

INTERCHANGE.

Customs and
Excise
transferred
to Com-
monwealth.

By the Commonwealth Constitution the collection of Customs and Excise duties was transferred to the Federal Government on the 1st January, 1901, and the departments of Posts and Telegraphs and Defence were transferred by proclamation on 1st March following. The Commonwealth Government collects the revenue of these departments, and after deducting the expenditure of the transferred departments incurred in the State, and the State's proportion of new expenditure on a population basis, returns the balance to the State.

A limit to the amount which the Commonwealth may expend is fixed by Section 87 of the Constitution, which provides that not more than one-fourth of the net revenue from Customs and Excise shall be applied to the expenses of the Commonwealth. Ten years after the introduction of uniform duties, the Commonwealth Parliament may repeal or alter this provision. After 8th October, 1906, the Commonwealth Parliament may alter the basis of the distribution of Customs and Excise revenue amongst the States, and may provide for distribution on a population of any other basis. A provisional tariff was introduced by resolution of the House of Representatives on the 8th October, 1901; and the tariff, in its present form, was finally passed on 16th September, 1902, with various modifications of the duties as first proposed. The classification of imports and exports differs in regard to many items in the various States; so that to compare items or classes of products or manufactures in one State with those in another, it is sometimes necessary to search through the whole returns of one State for separated items, which in another State may together form one item.

Imports and
exports.

The total value of Victoria's imports and exports and their value per head of the population for each of the five years, 1899 to 1903, are shown in the following table, the

imports being subdivided according as they are subject to ad valorem, fixed or composite rates of duty, or are free of duty:—

VALUE OF IMPORTS AND EXPORTS: RETURN FOR FIVE YEARS.

	1899.	1900.	1901.	1902.	1903.
<i>Imports.</i>					
Value of Articles at Ad Valorem Rates of Duty	£ 2,212,665	£ 2,587,079	£ 3,170,147	£ 5,123,164	£ 4,812,515
" " Fixed " "	3,722,261	4,175,245	4,318,682	3,333,945	4,766,539
" " Composite " "	..	..	..	75,655	47,372
" " Free .. "	12,017,968	11,539,487	11,438,511	9,737,481	8,232,745
Total Value	17,952,894	18,301,811	18,927,340	18,270,245	17,859,171
Value per Head of Population	£ s. d. 15 2 8	£ s. d. 15 6 9	£ s. d. 15 14 8	£ s. d. 15 2 8	£ s. d. 14 15 6
<i>Exports.</i>					
Total Value	£ 18,567,780	£ 17,422,552	£ 18,646,097	£ 18,210,523	£ 19,707,068
Value per Head of Population	£ s. d. 15 13 0	£ s. d. 14 12 0	£ s. d. 15 10 0	£ s. d. 15 1 8	£ s. d. 16 6 0

The value of imports in 1903 was less than that of any of the preceding four years, being over a million less than in 1901, which was the greatest of the years under review. The impending new Federal tariff was doubtless responsible for the heavy imports of 1901. The change from the State to the Federal tariff has put a much greater portion of the imports on the duty list, the value of goods subject to duty in 1903 being greater by over two millions sterling than in 1901. The value per head of population increased from £15 2s. 8d. in 1899 to £15 14s. 8d. in 1901, but dropped to £14 15s. 6d. per head in 1903.

The value of exports in 1903 was considerably higher than in any of the years shown, being nearly two and a quarter millions sterling more than in 1900. The value per head of the population was highest in 1903, being equal to £16 6s. per head. The greatest difference between the values per head in the imports and exports occurred in 1903, when the exports were £1 10s. 6d. per head more than the imports, while in 1900 the imports were the greater by 14s. 9d. per head. In 1899 the exports were 10s. 4d. more per head, and in 1901 and 1902 4s. 8d. and 1s. respectively less per head than the imports.

The value of Victorian trade with the other Australian States, New Zealand, the United Kingdom, other British possessions, and all Foreign countries in each of the last five years was as follows:—

Imports and
exports to
principal
countries.

IMPORTS FROM AND EXPORTS TO DIFFERENT COUNTRIES :
RETURN FOR FIVE YEARS.

Country.		1899.	1900.	1901.	1902.	1903.
		Imports.				
From—		£	£	£	£	£
Other Australian States		8,050,519	6,364,167	6,240,460	5,412,520	5,519,556
New Zealand ...		356,311	404,356	619,894	1,151,179	1,043,509
United Kingdom ...		5,990,027	7,055,028	7,221,801	6,935,040	5,977,947
Other British Possessions		769,483	935,136	1,040,342	1,129,034	1,106,732
Foreign Countries ...		2,786,554	3,543,124	3,804,843	3,642,472	4,211,427
Total		17,952,894	18,301,811	18,927,340	18,270,245	17,859,171
		Exports.				
To—		£	£	£	£	£
Other Australian States		4,838,185	5,257,188	5,570,838	7,841,188	8,522,056
New Zealand ...		345,087	437,322	455,704	638,735	524,898
United Kingdom ...		5,648,150	6,363,685	5,425,772	3,433,310	3,280,134
South Africa ...		1,324,082	1,926,433	3,891,057	2,823,677	1,226,981
Other British Possessions		2,701,961	1,377,275	958,410	1,438,833	3,684,994
Foreign Countries ...		3,710,315	2,060,649	2,334,316	2,034,780	2,468,005
Total		18,567,780	17,422,552	18,646,097	18,210,523	19,707,068

This table shows that Victoria's imports from the other Australian States amounted to £8,050,519, or 45 per cent. of the total imports in 1899; but that they fell away during the next four years, and amounted to about 30 per cent. in 1902 and 1903. The imports from the United Kingdom, which were valued at £5,977,947 in 1903, forming 33 per cent. of the total, were about the same as in 1899; but they formed 38 per cent. of the total imports in each of the intervening three years. Imports from New Zealand rose from the value of £356,311, or only 2 per cent. of the whole in 1899, to the value of over a million sterling, or 6 per cent., in each of the last two years. Other British possessions contributed 4 per cent. of the imports in 1899, 5 per cent. in 1900, and 6 per cent. in the three years since. The imports from Foreign countries were valued at £2,786,554, or 16 per cent. of the whole, in 1899, but increased considerably in the four following years, amounting to 24 per cent in 1903. These figures disclose that while the import trade from Great Britain showed no increase in the five years, the imports from Foreign countries increased by 50 per cent. in the same period. Victorian exports to the other States of the Commonwealth were valued at £4,838,185, or only 26 per cent. in 1899, rose to 30 per cent. in 1900 and 1901, and to 43 per cent. of the total in 1902 and 1903. The exports to the United Kingdom formed only 30 per cent. of the total in 1899, 36 per cent. in 1900, 29 per cent. in 1901, 19 per cent. in 1902, and 17 per cent. in 1903; the

value in 1903 being little more than half of that in 1899. The exports to South Africa in 1899 were valued at £1,324,082, or 7 per cent. of the whole; during the next two years they rose to the value of £3,891,057, or 21 per cent; but have since fallen to 6 per cent. of the total exports. Exports to New Zealand formed about 2 per cent. of the whole in 1899, and gradually increased in value and proportion to 3 per cent. in 1902 and 1903. Other British possessions took about 14 per cent. of the exports in 1899, 8 per cent. in 1900, 5 per cent. in 1901, 8 per cent. in 1902, and 19 per cent. in 1903. Exports to Foreign countries amounted to 20 per cent. of the whole in 1899, 12 per cent. in the next two years, 11 per cent. in 1902, and 12 per cent. in 1903. The exports to the other Australian States, New Zealand, and other British possessions show an improvement, but those to Great Britain, South Africa, and Foreign countries show a falling off.

The value of Victorian trade with each of the other States of the Commonwealth in each of the last five years was as follows:—

Imports and
exports to
Australian
States.

IMPORTS FROM AND EXPORTS TO OTHER STATES: RETURN FOR
FIVE YEARS.

State.	1899.	1900.	1901.	1902.	1903.
Imports.					
From—	£	£	£	£	£
New South Wales ...	3,990,626	4,136,297	4,597,861	3,669,446	3,297,545
Queensland ...	1,066,206	588,413	517,696	499,595	400,766
South Australia ...	521,995	513,049	492,654	524,952	904,962
Western Australia ...	2,119,618	780,291	276,832	291,004	221,989
Tasmania ...	352,074	346,117	355,417	427,523	694,294
Total Inter-State	8,050,519	6,364,167	6,240,460	5,412,520	5,519,556
Exports.					
To—					
New South Wales ...	2,436,216	2,953,510	2,992,342	3,747,504	4,430,742
Queensland ...	423,811	312,498	366,783	1,024,894	738,498
South Australia ...	526,477	462,966	523,978	702,157	857,498
Western Australia ...	795,425	852,167	988,481	1,122,500	1,243,833
Tasmania ...	656,256	676,047	699,254	1,244,133	1,251,485
Total Inter-State	4,838,185	5,257,188	5,570,838	7,841,188	8,522,056

The information contained in this return shows that imports to Victoria from other States have declined, and exports from Victoria to other States have increased, since the abolition of interstate duties, on 8th October, 1901. The increase in exports is made up of Victorian produce and imports from abroad, and tends to show that the influence of Melbourne as a distributing and manufacturing centre has been largely developed since the inauguration of interstate free-

trade. The principal decline in imports from other States was from Western Australia, and this is accounted for by the fact that gold which in earlier years was forwarded to the Victorian mint is now minted locally. In the three years, 1899 to 1901, interstate trade showed an excess in favour of imports to the extent of £4,342,716 from New South Wales, £1,069,223 from Queensland, £14,277 from South Australia, £540,668 from Western Australia; but with Tasmania there was an excess of exports amounting to £977,949. Under interstate freetrade the position has completely altered, as in the last two years, 1902 and 1903, the trade showed an excess of exports of £1,211,255 to New South Wales, £863,031 to Queensland, £129,741 to South Australia, £1,853,340 to Western Australia, and £1,373,801 to Tasmania. Dealing with the total interstate trade, it is worthy of note that while Victoria received from the other States goods to the value of £4,988,935 more than it exported thereto in the first three years under review, in the two later years Victorian exports to those States in excess of imports therefrom amounted to £5,431,168.

Exports of
home
produce.

The values of the principal articles of export entered at the Customs by exporters as being the produce or manufactures of Victoria during each of the last five years were as follow:—

EXPORTS OF VICTORIAN PRODUCE: RETURN FOR FIVE YEARS.

Principal Articles.	1899.	1900.	1901.	1902.	1903.
	£	£	£	£	£
Wool	3,350,351	2,289,341	2,511,019	2,331,657	1,848,925
Grain and Pulse—					
Wheat	1,213,747	700,814	1,064,649	500,436	33,052
Other	65,154	292,705	317,010	340,734	181,131
Butter and Cheese	1,419,294	1,509,383	1,246,739	796,789	1,303,422
Hay and Chaff	257,496	316,352	407,433	1,242,186	339,660
Flour	229,901	196,899	199,506	179,293	74,479
Sugar (refined) and Molasses	142,117	103,302	133,666	127,975	112,618
Leather	292,474	311,240	300,905	237,442	225,858
Tallow	138,727	172,397	92,482	82,478	53,165
Skins and Hides	260,275	165,604	252,682	365,659	323,245
Horses, Cattle, and Sheep	232,629	455,245	514,870	444,293	1,203,017
Other Articles	1,831,185	2,149,850	2,542,667	3,598,780	3,820,478
Total Merchandise	9,433,350	8,663,132	9,583,628	10,247,722	9,519,050
Gold (Bullion and Specie)	1,555,989	2,663,220	3,104,911	2,945,511	4,353,171
Total	10,989,339	11,326,352	12,688,539	13,193,233	13,872,221
	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.
Per Head of Population	9 5 3	9 9 10	10 10 9	10 18 7	11 9 6
Percentage of Total Exports	59·185	65·010	68·049	72·448	70·392

These figures afford some indication of the condition of trade in local products. Owing to the value of Victorian wool and gold, as given by the exporters, being defective, the value of the net exports of those articles (i.e., excess of exports over imports) has been substituted therefor in this statement. The exports of home produce as a whole show considerable improvement during the past five years; in 1899 they were valued at nearly eleven millions sterling; in 1900, 11 1-3 millions; in 1901, 12 2-3 millions; in 1902, 13 1-5 millions; and in 1903, at nearly 14 millions. The average value of these exports for the five years under review amounts to £12,413,937, that for the previous five years being £9,064,500. The value per head of the population rose from £9 5s. 3d. in 1899 to £11 9s. 6d. in 1903, and the proportion to the total exports from 59 per cent. in 1899 to 70 per cent. in 1903. Hay shows a larger growth in value than any other article, in the five years dealt with, 1900, 1901, and 1902 being each successively a record year, and the value in 1902 three times as much as that of 1901, but as a result of the drought a serious decline took place in 1903. After a bad year in 1899, gold was well up to the average in the next three years, and in 1903 considerably above it. Except for a large rise in 1899, and a decline in 1903, wool has been fairly uniform throughout the period under notice. Wheat has had considerable fluctuations, being very low in 1903, while 1899 was the best year since 1884. The butter and cheese figures for 1899 and 1900 eclipse those of all previous years, but have since not been maintained. The value of live stock in 1903 is the highest recorded. The value of all domestic exports in 1903, as compared with 1899, increased 3 millions, the specified articles showing increases were—gold, £2,797,182; live stock, £970,388; hay and chaff, £82,164; and skins and hides, £62,970; and those showing decreases were—wool, £1,501,426; grain, £1,064,718; flour, £155,422; butter and cheese, £115,872; tallow, £85,562; leather, £66,616; and sugar, £29,499. The value per head of the population of Victorian produce exported has shown a substantial annual increase during the last five years, but the proportion to the total exports in 1903 was lower than in 1902, although higher than in the other three years.

The item in the preceding table which shows the largest and most consistent increase is "Other Articles," the exports of which have increased by nearly £2,000,000, or by 108 per cent., since 1899. This item includes a number of natural products not separately enumerated in the table, such as frozen meats, bacon, fruits, ores, metals, plants, bark, and

Exports of
locally
manufactured
articles to
the other
States.

timber; but mainly consists of exports to the other States of various articles manufactured in Victoria. By the establishment of interstate freetrade, and the imposition of moderate protective duties on many articles under the Federal tariff, the manufacturers of Victoria have had thrown open to them a protected market of nearly 4 million consumers in place of one, more highly protected, of 1,200,000 consumers. No time has been lost in taking advantage of this, and Victoria is pushing her manufactures in the other States to a very considerable extent, as is seen by the following table, which shows the exports to the other States of 24 of the principal items in 1900, the year before the introduction of the Federal tariff, and in 1902 and 1903, the two years which have elapsed since its introduction. The increase in 1903, as compared with 1900, is also shown:—

PRINCIPAL LOCALLY MANUFACTURED ARTICLES EXPORTED TO THE
OTHER STATES, 1900, 1902, AND 1903.

Articles.	1900.	1902.	1903.	Increase in 1903 over 1900.
	£	£	£	£
Apparel and Attire ...	136,414	246,224	336,313	199,899
Boots and Shoes ...	58,404	184,474	235,129	176,725
Metals, General Manufactures of	82,338	113,114	144,942	62,604
Tobacco (manufactured), Cigars and Cigarettes	1,984	133,010	124,867	122,883
Machinery, Engines, etc. ...	122,994	118,522	100,124	-22,870*
Confectionery and Biscuits ...	44,280	77,524	90,780	46,500
Agricultural, etc., Implements...	95,421	47,277	85,227	-10,194*
Jewellery ...	18,228	48,744	78,967	60,739
Jams and Jellies ...	22,367	76,008	78,388	56,021
Stationery ...	32,466	53,685	69,245	36,779
Leather ...	36,474	71,896	69,430	32,956
Indiarubber Manufactures ...	2,487	19,059	63,559	61,072
Hats and Caps ...	8,216	50,167	61,767	53,551
Starch ...	22,534	32,535	43,513	20,979
Woollen Piece Goods ...	7,419	31,337	38,566	31,147
Ale, Porter, and Beer ...	7,928	33,441	35,821	27,893
Candles and Stearine ...	2,438	30,405	30,483	28,045
Medicines ...	6,043	17,344	24,935	18,892
Soap ...	4,626	14,015	22,967	18,341
Glass Manufactures ...	9,640	18,316	20,620	10,980
Wine ...	2,195	20,319	19,949	17,754
Woollen Flannels ...	414	11,539	18,423	18,009
Woollen Blankets and Rugs ...	1,566	11,283	17,049	15,483
Pickles, Sauces, etc. ...	10,779	15,777	15,746	4,967
Total, 24 items ...	737,655	1,476,015	1,826,810	1,089,155

* The minus sign (—) denotes a decrease.

The increase in many of the above items is remarkable. The increase during the first year after the introduction of the tariff, in respect of the 24 items above enumerated, amounted to £738,360, or just over 100 per cent.; and in the second year, viz., 1903, there was a further substantial increase. The items which seem to be quickly finding a ready market in the other States are apparel, boots, tobacco, jewellery, hats and caps, india-rubber manufactures, jams and jellies, and confectionery and biscuits. Many of the other items show a substantial increase during the first year, which has not been sustained to any extent. The only two items which show a decrease are machinery, engines, &c., and agricultural, &c., implements; but a number of the articles which comprise these items are duty free, whilst several others have very low rates imposed. A new classification has been adopted in the compilation of the detailed imports and exports, and great care must now be exercised in comparing items in 1903 and subsequent years with apparently similar items in previous years. Care has been taken in the above comparison to see that like is compared with like; but several items of importance have been omitted on account of the impossibility of reconciling the differences.

Victoria imports a considerable quantity of timber, including large quantities of American oregon and Baltic deal. The following is a statement of the imports and exports during the four years, 1899 to 1902:—

Imports and
exports of
timber.

VALUE OF TIMBER IMPORTED AND EXPORTED, 1899 TO 1902.

	1899.	1900.	1901.	1902.
	£	£	£	£
Total Imports ...	441,277	569,101	600,304	640,392
Imports from Australian States and New Zealand	100,376	136,841	150,539	144,699
Imports of Australasian Timber ...	88,946	116,337	147,700	141,214
Total Exports ...	21,892	35,392	35,785	42,800
Exports to Australian States and New Zealand	21,332	34,621	35,269	41,712
Exports of Victorian Timber ...	9,057	10,280	9,724	14,597
Victorian Timber exported to Australian States and New Zealand	8,691	10,221	9,583	14,398

By deducting from the total imports the value of timber which had been imported and then exported, the value of foreign timber (i.e., timber produced outside Victoria) required for use within the State is obtained. Such net imports were valued at £428,442 in 1899, £543,989 in 1900, £574,243 in 1901 and £612,189 in 1902.

The large increase in the value of timber imported during the four years under review indicates a satisfactory revival in the building trade, the increase between 1899 and 1902 being nearly £200,000. Of the Australasian timber (i.e., timber produced in, or foreign timber treated in, Australasia) imported into Victoria in 1902, New Zealand contributed £96,443 worth. The Australasian timber imported in that year was valued at £141,214, whilst the Victorian timber exported to Australasia was only worth £14,398. All the export trade in Victorian timber has been done with the adjoining States, very little reaching foreign markets.

Net revenue
of Customs
Depart-
ment.

The following are the net amounts of Customs and Excise duty collected in each of the last five years, the principal articles being separately distinguished:—

REVENUE OF CUSTOMS DEPARTMENT: RETURN FOR FIVE YEARS.

Articles.	1899.	1900.	1901.	1902.	1903.
Import duty—	£	£	£	£	£
Alcoholic Liquors ...	471,113	494,377	669,625	431,219	501,330
Narcotics ...	244,810	246,314	309,506	188,685	222,489
Sugar and Molasses	273,255	275,787	281,557	249,183	295,485
Rice ...	17,948	18,184	21,797	1,144,154	1,071,536
Dried and Preserved Fruits and Vege- tables	58,133	38,066	34,632		
All Other Articles at Fixed Rates	434,177	419,643	377,078		
Articles at Ad Valo- rem Rates	404,669	488,008	539,187		
Total Import Duties	1,904,105	1,980,379	2,233,382	2,013,241	2,090,840
Excise Duty—					
Spirits ...	89,427	87,236	132,180	64,838	78,828
Beer ...	169,913	176,787	185,019	184,890	169,190
Tobacco, etc. ...	61,777	76,655	112,200	109,915	135,805
Sugar ...	...	...	9,870	31,524	10,251
Starch ...	...	...	...	9,054	7,604
Total Excise Duties	321,117	340,678	439,269	400,221	401,678
Miscellaneous ...	80,559	92,632	49,494	44,375	52,091
Grand Total...	2,305,781	2,413,689	2,722,145	2,457,837	2,544,609

The net revenue collected by the Department of Trade and Customs in Victoria from all sources, after deducting drawbacks, refunds, and rebates, amounted to £2,544,609 in 1903, being £70,000 above the average of the other four years shown above; £239,000 more than in 1899; £131,000 more than in 1900; £87,000 more than in 1902; but £177,500 less than in 1901. The revenue from Customs duties in 1903 was £58,000 above the average of the other four years; £187,000 more than in 1899; £110,000 more than in 1900; £78,000 more than in 1902; but £142,500 less than in 1901. The revenue from Excise duties in 1903 was £26,000 above the average of the other four years; £80,000 more than in 1899; £61,000 more than in 1900; £1,500 more than in 1902; but £37,600 less than in 1901.

Imported goods, other than stimulants and narcotics, on which duty has been paid are allowed drawback, which is equivalent to a refund of the duty paid, if subsequently exported. Drawback is allowed not only on goods exported in the same condition as when imported, but also upon imported goods which have been subjected to some process of manufacture in Victoria. Drawbacks are included in the general exports. The following are the figures for the last five years:—

EXPORTS FOR DRAWBACK: RETURN FOR FIVE YEARS..

Year.	Value of Goods Exported for Drawback.	Amount Paid as Drawback.
	£	£
1899	508,560	97,962
1900	568,456	92,404
1901	577,928	115,283
1902 ... ..	...	45,022
1903 ... ..	...	35,705

From 1872, when the system of allowing drawbacks was first introduced, to the end of 1903, the total amount of duty repaid as drawback was £2,886,403. The withdrawals were heavy in 1901, but very light in 1903, when £3,832 drawback was paid on excise.

Victorian shipping has considerably increased during the last five years; the number of vessels (excluding those engaged in the Victorian coastal trade) entered and cleared at Victorian ports, their gross tonnage, and the number of men forming their crews in each of the years 1899 to 1903 being:—

Vessels entered and cleared.

SHIPPING INWARDS AND OUTWARDS: RETURN FOR FIVE YEARS.

	1899.	1900.	1901.	1902.	1903.
Vessels Entered—					
Number ...	2,024	2,101	2,418	2,278	2,204
Tons ...	2,662,792	2,929,389	3,392,226	3,366,485	3,409,288
Men ...	92,397	97,770	107,120	110,134	112,064
Vessels Cleared—					
Number ...	2,031	2,134	2,347	2,286	2,263
Tons ...	2,678,663	2,944,192	3,323,265	3,372,555	3,448,566
Men ...	93,196	97,885	105,798	110,293	113,376
Total Vessels Entered and Cleared—					
Number ...	4,055	4,235	4,765	4,564	4,467
Tons ...	5,341,455	5,873,581	6,715,491	6,739,040	6,857,854

The number of vessels entered and cleared in 1903, though less than in 1901 and 1902, has increased by 10 per cent., as compared with 1899, their tonnage by 28 per cent., and the number of men forming their crews by 21 per cent. In both tonnage and men the figures in 1903 are the highest of the years under review.

Nationality
of vessels.

The nationality of vessels entered and cleared at Victorian ports in each of the years 1899 to 1903 was as shown hereunder:—

NATIONALITY OF VESSELS ENTERED AND CLEARED: RETURN FOR FIVE YEARS.

Year.	Total.	British.	Colonial.	Foreign.
Entered.				
1899	2,024	416	1,453	155
1900	2,101	748	1,189	164
1901	2,418	580	1,640	198
1902	2,278	497	1,613	168
1903	2,204	466	1,579	159
Cleared.				
1899	2,031	420	1,459	152
1900	2,134	807	1,159	168
1901	2,347	561	1,598	188
1902	2,286	517	1,602	167
1903	2,263	460	1,644	159

Sixteen per cent. of the Victorian shipping has wavered from Colonial to British ownership and back again between the years 1899 and 1903. Colonial vessels formed 72 per cent.

of the total inwards and outwards in 1899, 55 in 1900, 68 in 1901, 71 in 1902, and 72 per cent. in 1903. British vessels amounted to 21 per cent. in 1899, 37 in 1900, 24 in 1901, 22 in 1902, and 21 per cent. in 1903. Foreign vessels were 7 per cent. of the total in 1899, 8 per cent. in 1900 and 1901, and 7 per cent. in 1902 and in 1903.

The vessels on the Victorian register were as follow on the 31st December, 1903, the ports of their registration and their net tonnage being distinguished:—

Vessels on
Victorian
register.

VESSELS ON THE REGISTER, 1903.

Port.	Steamers.		Sailing Vessels.		Total.	
	Number.	Tons.	Number.	Tons.	Number.	Tons.
Melbourne	157	124,242	219	36,258	376	160,500
Geelong ... ..	...	...	4	358	4	358
Total	157	124,242	223	36,616	380	160,858

The following is a statement of the number and net tonnage of vessels on the registers of all the Australian States and New Zealand on the 30th June, 1903. It will be seen that the tonnage on the Victorian and New South Wales registers exceeded 100,000 tons:—

Vessels on
Austral-
asian
registers.

VESSELS OWNED IN AUSTRALIAN STATES AND NEW ZEALAND, 1903.

State.	Steamers.		Sailing Vessels.		Total.	
	Number.	Tons.	Number.	Tons.	Number.	Tons.
Victoria	154	80,009	228	37,824	382	117,833
New South Wales	531	66,938	549	57,509	1,080	124,447
Queensland	101	15,006	167	10,218	268	25,224
South Australia	112	31,535	266	20,469	378	52,004
Western Australia	29	5,366	233	7,273	262	12,639
Tasmania	54	9,952	152	9,350	206	19,302
Total Australia	981	208,806	1,595	142,643	2,576	351,449
New Zealand	222	59,163	224	40,147	446	99,310
Total	1,203	267,969	1,819	182,790	3,022	450,759

These figures appeared in the Year-Book of 1902, but up to the present no information of later date has come to hand.

The following return contains particulars of the lights and lighthouses on the Victorian coast:—

Light-
houses.

LIGHTS AND LIGHTHOUSES, 1903.

Where Situated.	Description.	Nature.	Power in Lighthouse. (Units of 1,000 Candles.)			Colour.	Distance Visible.	No. of Hands.	Ordinary Expenditure during the Financial Year 1902-3.	Capital Cost.
			White.	Red.	Green.				£	£
Cape Nelson ...	Dioptric	Fixed ...	4½	3¼	...	*White ...	19	3	494	16,178
Auxiliary ...	...	Fixed ...	...	...	...	Red ...	3			
Portland ...	Dioptric	Fixed ...	...	...	...	Green ...	12	2	308	2,573
Port Fairy ...	"	Fixed and Flashing	...	{ 1 f. 1½ f. }		Red ...	9	2	294	3,857
Warrnambool (upper light) ...	"	Fixed ...	¼	...	...	White ...	14	2	321	7,917
(lower light) ...	"	Fixed ...	...	...	...	Red ...	5			
Cape Otway ...	"	Triple Flashing	24	...	...	White ...	24	3	611	10,367
Auxiliary ...	"	Fixed ...	...	...	...	Red ...	4 to 8			
Split Point ...	Dioptric	"	7¾	5½	...	†Red ...	18	3	490	11,838
Auxiliary ...	"	"	...	...	...	White ...	3			
Port Phillip—Point Lonsdale...	Dioptric	Occulting	22	13	...	White and Red	17	3	490	4,113
Queenscliff (high) ...	Catadioptric	Fixed ...	2½	...	...	White ...	17	8	1,248	19,071
" (low) ...	Dioptric	"	2	½	...	Red and White	10 & 14			
West Channel Pile Light	"	"	2	1	...	"	11			
South Channel (Eastern Light)	"	"	2½	2½	...	"	13		613	9,456
South Channel (pile) ...	"	"	¼	1/10	...	"	10	2	14	...
Schnapper Point ...	"	"	1/8	...	...	White ...	10			
Gellibrand's Pt. (lightship)	"	"	...	½	...	Red ...	10	2	436	5,005
Geelong (Hopetoun Chn. N.S.)	"	"	...	...	...	White ...	6	...	...	...
" (Hopetoun Chn. S.S.)	"	"	...	...	...	Red ...	4	...	...	...
Cape Schanck ...	Catadioptric	Fixed and Flashing	{ 4½ f. 48½ f. }			White ...	23	3	463	19,278
Auxiliary ...	"	Fixed ...	...	...	...	Red ...	3			
Wilson's Promontory ...	Catoptric	"	2½	...	...	White ...	24	3	840	24,433
Cliffy Island ...	Dioptric	Flashing ...	...	4¼	...	Red ...	15	3	427	13,225
Cape Everard ...	Holophotal...	Double Flashing	30	12	...	*White ...	21	3	498	21,785
Auxiliary ...	"	Fixed ...	...	...	...	Red ...	2			
Gabo Island ...	Catadioptric	"	4½	...	...	White ...	20	3	822	22,631
Auxiliary ...	"	"	...	...	...	Red ...	3			
Total ...							...	...	8,369	191,727

* Red sectors between the limits of white light and shore at either side.
† White sectors between the limits of red light and shore at either side.

In 1903 the Melbourne Harbor Trust possessed five dredges, having an aggregate maximum lifting capacity of 3,859 tons per hour, but varying according to the character of the material dredged, whether silt, sand, clay, rotten rock, &c. Of the above dredges, two are end-cutting, two are central-ladder, and one is side-cutting ladder.

The total quantity of dredgings by the Harbor Trust actually raised in 1903 amounted to 938,303 cubic yards, viz., 253,436 cubic yards from Hobson's Bay, and 684,867 cubic yards from the River Yarra and Victoria Dock. Since the establishment of the Trust, the river dredgings have amounted to 20,243,671 cubic yards, and the bay dredgings to 11,919,860 cubic yards, making a total of 32,163,531 cubic yards. Of the dredgings, 22,435,563 cubic yards were deposited at sea, and 9,727,968 cubic yards were landed for roads and reclamation work. The average cost of dredging in 1903 was 2·50d. per cubic yard.

Post Offices are now under Federal control. The following table shows the number of offices and of letters, &c., handled since 1898:—

POSTAL RETURNS FOR LAST FIVE YEARS.

	1899.	1900.	1901.	1902.	1903.
Number of Post Offices	1,593	1,615	1,637	1,645	1,646
Posted and Received—					
Letters and Post Cards	78,977,930	74,291,204	83,973,499	98,342,507	105,922,527
Newspapers ...	23,614,234	25,466,342	27,125,251	33,638,532	41,101,050
Packets ...	10,674,436	11,904,221	13,172,858	16,966,644	13,653,569
Parcels ...	283,426	298,352	309,118	365,898	429,084
Total ...	113,550,026	111,960,119	124,580,726	149,313,581	161,106,230

The volume of business done by the Post Office has grown considerably in the five years under review, that for 1903 being 42 per cent. more than that for 1899. The number of letters for 1903 is 34 per cent. higher than the number for 1899.

Money order offices are established at 473 places in connexion with the Post Office. Money orders are payable throughout the Commonwealth, New Zealand, Great Britain, and Ireland, and most of the principal British and Foreign

Money orders and postal notes.

countries. The maximum amount for which orders payable in most countries outside the Commonwealth are issued is £10, for orders payable within the Commonwealth and certain other countries £20. The charges range from 1 1-5d. in the pound on orders for £20 issued inland to 6d. in the pound for any amount issued to places beyond Australia, New Zealand, and Fiji. Postal notes, ranging from 1s. to £1 in value, are issued and paid throughout the Commonwealth, the poundage ranging from $\frac{1}{2}$ d. to 3d. The following is a comparative statement of the business done since 1898:—

MONEY ORDERS AND POSTAL NOTES : RETURN FOR FIVE YEARS.

	1899.	1900.	1901.	1902.	1903.
Money Orders Issued—					
Number	223,335	223,566	228,931	217,634	215,694
Amount	£681,962	£675,982	£700,618	£706,791	£721,017
Money Orders Paid—					
Number	280,139	287,219	298,860	306,510	318,766
Amount	£943,672	£961,270	£1,004,725	£1,053,313	£1,121,807
Postal Notes—					
Victorian—Paid in Victoria	£454,135	£474,907	£504,039	£498,174	£514,464
Victorian—Paid in Other States	£17,550	£18,270	£19,171	£30,207	£44,512
Of Other States—Paid in Victoria	£26,080	£27,583	£28,205	£46,805	£77,341

The issue of money orders has varied both in number and amount during the past five years, from 223,335 for £681,962 in 1899 and 228,931 for £700,618 in 1901, to 215,694 for £721,017 in 1903. Money orders paid show a yearly increase, having risen from 280,139 for £943,672 in 1899 to 318,766 for £1,121,807 in 1903. The business in postal notes has increased considerably, the amount of Victorian notes paid within the State being £60,000 more in 1903 than in 1899. The business with the other States, after a gradual improvement in the first three years, shows a big rise in 1902 and 1903, attributable to the removal of Interstate restrictions which existed prior to the federation of the States.

Telegraphs
and tele-
grams.

Telegraphic communication exists between 878 stations within the State. Victorian lines are connected with those of New South Wales, and by means of them with Queensland and the submarine cable to New Zealand, also with the lines in South Australia, and through them with those of Western Australia, the Eastern Archipelago, Asia, Europe, Africa, and America; also with the submarine cable to Tasmania; the length of lines and wire open, and the number of telegrams sent from Victorian stations in the last five years are as follow:—

TELEGRAPHS AND TELEGRAMS: RETURN FOR FIVE YEARS.

	1899.	1900.	1901.	1902.	1903.
Number of Stations...	830	824	843	875	878
Miles open—					
Line (poles) ...	6,579	6,445	6,468	6,589	6,596
Wire ...	14,922	15,198	15,356	15,611	15,883
Number of Telegrams sent—					
Paid—Inland ...	1,416,488	1,522,642	1,513,217	1,524,236	1,706,497
Interstate ...	376,195	360,789	410,970	434,807	476,881
International ...	21,328	23,075	22,725	41,822	50,320
Unpaid—O.H.M.S. ...	75,477	86,503	110,768	93,892	
Total ...	1,889,488	1,993,009	2,057,680	2,094,757	2,233,698

In 1903 there were 48 telegraph stations, and nearly 1,000 miles of telegraph wire more than in 1899. The total number of telegrams sent was greater in 1903 than in 1899 by 344,210, the greatest increase between any two successive years being that of 138,941 between 1902 and 1903. On 1st November, 1902, unpaid O.H.M.S. telegrams were discontinued. New Zealand telegrams for the last two years are included with International, for previous years they are included with Interstate.

The telephone exchanges were worked by a private company until September, 1887, in which month the business, buildings, and plant were purchased by the Government. The annual rental for business telephones in Melbourne and suburbs is £9, in country towns £7. For private residence telephones in Melbourne, suburbs, and country the rental is £5. The country exchanges are at Ballarat, Bendigo, Geelong, Echuca, Hamilton, Warrnambool, and Queenscliff. The following statement shows for the past five years the length of lines and wire open, the number of exchanges, subscribers, bureaux, and private lines:—

TELEPHONES: RETURN FOR FIVE YEARS.

	1899.	1900.	1901.	1902.	1903.
Miles Open—					
Lines (Poles and under-ground Cables)	889	1,109	1,224	1,275	1,310
Wire ...	13,794	16,748	17,763	21,308	22,995
Exchanges—					
Number ...	14	17	20	20	20
Subscribers ...	4,407	5,136	6,049	6,847	7,610
Bureaux ...	64	64	70	74	90
Private Lines ...	281	311	383	388	392

The length of wire has increased 67 per cent., and the number of subscribers 73 per cent. since 1899.

Railways,
length and
cost.

The railways of Victoria are owned by the State. The length of lines constructed on the 30th June, 1903, was 3,401 miles, including $1\frac{1}{4}$ miles constructed on disputed territory on the South Australian border, $16\frac{1}{4}$ miles dismantled in 1898, $8\frac{3}{4}$ miles closed to traffic, and the Dookie to Katamatite tramway, 17 miles in length, taken over from the Yarrawonga Shire Council in 1898. The following table shows the length of double and single lines, the cost of construction, and average cost per mile for the last five years:—

RAILWAYS, LENGTH AND COST OF CONSTRUCTION: RETURN FOR FIVE YEARS.

	1899.	1900.	1901.	1902.	1903.
Length of Lines on 30th June—					
Double Lines ...	294	294	294	297 $\frac{1}{4}$	297 $\frac{1}{4}$
Single Lines ...	2,849 $\frac{1}{2}$	2,924 $\frac{1}{2}$	2,944 $\frac{1}{2}$	3,005 $\frac{3}{4}$	3,103 $\frac{3}{4}$
Total ...	3,143 $\frac{1}{2}$	3,218 $\frac{1}{2}$	3,238 $\frac{1}{2}$	3,303	3,401
	£	£	£	£	£
Cost of Construction ...	30,713,587	31,044,239	31,232,023	31,716,408	32,052,954
Average Cost per mile	9,770	9,645	9,645	9,602	9,425

Owing to the care taken in keeping down the cost of construction of new lines, the average cost per mile of railway as a whole has been gradually reduced during the past five years, that for 1903 being £345 less than that for 1899. The only line in progress on the 30th June, 1903, was that from Nowingi to Yelta, $46\frac{1}{4}$ miles in length. The Spring Vale Cemetery line was completed on 15th December, 1902, at a cost of £8,313, but had not been opened to traffic on 30th June, 1903. The above and following tables do not include any particulars of these two lines.

Railway
traffic.

Since 1899, 257 $\frac{1}{2}$ miles of new lines have been opened for traffic, and the length of lines closed to traffic reduced by 31 miles. The following statement shows the number of train miles run, and the passenger and goods traffic during the five years ended 30th June, 1903:—

RAILWAYS—MILEAGE AND TRAFFIC: RETURN FOR FIVE YEARS.

	1899.	1900.	1901.	1902.	1903.
Miles Constructed ...	3,143 $\frac{1}{2}$	3,218 $\frac{1}{2}$	3,238 $\frac{1}{2}$	3,303	3,401
„ Dismantled ...	16 $\frac{1}{4}$	16 $\frac{1}{4}$	16 $\frac{1}{4}$	16 $\frac{1}{4}$	16 $\frac{1}{4}$
„ Closed to Traffic ...	39 $\frac{3}{4}$	8 $\frac{3}{4}$	8 $\frac{3}{4}$	8 $\frac{3}{4}$	8 $\frac{3}{4}$
„ Open for Traffic ...	3,087 $\frac{1}{2}$	3,193 $\frac{1}{2}$	3,213 $\frac{1}{2}$	3,278	3,376
Train Mileage ...	9,714,298	10,107,549	11,066,016	11,284,944	10,286,272
Passengers carried ...	45,805,043	49,332,899	54,704,062	57,465,077	54,798,073
Goods and Live Stock Carried (Tons)	2,779,748	2,998,303	3,381,860	3,433,627	3,093,997

There was a steady rise from 1899 to 1902 in the number of train miles run, and it is satisfactory to note that the passengers, goods, and live stock carried also progressed steadily during that period. The train mileage of 1902 was 16 per cent. higher than that of 1899, whilst the number of passengers carried was 26 per cent., and the tonnage of goods and live stock 24 per cent. more in 1902 than in 1899. The mileage and traffic of 1903 were below those of 1902, which was only to be expected as a consequence of the drought.

The receipts and working expenses of the railways during the financial years 1898-9 to 1902-3 were as follow:—

Railway receipts and expenditure.

RAILWAY RECEIPTS AND EXPENDITURE: RETURN FOR FIVE YEARS.

	Year ended June.				
	1899.	1900.	1901.	1902.	1903.
Receipts—	£	£	£	£	£
Passenger Fares ...	1,127,870	1,214,348	1,368,311	1,378,746	1,325,565
Freight on Goods and Live Stock	1,501,729	1,555,252	1,711,894	1,719,462	1,454,770
Sundries ...	244,130	255,562	257,592	269,635	266,523
Total ...	2,873,729	3,025,162	3,337,797	3,367,843	3,046,858
Working Expenses—					
Maintenance ...	480,792	498,459	518,488	501,938	528,253
Locomotive Charges	502,763	537,340	646,192	710,105	641,319
Carriages and Wagons	130,659	142,639	147,153	145,359	133,614
Traffic Charges ...	546,754	564,908	609,000	640,442	582,167
Compensation ...	3,611	6,862	7,945	31,145	10,729
General Charges ...	133,147	152,332	146,461	137,129	136,005
Total ...	1,797,726	1,902,540	2,075,239	2,166,118	2,032,087
Net Receipts ...	1,076,003	1,122,622	1,262,558	1,201,725	1,014,771
Proportion of Expenses to Receipts	62·56	62·89	62·17	64·32	66·70

The receipts from passenger fares were slightly less in 1903 than in either of the two previous years, though showing a good increase over those for 1899 and 1900. The receipts from freights suffered considerably in 1903, the amount received under this heading being lower than that of any of the other years under review. The working expenses, which include pensions and gratuities, have increased during the five years by about a quarter of a million sterling, the increase being chiefly under the heads of locomotive charges, general

maintenance, and traffic charges. The net receipts for 1902-3 were less, but the proportion of working expenses higher, than in any of the other years.

Railway
earnings
and ex-
penses pe
mile.

The earnings, expenses, and net profits per mile of railway open, for the years ended 30th June, 1899, to 1903, were as follow:—

RAILWAY RECEIPTS AND EXPENDITURE PER TRAIN MILE : RETURN FOR FIVE YEARS.

	1899.	1900.	1901.	1902.	1903.
Average Number of Miles Open ...	3,123½	3,187½	3,229½	3,266½	3,328
	£	£	£	£	£
Gross Earnings per Mile ...	920	949	1,033	1,031	916
Expenses per Mile ...	576	597	642	663	611
Net Profits per Mile ...	344	352	391	368	305

The receipts per mile were lower in 1903 than in any other year since 1898, being £115 less than in 1902. The expenses were lower than those of 1901 and 1902, but higher than those of the other two years. The net profits per mile in 1903 were considerably below any of the preceding four years. It must be understood that the above table excludes all consideration of interest payable on railway loans, and expenses of paying same, which amounted to £1,473,532 in 1902-3, equal to a charge of £443 per mile open.

Victorian
coal used.

Victorian coal has been largely used by the Railway Department for steaming purposes. In 1900, 76,233 tons were consumed; in 1901, 95,273 tons; in 1902, 120,854 tons; and in the year ended 31st December, 1903, 23,694 tons. The quantity carried for use by the general public was 140,740 tons in 1900, 109,801 tons in 1901, 98,781 tons in 1902, and 46,599 tons in 1903; the rate of the carriage being ¾d. per ton per mile, of which ¼d. per ton per mile was paid by the Government.

Melbourne
tramways.

The succeeding table has been compiled from information furnished by the secretary of the Melbourne Tramway and Omnibus Company:—

MELBOURNE TRAMWAYS : RETURN FOR FIVE YEARS.

Year ended 30th June.	Length of Lines Open.	Tram Mileage.	Passengers Carried.	Traffic Receipts.
				£
1899	48	8,364,707	38,875,210	389,427
1900	48	8,411,159	41,661,580	415,023
1901	48	8,964,734	47,195,647	465,427
1902	48	9,226,883	47,261,572	454,683
1903	48	9,044,282	46,832,910	432,505

The tram mileage steadily increased until 1903 when it was slightly below that of the previous year; in 1902 it was the greatest since the opening of the first tram line in 1885. Though the mileage in 1903 was greater than that in 1901, the passengers and receipts were less in the former than in the latter year. The number of passengers carried has grown considerably; those for 1902 being second only to the number carried in 1891, when they were nearly 800,000 more. The traffic receipts reached £562,541 in 1891, but in the next few years there was a fall to £346,582 in 1896; since then, however, there has been a steady recovery year by year, until in 1901 they amounted to £465,427. On account of the reduction in fares the receipts for 1902 and 1903 show a slight decline.

Besides the lines of the Melbourne Tramway and Omnibus Company, there is a cable tramway, $2\frac{1}{4}$ miles in length, between Clifton Hill and Preston; a horse tramway, 7 miles in length, between Sandringham and Cheltenham (Beaumaris); and a horse tramway, $1\frac{1}{2}$ miles in length, between Brunswick and Coburg. There are also tramways at Ballarat and Bendigo. The cost of the Beaumaris tramway to 30th June, 1901, was £21,813. The following were the traffic receipts, &c., on this line during the last five years:—

BEAUMARIS TRAMWAY: RETURN FOR FIVE YEARS.

Year.	Miles run.	Receipts.	Working expenses.
		£	£
1898-9	35,622	1,270	1,207
1899-00	37,327	1,241	1,339
1900-01	38,723	1,323	1,281
1901-2	39,500	1,528	1,622
1902-3	39,150	1,410	1,644

The number of vehicles licensed for the conveyance of passengers in Melbourne, and for a distance of 8 miles beyond the corporate limits, in 1903, was 866, of which 613 were cabs; whilst the number of drivers licensed for the conveyance of goods was 1,299. The following are the particulars for the last five years:—

Other sub-urban and country tramways.

Licensed vehicles in Melbourne.

LICENSED VEHICLES IN MELBOURNE : RETURN FOR FIVE YEARS.

	Number in—				
	1899.	1900.	1901.	1902.	1903.
<i>For Passenger Traffic.</i>					
Cabs (4 wheels)	682	663	657	637	613
Hansoms	218	208	199	210	200
Omnibuses	18	19	22	57	37
Tram cars	361	376	372	372	11
„ dummies	327	340	359	344	5
Total	1,606	1,606	1,609	1,620	866
<i>For Conveyance of Goods.</i>					
Drivers licensed	1,388	1,388	1,265	1,339	1,299

Scarcely any tramcars or dummies were licensed in 1903. This arose through the Tramway Company having taken legal steps to test the validity of the municipal by-law relating to the licensing of the Company's cars, and awaiting a decision on the legal question.