

193. The expenditure on defences during 1874 was as follows. It will be observed that more than twice as much was spent upon shore defences as upon defences at sea :—

Military and
naval ex-
penditure.

MILITARY AND NAVAL EXPENDITURE.

<i>Military Expenditure.</i>							£	s.	d.
Staff Salaries	...	...	...	...	...	...	3,717	16	0
Volunteer Force—Contingencies	...	...	...	...	...	...	18,394	11	6
General Contingencies	...	...	...	...	...	...	4,824	19	5
Artillery Corps—Salaries	...	...	...	...	...	...	8,071	17	0
" Contingencies	...	...	...	...	...	...	4,055	15	0
Total							...	...	...
Total							39,064	18	11
<i>Naval Expenditure.</i>							£	s.	d.
H.M.V.S. <i>Cerberus</i> —Salaries	...	...	...	...	...	...	4,666	3	9
" " Contingencies	...	...	...	...	...	...	3,868	14	5
" <i>Nelson</i> —Salaries	...	...	...	...	...	...	4,437	16	9
" " Contingencies	...	...	...	...	...	...	1,294	11	8
Naval Reserve—Salaries	...	...	...	...	...	...	2,757	12	6
" Contingencies	...	...	...	...	...	...	647	11	8
Total							...	...	...
Total							17,672	10	9
Total Expenditure on Defences							...	...	...
Total Expenditure on Defences							56,737	9	8

194. The whole subject of Victorian Defences is now under the consideration of a Royal Commission.

Volunteer
Commission.

PART II.—FINANCE.

195. The public revenue of the year ended 30th June 1874 was not so great as the expenditure by £70,000. The surplus, however, brought forward from the previous year, amounting to £240,000, not only enabled the engagements of the year to be met, but left a balance of £170,000 to be carried forward to the next financial year. The following are the precise figures of revenue, expenditure, and balances :—

Revenue and
expenditure,
1873-4.

	£	s.	d.
Balance brought forward from 1872-3	241,038	17	11
Net Revenue, 1873-4	4,106,790	9	10
Total amount available for 1873-4	4,347,829	7	9
Net Expenditure, 1873-4	4,177,337	18	0
Balance to carry forward to 1874-5	170,491	9	9

Revenue and
expenditure,
1851 to
1873-4.

196. The following table shows the estimated mean population, the amount of net revenue and net expenditure, and the rate of each per head of the population for each year, commencing at that in which the colony was separated from New South Wales :—

POPULATION, REVENUE, AND EXPENDITURE, 1851 TO 1873-4.*

Year.	Average Population.	Net Revenue.		Net Expenditure.			
		Total Amount.	Amount per Head.	Total Amount.	Amount per Head.		
	£	£	£	£	£	s.	d.
1851 ...	86,825	392,455	4 10 5	410,864	4	14	8
1852 ...	132,905	1,634,448	12 5 11	978,922	7	7	4
1853 ...	195,378	3,235,546	16 11 2	3,216,609	16	9	3
1854 ...	267,371	3,087,986	11 11 0	4,185,708	15	13	1
1855 ...	338,315	2,728,656	8 1 4	2,612,807	7	14	6
1856 ...	380,942	2,972,496	7 16 1	2,668,834	7	0	1
1857 ...	430,347	3,328,303	7 14 8	2,968,658	6	17	11
1858 ...	483,827	2,973,383	6 2 11	3,092,720	6	7	10
1859 ...	517,226	3,261,104	6 6 1	3,393,946	6	11	3
1860 ...	539,337	3,082,461	5 14 4	3,315,307	6	2	11
1861 ...	541,012	2,952,101	5 9 1	3,092,021	5	14	4
1862 ...	548,450	3,269,079	5 19 2	3,039,497	5	10	10
1863 ...	561,322	2,774,686	4 18 10	2,882,937	5	2	8
1864 ...	589,160	2,955,338	5 0 4	2,928,903	4	19	5
1865 ...	616,375	3,076,885	4 19 10	2,983,777	4	16	10
1866 ...	634,077	3,079,160	4 17 1	3,222,025	5	1	8
1867 ...	649,826	3,216,317	4 19 0	3,241,818	4	19	9
1868 ...	671,222	3,230,754	4 16 3	3,189,321	4	15	0
1869 ...	696,942	3,383,984	4 17 1	3,226,165	4	12	7
1870 ...	709,838	3,261,883	4 11 11	3,428,382	4	16	7
1871 (six months)†	731,528	1,691,266	2 6 3	1,754,251	2	8	0
1871-2 ...	749,964	3,734,422	4 19 7	3,659,534	4	17	7
1872-3 ...	770,306	3,644,135	4 14 7½	3,504,953	4	11	0
1873-4 ...	789,438	4,106,790	5 4 0½	4,177,338	5	5	10

Revenue
larger than
in any
former year.

197. It will be observed from this table, and from the folding sheet at the commencement of the work, that the figures of revenue for the financial year under review represent the largest amount ever raised in the colony during one year, and those of expenditure the largest

* According to Finance Accounts, laid before Parliament by the Honorable the Treasurer after this was written, the approximate revenue of 1874-5 was £4,132,118, and the approximate expenditure £4,325,277, thereby showing an apparent deficit of £193,159. The balance brought forward from 1873-4, however, amounting to £170,491, and sundry receipts not properly forming portion of the revenue, amounting to £104,297, or in all £274,788, not only cancel this apparent deficiency, but leave a surplus of £81,629 to be carried forward to 1875-6. The estimated mean population of the financial year 1874-5 being 806,760, the revenue per head amounted to £5 2s. 5¼d., and the expenditure per head to £5 7s. 2¾d.

† The financial year was changed in 1871 so as to terminate at the 30th June instead of the 31st December as formerly. The figures in this line are therefore for six months only.

amount ever spent in the colony during any year except 1854; also that in no former year did the revenue, and only in 1854 did the expenditure, reach £4,000,000. The year in which the revenue came nearest to that of the year under review was 1871-2, in which it amounted to £3,734,422.

198. It also appears by the table that the revenue and expenditure per head of the population were, in the year under review, greater than in any other year since 1862, but that in that year, and in all previous ones, as far back as 1852, the revenue and expenditure per head were greater than they were in the year under review. It is further shown that the year in which the revenue and expenditure per head were greatest was 1853, in which they respectively reached the enormous amounts of £16 11s. 2d. and £16 9s. 3d. Revenue and expenditure per head.

199. The figures of revenue given in the table are exclusive of the amounts raised by loan, but the figures of expenditure include the repayment of loans, which has been as follows:— Repayment of loans.

REPAYMENT OF LOANS.

Year.			Amount Repaid.	Year.			Amount Repaid.
			£				£
1857	...	...	30,000	1867	...	...	71,500
1858	...	...	30,000	1868	...	...	60,300
1859	...	...	45,000	1869	...	...	50,000
1860	...	...	45,000	1870	...	...	50,000
1861	...	...	50,000	1871	...	...	50,000
1862	...	...	56,100	1872	...	...	50,000
1863	...	...	52,400	1873	...	...	67,800
1864	...	...	48,800				
1865	...	...	61,200				
1866	...	...	50,000				
				Total	...	...	£868,100

200. The figures of net revenue of the year under review may be classified under the following heads, which are those suggested by a conference of representatives of several of the Australian colonies upon the subject of statistics, which was held in Tasmania in January 1875* :— Heads of revenue.

	NET REVENUE, 1873-4.				£	s.	d.
Customs Duties	1,761,098	17	7
Excise...	32,868	10	1
Ports and Harbors	20,653	11	7
Licenses (Business)	10,135	3	3
Duties on Estates of Deceased Persons	72,085	9	5
Land Sales (including rents counting towards purchase-money)	558,316	1	3

* See Report of Conference of Government Statists, with introductory letter by the Government Statist of Victoria; Ferres, Melbourne, 1875.

NET REVENUE, 1873-4—*continued.*

	£	s.	d.
Rents of Crown Lands (not counting towards purchase-money)	196,114	6	3
Railways	851,425	7	9
Water Supply	103,492	17	9
Public Works (exclusive of Railways and Water Supply)	1,640	11	0
Post and Telegraphs	186,637	6	10
Fines, Fees, and Forfeitures	110,930	6	2
Rents (Ordinary)	1,393	4	6
Reimbursements in Aid	25,580	13	6
Interest and Exchange	84,077	7	3
Miscellaneous Receipts	90,340	15	8
Total	£4,106,790	9	10

Heads of expenditure.

201. Adopting in like manner the classification recommended by the Intercolonial Conference in regard to expenditure, the following are the amounts under the respective heads :—

NET EXPENDITURE, 1873-4.

	£	s.	d.
Legislature	56,613	15	7
Civil Establishment	95,993	18	10
Judicial and Legal	177,368	16	10
Public Instruction, Science, &c.	537,758	16	4
Charitable Institutions, Medical, &c.	272,289	18	0
Mining	33,008	19	3
Police	194,328	19	9
Gaols and Penal Establishments	61,787	3	6
Mint	21,666	13	4
Crown Lands and Survey	118,329	10	11
Railways and Roads	442,624	6	8
Water Supply	15,708	11	10
Public Works (exclusive of Railways, Roads, and Water Supply)	563,770	14	2
Customs	93,839	18	1
Harbors and Lights	24,638	0	8
Defences	56,628	15	10
Post and Telegraphs	309,111	13	7
Retiring Allowances and Pensions	31,508	7	10
Redemption of Loans	35,100	0	0
Interest	726,142	2	10
Civil List (Governor's Salary, Salaries of Ministers, Executive Council, and Public Worship)	76,570	4	3
Aborigines	7,054	17	10
Placed to Railway Loan Liquidation and Construction Account*	200,000	0	0
Miscellaneous Services	25,493	12	1
Total	£4,177,337	18	0

* This account was created under the Land Act 1869 (33 Vict. No. 360, sec. 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 1874 was £900,000, of which had been expended, all on the survey or construction of lines of railway, £540,546 2s. 9d.

202. The items of revenue which, according to the principle laid down in the last issue of the *Victorian Year-Book*, are considered as taxation, are the receipts under the heads of Customs, Excise and Inland Revenue, and Ports and Harbors. The sum of these in 1873-4 amounted to £1,896,841 11s. 11d. Dividing this by the mean population of the year, the result shows that the taxation during the year was at the rate of £2 8s. 0 $\frac{3}{4}$ d. per head of the population. This exceeded by 1s. 8 $\frac{3}{4}$ d. the taxation per head in the previous year, and exceeded also the amount per head in any former year since 1860. This will be observed by the following table, which gives the gross taxation and the amount per head for 1853 and each subsequent year :—

POPULATION AND TAXATION FROM YEAR 1853 TO 1873-4.*

Year.	Average Population.	Gross Amount of Taxation.	Amount of Taxation per Head.		
			£	s.	d.
1853 ...	195,378	800,577	4	1	11 $\frac{1}{2}$
1854 ...	267,371	1,052,462	3	18	8 $\frac{1}{2}$
1855† ...	338,315	1,193,309	3	10	6 $\frac{1}{2}$
1856 ...	380,942	1,458,647	3	16	7
1857 ...	430,347	1,331,362	3	1	10 $\frac{1}{2}$
1858 ...	483,827	1,414,511	2	18	5 $\frac{3}{4}$
1859 ...	517,226	1,414,760	2	14	8 $\frac{1}{2}$
1860 ...	539,337	1,330,761	2	9	4 $\frac{1}{4}$
1861 ...	541,025	1,244,389	2	6	0
1862 ...	548,087	1,183,194	2	3	2
1863 ...	561,322	1,158,219	2	1	3 $\frac{1}{4}$
1864 ...	589,160	1,167,036	1	19	7 $\frac{1}{2}$
1865 ...	616,375	1,214,479	1	19	4 $\frac{3}{4}$
1866 ...	634,077	1,219,567	1	18	5 $\frac{1}{2}$
1867 ...	649,826	1,516,231	2	6	8
1868 ...	671,222	1,352,818	2	0	3 $\frac{3}{4}$
1869 ...	696,942	1,539,495	2	4	2
1870 ...	709,839	1,394,333	1	19	3 $\frac{1}{2}$
1871 (six months)	731,528	724,261	0	19	9 $\frac{1}{2}$
1871-2 ..	749,964	1,612,034	2	3	0
1872-3 ...	770,306	1,784,056	2	6	4
1873-4 ...	789,438	1,896,842	2	8	0 $\frac{3}{4}$

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.

203. It appears that the year of highest taxation was 1853 (£4 1s. 11 $\frac{1}{2}$ d. per head), and that of the lowest was 1866 (£1 18s. 5 $\frac{1}{2}$ d. per head). Years of highest and lowest taxation.

* According to the figures derived from an approximate statement laid before Parliament by the Honorable the Treasurer in July 1875, the taxation in 1874-5 amounted to £1,723,886, or to £2 2s. 8 $\frac{3}{4}$ d. per head of the estimated mean population (806,760) of that financial year.

† The figures of taxation for 1855 have been changed from those given in the last issue of the *Victorian Year-Book*, a closer examination of the Treasury statements having shown that the results for that year had been over-estimated.

Public Debt. 204. On the 30th June 1874, the Public Debt of Victoria amounted to £12,485,432 12s. This amount is made up as follows:—

PUBLIC DEBT, 30TH JUNE 1874.

	£	s.	d.
Amount authorized to be borrowed	13,948,100	0	0
Less debentures unsold ... £607,669 6 0			
„ amount repaid ... 868,100 0 6			
	<u>1,475,769</u>	<u>6</u>	<u>0</u>
	12,472,330	14	0
Increase by bonus paid on conversion of 5 and 6 per cent. debentures into 4 per cent. stock...		13,101	18 0
		<u>12,485,432</u>	<u>12 0</u>
Total			

Purposes for which loans were raised.

205. The debt was contracted for the following purposes:—

	£	s.	d.
Construction of railways	10,657,000	0	0
Waterworks	960,000	0	0
Public works and water supply	505,330	14	0
Alfred graving-dock	250,000	0	0
Defences	100,000	0	0
	<u>12,472,330</u>	<u>14</u>	<u>0</u>
Increase by conversion of debentures as above...		13,101	18 0
		<u>12,485,432</u>	<u>12 0</u>
Total			

Amounts repaid.

206. Of the £868,100 repaid, £800,000 was borrowed for the purpose of constructing works for the supply of water to Melbourne and suburbs, and £68,100 in order to purchase the privileges, rights, and property held by the Melbourne, Mount Alexander, and Murray River Railway Company.

Rates of interest.

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

Rate of Interest.	Amount.	£	s.	d.
6 per cent.	11,180,320	0	0	
5 per cent.	312,900	0	0	
4 per cent.	992,212	12	0	
	<u>12,485,432</u>	<u>12</u>	<u>0</u>	
Total				

Conversion of debentures into stock.

208. The values of debentures converted into 4 per cent. stock up to the end of the financial year 1873-4 were as follows:—

	£	s.	d.
Six per cent. debentures	76,680	0	0
Five per cent. „	397,100	0	0

209. The six per cent. debentures were converted at rates varying from £113 to £118 per £100, and the five per cent. debentures at rates varying from £100 to £109 per £100. Rate at which debentures were converted.

210. The estimated population on the 30th June 1874 was 797,731. If the amount of debt at the same period be divided by this number, the proportionate indebtedness of each man, woman, and child in the colony is shown to have been £15 13s. 0¼d.* Amount of indebtedness per head.

211. The interest on loans and expenses connected therewith in the financial year under review amounted to £709,462 0s. 1d. The estimated mean population during the same period was 789,438. This gives an average payment on behalf of each individual in the colony amounting to 17s. 11¾d. Interest on loans.

212. In addition to the Public Debt of the colony, loans for improvements of the city of Melbourne and town of Geelong, with the principal guaranteed out of the revenues of the colony, were obtained in 1854 by the issue at 5 per cent. discount of debentures bearing interest at the rate of 6 per cent. per annum, which were made a first charge upon the revenues of the two corporations. These loans were originally of the following amounts:— Loans for Melbourne and Geelong

	£	s.	d.
Melbourne	525,000	0	0
Geelong	210,000	0	0
Total	735,000	0	0

213. The loan for Melbourne improvements has for years past been in the course of repayment at the rate of £25,000 per annum, and that for Geelong improvements at the rate of £10,000 per annum. On the 30th June 1874 the whole had been repaid except the last instalment of £35,000. That will be cleared off during the current year. Repayment of city and town loans.

214. But little is now expended on the introduction of immigrants into Victoria. During the financial year under review the amount spent with that object was £1,797 9s. 11d. only. During the nine and a half years prior to that period, however, the cost of bringing over immigrants amounted to £331,143. Expenditure on immigration.

215. The following amounts have been expended on public works, roads and bridges, and railways, during the year under review, by the General Government. Large sums have been expended in addition by local bodies on public works, roads, &c.; and the Melbourne and Expenditure on public works.

* At the end of 1874 the Public Debt amounted to £13,990,553, or to £17 6s. 1¼d. per head of the estimated population at that date (808,437).

Hobson's Bay Railway Company have, as a matter of course, borne the expense of maintaining their own lines:—

AMOUNT EXPENDED, 1873-4.					£	s.	d.
Public works	...	...	...	...	390,955	4	7
Roads and bridges	...	...	...	...	98,365	10	8
Railways construction	...	...	...	...	741,616	9	2
„ maintenance	...	...	...	...	74,999	1	3
Total	...	...	...	...	<u>1,305,936</u>	<u>5</u>	<u>8</u>

216. Since 1858, the year in which Government railways were first commenced in Victoria, the amounts spent on their construction and maintenance were as follow:—

VICTORIAN RAILWAYS—EXPENDITURE, 1858 TO 1873-4.

					£	s.	d.
Construction	...	...	...	...	11,557,483	19	6
Maintenance	...	...	...	...	698,548	2	0
Total	...	...	...	...	<u>12,256,032</u>	<u>1</u>	<u>6</u>

217. During the last ten and a half years £2,612,726 have been spent by the Government on public works, and £801,100 on roads and bridges.

PART III.—POPULATION.

218. Between the census periods an estimate of the population of the colony is made up quarterly by the Government Statist from the returns of births and deaths and of arrivals and departures. At the end of 1874 the population estimated in this manner was as follows:—

POPULATION, 31ST DECEMBER 1874.*					
Males	439,159
Females	369,278
Total	<u>808,437</u>

219. Subjoined is the average population of 1874, made up by taking the mean of the population estimates at the beginning and end of the year and the three intermediate quarters:—

MEAN POPULATION, 1874.					
Males	434,073
Females	364,615
Total	<u>798,688</u>

* The latest estimate of population up to the time of this work going to press was for the 30th June 1875, and was as follows:—Males 441,742, females 371,846; total 813,588.