ per cent of the expenditure of cities, towns, and boroughs in 1879, and nearly 9 per cent. in 1880. The same item formed 12 per cent. of the expenditure of shires in the former, and 13 per cent. in the latter year.

Salaries in municipalities.

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

Harbor Trust receipts and expenditure.

* For ratings in municipalities, see paragraph 134 *et seq. ante*.

† For a short account of the objects of the Trust, and improvements made, see paragraph 242 to paragraph 244 *ante*.

MELBOURNE HARBOR TRUST.—RECEIPTS AND EXPENDITURE,
1877 TO 1880.

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

Receipts and
expenditure
compared.

398. In the four years the Trust has been in existence the receipts have amounted to £280,958, and the expenditure to £303,630, thus showing an apparent deficiency of £22,672. It will be observed that a decrease of £9,436 took place in the receipts from wharfage rates in 1879, as compared with 1878, and a further decrease of £7,468 in 1880; also that large increases occurred in the expenditure under the heads "Dredging, &c.," "Harbor improvements and maintenance," "Wharves, &c.," and "General" and "Contingent expenses," and slight increases under all the other headings except "Timber," "Special Survey," and "Plant," under the last of which there was a considerable decrease.

General and
local reve-
nue and
expendi-
ture.

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

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

**GENERAL AND LOCAL REVENUE AND EXPENDITURE,
1876 TO 1880.***

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

400. The next table gives the general and local revenue and expenditure per head in the same five years. It will be observed that in the last year named the local revenue, embracing that of the municipal bodies and that of the Harbor Trust, amounted to over 16s. per head, and the general and local revenue combined to over £6 per head :—

General and local revenue and expenditure per head.

**GENERAL AND LOCAL REVENUE AND EXPENDITURE PER HEAD,
1876 TO 1880.***

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

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

† Although the financial years of the respective bodies named in this table terminate at different dates (see last footnote), the same populations as have already been taken (see table following paragraph 321 ante) to calculate the amount of general revenue and general expenditure per head have been used to make these calculations. As the population varies very slightly, this will scarcely, if at all, affect the result.

General and
local taxa-
tion.

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

GENERAL AND LOCAL TAXATION, 1876 TO 1880.†

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

* See paragraph 355 ante.;

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

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

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

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

402. The aggregate amounts raised by means of the general and local taxation represented in 1876 a proportion of £2 19s. 5¼d. to each individual in the community; in 1877, £3 0s. 0d.; in 1878, £2 17s. 10¼d.; in 1879, £2 16s. 8¼d.; and in 1880, £2 14s. 9½d.

General and local taxation per head.

403. The greater portion of the General Government taxation is derived from Customs duties.* The proportion from that source had been gradually decreasing from 89 per cent. in 1874-5, 87 per cent. in 1875-6, 86 per cent. in 1876-7, 81 per cent. in 1877-8, to as low as 78 per cent. in 1878-9; but it again rose in the year under review to 80 per cent. Seventy-four per cent. of the Municipal taxation in 1880, as against 74, 71, 65, 61, and 63 per cent. respectively in the five previous years, was derived from rates.

Chief sources of taxation.

404. The public debt of Victoria amounted on the 30th June 1880† to £20,056,600,‡ and consisted of—

Public debt.

	£	s.	d.
Debentures	19,450,220	0	0
Stock	606,379	15	11
Total	£20,056,599	15	11

405. The debentures are repayable at the following dates and places:—

Repayment of debentures.

REPAYMENT OF DEBENTURES.

When Repayable.	Amount Repayable.		
	In Melbourne.	In London.	Total.
	£	£	£
1st October 1883	236,600	3,587,500	3,824,100
„ 1884 ... ..	...	812,500	812,500
„ 1885	580,620	2,600,000	3,180,620
„ 1888	130,000	...	130,000
„ 1889	276,100	...	276,100
1st January 1891 ... ..	...	850,000	850,000
„ 1894	312,900	2,107,000	2,419,900
1st July 1899 ... ..	...	1,500,000	1,500,000
„ 1901 ... ..	...	3,000,000	3,000,000
1st January 1904 ... ..	...	3,457,000	3,457,000
Total	1,536,220	17,914,000	19,450,220†

* See also paragraph 385 ante.

† On the 30th June 1881 the public debt amounted to £22,593,102.

‡ This is exclusive of a liability of £451,100 (originally £465,300, but £14,200 was paid off on 1st November 1878) incurred in the purchase of the Melbourne and Hobson's Bay United Railway Company's line of railway for debentures falling due between 1st July 1880 and 1st July 1897; and a liability of £60,000 incurred in February 1873 upon the purchase of the Bendigo Water Works, to redeem, on the 31st March 1882, debentures to that amount issued by the City Council of Sandhurst, under Act No. 406. The interest on these debentures is 6 per cent. per annum, payable half-yearly on 31st March and 30th September. For particulars of the former liability, see paragraphs 292 and 293 ante.

Purposes for which loans were incurred.

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

	£	s.	d.
Railways	17,728,366	12	2
Water supply	3,321,307	6	0
Defences	100,000	0	0
Public works and buildings	586,426	1	10
State schools	800,000	0	0
Alfred graving dock	350,000	0	0
Melbourne and Geelong improvements *	735,000	0	0
To make good deficiency on sale of stock	62,000	0	0
	<hr/>		
	23,683,100	0	0
		£	s. d.
Deduct debentures unsold †	2,000,000	0	0
„ stock unsold † ...	36,502	2	1
„ amounts repaid ...	1,603,100	0	0
	<hr/>		
	3,639,602	2	1
	<hr/>		
	20,043,497	17	11
Increase by bonus on conversion of 5 and 6 per cent. debentures into 4 per cent. stock	13,101	18	0
	<hr/>		
Total	£20,056,599	15	11

Rates of interest.

407. The following are the rates of interest payable on the various amounts of which the debt is composed :—

Rates of Interest.	Amount of each Rate.		
	£	s.	d.
6 per cent.	9,073,320	0	0
5 per cent.	2,419,900	0	0
4½ per cent.	3,000,000	0	0
4 per cent.	5,563,379	15	11
	<hr/>		
Total	£20,056,599	15	11

Victorian stock.

408. Under the Public Works Loan Act 1872 (36 Vict. No. 428), 5 per cent. debentures to the value of £287,000, and 4 per cent. debentures to the value of £100,000, were converted into stock, but the whole was subsequently reconverted into debentures under Act 42 Vict. No. 611. Victorian Government stock was also authorized to be erected under the Public Works Loan Act 1872, and originally amounted to

* This amount was borrowed in 1854 by the city of Melbourne and town of Geelong, the principal and interest being guaranteed out of the general revenue of the colony. The whole has since been repaid.

† These debentures and stock were disposed of during the financial year 1880-81.

£1,113,000. On the 30th June 1880, however, it had become reduced to £606,380, as particularized below :—

VICTORIAN STOCK.

			£	s.	d.
Stock erected under Act 36 Vict. No. 428	...	...	1,113,000	0	0
Converted into stock under Act 36 Vict. No. 439 :—					
Six per cent. debentures	...	£76,680	0	0	
Five ditto ditto	...	10,100	0	0	
			86,780	0	0
Increase by conversion	...	...	13,101	18	0
			£1,212,881	18	0
Deduct stock converted into debentures :—					
Under Act 39 Vict. No. 531	...	£500,000	0	0	
Under Act 42 Vict. No. 611	...	70,000	0	0	
Deduct stock unsold	...	36,502	2	1	
			606,502	2	1
Total on 30th June 1880	...	...	£606,379	15	11

409. The following is a statement of the stock held by the Treasurer and the public respectively on the 30th June 1880 :—

VICTORIAN STOCK.

			£	s.	d.
Stock purchased by the Treasurer	...	...	227,182	17	11
" " public	...	...	279,315	0	0
			506,497	17	11
Stock produced by debentures converted by the Treasurer			6,328	0	0
" " " public	...	...	93,553	18	0
			99,881	18	0
Total stock held by the Treasurer	...	...	233,510	17	11
" " public	...	...	372,868	18	0
Total Victorian stock	...	...	£606,379	15	11

Stock held
by Treas-
urer and
public.

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

411. At the end of June 1880 there was a total balance of £999,127 to the credit of the various trust funds, of which £690,511, or 67 per cent., was invested in debentures or inscribed stock, bearing interest at the rate of 4 per cent. The following are the particulars of each fund :— Trust funds,
1880.

TRUST FUNDS, 1879-80.

Accounts.	Balances at Credit, 30th June 1880.			Invested in Debentures, or Inscribed Stock.
	£	s.	d.	£
Assurance fund	59,799	18	10	49,000
Suitors	43,762	13	11	33,570
Police superannuation fund ...	72,609	0	11	70,000
Intestate estates	88,623	2	2	40,960
Municipalities	30,832	17	11	30,833
Melbourne and Hobson's Bay Railway Deposit account	9,148	0	0	9,148
Post Office Savings Banks	658,832	19	2	
Insolvency (unclaimed dividends) ...	3,084	11	0	} 457,000
Customs officers' overtime	1,377	1	11	
Loan redemption account	17,665	3	9	
Education result fund	6	11	9	
Sundries	50,728	3	0	
	1,036,470	4	4	690,511
Deduct remittances and advances ...	37,343	5	9	...
Total	999,126	18	7	690,511

412. The next table shows the amount at credit of trust funds, together with the manner of its investment on the 30th June in each of the last eleven years :—

TRUST FUNDS, 1870 TO 1880.*

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

413. It will be noticed that the total amount at credit of the trust funds was less in 1880 than in 1879 by £107,442, but the amount invested in debentures or inscribed stock was greater than in any

* See a Return to the order of the Legislative Assembly, dated 29th September 1880. Parliamentary Paper C., No 11; Session 1880.

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

previous year; also that on the 30th June of 1880, for the first time, no portion of the trust funds was deposited with the banks.

414. On the 30th June 1880 the estimated population of Victoria was 850,343. If the amount of debt at the same period (£20,056,600) be divided by this number, the proportionate indebtedness of each man, woman, and child in the colony will be shown to have been £23 11s. 8½d.*

Indebtedness per head.

415. No fresh loans were raised during the financial year 1879-80, but, owing to the sale of stock on hand, the total debt increased by £8,378.

Increase of debt, 1879-80.

416. 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 with 1879; also the number of years' revenue the debt is equal to in each year:—

Debts of Australasian colonies.

PUBLIC DEBTS OF THE AUSTRALASIAN COLONIES.

Colony.	Year.	On the 31st December.		
		Total Amount of Debt.	Amount of Indebtedness per Head.	Number of Years' Revenue Debt is equal to.
		£	£ s. d.	
Victoria ...	1873	12,445,722	16 2 5¼	3·42
	1874	13,990,553	17 17 4½	3·41
	1875	13,995,093	17 13 8¼	3·30
	1876	17,011,382	21 4 4¾	3·60
	1877	17,018,913	20 17 4¾	3·78
	1878	17,022,065	20 11 5½	3·78
	1879 †	20,050,753	23 17 0½	4·34
New South Wales	1873	10,842,415	19 7 0½	3·25
	1874	10,516,371	17 19 11¾	3·00
	1875	11,470,637	18 18 2	1·78
	1876	11,759,519	18 13 5½	2·34
	1877	11,724,419	17 14 1¼	2·04
	1878	11,688,119	16 16 11½	2·35
	1879	14,937,419	20 6 10¼	3·34
Queensland ...	1873	4,782,850	32 12 1¼	4·27
	1874	5,249,350	32 2 0¾	4·52
	1875	6,435,250	35 9 11¼	5·10
	1876	6,435,250	34 7 10¾	5·09
	1877	7,685,350	37 16 10½	5·35
	1878	8,935,350	42 8 11	5·73
	1879	10,192,150	46 15 8½	6·97
South Australia ...	1873	2,174,900	10 19 7¼	2·17
	1874	2,989,750	14 12 2¾	2·98
	1875	3,320,600	15 15 7	2·85
	1876	3,837,100	17 0 0¾	2·91
	1877	4,737,200	20 0 0	3·29
	1878	5,329,600	21 8 5¼	3·35
	1879	6,605,750	25 9 2¼	3·97

* On the 30th June 1881 the public debt was £22,593,102. At the same date the estimated population was 867,078. The amount of indebtedness per head was thus £26 1s. 2d.

† For the figures on the 30th June 1881, see footnote to paragraph 404 ante.

PUBLIC DEBTS OF THE AUSTRALASIAN COLONIES—*continued.*

Colony.	Year.	On the 31st December.		
		Total Amount of Debt.	Amount of Indebtedness per Head.	Number of Years' Revenue Debt is equal to.
		£	£ s. d.	
Western Australia	1873	35,000	1 7 2	·26
	1874	119,000	4 10 9 $\frac{3}{4}$	·80
	1875	135,000	5 1 1	·86
	1876	135,000	4 18 10	·83
	1877	161,000	5 15 8	·97
	1878	184,556	6 11 0 $\frac{1}{2}$	1·13
	1879	361,000	12 11 10 $\frac{1}{4}$	1·84
Tasmania	1873	1,477,600	14 3 6 $\frac{3}{4}$	5·03
	1874	1,476,700	14 3 6	4·50
	1875	1,489,400	14 7 4 $\frac{1}{4}$	4·33
	1876	1,520,500	14 8 3 $\frac{1}{2}$	4·64
	1877	1,589,705	14 16 10 $\frac{1}{4}$	4·39
	1878	1,747,400	15 17 10 $\frac{1}{4}$	4·57
	1879	1,786,800	15 17 8 $\frac{3}{4}$	4·76
New Zealand*	1873	10,913,936	36 17 6 $\frac{3}{4}$	3·93
	1874	13,366,936	39 2 0 $\frac{1}{4}$	4·36
	1875	17,400,031	46 5 10 $\frac{3}{4}$	6·19
	1876	18,678,111	46 16 0 $\frac{3}{4}$	5·22
	1877	20,691,111	49 10 10 $\frac{3}{4}$	5·28
	1878	22,608,311	52 5 5	5·42
	1879	23,958,311	51 13 3 $\frac{1}{2}$	7·64

NOTE.—For public debts of the respective colonies at the end of 1880, see Summary of Australasian Statistics (third folding sheet) *ante*.

Order of colonies in respect to indebtedness.

417. According to the returns of the last year named, by far the most heavily indebted colony, in proportion to population, was New Zealand, and next to it Queensland. Victoria was much less heavily indebted than either of these, and also less so than South Australia, but more so than any of the other colonies. The following is the order in which the colonies stood in respect to their indebtedness per head, the most heavily indebted colony being placed first. The order is the same as in the previous two years :—

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

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

Proportion of revenue to debt in Australasian colonies.

418. The public debt in the different colonies varied in 1879 from an amount equal to 7 $\frac{2}{3}$ years' revenue in New Zealand and 7 years in Queensland to a sum equal to nearly a year's revenue in Western Aus.

* The figures for New Zealand include the debts of the Provincial Governments as well as the debt of the General Government.

tralia. Victoria occupied a central position amongst the colonies, her debt being equal to her revenue for $4\frac{1}{2}$ years. The following is the order in which the colonies stood in respect to this matter :—

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

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

419. If the amounts of debt at the latest period shown in the table be added together, it will be found that the aggregate debt of the colonies on the continent of Australia was over fifty-two millions, being about nine millions more than in 1878, and the aggregate debt of Australia, with the addition of Tasmania and New Zealand, was nearly seventy-eight millions sterling, being about ten and a half millions greater than in 1878. The following are the exact figures, also the proportion of indebtedness per head of the population, and the proportion the aggregate debt bore to the aggregate revenue of the colonies within the same limits. It will be observed that a combination of the indebtedness of the insular colonies with that of the colonies upon the Australian continent gives a proportion of debt per head higher by over £4 than such a proportion applied to the continental colonies alone, in explanation of which it will be remembered that whilst Tasmania is one of the most lightly, New Zealand is by far the most heavily indebted colony of the group :—

Public debt of Australia and Australasia.

PUBLIC DEBT OF AUSTRALIA AND AUSTRALASIA, 1879.

	Public Debt.		
	Total Amount.	Amount per Head.*	Multiple of Revenue.†
	£	£ s. d.	
Continent of Australia	52,147,072	24 7 5½	4·20
Ditto, with Tasmania and New Zealand	77,892,183	28 13 7½	4·89

420. 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 and fraction of a number the revenue of each would have to be multiplied with in order to make an amount

Public debts of British dominions.

* For figures of population, see table following paragraph 81 ante.
 † For figures of revenue, see table following paragraph 342 ante.

equal to its debt. All the calculations have been made in the office of the Government Statist, Melbourne :—

PUBLIC DEBTS OF BRITISH DOMINIONS.

Country or Colony.	Year.	Public Debt.		
		Total Amount.	Amount per Head.*	Multiple of Revenue.†
		£	£ s. d.	
EUROPE.				
United Kingdom	1880	774,044,235	22 8 7½	9·52
Malta	1878	312,885	2 1 0¼	1·65
ASIA.				
India	1878	146,684,770	0 15 3¼	2·48
Ceylon	"	622,645	0 4 9¾	·40
AFRICA.				
Mauritius	1878	700,000	1 19 6	·88
Natal	"	1,631,700	4 11 6½	4·42
Cape of Good Hope... ..	"	6,986,359	6 18 9¼	3·35
Lagos	"	288	0 0 1	·005
Sierra Leone	1876	74,392	2 0 1½	·42
AMERICA.				
Canada	1878	29,242,097	7 19 3¾	6·27
Newfoundland	"	280,769	1 14 9¾	1·32
Bermudas	"	11,484	0 16 8	·43
Honduras	"	4,511	0 3 8	·11
British Guiana	"	303,663	1 6 6½	·74
West Indies—				
Bahamas	"	60,961	1 11 1½	1·47
Turk's Island	1875	1,000	0 3 9½	·12
Jamaica	1878	641,645	1 5 4½	1·19
St. Lucia	"	47,300	1 6 8¼	1·67
St. Vincent	"	3,000	0 1 8½	·10
Barbadoes	"	25,130	0 2 10¼	·19
Grenada	"	10,000	0 4 9¼	·29
St. Christopher	"	4,700	0 3 4¼	·14
Nevis	"	1,400	0 2 4¾	·14
Antigua	"	60,687	1 14 0½	1·61
Dominica	"	7,502	0 5 6	·36
Trinidad	"	271,310	2 9 6	·58
AUSTRALASIA.				
Australia, Tasmania, and New Zealand ‡	1879	77,892,183	28 13 7½	4·89
Fiji	"	120,000	0 19 10¾	1·77
Total ... ..	...	1,040,046,616	4 7 4½	6·18

Indebtedness
of British
dominions.

421. It will be observed that the total indebtedness of Great Britain and her dependencies exceeds a thousand millions sterling, and that more than three-fourths of the amount is owing by Great Britain herself.

* For population of Great Britain and the various colonies, see table following paragraph 83 ante.

† For revenue of Great Britain and the various colonies, see table following paragraph 344 ante.

‡ For public debts and amounts per head, and proportion of debt to revenue, in the various Australasian colonies, see table following paragraph 416 ante.

422. In Australasia, taken as a whole, the indebtedness, in proportion to population, is greater than that of the United Kingdom, which in this respect is far above that of any other of her dependencies. As regards individual colonies, the indebtedness per head of New Zealand and Queensland is more than twice as great as, that of South Australia is about a seventh greater than, and that of Victoria about a thirteenth greater than, the indebtedness per head of the United Kingdom. The two first-named colonies are, in proportion to population, by far the most heavily indebted countries in the world.

Indebtedness per head of British dominions.

423. In proportion to revenue, the debt of Great Britain is far above that of any of its dependencies. Canada is the only one of these in which the debt is a greater multiple of its revenue than the debt of any one of the Australasian colonies is of its revenue.

Proportion of debts to revenues of British dominions.

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

Public debts of foreign countries.

PUBLIC DEBTS OF FOREIGN COUNTRIES.

Country.	Year.	Public Debt.		
		Total Amount.	Amount per Head.*	Multiple of Revenue.†
EUROPE.				
		£	£ s. d.	
Austro-Hungary ...	1878-9	342,131,000‡	8 17 6	5·38
Belgium...	1878	50,165,000	9 3 2	4·38
Denmark ...	"	9,710,000	4 18 7	3·75
France ...	"	794,481,000	21 10 7	6·26
Germany ...	"	229,008,000§	5 4 7	2·73
Greece ...	1879	11,557,000	6 17 8	8·66
Holland ...	1878	79,548,000	20 11 8	8·24
Italy ...	1877	389,473,000	13 16 2	7·49
Portugal ...	1879	89,289,000	22 1 0	15·26
Roumania ...	1878	24,398,000	4 12 3	5·02
Russia ...	"	405,803,000||	4 13 4	4·39
Spain ...	1880	430,367,000	25 17 9	13·82

* For populations on which these calculations are based, see table following paragraph 85 ante.

† For revenues on which these calculations are based, see table following paragraph 352 ante.

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

§ This amount is made up of the debt of the empire, £17,110,809, in 1879, together with the debts of the following States at the dates named, viz.:—Anhalt, £372,270 in 1878; Baden, £17,006,739 in 1879; Bavaria, £58,367,188 in 1878; Bremen, £4,519,276 in 1878; Brunswick, £4,593,722 in 1878; Hamburg, £6,283,926 in 1878; Hesse, £1,269,100 in 1879; Lippe, £70,000 in 1878; Lübeck, £1,284,214 in 1876; Mecklenburg-Schwerin, £2,100,000 in 1877; Oldenburg, £1,857,917 in 1878; Prussia, £62,317,573 in 1879; Reuss-Greiz, £65,475; Reuss-Schleiz, £100,027; Saxe-Altenburg, £249,331 in 1877; Saxe-Coburg-Gotha, £535,905 in 1878; Saxe-Meiningen, £526,416 in 1878; Saxe-Weimar, £531,800 in 1878; Saxony, £29,665,631 in 1878; Schaumburg-Lippe, £70,000 in 1879; Schwarzburg-Rudolstadt, £154,000; Schwarzburg-Sondershausen, £180,216; and Würtemberg, £17,774,060 in 1878. As a set-off against the "Debt of the Empire" there exist various invested funds amounting to £43,274,396.

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

PUBLIC DEBTS OF FOREIGN COUNTRIES—*continued.*

Country.	Year.	Public Debt.		
		Total Amount.	Amount per Head.*	Multiple of Revenue.†
EUROPE—<i>continued.</i>		£	£ s. d.	
Sweden and Norway ...	1879	17,774,000 †	2 16 1	2·86
Switzerland ...	1878	1,344,000 §	0 9 9	0·82
Turkey ...	„	257,982,000 ||	12 5 9	21·50
ASIA.				
Japan ...	1880	72,666,000	2 2 3	6·53
AFRICA.				
Egypt ...	1880	97,953,000 ¶	17 9 9	11·44
Tunis ...	„	5,000,000 **	2 7 8	18·31
AMERICA.				
Argentine Confederation ...	1878	21,468,000	9 10 10	6·36
Brazil ...	1879	78,612,000	7 8 3	7·48
Mexico ...	„	85,100,000	9 2 2	22·75
Peru ...	1872	53,010,000	17 7 7	5·19
United States ...	1879	422,335,000 ††	8 19 9	7·40

Gross amount of debt in different countries.

425. 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 £20,000,000. Next to these in point of indebtedness are Spain, the United States, Russia, Italy, Austro-Hungary, Turkey, Germany, and British India, in the order named. Besides these countries, Egypt, Portugal, Mexico, Holland, and Brazil, have debts larger than the present united debts of the Australasian colonies. ††

Amount of debt per head in different countries.

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

Proportion of debt to revenue in different countries.

427. Mexico and Turkey are more heavily indebted in proportion to their revenues than any other country. The debts of Mexico, Turkey, Tunis, Portugal, Spain, and Egypt are all larger in proportion to their revenues than the debt of the United Kingdom †† is to its revenue.

* For populations on which these calculations are based, see table following paragraph 85 ante.

† For revenues on which these calculations are based, see table following paragraph 352 ante.

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

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

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

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

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

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

‡‡ See table following paragraph 420 ante.

§§ See table following paragraph 416 ante.

The debts of the Australasian colonies* are much smaller in proportion to their respective revenues than the debts of most of the foreign countries named in the table are to theirs.

428. Rather more than half of the interest on the public debt of Victoria is payable in October and April, the remainder in July and January. Eight-ninths is payable in London, and the remainder in Melbourne. The following table shows the amounts payable at those times and places on the debt existing on the 30th June 1880. The total sum payable annually as interest is £1,022,929, as shown by the table; but as a portion of the debt only bore interest for part of the year, and the interest on debentures held by the Government was left unpaid, the amount actually paid in 1879-80 was only £968,042:—

INTEREST ON PUBLIC DEBT, 1879-80.

Rate per Cent.	When Due.	Amount Payable Annually—								
		In Melbourne.			In London.			Total.		
		£	s.	d.	£	s.	d.	£	s.	d.
6	July and January	...			51,000	0	0	51,000	0	0
5	” ”	15,645	0	0	105,350	0	0	120,995	0	0
4½	” ”	...			135,000	0	0	135,000	0	0
4	” ”	...			198,280	0	0†	198,280	0	0
	Total ...	15,645	0	0	489,630	0	0	505,275	0	0
6	October and April	73,399	4	0	420,000	0	0	493,399	4	0
4	” ”	24,255	3	10	...			24,255	3	10
	Total ...	97,654	7	10	420,000	0	0	517,654	7	10
	Grand Total ...	113,299	7	10	909,630	0	0	1,022,929	7	10

429. The interest paid on the public debt—viz., £968,042—represented a charge of £1 3s. 0½d. per head of the mean population in 1879-80, as against a charge of £1 1s. 4½d. per head in 1878-9.

430. The expenses connected with the public debt, consisting chiefly of premium on remittances to London and commission—viz., ½ per cent. on interest payable thereat—amounted to £11,822 in 1879-80, as against £7,601 in the previous year.

431. The interest and expenses of the public debt of Victoria thus amounted in 1879-80 to £979,864—being in the proportion of £1 1s. 9¾d. per head of population, and of about a fifth of the total expenditure.

* See table following paragraph 416 ante.

† Of this amount, £18,280 is left unpaid, since the principal consists of debentures held by the Government.

In the last *Victorian Year-Book** it was shown that in the Australasian colonies the interest and expenses of the public debt per head varied from £2 11s. in New Zealand and £1 17s. in Queensland to 15s. in New South Wales and 6s. in Western Australia, and that the proportion to the total expenditure varied from 27 and 25 per cent. respectively in the two former to 9 and 4 per cent. respectively in the two latter; also, that in only one of 29 of the principal countries in the world—viz., France—is the annual charge per head in respect to the public debt higher than in Victoria, but that in proportion to the total expenditure the annual charge upon the public debt is much smaller in the Australasian colonies than in the majority of those countries—in no less than 23 of which it is higher than in Victoria.

Municipal
debt.

432. Municipalities in Victoria are empowered by the Local Government Act† to borrow money for permanent works or undertakings, but the amount so borrowed is not to exceed ten times their average annual net income during the three years preceding the contraction of the loan. The following is a statement of the number of cities, towns, and boroughs, and the number of shires, which had loans outstanding in September 1880, also of the total amounts included therein. These amounts are exclusive of sums borrowed by the Municipalities through the General Government for waterworks (viz., £630,980, of which £17,655 has been repaid into a sinking fund)—they being included in the public debt‡:—

MUNICIPAL DEBT, 1880.

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... ..	35	£ 597,239
Shires	40	129,286
Total... ..	75	726,525

Rates of
interest
paid by
municipalities.

433. The rates of interest paid by municipalities were from 6 to 8 per cent., except in the case of one shire, in which the rate was stated to be as low as 4 per cent., and of three shires and one borough, in which it was as high as 9 per cent., and of another borough in which it was as high as 10 per cent.

General and
municipal
debt.

434. If the municipal debts, as shown above, be added to the debt of the General Government, viz., £20,056,600,§ it will appear that the

* *Victorian Year-Book*, 1879–80, paragraphs 255 to 264.

† 38 Vict. No. 506.

‡ See paragraph 406 *ante*.

§ The debt of the General Government has since been increased to £22,593,102.

total liability of the colony in 1880 was £20,783,125, or a proportion of £24 8s. 9½d. per head of population.

435. In order to provide for the temporary deficit in the public finances, Treasury bonds of the nominal value of £500,000 were issued towards the close of the year 1880. These bonds were legalized under Act 44 Vict. No. 663. Each bond was of the value of £100, and bore interest at the rate of 5 per cent. per annum. The bonds were divided into three equal lots of £166,666⅔, redeemable in one, two, and three years, and were successfully disposed of on the 19th October 1880. The tenderers numbered 40, and the total amount tendered was £1,228,967. The whole of the bonds, however, with the exception of 291 of those for three years, were obtained by one firm. The price obtained for the one year's bonds was £101 5s. 2d.; for the two years', £101 10s. 2d.; and the average for the three years' was £101 2s. 4d. The proceeds of the first was £168,765; of the second, £169,181; and of the third, £168,529; or a total of £506,475. The money was thus obtained at the rate of 3¼ per cent., 4½ per cent., and 4½ per cent. per annum for the one, two, and three years' bonds respectively.

Issue of
Treasury
bonds.

436. 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 nearly four and a half millions sterling have been expended by the State in giving effect to its provisions. Of this amount about a fourth was for the erection and maintenance, &c., of school buildings, and the remainder, with the exception of £23,000, expended on pensions and gratuities, represented the cost of education. The following table shows the expenditure under those heads for each year, from 1872-3 to 1879-80, also the total for the period :—

Expenditure
on public
instruction.

EXPENDITURE ON PUBLIC INSTRUCTION, 1872-3 TO 1879-80.

Year.	Cost of Instruction, including Salaries and Contingencies.	Pensions and Gratuities.	Cost of Erection and Maintenance, and Rent of School Buildings.	Total.
	£	£	£	£
1872-3 ...	217,704	208	8,759	226,671
1873-4 ...	347,641	500	154,976	503,117
1874-5 ...	367,898	500	191,440	559,838
1875-6 ...	423,694	555	112,599	536,848
1876-7 ...	439,723	2,155	178,337	620,215
1877-8 ...	469,547	2,760	248,649	720,956
1878-9 ...	519,545	6,134	98,944	624,623
1879-80 ...	503,923	10,366	82,413	596,702
Total ...	3,289,675	23,178	1,076,117	4,388,970

Cost of
system at
different
periods.

437. It will be observed that the annual cost of instruction has been fast increasing, and amounted to over half a million sterling in each of the last two years—the cost for the last year being, however, less by £15,622 than that for the preceding one. During the same two years, as a natural consequence of the system becoming matured, the expenditure on school buildings has considerably fallen off. I may remark that prior to 1872-3 the total annual expenditure on public instruction was under £200,000.

Expenditure
on immi-
gration.

438. Since the separation of Victoria from New South Wales upwards of two millions sterling have been expended on the introduction of immigrants from the United Kingdom. Of late years, however, it has not been the policy of the State to devote much money to this object, less than £10,000 having been spent on immigration during the last eight years, and only £28 in the year ended with the 30th June 1880. The following are the amounts spent in introducing immigrants during each year, beginning with the one in which separation took place :—

EXPENDITURE ON IMMIGRATION, 1851 to 1879-80.*

	£		£
1851	116,363	1868	32,549
1852	206,552	1869	50,637
1853	209,925	1870	33,313
1854	390,352	1871 (six months)	14,840
1855	187,355	1871-2	21,808
1856	115,716	1872-3	4,094
1857	115,877	1873-4	2,251
1858	59,023	1874-5	1,583
1859	48,809	1875-6	760
1860	6,948	1876-7	500
1861	63,739	1877-8	366
1862	115,209	1878-9	342
1863	50,081	1879-80	28
1864	47,887		
1865	41,808	Total	£2,012,930
1866	35,813		
1867	38,402		

Expenditure
on Immigra-
tion in Aus-
tralasian
colonies.

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

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

EXPENDITURE ON IMMIGRATION IN THE AUSTRALASIAN COLONIES.

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

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

Expenditure on immigration in Australasia.

441. During the last thirty years over thirty-nine millions sterling have been expended by the General Government of Victoria on public works, including railways, roads and bridges, water supply, and other works and buildings. Of this amount, over two and a half millions were spent in 1880. The whole is exclusive of the sums expended by local bodies on public works, roads, &c., and on the Port of Melbourne,* since the 1st January 1877. The following table gives the amounts expended by the State prior to and during 1880:—

Expenditure on public works.

GOVERNMENT EXPENDITURE ON PUBLIC WORKS. †

Public Works.	Amount Expended.		
	Prior to 1880.	During 1880.	Total.
	£	£	£
Railways	17,739,017	1,988,916‡	19,727,933
Roads and bridges	6,906,039	24,945	6,930,984
Melbourne water supply (Yan Yean)	1,564,423	47,094	1,611,517
Other waterworks	1,791,812	84,413	1,876,225
Other public works	8,521,484	383,751	8,905,235
Total	36,522,775	2,529,119	39,051,894

* See table following paragraph 397 ante.

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

‡ Includes the purchase and maintenance of the late Melbourne and Hobson's Bay Company's lines.