

## PART III.—FINANCE.

173. The following is a statement of the revenue and expenditure of Victoria in the financial year ended on the 30th June, 1892; the excess of the latter over the former; the debit balance brought forward from 1890-91, and that carried forward to 1892-3:—

Finance  
account,  
1891-2.

## FINANCE ACCOUNT OF VICTORIA, 1891-2.\*

(Exclusive of recoups and special receipts and expenditure.†)

	£	s.	d.
Receipts ... ..	7,729,571	10	4
Expenditure ... ..	8,482,916	12	0
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Expenditure in excess of receipts ... ..	753,345	1	8
Debit balance from 1890-91 ... ..	206,842	17	8
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Debit balance carried forward to 1892-3 ... ..	960,187	19	4†
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174. During the financial year under review, the expenditure exceeded the receipts by £753,345, and adding this to the debit balance brought forward from the previous year, viz., £206,843, there results a debit balance of £960,188 to be carried forward to 1892-3. This is only the second debit balance which has occurred during the last eleven years.

Large debit  
balance.

175. In the following table the receipts and expenditure, exclusive of advances recouped and to be recouped, are given for each of the eleven financial years ended with 1891-2; also the surplus or deficiency of revenue in each year, and the credit or debit balances carried forward from year to year:—

Net revenue  
and expen-  
diture.

\* According to a statement distributed to members of the Legislative Assembly in September, 1893, by the Honorable the Treasurer, the revenue of 1892-3 was £6,959,229, and the expenditure was £7,991,956, the latter thus exceeding the former by £1,032,727, which amount, being added to the balance at the beginning of the financial year, leaves a debit balance of £1,992,915, which, being added to the balance at the debit of the Land Sales by Auction Fund, £502,317 (which, until recouped by the sale of lands by auction, remains a charge on the public account), results in a total debit balance of £2,495,732, of which £738,867 is covered by the issue of temporary Treasury bills. The estimated population at about the middle of the same twelve months was about 1,167,373; so that the revenue per head was £5 19s. 3d., and the expenditure per head £6 16s. 11d. These figures are not final. Further details are given in an Appendix published at the end of this volume.

† For particulars of recoups, see paragraph 190; and for special expenditure, see table following paragraph 202, *post*. If the excess of expenditure over receipts shown by the Land Sales by Auction Fund were taken into account the deficiency would be increased to £1,364,354.

NET PUBLIC REVENUE AND NET PUBLIC EXPENDITURE,  
1881-2 TO 1891-2.\*

Year.	Excluding Advances Recouped and to be Recouped.†			
	Public Revenue.	Public Expenditure.	Surplus (+). Deficiency (-).	Balances carried forward. Credit (+). Debit (-).
	£	£	£	£
1881-2	5,589,972	5,145,764	+ 444,208	+ 144,608
1882-3	5,602,066	5,643,885	- 41,819	+ 102,789
1883-4	5,934,578	5,653,293	+ 281,285	+ 384,074
1884-5	6,290,361	6,121,564	+ 168,797	+ 552,871
1885-6	6,416,406	6,513,540	- 97,134	+ 455,737
1886-7	6,733,826	6,561,251	+ 172,575	+ 628,312
1887-8	7,607,598	7,287,151	+ 320,447	+ 948,758
1888-9	8,675,990	7,919,902	+ 756,088	+ 1,704,846
1889-90	8,519,159	9,645,737	- 1,126,578	+ 578,268
1890-91	8,343,588	9,128,699	- 785,111	- 206,843
1891-2	7,729,572	8,482,917	- 753,345	- 960,188

Years of  
highest and  
lowest  
surplus and  
deficiency,  
etc.

176. It will be noticed that the gross revenue showed a surplus in six and a deficiency in five of the years named. On the whole, the deficiencies were larger than the surpluses, as the credit balance amounting to £145,000 carried forward at the end of the first year has disappeared, and its place at the end of the last year has been supplied by a debit balance of £960,000. By far the largest surplus of revenue ever received was in 1888-9 (£756,000), when it exceeded by nearly one-third of a million sterling that in 1881-2 (£444,000), which was the next largest. The largest deficiencies of revenue were in 1889-90, 1890-91, and 1891-2, in the order named. It should be pointed out, however, that the deficit in those years would have been less by over half a million sterling but for the system, in vogue for some years, of charging forward expenditure from one year to another having been abandoned in those years with the view of placing the accounts on a sounder basis.‡

Changes in  
sources of  
revenue.

177. No changes were made in the taxation of the people in 1891-2. As regards other sources of revenue, the railways were extended by an average length of 140 miles during the year; and, in consequence, the revenue derivable therefrom might have been expected to increase, allowing £1,240 per mile,|| by about £174,000. As a matter of fact, however, the railway revenue decreased by £208,000, as will be shown later on, owing to a serious falling-off in the traffic.

\* For particulars relating to earlier years, see *Victorian Year-Book*, 1892, Vol. I., paragraph 268.

† For amounts of advances and recoups, see tables following paragraphs 192 and 199 *post*.

‡ See last issue of this work, Vol. I., paragraph 267.

|| See table following paragraph 184 in Vol. II. of the last issue of this work.

178. The revenue was less in 1891-2 by £614,000 than in 1890-91, by £790,000 than in 1889-90, and by £946,000 than in 1888-9; it was, however, larger by £122,000 than in 1887-8, and close on £1,000,000 larger than that raised in any other previous year. Comparing 1881-2, ten years previously, with the year under review it will be found that the revenue increased from £5,600,000 to £7,700,000, or by 37 per cent., the population during the same period having increased by only 30 per cent.\*

Revenue  
1891-2 and  
previous  
years.

179. The ordinary expenditure was less in 1891-2 than in 1890-91 by £646,000, and than in 1889-90 by £1,163,000, but was larger than in 1888-9 by £563,000, than in 1887-8 by nearly £1,200,000, and than in 1886-7 by close on £2,000,000.\* Prior to 1853, the annual expenditure never exceeded one million sterling; from 1853 to 1872-3 it was usually nearly up to or slightly over three millions; from 1873-4 to 1879-80 it was between four and four and three-quarter millions; from 1880-81 to 1883-4 it ranged from five to nearly five and three-quarter millions; from 1884-5 to 1888-9 it increased from six to nearly eight millions sterling; whilst in 1889-90 and 1890-91 it exceeded nine millions, and in 1891-2 it nearly equalled eight and a half millions.

Expendi-  
ture 1891-2  
and former  
years.

180. A statement of the revenue and expenditure per head during each of the last eleven years will be found in the following table:—

Revenue  
and expen-  
diture per  
head, 1881-2  
to 1891-2.

REVENUE AND EXPENDITURE PER HEAD, 1881-2 TO 1891-2.†

Year.	Average Population of each Financial Year.	Revenue per Head.			Expenditure per Head.		
		£	s.	d.	£	s.	d.
1881-2	879,886	6	7	1	5	17	0
1882-3	899,562	6	4	6	6	5	5
1883-4	920,694	6	8	11	6	2	9
1884-5	944,564	6	13	2	6	9	7
1885-6	969,202	6	12	5	6	14	5
1886-7	1,000,510	6	14	7	6	11	1
1887-8	1,032,993	7	7	4	7	1	1
1888-9	1,076,966	8	1	1	7	7	1
1889-90	1,103,727	7	14	5	8	14	10
1890-91	1,133,266	7	7	3	8	1	1
1891-2	1,157,678	6	13	6	7	6	7

\* Figures showing the revenue and expenditure in each year from the first settlement of the colony will be found in the Statistical Summary of Victoria (first folding sheet) published in the second volume of this work. For amounts per head in 1892-3, see footnote to paragraph 173 *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) published in the second volume of this work. For amounts per head for each year prior to 1881-2, see last issue of this work, Vol. I., paragraph 273.

Revenue and expenditure per head in 1891-2 and former years.

181. The revenue per head in 1891-2 was less by 13s. 9d., and the expenditure per head was less by 14s. 6d., than in the previous year. The former was also considerably lower than in any year since 1886-7, but differed slightly from the average for the three years ended with that year; whilst the latter was much lower than in 1889-90 or 1890-91, slightly lower than in 1888-9, but higher than in any other year named. In proportion to population, the revenue and, as a consequence, the expenditure declined pretty steadily year by year from 1862 to 1872-3; then a gradual increase took place from year to year until the revenue per head reached a maximum in 1888-9, and the expenditure in 1889-90; but since then a rapid falling-off has occurred. It will also be noticed that the expenditure per head exceeded the revenue per head in 1891-2 by 13s. 1d., as compared with 13s. 10d. in 1890-91 and £1 0s. 5d. in 1889-90.

Revenue estimated and raised.

182. In the thirty-six and a half years ended with 1891-2 the revenue raised exceeded the Treasurer's estimate on twenty-one occasions, or by £4,789,754; and was less than that estimate on sixteen occasions, or by £3,566,799. Deducting the latter from the former, the net amount by which the result exceeded the estimate is found to have been £1,222,955. The following table shows the revenue estimated and actually raised, also the difference between those amounts, in each of the last eleven years:—

REVENUE ESTIMATED AND RAISED, 1881-2 TO 1891-2.\*

Year.	According to Treasurer's Estimate.	Actually Raised.	More (+) or Less (-) than Estimate.
	£	£	£
1881-2 ... ..	5,241,544	5,589,972	+ 348,428
1882-3 ... ..	5,584,104	5,602,066	+ 17,962
1883-4 ... ..	5,779,775	5,934,578	+ 154,803
1884-5 ... ..	6,048,720	6,290,361	+ 241,641
1885-6 ... ..	6,285,308	6,416,406	+ 131,098
1886-7 ... ..	6,516,797	6,733,826	+ 217,029
1887-8 ... ..	6,968,706	7,607,598	+ 638,892
1888-9 ... ..	7,792,624	8,675,990	+ 883,366
1889-90 ... ..	8,328,270	8,519,159	+ 190,889
1890-91 ... ..	8,631,345	8,343,588	- 287,757
1891-2 ... ..	8,581,995	7,729,572	- 852,423

NOTE.—Recoups are deducted for all the years. See summary at end of table following paragraph 192 *post*.

\* For particulars for each year prior to 1881-2 see last issue of this work, Vol. I., paragraph 275. The revenue for 1892-3 was estimated at £8,054,152, or about £1,090,860 above the actual result. The probable revenue for 1893-4 was estimated, in September, 1893, at £7,563,147.

183. The year in which the revenue exceeded the estimate by the largest amount is shown to have been 1888-9, the excess being £883,366, which is £240,000 larger than in 1887-8, and over two and a half times as large as the next largest excess (£348,428) in 1881-2; whilst that in which it fell most short of the estimate was 1891-2, viz., by £852,423,\* which amount was about three times as large as the deficiency in 1890-91.

Years of excessive and defective estimate.

184. 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 eleven years ended with 1891-2:—

Expenditure authorized and incurred.

AMOUNTS VOTED AND EXPENDED, 1881-2 TO 1891-2.†

Year.	Amounts—		Balance Unexpended.
	Voted.	Expended.	
	£	£	£
1881-2 ...	3,740,419	3,571,667	168,752
1882-3 ...	4,530,516	4,220,871	309,645
1883-4 ...	4,495,241	4,181,169	314,072
1884-5 ...	4,679,081	4,432,858	246,223
1885-6 ...	4,990,824	4,696,924	293,900
1886-7 ...	5,055,629	4,770,705	284,924
1887-8 ...	5,635,949	5,324,347	311,602
1888-9 ...	6,364,193	5,869,351	494,842
1889-90...	7,850,859	7,196,089	654,770
1890-91...	7,191,162	6,795,508	395,654
1891-2 ...	6,623,745	5,822,582	801,163

NOTE.—The amount voted for 1892-3 was £5,679,770 (including amount under supplementary estimates), and the approximate expenditure from votes in that year was £5,279,024, leaving an unexpended balance of about £400,750. The probable expenditure from votes in 1893-4 was estimated in September, 1893, at £4,644,923.

185. The sum of the unexpended balances in the eleven years amounted to over  $4\frac{1}{4}$  millions sterling, the exact amount being £4,275,547, or to an average of about £388,686 per annum.

Amount unexpended, 1882-92.

186. The various sources from which the revenue of Victoria is derived may be grouped in five main divisions, viz.:—Taxation, Crown Lands, Railways and other Reproductive Public Works, Post and Telegraphs and Other Sources. In 1891-2, £3,149,000, or 41 per cent., was derived from taxation; £520,000, or 7 per cent., from Crown Lands; £3,750,000, or 48 per cent., from what may be termed the commercial undertakings of the Government, viz.:—Railways,

Heads of revenue, 1890-91 and 1891-2.

\* In 1892-3, the revenue fell still more short of the estimate, viz., by over one million sterling.

† For particulars for each year prior to 1881-2, see issue of this work for 1892, Vol. I., paragraph 277.

Water Works, and Post and Telegraphs, to which the Railways alone contributed as much as £3,100,000, or 40 per cent. of the total revenue; whilst the balance, amounting to £309,000, or about 4 per cent. of the whole, was derived from other sources. Of the Land Revenue, amounting to £520,000, by far the greater proportion, or £393,000—being equal to over 5 per cent. of the total revenue—was derived from the sale of public land, which, being a receipt arising from the realization of one of the most valuable assets of the country, is obviously not a permanent source of income. As a rule, portion of this amount is properly treated as capital, about £100,000 being paid annually towards the construction of railways as directed by the *Land Acts* 1884 and 1890,\* which provide that all proceeds arising from the sale of public lands by auction shall be paid to the credit of the Railway Construction Account. This contribution, however, is from 1891-2 to be temporarily diverted for some years into the Land Sales by Auction Fund, until the public works authorized out of that fund have been constructed.† The following is a statement of the amounts received under different heads ‡ in each of those divisions during the last two financial years, together with the increase or decrease under each head:—

#### HEADS OF REVENUE, 1890-91 AND 1891-2.

Heads of Revenue.	Amounts Received.		Increase.	Decrease.
	1890-91.	1891-2.		
<b>TAXATION.</b>				
Customs duties (including also wharfage rates)	£ 2,525,572	£ 2,388,961	...	£ 136,611
Excise ... ..	129,990	143,575	13,585	...
Ports and harbours (chiefly tonnage dues)	20,669	18,880	...	1,789
Licences (business) ... ..	22,152	20,755	...	1,397
Duties on estates of deceased persons...	184,886	247,534	62,648	...
Duties on bank notes ... ..	30,736	27,954	...	2,782
Stamp duty§ ... ..	218,000	175,000	...	43,000
Land tax ... ..	120,633	126,651	6,018	...
<b>Total ... ..</b>	<b>3,252,638</b>	<b>3,149,310</b>	...	<b>103,328  </b>

\* 48 Vict., No. 812, and 54 Vict., No. 1106 (Consolidated Act), section 78.

† See table following paragraph 202 *post*.

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

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

|| Net figures.

## HEADS OF REVENUE, 1890-91 AND 1891-2—continued.

Heads of Revenue.	Amounts Received.		Increase.	Decrease.
	1890-91.	1891-2.		
<b>LAND REVENUE.</b>				
Land sales (including rents counting towards purchase money)	£ 476,542	£ 392,544	...	£ 83,998
Rents of Crown lands (not counting towards purchase money)	136,601	127,040	...	9,561
Penalties under Land Acts ...	308	...	...	308
<b>Total ...</b>	<b>613,451</b>	<b>519,584</b>	<b>...</b>	<b>93,867</b>
<b>PUBLIC WORKS.</b>				
Railways ...	3,306,580	3,098,251	...	208,329
Water Supply { Metropolitan ...	204,026	57,349†	...	146,677
Country‡ ...	77,055	84,352	7,297	...
Other public works ...	6,701	8,614	1,913	...
<b>Total ...</b>	<b>3,594,362</b>	<b>3,248,566</b>	<b>...</b>	<b>345,796*</b>
<b>POST AND TELEGRAPHS.</b>				
Postal receipts, etc.§ ...	322,693	336,558	13,865	...
Telegraph receipts, etc. ...	176,634	166,248	...	10,386
<b>Total ...</b>	<b>499,327</b>	<b>502,806</b>	<b>3,479*</b>	<b>...</b>
<b>OTHER SOURCES.</b>				
Mint charges ...	10,655	11,755	1,100	...
„ subsidy returned ...	4,760	10,498	5,738	...
Fees, fines, etc. (inclusive of fee stamps)§	162,452	137,148	...	25,304
Interest on public account ...	56,492	33,243	...	23,249
Rents (other than Crown lands) ...	2,427	1,893	...	534
Reimbursements in aid¶ ...	76,522	72,413	...	4,109
Miscellaneous receipts ...	70,502	42,356	...	28,146
<b>Total ...</b>	<b>383,810</b>	<b>309,306</b>	<b>...</b>	<b>74,504*</b>
<b>Total Ordinary Revenue** ...</b>	<b>8,343,588</b>	<b>7,729,572</b>	<b>...</b>	<b>614,016*</b>

NOTE.—For further details of the revenue under each head, see table following paragraph 189 post, and for particulars of revenue in 1892-3, see Appendices at the end of this volume.

187. Comparing the revenue of 1891-2 with that of the previous year, it will be observed that there was a total net decrease of £614,000 Diminished revenue 1891-2 under various heads.

\* Net figures.

† Interest only. The ordinary revenue was transferred from 1891-2 to the Melbourne and Metropolitan Board of Works.

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

§ See footnote (§) on previous page.

|| Including interest on Land Tax, £364.

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

\*\* Exclusive of recoups. The amount expended in former years and recouped from loans, etc., in 1891-2 was £100,855, but in 1890-91, nil.

resulting from a falling-off of £726,000 under sixteen heads, less an increase of £112,000 under the other eight. In taxation there was a falling-off of £185,500, mainly in the revenue from customs and stamp duties, partly counterbalanced by an increase of £82,200 in the receipts from estates of deceased persons, excise, and land revenue, the resulting net decrease being £103,300. There was also a similar falling-off in the land revenue, viz., £93,900, which is chiefly to be attributed to the smaller quantity of Crown land alienated, the receipts from rental alone having fallen off by less than £10,000. The greatest decrease of all, however, was in the railway revenue, which fell off by £208,300,\* notwithstanding the greater length of lines opened for traffic. The revenue of the Melbourne Water Works having been transferred to the newly constituted Melbourne and Metropolitan Board of Works, there is naturally a decrease of £146,700 under that head; the amount of £57,300 appearing in 1891-2 for the first time being for interest on Government loans for which the Board has become responsible. Postal receipts, etc., which, besides receipts from postage, include commission on money orders, proceeds of parcels post, etc., show an apparent increase of £13,900; but the Telegraph revenue shows, for the first time for many years, a falling-off, viz., of £10,400, although it is still higher than in any year prior to 1889-90. Under "Other sources," there was a decrease of £25,300 in fees, etc., owing to the general contraction in business; of £23,200 in the interest received on the public account, and £28,000 under miscellaneous receipts.

Estimates of  
postal and  
stamp  
revenue  
unreliable.

183. In reference to the postal revenue, it should be pointed out that, although carefully estimated in the office of the Government Statist, it may be somewhat wide of the mark, the data available being, for reasons already explained,† inadequate to show with certainty the progress of this important branch of revenue; and the reductions made from time to time in the postal rates still further increase the difficulty of forming a correct estimate. The total stamp revenue in 1891-2 was £685,112,‡ but after deducting the amount received on account of telegrams, which is known, there remains a balance of £558,957, for stamp duty, postage, and fees, as compared with £612,010 in 1890-91. Thus the stamp revenue, exclusive of telegraphs, showed a decrease of £53,053 as compared with that received in the previous year, in addition to one of £50,639 in 1890-91, and of £87,207, in 1889-90, as against an increase of £82,286 in 1888-9, of

\* See paragraph 177 *ante*.

† See footnote (§) page 92 *ante*.

‡ Including collections in cash £49,630, which at one time were collected by stamps.



£140,792 in 1887-8, of only £1,465 in 1886-7, of £36,931 in 1885-6, and of £43,372 in 1884-5.\* Of the decrease in 1891-2, about £43,000 was estimated to have been under the head of stamp duty, and over £21,400 in fees, but on the other hand the revenue from postage and parcels is estimated to have increased by about £11,400. The importance of distinguishing stamp duty (taxation) from postal revenue and fees has often been referred to in previous issues of this work, but there is still no reliable information on the subject.

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

#### HEADS OF REVENUE DETAILED, 1890-91 AND 1891-2.

Heads of Revenue.	1890-91.	1891-2.
<b>LAND SALES.</b>		
Sales by Auction—Principal ... ..	£ 99,638	£ 73,592
"    "    Interest on Deferred Payments ... ..	6,812	4,424
"    under Deferred Payments—Progress payments ... ..	309,406	265,378
"    "    "    Final " ... ..	55,631	40,821
"    otherwise ... ..	5,055	8,329
Total ... ..	476,542	392,544
<b>RENTS OF CROWN LANDS.</b>		
Pastoral Occupation—Rents of pastoral and grazing lands...	37,285	32,692
"    "    Grazing licences ... ..	21,790	21,140
"    "    Mallee pastoral leases ... ..	10,420	10,509
Auriferous and Mineral Lands (including Miners' Rights) ... ..	18,122	19,684
Licences and Leases (not agricultural) ... ..	48,443	42,677
Business Licences on goldfields ... ..	158	133
Land occupied by Victoria Water Supply Department ... ..	383	205
Total ... ..	136,601	127,040
<b>WATER SUPPLY, ETC.</b>		
Melbourne (Yan Yean) ... ..	204,026	...†
Geelong ... ..	10,119	10,577
Goldfields (Coliban Scheme) ... ..	21,276	21,794
Interest on Loans to Municipalities ... ..	17,743	22,458
"    "    Melbourne and Metropolitan Board of Works ... ..	...	57,349
"    "    Water Trusts ... ..	23,015	23,127
"    "    Irrigation Trusts ... ..	4,902	6,396
Total ... ..	281,081	141,701

\* See also paragraph 273 post.

† Revenue transferred to recently constituted Melbourne and Metropolitan Board of Works.

## HEADS OF REVENUE DETAILED, 1890-91 AND 1891-2—continued.

Heads of Revenue.	1890-91.	1891-2.
<b>OTHER PUBLIC WORKS.</b>		
	£	£
Alfred Graving Dock and Patent Slip ... ..	4,232	4,081
Fifty-ton Crane and Ferry Fares (from Harbor Trust) ...	872	1,361
Interest on Loans to Municipalities—Bridges ... ..	1,597	1,572
"    "    "    Tramways ... ..	...	1,600
Total ... ..	6,701	8,614
<b>POST AND TELEGRAPHS.</b>		
Postal receipts, etc.:—		
Postage on letters, etc. (estimated)* ... ..	289,000	300,000
"    parcels ... ..	9,060	9,450
Private boxes, transit rates, etc. ... ..	8,714	11,580
Commission on money orders and postal notes ... ..	15,919	15,528
Electric Telegraphs ... ..	139,320	126,155
Telephone Exchanges ... ..	37,314	40,035
Private telephone wires, etc. ... ..		
Expenses reimbursed ... ..	...	58
Grand Total ... ..	499,327	502,806
<b>FINES, FEES, ETC.</b>		
Fees under Stamp Act—Registrar-General † ... ..	11,385	9,906
"    "    Titles Office ‡ ... ..	52,182	41,292
"    "    Other (estimated)* ... ..	32,383	23,309
Preparation and Registration of Grants and Leases, and Survey of Lands ... ..	28,308	26,384
Customs and Harbour Departments ... ..	9,027	9,035
Law Courts ... ..	4,308	3,898
Crown Solicitor ... ..	267	921
Curator of Estates of Deceased Persons ... ..	1,796	1,527
Mines Department ... ..	979	1,042
Transfers of Victuallers' Licences ... ..	2,358	2,108
Factories and Shops ... ..	2,683	2,516
Patents ... ..	3,282	3,156
Trade Marks ... ..	197	581
Public Service Board Examinations ... ..	412	203
Education ... ..	...	435
Other ... ..	1,006	1,281
Fines, etc.—Law Courts ... ..	8,219	6,771
"    Customs ... ..	1,154	411
"    Under <i>Public Service Act</i> , etc. ... ..	548	578
"    Other§ ... ..	1,958	1,794
Total ... ..	162,452	137,148

\* See footnote (§) on page 92 ante.

† Collected in cash from 1st March, 1889.

‡ Collected in cash from 1st October, 1891.

§ Including £462 costs, etc., mining leases, etc., in 1890-91, and £1,028 in 1891-2; also £1,324 confiscated money and property in 1890-91, and £708 in 1891-2.

## HEADS OF REVENUE DETAILED, 1890-91 AND 1891-2—continued.

Heads of Revenue.	1890-91.	1891-2.
<b>REIMBURSEMENTS IN AID.</b>		
Towards Maintenance of Industrial School children, prisoners, lunatics, and inebriates	£ 24,685	£ 24,874
Receipts for Miscellaneous Services* ... ..	12,877	11,318
Sale of Books and Documents (Government Printer) ...	33,506	32,229
Aboriginal Stations—Sale of produce ... ..	903	1,111
Local Forces—Sale of rifles, etc. ... ..	4,551	2,881
Total ... ..	76,522	72,413
<b>MISCELLANEOUS RECEIPTS.</b>		
Sale of Government Property... ..	7,118	4,246
Exhibitions—Balances repaid ... ..	1,883	333†
Transfers from Intestate Estates Fund to Revenue ...	6,568	4,063
„ „ Other Trust Funds ... ..	5,478	5,995
Estates of Intestate and of Illegitimate Persons ...	82	160
Melbourne City Council, etc. (on account of public gardens, etc.)	3,300	150
Bridge at Queen-street—Contributions of South and Port Melbourne	968	954
<i>Chinese Passenger Act</i> ... ..	170	-10§
Repayments to the Credit of Appropriations ... ..	20,784	4,792
Customs Overtime Receipts ... ..	3,763	3,576
Education Department—Sale of books, etc. ... ..	601	435
Police Department—Hospital Stoppages, etc. ... ..	632	609
Municipalities—Repayments of loans for Fencing ...	13,901‡	11,857
„ „ Repayment of loan for Water Works ...	441	-441§
„ „ Refunds by, on account of Errors in Statements of Rates	...	186
<i>Marine Board Act</i> ... ..	2,720	2,151
Receipts by Agent-General ... ..	384	368
„ „ under Public Service Regulations ... ..	262	385
Purchase of Discharges from Artillery Corps ... ..	119	75
Municipal Contributions towards Cost of Tents for Fever Patients	676	...
Valuation of Improvements on Resumed Mallee Blocks ...	...	2,287
Land Sales—Auctioneer's Bonus ... ..	234	55
Unclaimed Money and Property ... ..	347	-1§
Other Receipts ... ..	71	131
Total ... ..	70,502	42,356

190. The revenue as shown in the table at page 93 is exclusive of Recoups. There were no recoups to revenue in 1890-91, but in 1891-2 the sum of £100,855 was recouped from loans for advances in 1890-91 in connexion with Melbourne Waterworks. There was still on this account a balance unrecouped of £36,913.||

\* Consisting in 1891-2 of £2,833 storage of gunpowder, £5,298 for Police protection, £707 percentage on payment of Imperial pensions, £750 from Harbour Trust for collection of wharfage, £19 for hire of old railway material, etc., from Public Works Department; £5 for work performed by Lands Department, £496 for services of dock staff, and £133 of Customs Department; £42 charter of steamer; £1,035 towards maintenance of lighthouses from Colonial Governments.

† Centennial, £209; Colonial and Indian, £70; and Paris, £54.

‡ Including £15 for interest paid by Kara Kara Shire.

§ Amounts received in the previous year refunded.

|| See Summary of heads of revenue, page 101, *post*.

Unrecouped  
advances,  
1891-2.

191. At the end of the financial year 1891-2, the total amount owing to the revenue was about £328,000, as compared with about £337,000 at the end of June, 1891. Of the former sum £124,428, or two-fifths, consists of advances to shires for the erection of rabbit-proof fencing; and £199,158, or 60 per cent., is for interest due by Municipalities and Water Trusts on moneys lent for the construction of waterworks, it being usually arranged not only that the interest should be paid annually, but that a further amount, generally equal to about 2 per cent. upon the sum advanced, should be lodged each year to the credit of a sinking fund, in order that the debt might be eventually extinguished. During the year 1891-2, the advances on account of rabbit-proof fencing were reduced by over £12,000, but the arrears of interest on Waterworks loans increased by £8,275, chiefly under the head of Irrigation and Water Supply Trusts. The following are the particulars of the outstanding balances referred to:—

AMOUNTS DUE TO REVENUE, 30TH JUNE, 1892.

When Advanced.	Particulars.	Balance Outstanding.
		£
1878-9	Advanced Mining Companies, to assist in development of Mining industry, etc.	*
1888-9 & previous years.	Interest due on Loans for Waterworks—	
	By Corporations ... ..	103,713
	„ Waterworks Trusts ... ..	44,145
	„ Irrigation and Water Supply Trusts ... ..	12,793
1875-6 & subseqt. years	Ballarat Water Commission—Arrears of Interest on Loans capitalized	32,019
	Municipal Bodies—Ditto ... ..	6,488
	Balance of Compensation—to be refunded	208
1887-8	Trustees, Coburg Cemetery ... ..	300
1888-9 & 1889-90	Council of Agriculture—	
	Improvements on Tobin Yallock Swamp ... ..	705
	Agricultural College, etc. ... ..	3,000
	Rabbit-proof fencing, Kara Kara Shire ... ..	155
1889-90	Municipal Bodies—Loans for Purchase of Rabbit-proof Fencing under Act No. 1028, sec. 44	124,428
	Total ... ..	327,954

Heads of  
revenue,  
1882-3 to  
1891-2.

192. In the following table the heads of revenue and the amounts received under each head are given for the last ten financial years; also the amounts received under the most important heads for the last eighteen years:—

\* The balance of £4,000 remaining over from previous years was written off during the year as unrecoverable.

HEADS OF REVENUE, 1882-3 TO 1891-2.

Heads of Revenue.	Year.	Amounts received.	Heads of Revenue.	Year.	Amounts Received.
		£			£
<b>TAXATION.</b>	1882-3	1,769,004	<b>TAXATION—cont.</b>	1887-8	151,861
Customs duties (including wharfage rates)	1883-4	1,769,108	Duties on estates of deceased persons—continued	1888-9	236,449
	1884-5	1,919,539*		1889-90	400,150
	1885-6	2,004,460		1890-91	184,886
	1886-7	2,132,361		1891-2	247,534
	1887-8	2,353,050			
	1888-9	2,879,830	Duties on bank notes	1882-3	28,685
	1889-90	2,658,010†		1883-4	28,575
	1890-91	2,525,572		1884-5	27,529
	1891-2	2,388,961		1885-6	28,769
				1886-7	28,104
Excise ...	1882-3	134,711		1887-8	27,879
	1883-4	123,654		1888-9	34,023
	1884-5	141,225*		1889-90	32,173
	1885-6	137,709		1890-91	30,736
	1886-7	120,701		1891-2	27,954
	1887-8	128,369	Stamp duties§...	1882-3	133,433
	1888-9	146,555		1883-4	133,651
	1889-90	137,332		1884-5	143,382
	1890-91	129,990		1885-6	165,313
	1891-2	143,575		1886-7	165,000
		1887-8		230,000	
Ports and harbours (chiefly tonnage dues)	1882-3	27,787		1888-9	260,000
	1883-4	30,871		1889-90	230,000
	1884-5	31,176		1890-91	218,000
	1885-6	32,710		1891-2	175,000
	1886-7	34,920	Land Tax   ...	1882-3	125,606
	1887-8	34,327		1883-4	123,884
	1888-9	45,884		1884-5	128,415
	1889-90	29,789		1885-6	126,770
	1890-91	20,669		1886-7	124,742
	1891-2	18,880		1887-8	124,515
		1888-9		123,025	
Licences (business)	1882-3	28,381		1889-90	121,604
	1883-4	31,623		1890-91	120,633
	1884-5	32,535		1891-2	126,651
	1885-6	33,922	<b>LAND REVENUE.</b>	1882-3	563,790
	1886-7	18,898†		1883-4	614,548
	1887-8	21,002		1884-5	555,507
	1888-9	23,904		1885-6	465,766
	1889-90	21,756		1886-7	504,734
	1890-91	22,152		1887-8	549,149
	1891-2	20,755		1888-9	494,733
		1889-90		442,583	
Duties on estates of deceased persons	1882-3	86,648		1890-91	476,542
	1883-4	77,154		1891-2	392,544
	1884-5	124,370	Landsales (including rents counting towards purchase money)	1882-3	563,790
	1885-6	104,907		1883-4	614,548
	1886-7	114,909		1884-5	555,507
		1885-6		465,766	
		1886-7		504,734	

\* Duty on spirits increased on the 17th July, 1884.

† Tariff amended in 1889-90.

‡ Decrease in 1886-7 due to the proportion of the receipts for publicans' licences, amounting to about £16,450, being diverted into a Trust Fund, as directed by the *Licensing Act* 1885.

§ Since 1st January, 1884, the revenue from stamp duties has been estimated. See footnote (§ on page 92 ante. For particulars of the duties levied, see paragraph 272 post.

|| The amount of land tax payable annually varied in the years named from £126,000 to £124,000. The fluctuations in the revenue above and below this limit were due to the irregular payment of the tax. Further particulars are given in paragraph 260 et seq. post.

HEADS OF REVENUE, 1882-3 TO 1891-2—*continued.*

Heads of Revenue.	Year.	Amounts Received.	Heads of Revenue.	Year.	Amounts Received.			
		£			£			
LAND REVENUE— <i>continued.</i>	1882-3	114,845	PUBLIC WORKS <i>continued.</i>	1888-9	5,805			
	1883-4	103,189		Other Public Works— <i>cont.</i>	1889-90	4,848		
	1884-5	110,777			1890-91	6,701		
	1885-6	97,658			1891-2	8,614		
	1886-7	81,562						
	Rents of Crown lands (not counting towards purchase money)	1887-8	106,817					
		1888-9	119,778	POST AND TELE- GRAPHS.		1882-3	324,967	
		1889-90	136,358			1883-4	349,278	
		1890-91	136,601	Postage, tele- graphs, tele- phones, money orders, etc. †		1884-5	380,556	
		1891-2	127,040				1885-6	394,184
		1882-3	1,298				1886-7	413,535
	Penalties under Land Acts	1883-4	1,572				1887-8	485,533
		1884-5	273				1888-9	552,877
		1885-6	184				1889-90	526,400 †
		1886-7	795				1890-91	499,327
1887-8		301				1891-2	502,806	
1888-9		1,517	OTHER SOURCES.		1882-3	11,292		
1889-90		835	Mint charges ...				1883-4	10,415
1890-91		308					1884-5	13,042
1891-2		...					1885-6	11,705
						1886-7	11,058	
					1887-8	10,377		
					1888-9	10,051		
					1889-90	11,317		
					1890-91	10,655		
					1891-2	11,755		
PUBLIC WORKS.								
Railways ...	1882-3	1,838,284	Mint subsidy re- turned	1882-3	4,103			
	1883-4	2,079,249			1883-4	4,852		
	1884-5	2,200,067			1884-5	5,304		
	1885-6	2,306,791			1885-6	4,613		
	1886-7	2,453,345			1886-7	1,986		
	1887-8	2,741,488			1887-8	3,874		
	1888-9	3,104,907			1888-9	3,642		
	1889-90	3,134,066			1889-90	4,478		
	1890-91	3,306,580			1890-91	4,760		
	1891-2	3,098,251			1891-2	10,498		
Water supply* ...	1882-3	152,328	Fees, fines, etc. † (exclusive of <i>Land Act</i> pen- alties)	1882-3	117,296			
	1883-4	165,033			1883-4	111,695		
	1884-5	165,968			1884-5	123,428		
	1885-6	190,815			1885-6	128,523		
	1886-7	215,401			1886-7	131,095		
	1887-8	235,743			1887-8	164,721		
	1888-9	245,734			1888-9	174,998		
	1889-90	260,227			1889-90	162,807		
	1890-91	281,081			1890-91	162,452		
	1891-2	141,701			1891-2	137,148		
Other Public works	1882-3	2,357						
	1883-4	1,866						
	1884-5	3,325						
	1885-6	3,364						
	1886-7	5,062						
	1887-8	4,764						

\* Including interest on loans to local bodies.

† Partly estimated since 1882-3. See also footnote (§) on page 92 *ante*.

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

## HEADS OF REVENUE, 1882-3 TO 1891-2—continued.

Heads of Revenue.	Year.	Amounts Received.	Heads of Revenue.	Year.	Amounts Received.
<b>OTHER SOURCES—</b> <i>continued.</i>		£	<b>OTHER SOURCES—</b> <i>continued.</i>		£
Interest on Public account, etc.	1882-3	55,922	Reimbursements in aid	1882-3	33,570
	1883-4	85,537		1883-4	49,441
	1884-5	98,341		1884-5	52,232
	1885-6	84,973		1885-6	49,187
	1886-7	93,216		1886-7	54,033
	1887-8	136,811		1887-8	69,041
	1888-9	107,888		1888-9	67,130
	1889-90	66,700		1889-90	75,220
	1890-91	56,492		1890-91	76,522
1891-2	33,243	1891-2	72,413		
Rents (other than Land)	1882-3	1,548	Miscellaneous re- ceipts†	1882-3	46,211
	1883-4	3,058		1883-4	36,325
	1884-5	2,031		1884-5	31,339
	1885-6	14,905*		1885-6	29,178
	1886-7	5,049		1886-7	23,320
	1887-8	2,908		1887-8	25,068
	1888-9	3,224		1888-9	34,036
	1889-90	4,019		1889-90	58,487
	1890-91	2,427		1890-91	70,502
1891-2	1,893	1891-2	42,356		

## SUMMARY OF HEADS OF REVENUE, 1874-5 TO 1891-2.

Year.	Revenue derived from—					Revenue Proper.	Recoups from Loans, etc.	Grand Total Receipts.
	Taxation.	Land.	Public Works.	Post and Tele-graphs.	Other Sources.			
	£	£	£	£	£	£	£	£
1874-5	1,724,822	946,753	1,024,318	198,326	275,481	4,169,700	66,723	4,236,423
1875-6	1,780,392	1,020,012	1,091,316	209,213	224,223	4,325,156	...	4,325,156
1876-7	1,770,685	1,046,415	1,199,589	226,597	270,452	4,513,738	210,139	4,723,877
1877-8	1,712,953	957,715	1,319,653	239,002	256,089	4,485,412	19,001	4,504,413
1878-9	1,730,088	969,235	1,348,466	244,761	227,727	4,520,277	101,243	4,621,520
1879-80	1,690,923	844,064	1,594,154	249,414	222,072	4,600,627	20,655	4,621,282
1880-81	2,003,704	836,470	1,720,313	272,316	282,238	5,115,041	70,970	5,186,011†
1881-2	2,317,706	826,139	1,857,569	297,701	290,857	5,589,972	2,390	5,592,362
1882-3	2,334,255	679,933	1,992,969	324,967	269,942	5,602,066	9,187	5,611,253
1883-4	2,318,520	719,309	2,246,148	349,278	301,323	5,934,578	109	5,934,687
1884-5	2,548,171	666,557	2,369,360	380,556	325,717	6,290,361	...	6,290,361
1885-6	2,634,560	563,608	2,500,970	394,184	323,084	6,416,406	64,615	6,481,021
1886-7	2,739,635	587,091	2,673,808	413,535	319,757	6,733,826	...	6,733,826
1887-8	3,071,003	656,267	2,981,995	485,533	412,800	7,607,598	24,177	7,631,775
1888-9	3,749,670	616,028	3,356,446	552,877	400,969	8,675,990	55,265	8,731,255
1889-90	3,630,814	579,776	3,399,141	526,400	383,028	8,519,159	116,906§	8,776,065
1890-91	3,252,638	613,451	3,594,362	499,327	383,810	8,343,588	...	8,343,588
1891-2	3,149,310	519,584	3,248,566	502,806	309,306	7,729,572	100,855	7,830,427

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

† Including fire insurance on Government Printing Office, £12,000, in 1882-3; unexpended balances from Centennial Exhibition repaid, £12,000, and repayments to credit of appropriations, £20,620, in 1889-90; and repayments to credit of appropriations, £20,784, and repayment of loans to municipal councils for rabbit-proof fencing, £13,901 in 1890-91, and £11,857 in 1891-2.

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

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

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

Heads of expenditure,  
1890-91 and  
1891-2.

193. Of the total ordinary expenditure of Victoria in 1891-2, £1,352,000—or 16 per cent.—was disbursed to defray the cost of Government, maintenance of law and order, and provision against foreign attack; £863,000, excluding £5,900 for buildings—or 10 per cent.—was contributed towards public instruction and the advancement and dissemination of knowledge; £300,000—or  $3\frac{1}{2}$  per cent.—was expended on public charities or devoted to the preservation of the public health; £98,000—or 1 per cent.—was expended on the management and survey of the Crown Lands, or about £29,000 less than the gross annual rental therefrom during the same financial year; as much as £4,513,000—or 53 per cent.—was absorbed in carrying on the various commercial undertakings of the Government, viz., £2,157,000 on Railways and Waterworks, besides £1,600,000\* in interest and expenses on loans raised for their construction, and £756,000 on Post and Telegraphs; £114,000 was paid as interest on amounts borrowed for the construction of other public works; £85,000 was the cost of collecting the revenue from Customs duties and Excise, whilst £34,000 was spent on the maintenance of Ports and Harbours; and £268,000—or 3 per cent.—was granted in aid of the agricultural and mining industries. The amounts just enumerated, together with £82,000 expended on Miscellaneous services, form the ordinary expenditure for the year†; but, besides this, an amount of £759,900—or nearly 9 per cent. of the total expenditure—was spent on the construction of various public works of a permanent character, viz., £5,900 on State school buildings, and £754,000 on “Miscellaneous Public Works,” which embraces the cost of erection and of maintenance of public offices and buildings of all kinds, expenditure on roads and bridges, and municipal subsidies (£380,000). These amounts might be considered as a set-off against the proceeds of land sales, before referred to,‡ which they even exceeded by £367,000. In 1891-2 there were also certain items of special expenditure, amounting to £20,139 (in addition to £108,905 in the three previous years) for the extension and improvement of the Law Courts and Offices, recouped from the proceeds of the sale of the City Police

\* The total payment for interest and expenses of the public debt was £1,714,000, but the amount here given is that paid for Railways and Waterworks only. The above amount includes £12,284, expenses of redeeming loans.

† This is not strictly true, as there are many items included under the various heads which will not recur in subsequent years.

‡ See paragraph 186 *ante*.



Court.\* The following is a classification of the expenditure under 10 divisions and 28 subsidiary heads, during the years 1890-91 and 1891-2, also the increase or decrease in the latter year:—

HEADS OF EXPENDITURE,† 1890-91 AND 1891-2.

Heads of Expenditure.	Amounts Expended.		Increase.	Decrease.
	1890-91.	1891-2.		
<b>GENERAL GOVERNMENT.</b>				
Civil list‡	£ 41,827	£ 42,223	£ 396	£ ...
Legislature	73,503	95,891	22,388	...
Civil Establishment§	166,964	149,868	...	17,096
Retiring allowances and pensions	125,504	138,981	13,477	...
Gratuities, compensations, etc.	56,697	60,724	4,027	...
Total ...	464,495	487,687	23,192	...
<b>LAW, ORDER, AND PROTECTION.</b>				
Judicial and legal	237,941	217,823	...	20,118
Police ...	284,097	283,409	...	688
Gaols and penal establishments	71,429	65,679	...	5,750
Defences—Naval and Military¶	294,967	297,828	2,861	...
Total ...	888,434	864,739	...	23,695
<b>EDUCATION, SCIENCE, CHARITY, ETC.</b>				
Public instruction, science, etc.**	867,641	863,070	...	4,571
State school buildings	76,390	5,904	...	70,486
Charitable institutions, medical, etc. ††	303,134	300,450	...	2,684
Total ...	1,247,165	1,169,424	...	77,741
<b>CROWN LANDS.</b>				
Administration and survey	99,695	98,031	...	1,664
Agriculture, etc.	130,948	142,111	11,163	...
Mining	121,310	126,380	5,070	...
Total ...	351,953	366,522	14,569	...

\* Besides these amounts, there was £140,620 expended during the year 1891-2 (in addition to £348,102 in previous years) on certain public works and buildings, but, as this will gradually be recouped by annual payments into that fund from the general revenue, it is not here taken into account. See table following paragraph 202 *post*.

‡ For further details see table following paragraph 198 *post*.

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

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

|| Net figures.

¶ See also Part "Defences," in the second volume.

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

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

## HEADS OF EXPENDITURE,\* 1890-91 AND 1891-2—continued.

Heads of Expenditure.	Amounts Expended.		Increase.	Decrease.
	1890-91.	1891-2.		
<b>PUBLIC WORKS.</b>				
Railways—Working expenses† ...	£ 2,462,582	£ 2,118,377	...	£ 344,205
"    Construction account ...	107,428	...	...	107,428
Land Sales by Auction Fund ...	...	73,599	73,599	...
Water supply ...	71,855	38,500	...	33,355
Other public works‡ ...	887,453	680,253	...	207,200
Total ...	3,529,318	2,910,729	...	618,589§
Post and Telegraphs   ...	742,666	756,190	13,524	...
<b>PUBLIC DEBT.</b>				
Interest and expenses—Railways ...	1,279,195	1,354,216	75,021	...
"    "    Water supply	249,935	246,190	...	3,745
"    "    Other works	117,754	114,010	...	3,744
Total interest, etc. ...	1,646,884	1,714,416	67,532§	...
Redemption of loans—Expenses ¶ ...	2,125	12,284	10,159	...
<b>TRADE, NAVIGATION, ETC.</b>				
Customs and Excise ...	85,885	84,823	...	1,062
Harbours and lights ...	38,468	33,803	...	4,665
Total ...	124,353	118,626	...	5,727
<b>OTHER EXPENDITURE.</b>				
Mint subsidy** ...	20,000	20,000	...	...
Aborigines ...	8,692	6,745	...	1,947
Miscellaneous services†† ...	102,614	55,555	...	47,059
Total ...	131,306	82,300	...	49,006
Total ordinary expenditure	9,128,699	8,482,917	...	645,782§
Special expenditure (Melbourne Police Court account) ‡‡	44,217	20,139	...	24,078
Total expenditure—ordinary and special	9,172,916	8,503,056	...	669,860§

NOTE.—For particulars of Expenditure in 1892-3 see Appendices at the end of this volume.

\* For further details, see table following paragraph 198 *post*.

† The figures in this line do not represent the actual working expenses, but only the amounts charged to each year under the Annual Appropriation Acts. The actual amount of working expenses, as shown in the Railway Commissioners' Annual Reports, was £2,310,645 in 1890-91, and £2,138,139 in 1891-2. See also figures on pages 106 and 113 *post*.

‡ The cost of erecting and repairing Government Offices, and making and repairing furniture therefor, is not charged to the respective departments, but is placed under this head, which also embraces the cost of all Public Works, except Railways, Waterworks, and Telegraph lines, and works provided for out of loans; it also includes expenditure on Roads and Bridges, and the annual subsidy (£380,000 in 1891-2) to Municipalities. For details, see page 115 *post*.

§ Net figures.

|| Including interest on Post Office Savings Banks deposits.

¶ Commission on redemption of £850,000 Debentures at  $\frac{1}{2}$  per cent. in 1890-91, and interest with exchange on advances made by Australian Associated Banks in London in 1891-2.

\*\* Although the annual subsidy to the Mint is £20,000, portion of that sum has been repaid each year to the revenue. See table following paragraph 186 *ante*, under the head "Mint subsidy returned."

†† Including £18,481 in 1890-91, and £8,470 in 1891-2, towards expenses of census of 1891; £14,101 in 1890-91 for Premier Permanent Building Society prosecutions, and £22,486 for preservation of order in Melbourne.

‡‡ See paragraph 202 *post*.

194. From this table it may be ascertained that a total increase in the ordinary expenditure, amounting to £224,196, took place under eleven heads, but a decrease of £869,978 under the other seventeen heads except one (which remained stationary), resulting in a net decrease of nearly £646,000. On the one hand the principal increases were £67,500 in the interest on the public debt, owing to the increasing amounts borrowed for the construction of Railways; £22,400 under the head of Legislature, consequent on the constitution of the Railways Standing Committee, the general election held in 1891-2, and the expenses of the *Purification of Rolls Act* 1891 (£8,655); £17,500 under Retiring allowances, gratuities, etc., resulting from the enforced retirement of sexagenarians; and of £11,000 under Agriculture, chiefly on account of increased bonuses granted for agricultural products. On the other hand, there was an exceptionally large decrease of £344,000 under Railways, of which, however, £114,000 was in consequence of arrears to that extent being included in the previous year's accounts, whilst the rest is due to the retrenchment and economy exercised; a decrease of £207,000 under Public Works, of which £70,000 resulted from a temporary reduction of the municipal subsidy, and the remainder from a smaller outlay on works and buildings generally; of £33,000 under Water Supply, consequent on the expenses of the Melbourne Waterworks having been defrayed in 1891-2, for the first time, by the newly-constituted Melbourne and Metropolitan Board of Works; of £20,000 under Judicial and legal; and of £17,000 under Civil Establishment, as a result of retrenchment. An accidental decrease of £70,500 also appears under State School Buildings, works which have usually been constructed out of loan moneys. Although an increase of less than £3,000 is noticeable under the head of Defences, a new item of £75,300 (half being arrears on account of 1890-91) for Australian Naval Defences is included in 1891-2 for the first time; but, as against this, there was a reduction of £58,000 under Local Defence Works—none having been constructed in 1891-2; and £14,500 in other items, of which nearly £9,000 alone was saved by the usual annual encampment not having been held during that year. A falling-off of £107,000 under Railway construction account is mainly owing to the proceeds of the sale of land by auction, which fell off by £26,000, having been temporarily diverted therefrom to the "Land Sales by Auction Fund," under which head appears the whole of such proceeds for 1891-2.

Chief items of expenditure, 1890-91 and 1891-2 compared.

195. It has already been stated that nearly half the total expenditure is in connexion with the working of the Railways, Waterworks,

Loss on working of State railways.

and Post and Telegraphs; but the most important of these is the Railways. As the Treasurer's account of these for the last two years is to some extent complicated by arrears being included with a view of placing the account on a sound footing for the future, a better idea of their financial condition will more readily be obtained from the accounts of the Railway Department,\* which, being compiled at a later date, are believed to be complete for each year. From these it appears that the working expenses decreased from £2,310,645 in 1890-91 to £2,138,139 in 1891-2, or by £172,506. By the same accounts, the net earnings fell off from £987,922 to £956,983 in the two years respectively. And if the differences be taken between these amounts and those given in the last table, as showing the interest paid on account of Railway loans, the results will show that the apparent loss to the State on account of Railways increased from £291,273 in 1890-91 to £397,233 in 1891-2, as will be seen by the following figures†:—

RAILWAYS.—NET EARNINGS AND INTEREST PAID, COMPARED.

	1890-91.	1891-2.
	£	£
Net earnings ... ..	987,922	956,983
Interest, etc., paid on Railway loans† ..	1,279,195	1,354,216
	<hr/>	<hr/>
Apparent loss ... ..	291,273	397,233
	<hr/>	<hr/>

196. The next most important commercial undertakings are the Postal and Telegraph services, which it has been the policy of the Government to work, although at an immediate loss. According to figures already given, the expenditure set down to these services in 1891-2 was £756,190, whilst the actual receipts amounted to only £502,806, there thus being an apparent deficiency in that year of £253,384, as compared with £243,339 in 1890-91, £183,000 in 1889-90, and only £66,000 in 1888-9, prior to the introduction of the penny inland postage on the 1st January, 1890. It should also be pointed out that the reduction of postage to the United Kingdom on the 1st January, 1891, from 6d. and 4d. by two different routes to a uniform charge of 2½d.‡ must also have helped, to some extent, in increasing the deficits in 1890-91 and 1891-2. In order, however, to ascertain the true deficiency, it would be necessary to allow for the interest on the capital cost of buildings and equipment; to add to the receipts an allowance for services rendered to the State free of cost,

\* See last issue of this work, Vol. II., pages 453 and 454.

† It should be pointed out that portion of the loans on which interest was paid was for lines not open for traffic, which consequently were not in a position to earn revenue; and that it would have been more accurate to have taken not the interest paid, but the interest accrued during the year, whether paid or not. No allowance is here made for interest on capital derived from the general revenue, or for the value of Crown lands occupied for railway purposes free of cost. In 1892-3, the net earnings amounted to £1,075,657, and the interest paid to about £1,448,639; the apparent loss being about £373,000.

‡ The amount of postal revenue is not accurately known. See footnote (§) to table on page 92 *ante*.

*i.e.*, in transmission of correspondence and telegrams; and to eliminate from the expenditure as far as possible all amounts which do not form part of the working expenses, such as expenditure on capital account (which, however, it is in some cases impossible to separate); also interest on Savings Banks deposits, which are invested by the Government for other than Postal purposes, whilst, on the other hand, all sums charged to other departments on account of ordinary Postal business should be included. A statement made upon this principle—but exclusive of interest on cost of buildings and equipment, of which no return is available—shows that whereas in 1888-9 there was a surplus of about £48,000, in 1889-90 there was an actual deficiency of about £59,500, in 1890-91 of £109,000, and in 1891-2 of £122,000. The increased deficiency in the last over the preceding year—viz., £13,000—was, however, more than accounted for by an increase of £19,000 in the payments on account of Telegraph Cable Subsidy and Guarantees, of which £15,000 was paid for the first time on a guarantee in connection with the recent reduction in cable rates to Europe. The comparatively large deficits in the last two years were due not so much to the loss of revenue occasioned by the reduction of postage,\* already referred to, as to the increased cost of post and telegraph services generally. Thus the net falling-off in the combined Postal and Telegraph revenues in 1891-2, as compared with 1888-9 (including estimated value of official correspondence), was only £50,000; but, on the other hand, the cost of general administration increased by £87,000; the cost of Inland and Foreign mails increased by £20,000; Telegraph Cable Subsidies and Guarantees by £15,000. These results are shown in the following table:—

**NET ANNUAL COST OF POSTAL AND TELEGRAPH DEPARTMENT,  
1888-9 TO 1891-2.**

Receipts.	1888-9.	1889-90.	1890-91.	1891-2.
	£	£	£	£
Postal receipts† (estimated) ...	402,834	353,390	322,693	336,558
Telegraph and telephone receipts ...	150,043	173,010	176,634	166,248
Total, as per page 93 ...	552,877	526,400	499,327	502,806
ADD estimated value of—				
Free official correspondence ‡ (approximate)	60,000	60,000	60,000	60,000
„ „ telegrams ...	6,451	8,327	5,891	5,950
Grand total ...	619,328	594,727	565,218	568,756

\* See last edition of this work, Volume II., pages 103 and 110.

† Including commission on money orders.

‡ Estimated in 1887 by the Postal Department.

NET ANNUAL COST OF POSTAL AND TELEGRAPH DEPARTMENT,  
1888-9 TO 1891-2—*continued.*

Working Expenses.*	1888-9.	1889-90.	1890-91.	1891-2.
General administration ... ..	365,617	420,371	445,514	452,364
Inland and foreign mails ... ..	153,580	171,559	175,840	173,685
Telegraph lines—Construction, repairs, etc.	14,718	23,596	17,016	12,881
Telegraph cable subsidies and guarantees	14,208	14,555	10,404	29,485
Telephones—Material, maintenance, etc.	12,867	12,403	15,855	14,308
Miscellaneous ... ..	41	270	65	224
ADD—One-half cost of stamp printing †	2,847	2,614	2,924	2,518
„ Cost of printing books, forms, etc. †	7,207	8,910	6,609	5,336
Total ... ..	571,085	654,278	674,227	690,801
SURPLUS (+), or DEFICIENCY (—)	+ 48,243	— 59,551	— 109,009	— 122,045

NOTE.—No allowance has been made in this table for interest on capital cost of buildings, apparatus, etc.

Special or non-recurring expenditure, 1891-2.

197. Nearly £130,000 of the ordinary expenditure of 1891-2 was of a special and non-recurring character, as will be seen by the following figures. The only item which is likely to re-appear in the returns of the succeeding year is “Agriculture—Bonuses, etc.”:—

SPECIAL OR NON-RECURRING ITEMS OF EXPENDITURE, 1891-2.

Items.	Amount.
	£
Defences—Australian Naval Forces, arrears for previous year ...	37,723
Public Instruction—State School Buildings ... ..	5,904
„ Grant for University Lavatories ... ..	3,500
„ Technological School Buildings ... ..	9,600
Crown Lands—Compensations for lands resumed ... ..	4,500
Agriculture—Bonuses, etc. ..	44,500
Redemption of Loans—expenses of ... ..	12,284
Miscellaneous—Census, 1891 ... ..	8,470
Total ... ..	126,481

Heads of expenditure detailed.

198. By means of the following table, which gives the details of the expenditure under the more important heads in 1891-2 and the previous year, as well as in 1886-7—five years previously—the directions in which a growth of expenditure has taken place will be at once recognized:—

\* Exclusive of interest on Post Office Savings Banks deposits. Expenditure on capital account has also been eliminated where possible. It has, however, been found impossible to do this in the case of telegraph lines and telephones, in which cases capital expenditure is included.

† Charged to the Government Printer. See page 109 *post.*

## HEADS OF EXPENDITURE DETAILED, 1886-7, 1890-91, AND 1891-2.

Heads of Expenditure.	1886-7.	1890-91.	1891-2.
	£	£	£
<b>CIVIL LIST.</b>			
Governor's Salary...	10,000	10,000	10,000
Salaries of Ministers	15,500	15,077	15,354
Executive Council	1,468	1,500	1,494
Agent-General	2,500	2,500	2,500
Commissioners of Audit	2,448	3,250	3,375*
Public Service Board	4,500	4,500	4,500
Protectorate of New Guinea — Contribution towards	...	5,000	5,000
<b>Total</b>	<b>36,416</b>	<b>41,827</b>	<b>42,223</b>
<b>LEGISLATURE.</b>			
Legislative Council	6,060	6,307	7,299
„ Assembly	11,073	14,482	13,368
Railways—Standing Committee	...	...	8,871
Parliamentary Library	2,871	2,543	2,375
„ Refreshment Rooms	1,048	1,739	1,466
Parliament Gardens	...	1,003	1,020
Victorian <i>Hansard</i>	2,193	2,374	2,970
Expenses of Members of the Legislative Assembly	22,594	25,511	22,954
Electoral Expenses	11,363	18,420	34,221†
Federal Council—Contribution towards expenses of	...	62	662
National Australasian Convention, Sydney, 1891 —Expenses of	...	685	685
Metropolitan Board of Works Bill—Expenses of	...	377	...
<b>Total</b>	<b>57,202</b>	<b>73,503</b>	<b>95,891</b>
<b>CIVIL ESTABLISHMENT.</b>			
Public Service Board—Office	2,167	3,384	2,877
Chief Secretary's Office	8,990	9,504	9,456
Premier's Office	7,720	4,403	3,781
Shorthand Writer	2,301	2,608	2,588
Agent-General's Office	4,797	3,492	4,499
Audit Office	8,535	9,478	9,634
Treasury	30,689	29,946	29,186
Government Printer †	53,982	88,602	72,966
„ „ Stamp Printing §	4,957	5,848	5,036
Inspector of Stores	598	784	820
Registrar of Friendly Societies	404	401	400
Inspector of Factories and Shops	2,723	2,427	2,338
Marine Board	...	5,487	5,687
Sundries	1,138	600	600
<b>Total</b>	<b>129,001</b>	<b>166,964</b>	<b>149,868</b>

\* Including £500 for a Deputy Commissioner during absence on leave of a Commissioner.

† Including £8,655 expenses of *Purification of Rolls Act*, in addition to which £299 is included under other heads.

‡ Under this head is included cost of printing books, forms, etc., for the Postal Department, viz., £6,609 in 1891, and £5,336 in 1892.

§ For Calendar years 1891 and 1892 respectively.

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

HEADS OF EXPENDITURE DETAILED—*continued.*

Heads of Expenditure.	1886-7.	1890-91.	1891-2.
JUDICIAL AND LEGAL			
Judges of the Supreme Court (including Master-in-Equity)	£ 19,958	£ 23,658	£ 21,418
„ Other Expenditure ... ..	5,005	5,101	4,779
Crown Law Officers ... ..	18,325	22,911	20,942
„ Solicitor ... ..	7,650	6,870	5,586
Prothonotary ... ..	2,396	2,871	2,536
Master-in-Equity and Lunacy ... ..	3,981	5,184	4,425
Registrar of Titles ... ..	} 33,794*	{ 40,024	35,284
Registrar-General ... ..			8,098
„ Interest on purchase-money of land, etc., bought near Titles Office†	3,035	3,003	3,003
Deputy Registrars ... ..	5,895	6,960	6,750
Patents Office ... ..	...	2,769	3,198
Sheriffs ... ..	23,542	31,583	26,339
Judges—County Courts, Courts of Insolvency, of Mines, and of General and Petty Sessions	9,300	9,885	9,723
„ other Expenditure ... ..	14,630	19,215	17,965
Police Magistrates and Wardens ... ..	17,428	18,980	17,963
Clerks of Courts ... ..	20,362	21,366	21,576
Coroners ... ..	5,797	6,886	7,321
Curator of Estates of Deceased Persons ... ..	1,524	1,564	1,704
Land Tax Act Administration ... ..	1,071	1,013	590
Other Expenditure ... ..	212	...	599‡
Total ... ..	193,905	237,941	217,823
DEFENCES. §			
Special Appropriation under Acts 47 Vict. No. 777 and 54 Vict. No. 1083	110,000	145,000	72,474
Australasian Naval Forces—Annual Contribution	...	...	75,356 ¶
Voted in lieu of Special Appropriation, which lapsed on 31st December, 1891	...	...	65,469
Voted to augment special appropriation consequent upon the increase of the permanent forces	...	26,486	34,976
Civil Staff ... ..	1,737	7,276	7,457
Permanent Forces ... ..	12,020	...	...
Cadet Corps ... ..	6,154	6,436	6,386
Mounted Rifles ... ..	4,831	9,557	10,371
Victorian Rangers ... ..	...	9,027	7,785
Rifle Clubs ... ..	581**	1,386	1,692
Ammunition Fund—To replace loss on supply to Rifle Clubs, etc.	7,000	5,000	3,000

\* Including Patents office.

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

‡ Including £500 compensation to a mechanic for the compulsory closing of his business near the Law Courts, and £60 as gratuity to a prisoner who was pardoned.

§ For further details under this head, see Part “Defences” in the second volume.

|| The appropriation lapsed by effluxion of time on 31st December, 1891.

¶ Including contribution in arrear for 1890-91, viz., £37,723.

\*\* Drill instruction for seven months.



HEADS OF EXPENDITURE DETAILED—*continued.*

Heads of Expenditure.	1886-7.	1890-91.	1891-2.
<b>DEFENCES—<i>continued.</i></b>			
	£	£	£
Purchase of Rifles and modern warlike stores *	3,584	4,000	4,500
Grants to Rifle Associations, etc., for prizes; also prizes for artillery practice and drill and shooting	1,675	2,499	1,714
Grant to United Service Association ...	...	200	100
Expenses in connexion with Encampments ...	4,492	8,758	...
Refund to Colonial Ammunition Company for duty paid on machinery for manufacture of cartridges	...	882	12
Bonus to ditto in aid of establishment in colony	...	5,000	...
Transport of Volunteers by rail, prior to passing of <i>Discipline Act</i>	3,288	...	...
Expenses of officers undergoing courses of military and naval instruction in England	...	2,413	1,000
Report on defences of King George's Sound— Proportion due by Victoria	...	586	56
Compensation for injuries sustained ...	240	1,540	480
Miscellaneous ...	1,640	938	...
<b>Total ...</b>	<b>47,242</b>	<b>91,984</b>	<b>144,998</b>
Defence Works and Buildings in the Colony ...	147,522	57,983	...
„ at King George's Sound, W.A.	...	...	5,000
<b>Grand Total ...</b>	<b>304,764</b>	<b>294,967</b>	<b>297,828</b>
<b>PUBLIC INSTRUCTION, SCIENCE, ETC.</b>			
State School Education † ...	588,736	700,034	711,633
„ Buildings, Maintenance, etc. ...	...	35,919	32,657
University—Endowment ...	14,500	16,500	17,250
„ Grant in aid of laboratories, fittings, furniture, etc.	5,000	5,000	3,500
College of Pharmacy ...	1,000	1,000	1,000
Technological Schools ...	5,749	19,113	19,716
„ „ buildings ...	2,000	19,500	9,600
Melbourne Public Library, Museums, and National Gallery	20,266	27,294	27,336
Mechanics' Institutes, Public Libraries, etc. ‡ ...	18,000	21,395	20,068
Victorian Artists' Society ...	250	250	195
Art Galleries—Ballarat, Bendigo, and Warr- nambool	2,000	2,000	1,200
Zoological and Acclimatisation Society, etc. ...	3,200	4,200	4,200
Royal Society ...	200	500	500

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

† Including rents, fittings and furniture, etc., but exclusive of cost of erection of buildings, which is given in table following paragraph 206 *post*, and of pensions and gratuities. See also table following paragraph 208 *post*.

‡ Including £1,195 in 1890-91, and £68 in 1891-2, to provide for certain omissions in the allotment for previous years.

HEADS OF EXPENDITURE DETAILED—*continued.*

Heads of Expenditure.	1886-7.	1890-91.	1891-2.
PUBLIC INSTRUCTION, SCIENCE, ETC.— <i>continued.</i>			
Geographical Society ... ..	£ 1,000	£ ...	£ ...
Australasian Association for the Advancement of Science	...	200	...
Government Statist* ... ..	7,011	6,884	6,706
„ Astronomer ... ..	4,592	5,155	4,986
„ Botanist ... ..	2,518	2,697	2,523
Other Expenditure ... ..	547	...	...
Total ... ..	676,569	867,641	863,070
CHARITABLE INSTITUTIONS, MEDICAL, ETC.			
Charitable Institutions—Grant in aid ...	114,000	120,000	120,000
Industrial and Reformatory Schools ...	} 42,078 }	41,350	41,071
State Grant in Aid of Private Institutions		1,590	1,942
Hospitals for the Insane ... ..	98,347	116,697	112,461
Inebriate Asylums ... ..	...	2,669	2,969†
Public Health Department... ..	8,815	13,394	12,647
Vaccination Allowances ... ..	5,499	6,099	7,991
Fencing for Cemeteries ... ..	...	915	949
Allowance to Instructor of the Blind, etc. ...	100	170	170
Victorian Society for Protection of Animals ...	...	250	250
Other Expenditure ... ..	25	...	...
Total ... ..	268,864	303,134	300,450
CROWN LANDS.			
General Staff for Survey, Sale, and Management of Crown Lands	78,045	61,716	60,834
Surveys by contract, including Feature Surveys	3,783	4,700	5,261
Surveys of “Grazing Areas” ... ..	...	1,299	1,109
Parks, Gardens, etc.—			
Botanical Gardens and Reserves ...	9,143	9,868	11,179
Public Parks, Gardens, and Reserves in and around Melbourne	8,277	11,595	5,653
Public Parks and Gardens in Country Districts—Fencing and Improving	11,708	10,129	9,014
Compensation for Improvements on Lands resumed in the Mallee Country	...	...	4,403
Ditto in other parts of the Colony ...	...	...	55‡
Other Expenditure ... ..	1,013	388	523
Total ... ..	111,969	99,695	98,031

\* Exclusive of cost of Census 1891, for which see “Miscellaneous.”

† Including £1,163 in full payment in discharge of all claims upon and obligations and liabilities incurred by the Trustees, the Committee of Management, and Her Majesty’s Victorian Government in respect of the Melbourne Retreat for the Cure of Inebriates at Northcote from 1st July, 1886, to 30th June, 1890.

‡ Including £14 for interest.

HEADS OF EXPENDITURE DETAILED—*continued.*

Heads of Expenditure.	1886-7.	1890-91.	1891-2.
AGRICULTURE.			
Grants to Agricultural and Horticultural Societies, etc.	£ 21,435	£ 25,224	£ 25,424
„ the Board of Viticulture ... ..	...	994	465
State Forests and Nurseries ... ..	6,070	7,689	8,213
Resumption of Alienated Land ... ..	...	48	} 11,198
Planting and thinning trees, etc., and extension of wattle and other plantations, and fencing, wire netting, etc.	...	10,199	
Experimental Cultivation ... ..	244	267	259
Prizes, Awards, etc.—			
Special to be awarded by National Agricultural Society	...	480	...
For best managed farms in Victoria ...	100	150	...
Expenses of Judges <i>in re</i> last two items, etc.	...	362	...
To promote the Agricultural, Dairying, Fruit, and Wine Industries*	...	34,227	44,499
Eradication of Vine Diseases ... ..	725	702	447
„ Noxious Weeds and Insects ... ..	...	110	19
Scab Prevention and Diseases in Stock ...	8,128	7,753	7,561
Cost of Rabbit-proof Fencing in the Mallee Country	4,999	...	...
Extermination of Rabbits and Wild Animals ...	27,104	37,913	39,535
Royal Commission (one-fifth of cost) ...	...	871	...
Rates on Mallee Blocks held by Government	704	219	350
Exhibition of Agricultural Trophy at Royal Agricultural Shows in United Kingdom	...	...	110
Departmental and other Expenditure ...	2,043	3,740	4,031
<b>Total ... ..</b>	<b>71,552</b>	<b>130,948</b>	<b>142,111</b>
MINING.			
Mining Department ... ..	21,305	22,874	22,852
Mining Boards ... ..	3,500	3,500	3,500
Purchase and Working of Diamond Drills to assist Miners in Prospecting Operations, etc.	72,369	76,305	78,388
Prospecting and Boring for Coal ... ..	1,650	9,205	9,989
Geological Surveys, etc. ... ..	1,386	4,392	4,997
Underground Surveys of Mines ... ..	849	1,448	1,498
Cutting Tracks and opening up unexplored areas	1,989	1,924	2,939
Ballarat Juvenile Exhibition ... ..	...	186	...
Sending Expert to Europe to enquire into treatment of refractory ores, and manufacture of briquettes of brown coal	...	100	621
Miscellaneous ... ..	606	1,376	1,596
<b>Total ... ..</b>	<b>103,654</b>	<b>121,310</b>	<b>126,380</b>

\* For particulars, see table following paragraph 205 *post.*

## HEADS OF EXPENDITURE DETAILED—continued.

Heads of Expenditure.	1886-7.	1890-91.	1891-2.
<b>RAILWAYS.</b>			
Commissioners' Salaries ... ..	£ 5,621	£ 6,000	£ 6,000
Salaries and Wages ... ..	103,598	164,850	} 2,104,495
Working Expenses ... ..	1,254,298	2,168,868	
Wages " on account of previous years of Employés on Permanent Way increased	... ... ...	113,929* 8,191	... 7,638
Annual allowances to injured persons ... ..	...	744	244
Other expenditure ... ..	70	...	...
Total Working Expenses † ... ..	1,363,587	2,462,582	2,118,377
Paid to " Railway Construction Account" ‡ ... ..	67,029	99,637	...
Construction of Roads to Railways ... ..	500	7,791	...
Total (including Capital Account)	1,431,116	2,570,010	2,118,377
<b>WATER SUPPLY, ETC.</b>			
Melbourne—Salaries and Maintenance ... ..	18,593	28,409	} ... §
„ Sewerage for, Report (Mansergh's) on a scheme of	...	2,850	
Melbourne Sewerage—Lithographing plans ....	...	315	
Country Waterworks—			
Salaries, Stores and Incidentals ... ..	8,360	11,547	12,459
Coliban District—Travelling Expenses, Contingencies, etc.	4,390	7,600	6,419
Geelong District do. do. ... ..	856	1,699	2,388
Goldfields Reservoirs ... ..	...	18	337
Boring for Water ... ..	4,889	9,960	6,859
Cost of making Wells in the Mallee ... ..	...	42	...
Surveys and Reports re Projects of Water Supply and Gauging Rivers	2,668	8,850	7,955
National Works—Management and Main- tenance of	...	170	2,083
Irrigation Expert and Expenses ... ..	...	120	...
Prizes for best Irrigated Farm and Crops	...	50	...
Rainfall maps ... ..	...	25	...
Compensation for injuries received ... ..	...	200	...
Total ... ..	39,756	71,855	38,500

\* See 34th Annual Report of the Commissioners of Audit, page 185.

† The actual expenditure for and on account of 1890-91 was £2,310,645, and on account of 1891-2, £2,138,139, as shown in the Railway Commissioners' Reports.

‡ See footnote (†) on page 122 *post*. There was also in 1890-91 a sum of £25,000 derived from the sale of certain railway land to the Melbourne Harbor Trust, paid into the Railway Loan, Liquidation, and Construction Account, but which is not included in the returns of General Expenditure. The payments to this account have been (from 1891-2) temporarily diverted into the Land Sales by Auction Fund.

§ Expenditure defrayed since 30th June, 1891, by the Melbourne and Metropolitan Board of Works, in which body the Melbourne Waterworks have been vested.

HEADS OF EXPENDITURE DETAILED—*continued.*

Heads of Expenditure.	1886-7.	1890-91.	1891-2.
<b>OTHER PUBLIC WORKS.*</b>	£	£	£
Works and Buildings (including Furniture, Fittings, etc.)—			
Government House and Country Residence	6,342	2,990	2,892
Parliament Buildings—Repairs and additions, lighting, gardens, etc.	3,544	9,967	4,306
Fencing Parliamentary Reserve ...	...	9,996	...
Public Offices, etc.—			
Public Offices, Melbourne ...	723	...	...
"    "    " Registrar-General's	1,336	...	...
"    "    Omeo ...	...	1,699	1,076
"    "    Geelong—Water Supply Department	...	2,250	...
"    "    Bendigo (Sandhurst) ...	9,392	...	...
"    "    Ballarat ...	2,500	...	...
Printing Office—Fittings, Furniture...	8	983	201
Treasury Buildings (country)—Buildings, Repairs, Additions, etc.	...	298	125
Rents and Furniture, etc. ...	22,587	29,749	26,150
Repairs and Additions ...	2,629	2,189	1,442
Fencing Public Buildings, Sites, and Reserves under Government, including Repairs	...	94	1,122
Telephonic communication for police and other buildings	957	1,063	313
Insurance ...	561	678	798
Court Houses ...	15,339	16,083	11,003
Police Buildings, etc. ...	22,046	25,432	19,113
Gaols and Penal Establishments ...	8,233	18,459	23,319
Public Library, National Gallery, and Museums	14,356	1,214	667
Observatory ...	163	350	207
Lunatic Asylums ...	16,802	13,595	9,776
Industrial and Reformatory Schools ...	497	7,266	2,384
Cemeteries ...	1,118	145	120
Sanatory Station—Fencing, Repairs, etc. ...	555	763	692
Lands and Agriculture (including parks, gardens, etc.)	5,334	18,642	8,222
Raising Low-lying Lands, Draining Lands, Spreading Silt, etc.	33,206	27,816	20,329
Preventing Encroachment by Sand, etc. ...	...	400	298
Post and Telegraph Offices—			
General Post Office, Melbourne—Extension of Building, Repairs, Fittings, etc.	21,192	9,619	3,828
Cost of erection of Money Order and Savings Bank Offices, etc., Melbourne	...	16,823	1,498
Post Offices at other places† ...	16,542	34,456	16,136
Customs Buildings ...	1,171	14,335	3,865

\* For further expenditure on public works out of special accounts, see "Special Expenditure," table following paragraph 202 *post*.

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

HEADS OF EXPENDITURE DETAILED—*continued.*

Heads of Expenditure.	1886-7.	1890-91.	1891-2.
	£	£	£
<b>OTHER PUBLIC WORKS—<i>continued.</i></b>			
Works and Buildings (including Furniture, Fittings, etc.)—			
Wharfs, Jetties, Harbours, Rivers, etc. ...	54,175	78,706	51,748
Lighthouses and Lightships ...	6,200	12,089	1,805
Miscellaneous ...	563	765	119
<b>Total Works and Buildings, etc.</b>	<b>268,071</b>	<b>358,914</b>	<b>213,554</b>
Subsidy to Municipalities ...	310,561	450,000	380,000
Roads and Bridges ...	40,430	26,934	38,576
Departmental Expenses ...	52,911	51,605	48,123
<b>Total ...</b>	<b>671,973</b>	<b>887,453</b>	<b>680,253</b>
<b>POST AND TELEGRAPHS.*</b>			
Post and Telegraph Offices†—Administration ...	327,396	445,514	453,415
Inland Mail Service ...	112,473	128,288	130,984‡
Foreign Mails§ ...	69,322	47,552	42,701
Telegraph Lines—Construction, Repairs, Materials, etc.	14,430	17,016	12,881
Invention for improving the quadruplex workings of instruments	...	1,000	...
Telephones—			
Telephone Exchanges, telephones, battery materials, wire, etc.	...	15,405	12,807
New multiple switch-boards, cost of ...	...	9,244	...
Maintenance of lines to various departments	...	450	450
Subsidy towards Duplicate Telegraph Cable (Port Darwin to Penang)	14,510	10,404	13,976
Guarantee, on account of Reduced Rates, to—			
Eastern Extension, etc., Telegraph Co. ...	...	...	11,251
Government of South Australia ...	...	...	4,258
Eastern Extension Tel. Co., Tasmania¶ ...	1,231	...	...
Interest on Post Office Savings Banks Deposits	46,233	67,728	73,233
Miscellaneous** ...	395	65	234
<b>Total ...</b>	<b>585,990</b>	<b>742,666</b>	<b>756,190</b>

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

† Money Order Offices included; including also payment to letter carriers appointed under the old post office regulations on their promotion to sorters, viz., £27,586 in 1890-91, and £29,592 in 1891-2; also for Telephone attendants, £1,052 in 1890-91, and £1,051 in 1891-2.

‡ Of which £61,000 was paid to the Railway Department, and £69,984 was for private contractors, clearance of letter pillars, etc.

§ Including sums paid as gratuities to masters of vessels, £2,673 in 1890-91, and £3,183 in 1891-2; also subsidy for steamer calling at Havannah Harbour, New Hebrides, £1,200 (for 2 years) in 1891-2.

|| Similar sums are contributed by New South Wales, Queensland, and South Australia towards the purchase of the patent rights of this invention.

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

\*\* Including £38 in 1890-91, and £50 in 1891-2, towards expenses of International Bureau at Berne.

HEADS OF EXPENDITURE DETAILED—*continued.*

Heads of Expenditure.	1886-7.	1890-91.	1891-2.
<b>PUBLIC DEBT.</b>			
Interest payable—	£	£	£
In London ... ..	1,176,976	1,563,783	1,628,092
In Melbourne ... ..	73,276	56,993	59,725
Total Interest ... ..	1,250,252	1,620,776	1,687,817
Expenses of paying Interest in London—			
Commission to Banks of $\frac{1}{2}$ per cent. ...	3,262	3,106	2,841
Commission to Bank of from £450 to £500 per million for inscribing stock and pay- ing interest thereon	6,586	11,553	12,577
Premium on remittances ... ..	10,107	5,638	5,315
Equivalent to banks for non-remittance of interest	...	5,208	5,351
Stamps, advertising, etc. ... ..	602	603	515
Total ... ..	1,270,809	1,646,884	1,714,416
<b>MISCELLANEOUS SERVICES.</b>			
Expenses of Commissions of Inquiry ...	1,878	5,726	3,790
Law Costs, Awards, etc. ... ..	343	1,295*	583
Rewards for Apprehension of Offenders ...	...	...	370
Tuition of Shorthand in Public Service ...	...	238	118
Premier Permanent Building Society prosecu- tions—Law expenses of	...	14,101	...
Preservation of order in Melbourne—Expenses of <i>Poisons and Pharmacy Act</i> —Administration ...	300	22,486	300
Advertising ... ..	5,330	6,499	6,666
Transport, etc. ... ..	1,633	3,185	3,133
Expenses of Census of 1891 ... ..	...	18,481	8,470
Exhibitions—			
International... ..	999	524	...
Colonial and Indian Exhibition, London, 1886	9,995	...	...
Juvenile Industrial do. (Provincial towns)	500	800	209
Launceston Exhibition ... ..	...	...	206
Adelaide Jubilee Exhibition ... ..	2,800	...	...
Expenses incurred by the Exhibition Trustees ...	2,999	6,000	4,700
National Orchestra—Expenses towards ...	...	3,000	...
Imperial Institute—Expenses of representation of colony at	...	499	1,494
Powder Magazines† ... ..	1,281	4,425	3,377
Fisheries ... ..	792	799	1,151
Payments from Estates of Deceased Persons ...	250	74	22
Refunds, etc.‡ ... ..	310	1,922	1,962
Fire Brigades Act § ... ..	...	2,602	11,438

\* Including £1,000 costs (final) *In re Merry v. The Queen.*

† Inclusive of amounts spent by the Public Works Department.

‡ Of which £1,636 in 1890-91, and £1,134 in 1891-2, was on account of Customs duty.

§ By the *Fire Brigades Act* 1890, one-third the cost of the Fire Brigades Boards thereby constituted is specially appropriated out of the general revenue. Particulars of the finances of these Boards are given in a latter portion of this Part.

HEADS OF EXPENDITURE DETAILED—*continued.*

Heads of Expenditure.	1886-7.	1890-91.	1891-2.
<b>MISCELLANEOUS SERVICES— <i>continued.</i></b>	£	£	£
Assistance to Volunteer Fire Brigades ...	2,973	1,900	246
Imperial Convention—Expenses of delegates ...	1,206	...	...
Bonus for wire fencing ... ..	888	...	...
International Customs Conference, Brussels ...	...	30	...
"    Telegraph Conference, Paris ...	...	50	...
"    Postal Conference, Victoria ...	...	...	153
"    Tariff Bureau—Towards estab- lishment, also subscription	...	175	125
Inspection of Country Tramway Schemes ...	...	1,262	...
Expenses incurred by Salvation Army in provid- ing relief for the unemployed	225	150	...
Special Visit to State Forests ... ..	...	113	...
Official visit to Mildura ... ..	...	219	...
Funerals of the late Hons. G. D. Langridge and John Woods—Expenses in connexion with	...	29	5
Entertainment of public men of Australia ...	...	100	123
"    French Admiral ... ..	...	94	39
Arrival of Auxiliary Squadron ... ..	...	...	888
Discounts in London and premiums on remit- tances (sundry)	...	113	55
Stamp Duty on £350,000 Treasury Bonds at 2s. 6d. per cent.	...	438	...
Bonus for invention of labour-saving instru- ment in making up Electoral Rolls	...	...	20
Other Expenditure* ... ..	5,639	4,985	5,912
Total ... ..	40,341	102,614	55,555

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

\* Including balance at credit of Pension Fund, returned to revenue—£1,346 in 1886-7, £3,125 in 1890-91, and £4,000 in 1891-2. The expenditure of 1886-7 also includes £504 expenses *re* Jubilee celebration; £455 payment to Warders, Kew Asylum, through services having been irregularly dispensed with; and £954 in entertaining prominent public men of Victoria, etc.



## HEADS OF EXPENDITURE, 1882-3 TO 1891-2.

Heads of Expenditure.	Year.	Expenditure from—		Total.
		Special Appropriations.	Votes.	
		£	£	£
Civil list* ...	1882-3	29,926	...	29,926
	1883-4	31,127	...	31,127
	1884-5	36,362	4,693†	41,055
	1885-6	36,269	4,693	40,962
	1886-7	36,416	...	36,416
	1887-8	35,974	9,387	45,361
	1888-9	35,780	4,784	40,564
	1889-90	35,915	5,000	40,915
	1890-91	36,577	5,250	41,827
	1891-2	36,723	5,500	42,223
Legislature ...	1882-3	47,768	18,020	65,788
	1883-4	35,930	17,751	53,681
	1884-5	38,801	18,102	56,903
	1885-6	45,674	18,462	64,136
	1886-7	38,206	18,996	57,202
	1887-8	37,700	20,931	58,631
	1888-9	53,207	20,009	73,216
	1889-90	50,573	23,709	74,282
	1890-91	48,358	25,145	73,503
	1891-2	70,383	25,508	95,891
Civil establishment* ...	1882-3	...	117,610	117,610
	1883-4	...	113,628	113,628
	1884-5	...	117,586	117,586
	1885-6	...	122,593	122,593
	1886-7	...	129,001	129,001
	1887-8	...	132,983	132,983
	1888-9	646‡	145,971	146,617
	1889-90	1,206	165,265	166,471
	1890-91	1,214	165,750	166,964
	1891-2	1,232	148,636	149,868
Retiring allowances and pensions §	1882-3	40,474	20,095	60,569
	1883-4	41,334	24,355	65,689
	1884-5	43,589	26,598	70,187
	1885-6	52,685	20,529	73,214
	1886-7	64,844	20,316	85,160
	1887-8	71,583	16,901	88,484
	1888-9	80,101	16,509	96,610
	1889-90	93,005	15,837	108,842
	1890-91	108,569	16,935	125,504
	1891-2	119,687	19,294	138,981

\* For particulars of the items included under these heads, see footnotes to table following paragraph 193 *ante*.

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

‡ In this and subsequent years, the figures relate to the Marine Board.

§ Including vote of £8,000 in 1882-3, of £10,000 each year from 1883-4 to 1886-7, £7,000 annually to 1889-90, £8,396 in 1890-91, and £11,395 in 1891-2, to meet deficiencies in the Police Superannuation Fund.

## HEADS OF EXPENDITURE, 1882-3 TO 1891-2—continued.

Heads of Expenditure.	Year.	Expenditure from—		Total.
		Special Appropriations.	Votes.	
		£	£	£
Gratuities, compensations, etc.	1882-3	2,911	25,345	28,256
	1883-4	10,173	20,889	31,062
	1884-5	22,673	25,099	47,772
	1885-6	22,215	21,863	44,078
	1886-7	18,420	21,817	40,237
	1887-8	23,622	19,707	43,329
	1888-9	21,714	32,202	53,916
	1889-90	21,620	20,081	41,701
	1890-91	27,270	29,427	56,697
	1891-2	30,977	29,747	60,724
Judicial and legal ...	1882-3	17,000	159,689	176,689
	1883-4	16,655	158,319	174,974
	1884-5	16,381	166,916	183,297
	1885-6	19,096	172,194	191,290
	1886-7	22,993	170,912	193,905
	1887-8	22,972	188,139	211,111
	1888-9	23,003	194,177	217,180
	1889-90	21,471	222,385	243,856
	1890-91	22,411	215,530	237,941
	1891-2	22,268	195,555	217,823
Police ...	1882-3	...	204,561	204,561
	1883-4	...	216,973	216,973
	1884-5	...	217,684	217,684
	1885-6	...	224,237	224,237
	1886-7	...	233,173	233,173
	1887-8	...	240,840	240,840
	1888-9	...	261,329	261,329
	1889-90	...	265,149	265,149
	1890-91	...	284,097	284,097
	1891-2	...	283,409	283,409
Gaols and penal establishments	1882-3	...	57,128	57,128
	1883-4	...	55,836	55,836
	1884-5	...	57,311	57,311
	1885-6	...	60,644	60,644
	1886-7	...	59,894	59,894
	1887-8	...	65,385	65,385
	1888-9	...	66,163	66,163
	1889-90	...	71,146	71,146
	1890-91	...	71,429	71,429
	1891-2	...	65,679	65,679
Defences ...	1882-3	...	191,360	191,360
	1883-4	...	231,038	231,038
	1884-5	110,000	88,773	198,773
	1885-6	110,000	209,938	319,938
	1886-7	110,000	194,764	304,764

## HEADS OF EXPENDITURE, 1882-3 TO 1891-2—continued.

Heads of Expenditure.	Year.	Expenditure from—		Total.
		Special Appropriations.	Votes.	
		£	£	£
Defences— <i>continued</i> ...	1887-8	110,000	212,119*	322,119
	1888-9	110,000	236,623*	346,623
	1889-90	145,000	205,823	350,823
	1890-91	145,000	149,967*	294,967
	1891-2	147,830†	149,998*	297,828
Public instruction, science, etc.‡	1882-3	9,000	589,970	598,970
	1883-4	9,000	598,822	607,822
	1884-5	9,000	601,026	610,026
	1885-6	9,000	656,442	665,442
	1886-7	9,000	667,569	676,569
	1887-8	9,000	713,102	722,102
	1888-9	9,000	765,449	774,449
	1889-90	9,000	819,074	828,074
	1890-91	9,000	858,641	867,641
1891-2	9,000	854,070	863,070	
State school buildings §	1888-9	...	8,000	8,000
	1889-90	...	207,595	207,595
	1890-91	...	76,390	76,390
	1891-2	...	5,904	5,904
Charitable institutions, medical, etc.‡	1882-3	...	267,400	267,400
	1883-4	...	259,983	259,983
	1884-5	...	262,359	262,359
	1885-6	...	273,705	273,705
	1886-7	...	268,864	268,864
	1887-8	...	278,879	278,879
	1888-9	...	283,986	283,986
	1889-90	8,190	307,950	316,140
	1890-91	...	303,134	303,134
1891-2	...	300,450	300,450	
Crown lands ...	1882-3	...	100,367	100,367
	1883-4	...	98,209	98,209
	1884-5	...	104,875	104,875
	1885-6	...	107,556	107,556
	1886-7	...	111,969	111,969
	1887-8	...	106,408	106,408
	1888-9	...	100,573	100,573
	1889-90	...	97,249	97,249
	1890-91	...	99,695	99,695
1891-2	...	98,031	98,031	

\* Including vote to augment special appropriation for Victorian defences, viz., £21,278 in 1887-8, £23,958 in 1888-9, £26,486 in 1890-91, and £34,976 in 1891-2. The amount for 1891-2 also includes £65,469 in lieu of the special appropriation which lapsed by effluxion of time on the 31st December, 1891.

† Including, for first time, £75,356 Australasian Naval Forces.

‡ For particulars of the items included under these heads, see footnotes to table following paragraph 193 *ante*.

§ The amount expended on school buildings in the years intervening between those named was entirely paid out of loans.—See table following paragraph 206 *post*. The cost of erection of a Training College for Teachers is included, viz., £8,000 in 1888-9, £6,455 in 1889-90, £12,883 in 1890-91, and £5,904 in 1891-2.

|| Retreat for Inebriates.

## HEADS OF EXPENDITURE, 1882-3 TO 1891-2—continued.

Heads of Expenditure.	Year.	Expenditure from—		Total.
		Special Appropriations.	Votes.	
		£	£	£
Agriculture, etc. ...	1882-3	...	54,834	54,834
	1883-4	...	42,418	42,418
	1884-5	...	51,065	51,065
	1885-6	...	84,781	84,781
	1886-7	704*	70,848	71,552
	1887-8	327	69,620	69,947
	1888-9	175	73,054	73,229
	1889-90	228	98,217	98,445
	1890-91	34,446	96,502	130,948
	1891-2	44,849	97,262	142,111
Mining ...	1882-3	3,500	38,940	42,440
	1883-4	3,500	44,334	47,834
	1884-5	3,500	53,236	56,736
	1885-6	3,500	67,962	71,462
	1886-7	3,500	100,154	103,654
	1887-8	3,500	114,337	117,837
	1888-9	3,500	115,639	119,139
	1889-90	3,500	133,791	137,291
	1890-91	3,500	117,810	121,310
	1891-2	3,500	122,880	126,380
Railways† ...	1882-3	...	1,173,535	1,173,535
	1883-4	2,750	1,104,285	1,107,035
	1884-5	6,000	1,403,993	1,409,993
	1885-6	94,667	1,317,873	1,412,540
	1886-7	72,650	1,358,466	1,431,116
	1887-8	119,946	1,572,930	1,692,876
	1888-9	126,873	1,797,124	1,923,997
	1889-90	94,588	2,505,106	2,599,694
	1890-91	105,637	2,464,373	2,570,010
	1891-2	6,000	2,112,377	2,118,377
Land Sales by Auction Fund† ...	1891-2	73,599	...	73,599

\* This and the following amounts, except £34,227 in 1890-91, and £44,499 in 1891-2, represent rates paid on unoccupied Mallee Blocks towards extermination of vermin. The sums named are the second and third payments—£7,342 having been previously paid out of votes—out of an amount of £233,000 which has been specially appropriated to promote the Agricultural, Dairying, and Fruit Industries. See table following paragraph 205 *post*.

† The amounts annually entered under the head of Special Appropriations in 1885-6 and subsequent years, with the exception of £6,000 annually for salaries of the Railways Commissioners, were paid into the "Railway Construction Account" in accordance with the direction of *The Land Acts* 1884 and 1890 (43 Vict. No. 812 and 54 Vict. No. 1,106, sec. 78), whereby it was provided that all moneys arising from the sale by auction of Crown lands should be placed to a trust account, the amount standing to the credit of which should be available for the construction of railways. (There was also a sum of £25,000—not included in the ordinary revenue—received in 1890-91 from the Melbourne Harbor Trust on exchange of land previously occupied by the Railway Department, and paid into the Railway Loan Liquidation and Construction Account under the authority of Act 54 Vict. No. 1182). The total amount so paid out of the general revenue towards the construction of railways up to the 30th June, 1892, was £2,803,740. By an Act passed 1891 (55 Vict. No. 1213) the proceeds of land sold by auction have been temporarily diverted from the 1st July, 1891, into the *Land Sales by Auction Fund* until the moneys so paid in shall amount to £1,084,750. See paragraph 202 *post*. The amounts entered under the head of "Votes" represent the working expenses of railways, except £500 in 1886-7 and £4,144 in 1887-8 paid towards construction.

## HEADS OF EXPENDITURE, 1882-3 TO 1891-2—continued.

Heads of Expenditure.	Year.	Expenditure from—		Total.
		Special Appropriations.	Votes.	
		£	£	£
Water supply ...	1882-3	...	34,534	34,534
	1883-4	...	31,472	31,472
	1884-5	...	32,282	32,282
	1885-6	...	35,511	35,511
	1886-7	...	39,756	39,756
	1887-8	...	46,966	46,966
	1888-9	...	71,989	71,989
	1889-90	...	68,850	68,850
	1890-91	...	71,855	71,855
	1891-2	...	38,500	38,500
Other public works* ...	1882-3	...	628,611	628,611
	1883-4	...	605,148	605,148
	1884-5	...	635,378	635,378
	1885-6	...	686,825	686,825
	1886-7	...	671,973	671,973
	1887-8	...	718,427	718,427
	1888-9	...	800,803	800,803
	1889-90	...	1,027,926	1,027,926
	1890-91	...	887,453	887,453
	1891-2	225,000†	455,253	680,253
Post and telegraphs‡	1882-3	86,240	386,006	472,246
	1883-4	94,215	407,045	501,260
	1884-5	118,121	416,252	534,373
	1885-6	126,944	437,676	564,620
	1886-7	130,065	455,925	585,990
	1887-8	131,520	511,593	643,113
	1888-9	115,693	503,377	619,070
	1889-90	128,455	580,873	709,328
	1890-91	125,684	616,982	742,666
	1891-2	128,710	627,480	756,190
Interest and expenses of public debt§	1882-3	1,162,195	18,381	1,180,576
	1883-4	1,203,440	11,630	1,215,070
	1884-5	1,260,279	11,628	1,271,907
	1885-6	1,272,565	9,445	1,282,010
	1886-7	1,261,514	9,295	1,270,809

\* 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 provision of the *Local Government Act* 1874, authorizing the annual subsidy of £310,000 to municipalities lapsed on the 31st December, 1879, and a similar provision was not re-enacted until January, 1892, under the *Local Government Act* 1891, which fixed the subsidy at £450,000; although amounts equivalent to the subsidy were, in the interim, annually voted by Parliament. The subsidy was increased to £340,854 in 1888-9, and to £450,000 from 1889-90.

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

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

## HEADS OF EXPENDITURE, 1882-3 TO 1891-2—continued.

Heads of Expenditure.	Year.	Expenditure from—		Total.
		Special Appropriation.	Votes.	
		£	£	£
Interest and expenses of public debt*—continued	1887-8	1,375,910	9,211	1,385,121
	1888-9	1,449,921	9,321	1,459,242
	1889-90	1,538,895	9,250	1,548,145
	1890-91	1,637,673	9,211	1,646,884
	1891-2	1,705,139	9,277	1,714,416
Redemption of loans ...	1889-90	276,100	...	276,100
	1890-91	2,125	...	2,125
	1891-2	...	12,284	12,284
Customs ...	1882-3	...	65,047	65,047
	1883-4	...	72,978	72,978
	1884-5	...	71,710	71,710
	1885-6	...	70,925	70,925
	1886-7	...	78,579	78,579
	1887-8	...	83,975	83,975
	1888-9	...	87,412	87,412
	1889-90	...	88,966	88,966
	1890-91	...	85,885	85,885
1891-2	...	84,823	84,823	
Harbours and lights ...	1882-3	...	26,763	26,763
	1883-4	...	24,632	24,632
	1884-5	...	28,941	28,941
	1885-6	...	38,988	38,988
	1886-7	...	39,819	39,819
	1887-8	...	32,460	32,460
	1888-9	...	34,595	34,595
	1889-90	...	35,166	35,166
	1890-91	...	38,468	38,468
1891-2	...	33,803	33,803	
Mint subsidy † ...	1882-3	20,000	...	20,000
	1883-4	20,000	...	20,000
	1884-5	20,000	...	20,000
	1885-6	20,000	...	20,000
	1886-7	20,000	...	20,000
	1887-8	20,000	...	20,000
	1888-9	20,000	...	20,000
	1889-90	20,000	...	20,000
	1890-91	20,000	...	20,000
1891-2	20,000	...	20,000	
Aborigines ...	1882-3	...	7,498	7,498
	1883-4	...	10,857	10,857
	1884-5	...	10,500	10,500

\* See footnote (§) on page 123.

† The annual subsidy to the Mint is £20,000; portion of this sum, however, has been repaid each year to the revenue.—See page 100 *ante*, under the head "Mint subsidy returned."

HEADS OF EXPENDITURE, 1882-3 TO 1891-2—*continued*.

Heads of Expenditure.	Year.	Expenditure from—		Total.
		Special Appropriations.	Votes.	
		£	£	£
Aborigines— <i>continued</i>	1885-6	...	10,514	10,514
	1886-7	...	10,508	10,508
	1887-8	...	10,982	10,982
	1888-9	...	10,949	10,949
	1889-90	...	9,761	9,761
	1890-91	...	8,692	8,692
	1891-2	...	6,745	6,745
Miscellaneous services*	1882-3	4,000	35,177	39,177
	1883-4	4,000	30,567	34,567
	1884-5	4,000	25,851	29,851
	1885-6	4,000	43,569	47,569
	1886-7	2,234	38,107	40,341
	1887-8	750	149,065	149,815
	1888-9	938	229,313	230,251
	1889-90	1,902	211,920	213,822
	1890-91	5,727	96,887	102,614
1891-2	15,438	40,117	55,555	
TOTAL EXPENDITURE PROPER	1882-3	1,423,014	4,220,871	5,643,885
	1883-4	1,472,124	4,181,169	5,653,293
	1884-5	1,688,706	4,432,858	6,121,564
	1885-6	1,816,615	4,696,925	6,513,540
	1886-7	1,790,546	4,770,705	6,561,251
	1887-8	1,962,804	5,324,347	7,287,151
	1888-9	2,050,551	5,869,351	7,919,902
	1889-90	2,449,648	7,196,089	9,645,737
	1890-91	2,333,191	6,795,508	9,128,699
	1891-2	2,660,335	5,822,582	8,482,917
Amounts to be recouped from loans, etc.	1882-3	...	8,000	8,000
	1883-4	...	62,000	62,000
	1884-5	...	18,792	18,792
	1887-8	...	55,265	55,265
	1888-9	...	116,906	116,906
	1889-90	...	...	...
	1890-91	...	137,768	137,768
1891-2	...	...	...	

\* Except £888 in 1886-7, £200 in 1887-8, £2,602 in 1890-91, and £4,000 in 1891-2, the amounts in the column for Special Appropriations represent the unexpended balances of the Pension Fund (Schedule D, Part V.), repaid each year to the revenue. The following exceptional amounts are also included in the Votes for the years named:—In 1887-8, £100,000, and in 1888-9, £178,694 towards the expenses of the Melbourne Centennial International Exhibition; £149,984 in 1889-90 for advances to Shires for the erection of rabbit-proof fencing; also cost of census, £18,481 in 1890-91, and £3,470 in 1891-2. The special expenditure—to be recouped from the Land Sales by Auction Fund—has been deducted since last issue, as the amounts expended will in time be defrayed by amounts paid annually to that fund, and included in the general expenditure. The amount expended out of that account in excess of receipts was £404,166 at the end of 1891-2. See table following paragraph 203 *post*.

## HEADS OF EXPENDITURE, 1882-3 TO 1891-2—continued.

Heads of Expenditure.	Year.	Expenditure from—		Total
		Special Appropriation.	Votes.	
		£	£	£
Special Expenditure (Recouped from sale of Melbourne Police Court)*	1888-9	...	39,424	39,424†
	1889-90	...	25,264	25,264†
	1890-91	...	44,217	44,217†
	1891-2	...	20,139	20,139
GRAND TOTAL EXPENDITURE‡	1882-3	1,423,014	4,228,871	5,651,885
	1883-4	1,472,124	4,243,169	5,715,293
	1884-5	1,688,706	4,451,650	6,140,356
	1885-6	1,816,615	4,696,925	6,513,540
	1886-7	1,790,546	4,770,705	6,561,251
	1887-8	1,962,804	5,379,612	7,342,416
	1888-9	2,050,551	6,025,681	8,076,232
	1889-90	2,449,648	7,221,353	9,671,001
	1890-91	2,333,191	6,977,493	9,310,684
	1891-2	2,660,335	5,842,721	8,503,056

200. Of the total expenditure proper in 1891-2, over £2,660,000, or over 31 per cent., was under the head of Special Appropriations, which being permanently provided for under various Acts of Parliament other than the annual *Appropriation Act*, are not required to be voted annually. It will be observed that the expenditure under such appropriations increased in 1891-2 as compared with the previous year by over £327,000, although that under Votes decreased by £973,000. In reference to these figures, however, it should be pointed out that about £160,000 (net) was paid out of special appropriations in 1891-2, which in the previous year came under the head of Votes, viz., £225,000 on account of municipal subsidy, less £65,500 charged to Votes on account of Victorian Defences—the special appropriation having lapsed during the year. The principal actual increases under Special Appropriations were nearly £70,000 under the head of Interest, consequent on the growth of the Public Debt; £22,000 under Legislature, by reason of the constitution of the new Railways

\* Chiefly for extension and improvement of Law Courts and Offices. See paragraph 202 *post*.

† Figures amended since last publication, the amount now provided for by the *Land Sales by Auction Fund* having been deducted.

‡ Not including £18,000 in 1882-3, and £10,100 in 1883-4, towards the redemption of Treasury bonds.



Standing Committee, of a general election having taken place in 1891-2, and of the cost of administering the *Purification of Rolls Act* 1891; £15,000 under the heads of Retiring Allowances, Gratuities, etc.; and £10,000 under Agriculture, on account of bonuses granted for various home products. Moreover, an entirely new appropriation of £75,356 (being two years' contributions) towards the maintenance of the Australasian Naval Forces is included under the head of Defences, which nevertheless shows little or no increase under either special appropriations or votes, owing to a corresponding falling-off under other items—chiefly Defence Works. This new appropriation was only slightly larger than the moiety of the appropriation for Victorian Defences which lapsed during the year (£72,700)—portion of which was voted instead, hence the slight difference between the amounts set down for the two years. A falling-off of nearly £100,000 under Railways is largely counterbalanced by an amount of £73,600 appearing under the new head, "Land Sales by Auction Fund," into which the proceeds of land sales have been temporarily diverted from the Railway Construction Account. The large isolated amount appearing under Public Works in 1891-2 represents the second moiety of the annual municipal subsidy—recently fixed at £450,000 (although owing to retrenchment only £380,000 was paid in 1891-2)—which has been specially authorized by the *Local Government Act* 1891. The balance is included under Votes.

201. From the figures in the last table, it would appear that a large growth of the ordinary expenditure has taken place since 1886-7, for in that and the preceding year the expenditure stood uniformly at about  $6\frac{1}{2}$  millions sterling, whilst the increase in the five years ended with that date was £1,415,000; whereas in 1891-2, or five years subsequently, it reached nearly  $8\frac{1}{2}$  millions, or over £1,900,000 more than in 1886-7. Relatively to the amounts expended, however, the increase was little more than 29 per cent. in the latter, as compared with 27 per cent. in the former, quinquennium; although the population increased at a somewhat slower rate at the second than at the first period. The ordinary revenue, on the other hand, increased during the second period by about £1,000,000, and thus the growth of the expenditure exceeded that of the revenue by £900,000; with the result that whereas in 1886-7 there was a surplus of revenue on the year's transactions of £172,600, in 1891-2 there was a deficiency of

Increase of  
expendi-  
ture in  
recent  
years.

£753,000, as already shown.\* Four-fifths of the increased expenditure, or £1,652,000, was confined to six branches, viz., Railways £687,000—the length open for traffic having increased by 1,038 miles, or 58 per cent.; Interest† on fresh loans, contracted chiefly for railway construction, £456,000; Public Instruction, etc., £186,500, of which £123,000 was increased cost of State education, and £22,000 was an addition to the grant to Technological Schools, and £7,000 to the Public Library, Museums, etc.; Post and Telegraphs £170,200, of which, however, £27,000 was on account of Interest on Savings Banks Deposits, £14,300 on account of Telephone Exchanges (purchased in the interval), and £15,500 was for guarantee to Cable Companies to cover loss arising from reduced rates to Europe Miscellaneous Public Works £81,900,‡ of which £70,000 was an addition to the municipal subsidy; Agriculture £70,000, of which the Agricultural, Dairying, and other industries were responsible for £44,500, and the Rabbit Pest for £12,400. Under the head of Legislature there was an increase of £38,700, of which nearly £9,000 was due to the cost of administering the new *Purification of Rolls Act*, about £14,000 to Electoral Expenses, and nearly £9,000 to the creation in 1891-2 of the new Railways Standing Committee; but the second of these differences would be reduced by about £9,000 if allowance be made for no general election having taken place in 1886-7. Of an increase of £21,000 in the Civil Establishment, £5,700 was on account of the creation of the new Department of Marine Board. The cost of Police Protection increased by £50,000; but, owing to the stoppage of Defence Works, the Defences cost less by £7,000, notwithstanding the payment for the first time in 1891-2 of £72,356 (including arrears for previous year £37,723) towards the cost of maintaining the Australasian Naval Forces. Moreover, an increase of £15,200 under the head of Miscellaneous was more than counterbalanced by the exceptional item of £8,500 towards the expenses of the census 1891, and the increased payments in 1891-2 on account of Fire Brigades—£8,800; the management of the latter having been transferred in the interval from private control to Corporate Boards. The following is a summary of the increases under the principal heads, distinguishing those under Special Appropriations from those under Votes:—

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\* See paragraph 173 *ante*.

† Including £12,284 for redemption of loans (non-recurring).

‡ Including payment of £73,599 to Land Sales by Auction Fund.

## INCREASE IN EXPENDITURE, 1891-2, AS COMPARED WITH 1886-7.

Heads of Expenditure.	Increase under—		Total Increase.
	Special Appropriations.	Votes.	
	£	£	£
Civil List ... ..	307	5,500	5,807*
Legislature ... ..	32,177	6,512	38,689
Civil Establishment ... ..	1,232	19,635	20,867
Retiring Allowances and Pensions ... ..	54,843	-1,022	53,821†
Gratuities, Compensations, etc. ... ..	12,557	7,930	20,487†
Judicial and Legal ... ..	-725	24,643	23,918
Police ... ..	...	50,236	50,236
Gaols and Penal Establishments ... ..	...	5,785	5,785
Defences ... ..	37,830	-44,766	-6,936
Public Instruction, Science, etc. ... ..	...	186,501	186,501
State School Buildings ... ..	...	5,904	5,904
Charitable Institutions, Medical, etc. ... ..	...	31,586	31,586
Crown Lands ... ..	...	-13,938	-13,938
Agriculture, etc. ... ..	44,145	26,414	70,559‡
Mining ... ..	...	22,726	22,726
Railways ... ..	-66,650§	753,911	687,261
Water Supply ... ..	...	-1,256	-1,256
Other Public Works ... ..	298,599§	-216,720	81,879
Post and Telegraphs ... ..	-1,355	171,555	170,200
Interest and Expenses of Public Debt ... ..	443,625	12,266	455,891
Customs ... ..	...	6,244	6,244
Harbours and Lights ... ..	...	-6,016	-6,016
Aborigines ... ..	...	-3,763	-3,763
Miscellaneous Services ... ..	13,204	2,010	15,214
Total ... ..	869,789	1,051,877	1,921,666

NOTE.—The minus sign (—) signifies decrease.

202. Besides the ordinary expenditure on public works, certain other sums were also authorized during the last four years with a view, in the first instance, of being finally charged, not to the consolidated revenue as usual, but to a special fund—specifically created for the purpose—to be derived from the sale of the old City Police Court, of the Metropolitan Lunatic Asylums Grounds (384 acres in Kew, and 350 acres at Yarra Bend), and of certain low-lying lands after drainage and reclamation. Although a considerable portion of the proceeds was authorized to be set apart for public works and buildings of a general character, yet the greater portion was for the purchase of land and erection of buildings to be used for similar purposes as the lands and buildings to be sold, such for example as extension of the Law Courts and offices, and the erection of a new and improved Lunatic Asylum on a less valuable site, whilst the cost

\* New Guinea contribution in 1886-7, £4,693, not paid.

† Partly due to compulsory retirement of sexagenarians.

‡ Including agricultural bonuses, etc. (£44,499).

§ Decrease under Railways, and portion of the increase under Public Works, due to the usual contribution to the Railway Construction Account in 1891-2 (£73,599) being transferred to the Land Sales by Auction Fund.

|| Including £12,284 for redemption of loans (non-recurring).

of reclaiming the low-lying lands was to be simply recouped out of the profits arising from the lands when sold. Partly on this account, and partly because the expenditure was of a non-recurring character, it was deemed advisable by the Treasurer of the day to keep the transactions altogether apart from the ordinary annual accounts of expenditure; and they are distinguished in this work as "Special Expenditure." Subsequently, in November, 1891, when it was found that the expenditure had considerably overtaken the receipts—the excess having been advanced in anticipation out of the public account—and that there was no prospect of realizing on the unsold lands set apart for a considerable time, it was decided by an Act of Parliament (55 Vict. No. 1213) to provide for such expenditure as had not been recouped, out of a fund called the Lands Sales by Auction Fund, into which were to be paid all moneys arising from the sale of land by auction (these being thereby diverted from the Railway Construction Account,\*) until the sum of £1,084,750—the amount authorized for expenditure—should have been paid in. The amount spent in 1891-2 was £160,758, as compared with £225,804 in the previous year; and the total amount expended up to the 30th June, 1892, was £617,765, of which £129,044 was defrayed out of the proceeds of the sale of the City Police Court (which realized £140,000), whilst the remainder, £488,721, is charged to the Land Sales by Auction Fund. The following are the particulars:—

## SPECIAL EXPENDITURE TO 1891-2.

Heads of Expenditure.	Total Amount Authorized.	Amount Expended.			
		Prior to 1890-91.	1890-91.	1891-2.	Total.
<i>Recouped from Sale of City Police Court.</i>	£	£	£	£	£
Purchase of land in vicinity of Law Courts	140,000	13,725	...	20,139	33,864
Extension of Titles Office ...		23,539	3,248	...	26,787
Purchase of land in Post Office Place		20,000	...	...	20,000
Purchase of land for Law Offices		7,424	40,969	...	48,393
Total ... ..	140,000	64,688	44,217	20,139	129,044
<i>To be Recouped from Land Sales by Auction Fund.</i>					
Parliament Buildings—Completing west front additions, etc.	100,000	15,450	28,791	10,176	54,417
Public Offices at (Sandhurst) Bendigo	32,000	59,787	9,293	3,079	72,159

\* See footnote (†) on page 122 ante.

## SPECIAL EXPENDITURE TO 1891-2—continued.

Heads of Expenditure.	Total Amount Authorized.	Amount Expended.			
		Prior to 1890-91.	1890-91.	1891-2.	Total.
<i>To be Recouped from Land Sales by Auction Fund—(continued).</i>	£	£	£	£	£
Defence Works and Buildings ...	60,000	...	...	29,610	29,610
Melbourne University—In aid of building the Biological, Chemical, and Mechanical Laboratories	95,000	10,500	...	...	10,500
State School Buildings ...	60,000	...	...	26,307	26,307
Public Library, Museum, and National Gallery—Additions to buildings	90,000	...	37,000	1,441	38,441
National Museum ...	12,000	...	...	...	...
Ballarat National Gallery ...	10,000	...	...	...	...
Bendigo (Sandhurst) National Gallery	10,000	...	...	...	...
Lunatic Asylums ...	235,000	6,509	15,306	5,304	27,119
Agricultural Colleges and Farm Schools	25,000	...	...	...	...
<b>Drainage and Reclamation Works—</b>					
Elwood Swamp ...	80,000	29,595*	12,690	21,226	63,511
Koo-Wee-Rup Swamp ...	60,000	18,915	11,442	19,328	49,685
Moe Swamp ...	51,000	15,496*	5,982	9,147	30,625
Crown Lands generally ...	6,750	...	...	6,098	6,098
Port Melbourne Lagoon† ...	61,000	9,263	29,999	8,705	47,967
Harbour Works, Warrnambool ...	96,000	...	31,084	198	31,282
Cemetery at Frankston ...	1,000	1,000	...	...	1,000
<b>Total ...</b>	<b>1,084,750‡</b>	<b>166,515</b>	<b>181,587</b>	<b>140,619</b>	<b>488,721</b>
<b>Grand Total ...</b>	<b>1,224,750</b>	<b>231,203</b>	<b>225,804</b>	<b>160,758</b>	<b>617,765</b>

203. The special expenditure is charged to two separate funds, viz., the City Police Court Fund and the Land Sales by Auction Fund. On the 30th June, 1892, the transactions resulted in a credit balance of nearly £11,000 in the former, and a debit balance of over £415,000 in the latter account. These balances, together with the receipts and expenditure up to the date referred to, are shown in the following table:—

Special receipts and expenditure to 30th June, 1892.

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

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

‡ By an Act passed in September, 1893, this appropriation was reduced to £678,624.

## SPECIAL RECEIPTS AND EXPENDITURE TO 30TH JUNE, 1892.

Fund.	Receipts.	Expenditure.	Balance.	
			Dr.	Cr.
	£	£	£	£
City Police Court Fund ...	140,000	129,044	...	10,956
Land Sales by Auction Fund ...	73,599	488,721	415,122	...
Total ...	213,599	617,765	404,166*	...

New special appropriations, 1884-5 to 1891-2.

204. During the last eight years the total sums specially appropriated by Acts of Parliament to be expended annually have amounted to £868,577, but as £110,000 of this is merely to continue a lapsed appropriation for Defences, and a further £80,000 is virtually a transfer from the Railway Construction Account to the Land Sales by Auction Fund, the net increase is only £678,577. But from this would also have to be deducted the appropriation in 1889-90 of £145,000 for Defences, which lapsed during 1891-2, unless a fresh appropriation be made in lieu thereof. In 1891-2 the new appropriations amounted to £551,900, of which £450,000 was an endowment to municipalities, which had been dependent for a subsidy on the annual votes of Parliament since 1879-80, when the previous endowment, then £310,000 per annum, lapsed. In 1891-2 also, there were paid the first two annual contributions under an appropriation for Australasian Naval Forces authorized in the previous year. The following is a statement of the new appropriations during the eight years referred to:—

ADDITIONAL SPECIAL APPROPRIATIONS AUTHORIZED,  
1884-5 TO 1891-2.

Authorization.		Purpose for which Authorized.	Approximate Annual Amount.
Year.	Act.		
1884-5 ...	48 Vict. No. 807	Addition to Agent-General's salary Proceeds of land sales by auction paid to "Railway Construction Account"	£ 500
	48 Vict. No. 812		80,000
Total ...		...	80,500
1885-6 ...	49 Vict. No. 835	Interest on payment out of Assurance Fund (Government Trust Fund) for purchase of land near Titles Office	3,000

\* Net figures.

**ADDITIONAL SPECIAL APPROPRIATIONS AUTHORIZED,  
1884-5 TO 1891-2—continued.**

Authorization.		Purpose for which Authorized.	Approximate Annual Amount.
Year.	Act.		
1885-6— <i>continued</i>	{ 49 Vict. No. 844 49 Vict. No. 870	Additional Judge of Supreme Court	£ 3,000
		Commissioner of Audit—Pension ...	650
		Total ...	6,650
1886-7 ...	...	...	Nil
1887-8 ...	...	...	Nil
1888-9 ...	52 Vict. No. 965	Marine Board ...	1,200
1889-90 ...	52 Vict. No. 1000	Defences—Works, etc. ...	145,000*
1890-91 ...	{ 53 Vict. No. 1046 54 Vict. No. 1083 54 Vict. No. 1200	Agricultural Bonuses, etc. ...	34,227†
		Australasian Naval Forces ...	37,700
		Fire Brigades ...	11,400
		Total ...	83,327
1891-2 ...	{ 55 Vict. No. 1213 55 Vict. No. 1230 55 Vict. No. 1243 55 Vict. No. 1242	Land Sales by Auction Fund ...	80,000‡
		Railways Standing Committee ...	8,900
		Municipal Endowment ...	450,000§
		Purification of Rolls ...	13,000
		Total ...	551,900
		Net increase in eight years	678,577

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

205. In order to promote the agricultural, dairying, fruit, and wine industries, there has been appropriated during the last three years an amount of £233,000, of which £171,000 was to be distributed as bonuses under Regulations framed by the Governor-in-Council. The expenditure to the end of 1891-2 on these objects amounted to £86,068, of which £44,500 was paid away during that year, and there remained a balance unappropriated of £146,932. The following are the particulars:—

Grants to agricultural, dairying, and other industries.

\* This is to replace the appropriation of £110,000 of 1883-4, which lapsed by effluxion of time. This appropriation also lapsed on the 31st December, 1891.

† Expenditure during year out of a total appropriation of £225,659.

‡ Proceeds of land sales temporarily diverted from "Railway Construction Account," *supra*.

§ Previously paid out of votes.

## GRANTS FOR PROMOTING AGRICULTURAL AND OTHER INDUSTRIES.

Heads of Expenditure.	Total Amount Authorized.	Amount Expended.		Balance available 1st July, 1892.
		During 1891-2.	Total to end of 1891-2.	
	£	£	£	£
Bonuses to growers of grapes, fruits, and general vegetable products... }	55,000	5,689	5,876	49,124
Bonuses to factories for fruit canning and drying, dairying, raisin and currant making, vegetable oil making; preparing hemp, flax, silk, etc., for the manufacturer ... }	37,000	3,202	12,265	24,735
Bonuses for dairy produce, and fruits of best quality and in best order, exported to foreign markets ... }	79,000	28,156	50,174	28,826
For the importation of new varieties of seeds and plants ... }	3,000	67	243	2,757
For supplying instruction in connexion with the introduction of new vegetable products, and the improvement of existing agricultural methods ... }	43,000	5,251	13,528	29,472
For the introduction of new machinery and appliances to perfect the treatment of new agricultural products, and to improve present agricultural methods, and for prizes for new inventions in general agricultural appliances ... }	4,000	146	501	3,499
For publishing agricultural reports in connexion with the educational work of the experts, etc. ... }	11,000	1,988	3,481	7,519
For the encouragement of planting and cultivating forest trees of an economic character ... }	1,000	...	...	1,000
Total ...	233,000	44,499	86,068	146,932

Expenditure  
of loans,  
etc.

206. In addition to the ordinary expenditure from revenue, large sums are annually disbursed for various purposes from amounts raised by means of loans. The following table shows the details of such expenditure prior to 1886-7, and during each subsequent year. This is intended to supplement the table of ordinary expenditure by exhibiting those items which, having never been, or having ceased to be, a charge on the general revenue, are treated in separate accounts:—



## EXPENDITURE OF NET PROCEEDS OF LOANS TO 30TH JUNE, 1892.

Purposes of Expenditure.	Amounts Expended.*							
	Prior to 1886-7.	1886-7.	1887-8.	1888-9.	1889-90.	1890-91.	1891-2.	Total.
	£	£	£	£	£	£	£	£
Railways .. ..	22,171,492	1,711,160	1,774,721	3,083,211	2,333,087	2,786,562	613,157	35,073,390
Water Supply—†								
Melbourne † ..	1,804,424	148,356	277,749	222,343	434,416	124,037	165,968	3,177,293
Country ..	2,644,085	225,638	184,813	261,725	361,855	503,520	272,529	4,454,165
Law Courts & Parliament Houses	448,987	32,770	44,954	37,563	25,270	229	..	589,773
Public Offices ..	162,280	..	..	..	..	..	..	162,280
Defences .. ..	98,299	..	..	..	..	..	..	98,299
State School Buildings	1,013,933	49,284	..	..	..	..	..	1,063,217
Yarra Bridge ..	28,050	42,561	25,391	12,524	..	..	..	§ 108,526
Alfred Graving Dock	341,819	..	..	..	..	..	..	341,819
Harbour Works, etc.	81,159	47,856	53,344	54,279	18,095	13,076	65	267,874
<b>Total</b> .. ..	<b>28,794,528</b>	<b>2,257,625</b>	<b>2,360,972</b>	<b>3,671,645</b>	<b>3,772,723</b>	<b>3,427,424</b>	<b>1,051,719</b>	<b>45,336,636</b>

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

207. Nearly a tenth of the expenditure payable from the General Revenue consists of subsidies, grants, endowments, etc. The whole amount paid in 1891-2 in this manner was £903,500, of which £380,000 was paid to municipalities, over a seventh to charitable institutions, and nearly a ninth in aid of the mining industry. This does not include the annual grant for free public instruction, which amounted to about £744,000; or for the maintenance of the Government charitable institutions—such as the hospitals for the insane, the industrial and reformatory schools, and inebriate asylums—which amounted to nearly £156,500. The following is a statement of the amounts paid in 1891-2 under the various heads:—

## SUBSIDIES, GRANTS, ENDOWMENTS, ETC., 1891-2.

Subsidy to Municipalities .. .. .	£380,000
<i>Educational Grants, etc.—</i>	
Melbourne University—Endowment under Act .. .. .	9,000
"  "  "  Additional Endowment voted .. .. .	8,250
"  "  "  Grant in aid of Laboratories .. .. .	3,500
College of Pharmacy .. .. .	1,000
Technological Schools—Maintenance, etc. .. .. .	19,700
"  "  Buildings .. .. .	9,600

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

† For further particulars, see Waterworks in Part "Production," in the second volume.

‡ Works handed over to the Melbourne and Metropolitan Board of Works on the 1st July, 1891.

§ Net charge after deducting contributions by the Melbourne City Council, and the Melbourne Tramways Trust, amounting to £49,034. The temporary bridge cost £11,865, the new bridge £96,428, and works in connection therewith £47,000.

|| Including £58,618 expenditure on works for opening the sea entrance to the Gippsland Lakes.

SUBSIDIES, GRANTS, ENDOWMENTS, ETC., 1891-2—*continued.**Educational Grants, etc.—*

Public Libraries, etc. (including Melbourne Public Library)	£47,400
Grant to Royal Society	500
„ Victorian Artists' Society	200
„ Fine Arts Galleries, Ballarat, Bendigo, etc.	1,200
„ Zoological and Acclimatisation Society, etc.	4,200
Grant to Charitable Institutions	122,000
„ Animals' Protection Society	250

*Post and Telegraphs—*

Subsidy—Foreign Mail Service (including payments to other Governments)	42,700*
„ Maintenance of telegraph line between Port Darwin and Penang	14,000
Guarantee on account of reduced rates for Telegrams to Europe	15,500

*Mining, Agricultural, and other Industries—*

Mining Boards	3,500
Mint Subsidy	20,000†
Diamond Drills—Purchase and working expenses of	} 78,400
Grant to assist miners in prospecting operations	
„ Agricultural and Horticultural Societies, etc.	25,900
Bonuses, etc., in aid of Agricultural and other Industries	44,500
Towards extermination of animal pests	39,900

*Defences—*

Prizes to Rifle Associations, etc.	2,714
Supply of Ammunition to Rifle Clubs, Cadet Corps, etc.	3,000

*Miscellaneous—*

Exhibitions	400
Exhibition Trustees, expenses of	4,700
Imperial Institute	1,500

Total ... .. £903,514

Expenditure  
on public  
instruction.

208. 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 twelve and three-quarter millions sterling have been expended by the State in giving effect to its provisions. Of this amount about a sixth was for the erection, maintenance, and rent of school buildings; and the remainder—viz., over ten and a half millions—represents the cost of education, including that of office staff, inspection, instruction, pensions, gratuities, and contingencies, for the last twenty years. The following table shows the expenditure under those heads for each year from 1872-3 to 1891-2, also the total for the period:—

\* A set-off against this amount appears in the account of Postal Revenue, under the head of "Postages Collected," etc., which reduces the ultimate net cost considerably.

† As a set-off against this item there appear in the Revenue certain sums for Mint subsidy returned, and Mint charges, which reduced the annual cost of the Mint to about £4,250 per annum.

## EXPENDITURE ON PUBLIC INSTRUCTION,\* 1872-3 TO 1891-2.

Year.	Cost of Instruction including Salaries and Contingencies.	Pensions and Gratuities.	Cost of Erection† and Maintenance, and Rent of School Buildings.	Total.
	£	£	£	£
1872-3 ...	217,704	208	8,759	226,671
1873-4 ...	347,641	500	154,976	503,117
1874-5 ...	367,898	500	191,440	559,838
1875-6 ...	423,694	555	126,700	550,949
1876-7 ...	439,723	2,155	172,890	614,768
1877-8 ...	469,547	2,760	245,454	717,761
1878-9 ...	519,545	6,134	96,769	622,448
1879-80 ...	503,923	10,366	81,884	596,173
1880-81 ...	515,644	6,726	104,625	626,995
1881-2 ...	526,397	8,321	76,911	611,629
1882-3 ...	517,849	9,167	82,225	609,241
1883-4 ...	522,063	9,849	62,015	593,927
1884-5 ...	524,226	13,036	92,393	629,655
1885-6 ...	563,426	14,271	68,136	645,833
1886-7 ...	570,292	17,043	67,908	655,243
1887-8 ...	600,271	16,718	80,683‡	697,672‡
1888-9 ...	630,426	20,563	101,692‡	752,681‡
1889-90 ...	675,345	22,117	128,461‡	825,923‡
1890-91 ...	700,034	33,215	112,309	845,558
1891-2 ...	711,633	37,928	64,868§	814,429
Total ...	10,347,281	232,132	2,121,098	12,700,511

\* NOTE.—Besides the amounts in this table, subsidies are voted each year to the University, Schools of Mines, Schools of Design, etc. For particulars, see page 111 *ante*.

209. It will be observed that the actual cost of instruction increased rapidly until 1878-9; that during the seven years, 1878-9 to 1884-5, it remained tolerably uniform at £520,000 per annum, but during the last seven years it has increased by £190,000. During the ten years ended with 1887-8, the annual expenditure on school buildings had, with one exception, been below £100,000, but in each of the three years ended with 1890-91 it exceeded that amount. It may be remarked that prior to 1872-3 the total annual expenditure on public instruction was under £200,000.

Cost of system at different periods.

210. 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,

Expenditure on immigration.

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

† Including expenditure from loans; also £33,242 expended in the last four years on the Teachers' Training Institute.

‡ Amended since last publication. The figures for 1887-8 and 1888-9 now include £58,265 and £60,000 respectively, advanced in those years in anticipation of loans, but finally charged to the revenue in 1889-90. In the detailed accounts of expenditure, *ante*, these amounts are included in the expenditure for 1889-90.

§ Including £26,307 paid out of the Land Sales by Auction Fund.

however, it has not been the policy of the State to devote money to this object, and little or nothing was so spent during the last seven, and only £65 during the last ten, years.\*

Expenditure on immigration in Australasian colonies.

211. In 1891 the only Australasian colony which continued to expend large sums on the introduction of immigrants was Queensland, but even that colony spent over £50,000 less in 1891 than in the previous year. Nearly £34,000 was spent by the colonies on immigration in 1891, of which Queensland contributed four-fifths. Only £10,523, or 31 per cent. of the whole, was provided for out of ordinary revenue, the greater portion having been paid out of the loan account.† In proportion to population, the expenditure was much the highest in Queensland, where it averaged 1s. 4d. per head, the average for the whole of Australasia being slightly over 2d. per head. The following are the total amounts, and the amounts per head, expended on immigration in each colony in 1890 and 1891:—

EXPENDITURE ON IMMIGRATION IN THE AUSTRALASIAN COLONIES,  
1890 AND 1891.‡

Colony.	Expenditure on Immigration.			
	Total Amount.		Amount per Head of Population.	
	1890.	1891.	1890.	1891.
	£	£	s. d.	s. d.
Victoria ... ..	Nil.	Nil.	...	...
New South Wales ... ..	5,916	4,564	0 1	0 1
Queensland ... ..	77,618	27,458	4 0	1 4
South Australia ... ..	20	Nil.	...	...
Western Australia ... ..	1,948	Nil.	0 10	...
Tasmania ... ..	...	Nil.	...	...
New Zealand ... ..	791	1,533	...	...
Total ... ..	86,293	33,555	0 6	0 2

Expenditure on immigration in Australasian colonies, 1871-91.

212. During the twenty-one years§ ended with 1891 the subjoined amounts were spent on immigration in the following colonies:—Victoria, £80,049; New South Wales, £779,348; South Australia, £776,873; New Zealand, £2,187,957.

Expenditure on public works.

213. During the last forty-two years nearly seventy-three millions sterling have been expended—partly out of loans and partly out of the general revenue—by the Government of Victoria on public works,

\* For expenditure in each year since 1850, see edition of this work for 1890-91, Vol. I., page 118.

† See tables following paragraphs 230 and 233 *post*.

‡ For numbers of assisted immigrants in the various colonies for a series of years, see edition of this work for 1890-91, Vol. II., page 484.

§ For Victoria and South Australia 21½ years.

including railways, roads and bridges, water supply, and other works and buildings. Of this amount over two millions were spent in 1891-2. The whole is inclusive of loans to local bodies and water trusts for the construction of waterworks, but exclusive of the sums expended by the former on public works, roads, etc., and on the Port of Melbourne\* since the 1st January, 1877. The following table gives the amount expended by the State prior to and during 1891-2:—

GOVERNMENT EXPENDITURE ON PUBLIC WORKS.

Public Works.	Amount Expended.		
	Prior to 1891-2.	During 1891-2.	Total.
	£	£	£
Railways—Construction ... ..	36,341,625	743,683	37,085,308
„ Maintenance ... ..	5,174,440	412,336	5,586,776
Roads and bridges ... ..	7,515,978	38,576	7,554,554
Waterworks, Melbourne†—Construction	3,378,246	99,586	3,477,832
„ „ Maintenance	149,622	15,551	165,173
„ Country ... ..	4,331,290	365,463	4,696,753
Other public works ... ..	13,813,703	382,279	14,195,982
<b>Total ... ..</b>	<b>70,704,904</b>	<b>2,057,474</b>	<b>72,762,378</b>

214. The total amount of revenue and expenditure, and the amount of each per head of the living population, in each of the Australasian colonies are shown in the following table for the five years ended with 1891. As the financial year of Victoria terminates on the 30th June, the items for this colony are given for the six years, the last year but one being six months behind, and the last year being six months in advance, of the latest period in respect to which returns are given for the other colonies:—

Revenue and expenditure in Australasian colonies.

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	1886-7	6,733,826	6 14 7	6,561,251	6 11 2
	1887-8	7,607,598	7 7 4	7,287,151	7 1 1
	1888-9	8,675,990	8 1 1	7,919,902	7 7 1
	1889-90	8,519,159	7 14 5	9,645,737	8 14 10
	1890-91	8,343,588	7 7 3	9,128,699	8 1 1
	1891-2	7,729,572	6 13 6	8,482,917	7 6 7

NOTE.—In 1892-3, the revenue of Victoria was £6,959,229, and the expenditure £7,991,956. For the revenue and expenditure of each of the neighbouring colonies during 1892, see Appendix A., at the end of the second volume.

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

† Now under the control of the Melbourne and Metropolitan Board of Works.

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...	1887	8,582,811	8 10 10	9,098,460	9 1 1
	1888	8,886,360	8 11 7	8,778,851	8 9 6
	1889	9,063,397	8 10 0	9,250,271	8 13 6
	1890	9,498,620	8 12 5	9,403,562	8 10 8
	1891	10,036,186	8 15 6	10,328,673	9 0 8
Queensland ...	1887	3,032,463	8 15 0	3,350,049	9 13 4
	1888	3,463,097	9 11 9	3,368,405	9 6 6
	1889	3,440,249	9 3 10	3,594,626	9 12 1
	1890	3,260,308	8 9 0	3,745,217	9 14 2
	1891	3,405,987	8 8 3	3,675,332	9 1 7
South Australia ...	1887	2,014,102	6 9 6	2,145,135	6 17 11
	1888	2,494,556	7 19 9	2,376,399	7 12 3
	1889	2,270,433	7 4 9	2,355,927	7 10 2
	1890	2,557,772	8 1 1	2,579,258	8 2 5
	1891	2,829,453	8 15 6	2,768,353	8 11 8
Western Australia...	1887	377,903	9 1 3	456,897	10 19 2
	1888	357,003	8 8 9	385,129	9 2 0
	1889	382,213	8 17 7	386,000	8 19 4
	1890	414,314	8 12 10	401,751	8 7 7
	1891	497,670	9 14 3	435,623	8 10 0
Tasmania ...	1887	594,976	4 8 11	668,759	5 0 0
	1888	640,068	4 13 4	709,486	5 3 5
	1889	678,909	4 16 10	681,674	4 17 2
	1890	758,100	5 5 6	722,746	5 0 7
	1891	883,198	5 18 7	851,559	5 14 4
New Zealand ...	1887	3,463,495	5 16 2	3,954,290	6 12 7
	1888	4,109,815	6 15 9	3,962,912	6 10 11
	1889	3,991,919	6 10 6	3,981,721	6 10 2
	1890	4,208,029	6 15 7	4,081,566	6 11 6
	1891	4,146,231	6 11 8	4,135,544	6 11 4

Victorian statements differ from those of New South Wales.

215. It should be pointed out that the Victorian returns of revenue and expenditure are prepared on a somewhat different principle from those of New South Wales, the over-payments to the revenue, afterwards refunded, being in the Victorian statements deducted therefrom, and the net amounts only dealt with. In New South Wales, on the other hand, the refunds are not deducted from the revenue, but are placed under the head of expenditure, both revenue and expenditure being swelled thereby. It is not easy from the official statements of public accounts in New South Wales to ascertain the full extent to which this expansion of both sides of the

account occurs; but by a superficial analysis of the accounts of the year 1891, sums can be traced amounting in the aggregate to at least £262,060,\* which are included in and go to swell both the revenue and expenditure of that colony, whereas they would not be so included in Victoria, and this may possibly not be the full extent to which such differences occur. It is not known whether a similar system of cross-entry prevails in the other Australasian colonies, but it is probable such entries are not so rigidly excluded in any of the other colonies, except perhaps New Zealand, as they are in Victoria.

216. In the last year named in the table the revenue exceeded the expenditure in South Australia, Western Australia, Tasmania, and New Zealand; and this was also the case in regard to the three latter colonies, together with New South Wales, in the previous year; although two years previously (or in 1889) there were deficiencies in all the colonies except New Zealand. In South Australia the surplus in 1891 amounted to £61,100, in Western Australia to £62,047, in Tasmania to £31,639, and in New Zealand to £10,687; but, on the other hand, there were large deficiencies amounting to £753,345 in Victoria, and £292,487 and £269,345 in New South Wales and Queensland respectively, which resulted in a net deficiency in the colonies as a whole of £1,149,704 as against one in 1890 of £1,022,000. During the last five years named there has been a surplus four times in New Zealand, twice in Victoria, New South Wales, South Australia, Western Australia, and Tasmania, and once in Queensland.

Revenue and expenditure compared.

217. In the last year named in the table a larger revenue than in any previous year was raised in New South Wales, South Australia, Western Australia, and Tasmania; and a larger expenditure than in any previous year occurred in New South Wales, South Australia, and Tasmania.†

Revenue and expenditure in colonies, 1891 and former years.

218. In South Australia and Tasmania both the revenue and expenditure per head, and in New South Wales and Western Australia the revenue per head, were larger in the last year than in any of the previous years named.

Revenue and expenditure per head in colonies.

219. Although, as has been already stated,‡ the returns of Victoria and New South Wales are not strictly comparable, there can be no doubt that in all the years shown in the table the revenue and expenditure of New South Wales, in consequence of the large amount

Order of colonies in respect to revenue and expenditure.

\* Such items are as follow:—£37,023 for drawbacks and refunds of duty; £31,320 railway revenue collected for the Victoria and Queensland Governments, steamship companies, etc.; and about £193,717 being other revenue returned, etc.

† See also third folding sheet at commencement of second volume

‡ See paragraph 215 *supra*.

derived from Crown lands, exceeded that of Victoria. In both these respects the position of the two colonies named was much above that of all the others of the group. The following is the order in which the respective colonies stood in regard to the total amount they raised and expended in the last year named :—

**ORDER OF COLONIES IN REFERENCE TO REVENUE AND EXPENDITURE, 1891.**

<ol style="list-style-type: none"> <li>1. New South Wales.</li> <li>2. Victoria.</li> <li>3. New Zealand.</li> <li>4. Queensland.</li> </ol>		<ol style="list-style-type: none"> <li>5. South Australia.</li> <li>6. Tasmania.</li> <li>7. Western Australia.</li> </ol>
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Order of colonies in respect to revenue, etc., per head.

220. In regard to revenue per head, Victoria occupied a higher position in 1891 than Tasmania or New Zealand, but a lower position than any of the other colonies. Western Australia, New South Wales, and South Australia had the largest revenues per head, but Queensland stood first, and New South Wales and South Australia next, in regard to expenditure per head. The following is the order in which the colonies stood in these respects :—

**ORDER OF COLONIES IN REFERENCE TO AMOUNTS OF REVENUE AND EXPENDITURE PER HEAD, 1891.**

Revenue per head.		Expenditure per head.
<ol style="list-style-type: none"> <li>1. Western Australia.</li> <li>2. { New South Wales.</li> <li style="padding-left: 20px;">South Australia.</li> <li>3. Queensland.</li> <li>4. Victoria.</li> <li>5. New Zealand.</li> <li>6. Tasmania.</li> </ol>		<ol style="list-style-type: none"> <li>1. Queensland.</li> <li>2. New South Wales.</li> <li>3. South Australia.</li> <li>4. Western Australia.</li> <li>5. Victoria.</li> <li>6. New Zealand.</li> <li>7. Tasmania.</li> </ol>

Revenue and expenditure of Australia and Australasia.

221. Adding together the amounts of revenue and likewise the amounts of expenditure for 1891,\* it will be found that on the continent of Australia the former amounted to over 25 millions and the latter to over  $26\frac{1}{3}$  millions; also that the aggregate revenue of Australia, with the addition of that of Tasmania and New Zealand, amounted to nearly  $30\frac{1}{4}$  millions, and the aggregate expenditure to over  $31\frac{1}{4}$  millions sterling. In Continental Australia there was a deficiency on the year's transactions of almost one million and a quarter, and in the Australasian colonies as a whole of one million and a sixth. The following are the exact amounts of revenue and expenditure, also the proportions per head of population :—

\* In the case of Victoria, the figures for 1890-91 have been taken.



## REVENUE AND EXPENDITURE OF AUSTRALIA AND AUSTRALASIA, 1891.

	Revenue.		Expenditure.	
	Total Amount.	Amount per head.	Total Amount.	Amount per head.
	£	£ s. d.	£	£ s. d.
Continent of Australia ...	25,112,884	8 4 5	26,336,680	8 12 5
Ditto, with Tasmania and New Zealand	30,142,313	7 17 3	31,323,783	8 3 5

222. A comparison of the aggregate revenue of the colonies upon the Australian continent in 1873 and 1891 shows that, in the eighteen years, it had risen from £9,161,000 to £25,113,000, the increase being nearly 16 millions sterling, or 175 per cent. If the revenues of Tasmania and New Zealand be added, the sum shows an aggregate revenue for the whole of Australasia of £12,262,000 at the former and of £30,142,000 at the latter period, the increase being nearly 18 millions, or 150 per cent. In the same eighteen years the mean population of the Australian continent increased from 1,671,051 to 3,068,985, or by 84 per cent., and the population of the whole of Australasia increased from 2,062,375 to 3,847,723, or by 86 per cent.

Increased revenue of Australasia in eighteen years.

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

Heads of revenue of Australasian colonies.

## HEADS OF REVENUE IN AUSTRALASIAN COLONIES, 1891.

Heads of Revenue.	Victoria.	New South Wales.	Queensland.	South Australia.	Western Australia.	Tasmania.	New Zealand.
<b>Taxation:—</b>	£	£	£	£	£	£	£
Customs, etc. ...	2,388,961	2,168,264	1,201,685	617,590	237,686	376,130	1,552,780
Other Taxes* ...	†760,349	748,080	300,619	212,158	26,369	126,009	†626,959
<b>Total ...</b>	<b>3,149,310</b>	<b>2,916,344</b>	<b>1,502,304</b>	<b>829,748</b>	<b>264,055</b>	<b>502,139</b>	<b>2,179,739</b>
<b>Crown Lands</b> ...	519,584	2,266,636	514,352	258,996	101,980	84,145	†335,428
<b>Railways</b> ...	3,098,252	§3,407,963	1,000,082	1,285,276	63,001	168,046	1,114,055
<b>Post and Telegraphs</b> ...	†502,806	648,553	216,122	209,828	31,335	73,150	†330,662
<b>Other sources</b> ...	459,620	796,690	173,127	245,605	37,299	55,718	186,347
<b>Total ...</b>	<b>7,729,572</b>	<b>10,036,186</b>	<b>3,405,987</b>	<b>2,829,453</b>	<b>497,670</b>	<b>883,198</b>	<b>4,146,231</b>

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

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

‡ Inclusive of revenue from gold-fields, £18,215.

§ Inclusive of tramways £300,579, but exclusive of revenue collected for Victoria for traffic beyond Albury, etc., £31,320.

|| Including revenue returned to the extent of at least £262,060. See footnote to paragraph 215 ante.

HEADS OF REVENUE IN AUSTRALASIAN COLONIES, 1891  
—continued.

Heads of Revenue.	Proportions per cent.						
	Victoria.	New South Wales.	Queensland.	South Australia.	Western Australia.	Tasmania.	New Zealand.
Taxation :—							
Customs, etc. ...	30·91	21·61	35·28	21·83	47·76	42·58	37·45
Other Taxes ...	9·83	7·45	8·83	7·50	5·30	14·27	15·12
Total ...	40·74	29·06	44·11	29·33	53·06	56·85	52·57
Crown Lands ...	6·72	22·58	15·10	9·15	20·49	9·53	8·09
Railways ...	40·09	33·96	29·36	45·42	12·66	19·03	26·87
Post and Telegraphs ...	6·50	6·46	6·35	7·42	6·30	8·28	7·98
Other sources ...	5·95	7·94	5·08	8·68	7·49	6·31	4·49
Total ...	100·00	100·00	100·00	100·00	100·00	100·00	100·00

NOTE.—The figures of revenue and expenditure for Victoria are for the twelve months ended 30th June, 1892, but those for the other colonies are for the calendar year 1891. Refunds of revenue, drawbacks, and such similar entries, are rigidly excluded from the accounts of revenue and expenditure of Victoria and New Zealand, but are included in those of New South Wales and Queensland; also, it is believed, in those of some of the other colonies. For later information see Appendix A. at end of the second volume.

Proportion of revenue from different sources.

224. It will be observed that the proportion of revenue raised by taxation—chiefly derived from Customs duties—varied from about 29 per cent. in New South Wales and South Australia to 57 per cent. in Tasmania, the proportion in Victoria being 41 per cent., or lower than in any other colonies except the two former. The revenue from Railways also formed a very large proportion of the total revenue of all the colonies, varying from about an eighth in Western Australia to over two-fifths of the whole in Victoria and South Australia. The Crown lands revenue varied in the different colonies from 7 to 23 per cent. of the whole—the former proportion prevailing in Victoria and the latter in New South Wales; and that from Post and Telegraphs from  $6\frac{1}{3}$  to  $8\frac{1}{4}$  per cent.

Heads of revenue in Victoria and New South Wales compared

225. It will be remarked that the land revenue was nearly four and a half times as large in New South Wales as in Victoria, which item alone nearly accounts for the larger total revenue of the former colony. If the land revenue be deducted from the total revenues of the two colonies, the revenue of New South Wales, notwithstanding the cross entries in the returns of the former already alluded to, would then exceed the revenue of Victoria by only £560,000, the respective amounts for 1891 being £7,770,000 and £7,210,000. It also appears that the railway revenue of New South Wales exceeds that of Victoria by about £300,000; in the former colony it forms

one-third, and in the latter two-fifths, of the total revenue. The total taxation of Victoria was greater than that of New South Wales by only £233,000, the excess appearing chiefly under the head of Customs. As to other heads, the revenue in New South Wales from Post and Telegraphs exceeded that in Victoria by £146,000, but in connexion with this it should be remembered that official correspondence and telegrams are charged for in the former, but travel free in the latter, colony; and that the revenue from "Other Sources" was larger by about £337,000.

226. In 1891 the aggregate land revenue of the Australasian colonies amounted to £4,081,000. The following table shows the receipts from the sale and occupation of Crown lands and their proportion to the total revenue in each Australasian colony during 1891. The colonies are arranged in order according to that proportion:—

LAND REVENUE IN AUSTRALASIAN COLONIES, 1891.

Colony.	Revenue derived from Crown Lands for—			Proportion of Land Revenue to Total Revenue.
	Alienation in Fee-simple and Progressive Alienation.	Temporary Occupation and Miscellaneous.	Total.	
	£	£	£	Per cent.
New South Wales ...	1,270,512	996,124	2,266,636	22·58
Western Australia ...	26,003	75,977	101,980	20·49
Queensland ...	185,167	329,185	514,352	15·10
Tasmania ...	42,044	42,101	84,145	9·53
South Australia ...	73,552	185,444	258,996	9·15
New Zealand ...	154,297	181,131	335,428*	8·09
Victoria (1891-2) ...	392,544	127,040	519,584	6·72
Total ...	2,144,119	1,937,002	4,081,121	13·54

227. It will be noticed that nearly a seventh of the aggregate revenues of the Australasian colonies in 1891 was derived from Crown lands; and that the proportion amounted to barely a fifteenth in Victoria; about a twelfth in New Zealand; less than a tenth in South Australia and Tasmania; nearly a sixth in Queensland; and over one-fifth in New South Wales and Western Australia. It will also be remarked that in the colonies, as a whole, more than half the land revenue was derived from alienation in fee-simple.

228. In 1891, as compared with 1890, an increase of £23,600 occurred in the land revenue of New South Wales, of £12,600 in that

\* Inclusive of revenue from gold-fields, £18,215.

of South Australia, of £4,500 in that of New Zealand, and of £4,000 in that of Tasmania; whilst, on the other hand, there was a falling-off of £94,000 in that of Victoria, of £62,500 in that of Queensland, and of £5,600 in that of Western Australia. Taking the colonies as a whole, there was a net decrease in 1891 of over £117,000. Considerable fluctuations in the land revenue have taken place during the fourteen years ended with 1891, as shown in the following table, from which it will be seen that the amount received was larger than in any previous years named except 1878, 1881, 1882, 1887, 1888, and 1890, although the amount in proportion to the general revenue was much smaller in the last three than in any previous years, the proportion having fallen during the period from 33 to less than 14 per cent. :—

LAND REVENUE OF AUSTRALASIAN COLONIES,  
1878 TO 1891.

Year.	Land Revenue.	
	Total Amount.	Proportion of Total Revenue.
	£	
1878	5,814,388	33·00
1879	3,565,349	22·33
1880	3,802,143	17·50
1881	5,744,306	27·00
1882	5,458,963	25·00
1883	4,042,722	18·75
1884	4,001,028	17·50
1885	3,879,236	16·19
1886	3,560,297	14·98
1887	4,235,307	16·49
1888	4,298,326	15·02
1889	4,018,089	14·18
1890	4,198,342	14·37
1891	4,081,121	13·54

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

Sources of  
revenue in  
Australasia.

229. Of the 30 millions sterling which formed the total revenue of the Australasian colonies in 1891, close upon  $11\frac{1}{2}$  millions—or nearly two-fifths—was raised by taxation, chiefly through the Customs;  $10\frac{1}{3}$  millions—or something more than one-third—was derived from Railways; over 4 millions from Crown Lands; and more than two millions from Post and Telegraphs. The following are the exact figures, also the amounts per head, distinguishing those relating to Continental Australia from those relating to the Australasian colonies taken as a whole :—

## HEADS OF REVENUE IN AUSTRALIA AND AUSTRALASIA, 1891.

Heads of Revenue.	Continent of Australia.		Australia with Tasmania and New Zealand.	
	Amount.	Proportions per cent.	Amount.	Proportions per cent.
	£		£	
Taxation—				
Customs ... ..	6,750,797	26·88	8,679,707	28·80
Other Taxes ... ..	2,014,292	8·02	2,767,260	9·18
Total ... ..	8,765,089	34·90	11,446,967	37·98
Crown Lands ... ..	3,755,415	14·96	4,174,988	13·85
Railways ... ..	9,062,902	36·09	10,345,003	34·32
Post and Telegraphs ... ..	1,605,165	6·39	2,008,977	6·66
Other Sources ... ..	1,924,313	7·66	2,166,378	7·19
Total ... ..	25,112,884	100·00	30,142,313	100·00

NOTE.—For similar figures for 1892, see Appendix A. in the second volume.

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

Heads of expenditure of Australasian colonies.

## HEADS OF EXPENDITURE IN AUSTRALASIAN COLONIES, 1891.\*

Heads of Expenditure.	Victoria.*	New South Wales.	Queensland.	South Australia.	Western Australia.	Tasmania.	New Zealand.
	£	£	£	£	£	£	£
Railways (working expenses)	2,118,377	2,427,119†	629,138	656,087	68,348	147,896	727,609
Post and Telegraphs	756,190	694,634	344,966	193,963	41,242	78,480	253,080
Interest of Public Debt‡	1,714,416	1,905,016	1,148,047	843,260	62,724	263,853	1,597,362§
Immigration	...	4,564	5,959	...	...	...	...
Other services	3,893,934	5,297,340	1,547,222	1,075,043	263,309¶	361,330	1,557,493
Total ... ..	8,482,917	10,328,673**	3,675,332	2,768,353	435,623	851,559	4,135,544

\* The figures for Victoria are for the year ended 30th June, 1892, those for the other colonies for the year ended 31st December, 1891. For later figures see Appendix A. in the second volume.

† Inclusive of Government tramways, about £162,000; also £75,000, being first instalment towards redemption of loan of £1,000,000 for "Reconstruction and improvement of rolling-stock and permanent way."

‡ Including expenses except in the case of Queensland. The debt was borrowed chiefly for the construction of Railways and other reproductive works.

§ Exclusive of charges for the sinking fund (viz., £282,300) formerly charged to revenue, but now met by debentures raised for the purpose.

|| Further amounts on the introduction of immigrants were expended during the year out of loans, as follow:—Queensland, £21,499; New Zealand, £1,533. See Table VI., *Victorian Year-Book*, 1891-2, Vol. II., page 450.

¶ Including £14,048 paid into the Sinking Fund for the redemption of loans.

\*\* See paragraph 215 *ante*, and footnote. Treasury Bills repaid, £150,000, are not included.

HEADS OF EXPENDITURE IN AUSTRALASIAN COLONIES, 1891\*  
—continued.

Heads of Expenditure.	Proportions per Cent.						
	Victoria.	New South Wales.	Queensland.	South Australia.	Western Australia	Tasmania.	New Zealand.
Railways (working expenses)	24·97	23·50	17·12	23·70	15·69	17·37	17·59
Post and Telegraphs	8·93	6·73	9·38	7·01	9·47	9·22	6·12
Interest of Public Debt	20·20	18·44	31·24	30·46	14·40	30·98	38·63
Immigration	...	·04	·16	...	...	...	...
Other services	45·90	51·29	42·10	38·83	60·44	42·43	37·66
Total ...	100·00	100·00	100·00	100·00	100·00	100·00	100·00

Heads of expenditure in Australasian colonies compared.

231. It will be observed that the Railway expenditure was larger by nearly £309,000 in New South Wales than in Victoria, where it amounted to over £2,000,000 sterling, or nearly a fourth of the total expenditure, and the interest payable on the Public debt was larger by £190,000. In New Zealand also, which had less than one-half the revenue of Victoria, the interest on the Public debt was only £117,000 less than in Victoria. Four of the colonies have now an annual charge for interest varying from  $1\frac{1}{7}$  to nearly 2 millions sterling. In Victoria the Postal and Telegraph expenditure is now £756,000, and in New South Wales close on £695,000. The expenditure on immigration should be considered in conjunction with the loan expenditure which took place during the year.†

Proportion of expenditure on various objects.

232. It will also be noticed that about two-fifths of the total expenditure in Western Australia, nearly half in New South Wales, more than half in Victoria, nearly three-fifths in Queensland and Tasmania, and over three-fifths in South Australia and New Zealand was devoted to the working of Railways and Post and Telegraphs, and the payment of interest on the Public debt—contracted for the construction of railways and other public works. In Victoria, the Railway working expenses alone amounted to one-fourth of the total, and the interest on the Public debt to almost a fifth; the former

\* See footnote (\*) on last page.

† See footnote (||) on previous page, also table following paragraph 236 post.

being somewhat higher than in New South Wales, and much higher than in any of the other colonies, but the latter proportionately lower than in any except New South Wales and Western Australia. In New Zealand nearly two-fifths, and in Queensland, Tasmania, and South Australia nearly a third, of the whole expenditure was for interest. The proportion expended on Postal and Telegraph services, it will be noticed, varied from slightly over 6 per cent. in New Zealand, about 7 per cent. in New South Wales, and 7 per cent. in South Australia, to nearly 9 per cent. in Victoria, and to over 9 per cent. in the other colonies.

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

Heads of expenditure in Australasia.

#### HEADS OF EXPENDITURE IN AUSTRALIA AND AUSTRALASIA, 1891.

Heads of Expenditure.	Continent of Australia.		Australia with Tasmania and New Zealand.	
	Amount.	Amount per cent.	Amount.	Amount per cent.
	£		£	
Railways (working expenses)...	6,243,274	23·71	7,118,779	22·73
Post and Telegraphs ...	2,017,471	7·66	2,349,031	7·50
Interest on Public Debt, etc. ...	5,608,056	21·29	7,469,271	23·85
Immigration * ...	10,523	·04	10,523	·03
Other services ...	12,457,356	47·30	14,376,179	45·89
<b>Total ...</b>	<b>26,336,680</b>	<b>100·00</b>	<b>31,323,783</b>	<b>100·00</b>

NOTE.—The amounts in this table are summarized from statements of the amounts expended in the various colonies for the year ended 31st December, 1891; except in the case of Victoria, for which colony the amounts for the year ended 30th June, 1891, have been taken. Later figures are given in Appendix A. to the second volume.

234. In addition to the expenditure of amounts derived from the General Revenue, as shown in the last two tables, all the colonies spend large sums of borrowed money, chiefly on railways and water-works, but also, in some instances, on the construction of electric telegraphs, harbour works and lighthouses, defence works, roads and bridges, school buildings, and other public works, and on immigration. The following table shows the total loan expenditure of the various colonies during 1891, also the amounts per head:—

Loan expenditure in Australasian colonies, 1891.

\* For further amounts expended from loans during the year, see table following paragraph 236 post.

EXPENDITURE FROM LOANS IN AUSTRALASIAN  
COLONIES, 1891.

Colony.	Expenditure from Loans during year.	
	Total Amount.	Amount per Head.
	£	£ s. d.
Victoria ... ..	3,427,195	3 0 6
New South Wales ... ..	4,750,167*	4 3 1
Queensland ... ..	1,296,259	3 4 1
South Australia ... ..	488,869	1 10 4
Western Australia ... ..	77,994	1 10 5
Total ... ..	10,040,484	3 5 8
Tasmania ... ..	561,661	3 15 5
New Zealand... ..	346,324	0 11 0
Grand Total ... ..	10,948,469	2 17 1

NOTE.—In this table the figures for Victoria and South Australia relate to the year ended 30th June, 1891, those for the other colonies to that ended 31st December. For later information, see Appendix A. to the second volume.

Loan ex-  
penditure  
of different  
colonies  
compared.

235. It will be observed that the aggregate loan expenditure of the Australasian colonies in 1891, was close on 11 millions sterling, of which Victoria spent nearly  $3\frac{1}{2}$  millions, New South Wales,  $4\frac{3}{4}$  millions, Queensland about  $1\frac{1}{4}$  million, South Australia nearly  $\frac{1}{2}$  a million, and Tasmania over  $\frac{1}{2}$  a million. It will be noticed, moreover, that the loan expenditure per head of population was less in Victoria not only than in New South Wales—where it was highest—but also than in Queensland or Tasmania, although above that in any of the other colonies.

Heads of  
loan expen-  
diture in  
Australia  
and Aus-  
tralasia.

236. Of the loan expenditure of the Australasian colonies during 1891, over two-thirds was spent in the construction of railways; more than one-eighth on waterworks;  $3\frac{1}{4}$  per cent. in connexion with harbours, rivers, etc.;  $4\frac{1}{2}$  per cent. on roads and bridges; nearly  $\frac{1}{4}$  per cent. on the introduction of immigrants; and the balance (about 12 per cent.) on other services. The following are the total and proportionate amounts expended under each of these heads in Australia and Australasia respectively during 1891:—

\* Exclusive of £246,400, devoted to the repayment of loans.



## HEADS OF LOAN EXPENDITURE IN AUSTRALIA AND AUSTRALASIA, 1891.

Heads of Loan Expenditure.	Continent of Australia.		Australia with Tasmania and New Zealand.	
	Amount.	Amount per cent.	Amount.	Amount per cent.
	£		£	
Railways ... ..	6,959,957	69·32	7,358,235	67·21
Water Supply ... ..	1,409,209	14·04	1,410,102	12·88
Roads and Bridges ... ..	141,340	1·41	489,216	4·47
Harbours, Rivers, Lighthouses, etc.	353,457	3·52	358,667	3·27
Immigration ... ..	21,499	·21	23,032	·21
Other services ... ..	1,155,022	11·50	1,309,217	11·96
<b>Total ... ..</b>	<b>10,040,484</b>	<b>100·00</b>	<b>10,948,469</b>	<b>100·00</b>

237. 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, 1891.

Country or Colony.	Revenue.	
	Gross Amount.	Average per Head.*
	£	£ s. d.
<b>EUROPE.</b>		
United Kingdom (1891-2) ... ..	90,994,786	2 7 9
Gibraltar ... ..	61,136	3 4 0
Malta ... ..	275,125	1 13 4
<b>ASIA.</b>		
India (1890-91)† ... ..	85,741,649	0 7 9
Ceylon ... ..	1,309,781	0 8 8
Straits Settlements ... ..	609,862	1 3 9
Protected Malay States ... ..	728,555	1 15 4
British North Borneo ... ..	86,881	0 9 11
Sarawak ... ..	86,900	0 5 10
Labuan ... ..	6,856	1 3 5
Hong Kong ... ..	421,938	1 18 1
Cyprus ... ..	217,162	1 0 9

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

† Figures based on nominal value of rupee (2s.). The exchange value, however, does not exceed 1s. 4d.

REVENUES OF BRITISH DOMINIONS, 1891—*continued.*

Country or Colony.	Revenue.	
	Gross Amount.	Average per Head.*
	£	£ s. d.
<b>AFRICA.</b>		
Mauritius ... ..	759,565	2 1 0
Natal ... ..	1,318,769	2 8 6
Zululand ... ..	40,080	0 4 5
Cape of Good Hope ... ..	4,143,876	2 14 3
Basutoland ... ..	41,784	0 3 10
British Bechuanaland ... ..	164,300	2 14 5
St. Helena ... ..	6,874	1 13 5
Lagos ... ..	78,625	0 18 4
Gold Coast ... ..	186,022	0 1 11
Sierra Leone ... ..	89,869	1 4 0
Gambia ... ..	31,038	2 3 6
<b>AMERICA.</b>		
Canada ... ..	7,927,256†	1 12 10
Newfoundland ... ..	379,159	1 18 4
Bermuda ... ..	33,531	2 4 4
Honduras ... ..	52,528	1 13 5
British Guiana ... ..	560,201	1 18 10
West Indies—		
Bahamas ... ..	52,813	1 2 2
Turk's Island ... ..	7,354	1 11 0
Jamaica ... ..	778,615	1 4 4
St. Lucia ... ..	49,326	1 3 1
St. Vincent ... ..	27,649	0 13 6
Barbados ... ..	163,905	0 18 0
Grenada ... ..	54,018	1 0 0
Tobago ... ..	8,730	0 9 6
Virgin Islands ... ..	1,512	0 6 6
St. Christopher } ... ..	38,209	0 16 0
Nevis }		
Antigua ... ..	43,506	1 3 8
Montserrat ... ..	6,526	0 11 1
Dominica ... ..	21,533	0 16 1
Trinidad ... ..	488,219	2 8 10
<b>AUSTRALASIA AND SOUTH SEAS.</b>		
Australia, Tasmania, and New Zealand § ... ..	30,142,313	7 17 3
Fiji ... ..	71,250	0 11 4
Falkland Islands ... ..	11,551	6 9 2
Total ... ..	228,321,137	0 16 4

NOTE.—The revenue of the recently acquired Territory of British New Guinea in 1890-91 was £15,000, of which £2,674 was raised locally, and £12,326 was derived from contributions by certain of the Australasian colonies.

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

† Exclusive of Provincial Revenues amounting to about £2,400,000, which, however, probably includes over £800,000 from subsidies granted by the General Government.

§ For the revenue of each Australasian colony, see table following paragraph 214 *ante*.

238. It may be ascertained from this table that, out of 228 $\frac{1}{3}$  millions sterling, which represent the aggregate annual revenue of the British dominions, 91 per cent. is raised in the United Kingdom, India, and Australasia, the proportion contributed by each respectively being 40 per cent., 38 per cent., and 13 per cent.; moreover, 40 per cent. is raised in Europe, 39 per cent. in Asia, 3 per cent. in Africa, 5 per cent. in America, and 13 per cent. in Australasia.

Aggregate revenue of British dominions.

239. 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 the Crown lands in fee-simple and from the working of the State railways.†

Large revenues per head in Australasian colonies.

240. Besides the Australasian colonies, Gibraltar, Cape of Good Hope, Natal, Trinidad, British Bechuanaland, and the Falkland Islands were the only British possessions which raised larger amounts per head than the United Kingdom.

Revenue per head in colonies and United Kingdom.

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

Revenues of foreign countries.

#### REVENUES OF FOREIGN COUNTRIES.

Country.	Year.	Revenue.	
		Gross Amounts (000's omitted).	Amount per Head. †
EUROPE.		£	£ s. d.
Austria-Hungary ... ..	1893	82,116,§	1 18 5
Belgium ... ..	"	13,784,	2 4 11
Denmark ... ..	1891	3,156,	1 9 1
France (including Algeria) ... ..	1892	131,675,	3 2 4

\* For the revenue of each Australasian colony, see table following paragraph 214 *ante*.

† For a comparison of the railway revenues and land revenues of the Australasian colonies with the total revenues, see paragraphs 223 to 226 *ante*.

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

§ This amount is made up of estimates for 1893 of £48,593,000 for Austria, and £33,523,000 for Hungary. The florin has been assumed to be equal to 1s. 8d.

REVENUES OF FOREIGN COUNTRIES—*continued.*

Country.	Year.	Revenue.	
		Gross Amounts (000's omitted).	Amount per Head.*
EUROPE— <i>continued.</i>			
		£	£ s. d.
Germany .. ...	1890-92	151,087,†	3 1 2
Greece ... ..	1892	4,142,	1 17 10
Holland ... ..	"	10,830,	2 6 10
Italy ... ..	1892-3	66,645,	2 3 11
Portugal ... ..	"	10,513,	2 8 10
Roumania... ..	"	7,029,	1 5 7
Russia in Europe ... ..	1891	87,042,	0 17 10
Spain ... ..	1892-3	29,918,	1 14 1
Sweden and Norway ... ..	1892	8,129,‡	1 3 11
Switzerland ... ..	"	2,760,	0 18 11
Turkey ... ..	1888-9	16,650,	0 12 0
ASIA.			
Japan ... ..	1892-3	12,441,	0 6 2
AFRICA.			
Egypt ... ..	1891	10,864,	1 11 10
Tunis ... ..	"	1,340,	0 17 10
AMERICA.			
Argentine Confederation ... ..	1891	14,630,	3 11 7
Brazil ... ..	1892	23,399,	1 13 5
Mexico ... ..	1891-2	8,656,	0 15 2
Peru ... ..	1891	1,722,	0 11 8
United States ... ..	1892	70,988,	1 2 7

Countries  
raising  
largest  
revenue.

242. According to this table and that following paragraph 237 *ante*, the countries which raise the largest revenues of any in the world are Germany and France; and then the United Kingdom, Russia, British India, Austria-Hungary, the United States and Italy.

\* See footnote (†) on page 153.

† This amount is made up of the estimated ordinary revenue of the Empire for 1891-2, £34,822,100 (exclusive of contributions by the States and extraordinary receipts), and of the revenues of the following States, according to their Budget estimates, for the dates named, viz. :—Alsace-Lorraine, £2,494,936 in 1892; Anhalt, £554,100 in 1891-2; Baden, £3,297,600 in 1891; Bavaria, £14,014,582 in 1891; Bremen, £809,018 in 1890-91; Brunswick, £620,000 in 1891; Hamburg, £2,767,075 in 1891; Hesse, £1,232,660 in 1891-2; Lippe, £53,845 in 1891; Lübeck, £176,440 in 1891; Mecklenburg-Schwerin, £836,000 in 1890-91; Oldenburg, £476,603 in 1891; Prussia, £79,580,657 in 1891; Reuss-Greiz, £54,088 in 1891; Reuss-Schleiz, £88,561 in 1891; Saxe-Altenburg, £166,127 in 1891; Saxe-Coburg-Gotha, £122,659 in 1891-2; Saxe-Meiningen, £319,689 in 1891-2; Saxe-Weimar, £384,802 in 1891; Saxony, £4,631,020 in 1890-91; Schaumburg-Lippe, £36,507 in 1890-91; Schwarzburg-Rudolstadt, £127,147 in 1892; Schwarzburg-Sonderhausen, £123,122 in 1891; Waldeck, £59,340 in 1892; and Württemberg, £3,238,814 in 1891-2.

‡ This amount is made up of £5,390,000, revenue of Sweden in 1892, and £2,739,000, revenue of Norway in the same year.

These are the only countries whose revenues exceed the united revenues of the Australasian colonies. The revenue of Victoria is larger than that of Denmark, Greece, Roumania, Sweden and Norway, Switzerland, Tunis, or Peru; and nearly as large as that of Mexico, Holland, or Egypt.

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

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

## TAXATION, 1891-2.

			£
Revenue raised by taxation	...	...	3,149,310
,, otherwise	...	...	4,580,262
			7,729,572
Total	...	...	7,729,572

245. In 1891-2, nearly 41 per cent. of the total revenue was raised by taxation; and if the amount so raised be divided by the estimated mean population of the financial year, already stated to have been 1,157,678, an average will be obtained of only £2 14s. 5d. to each individual. The following table contains a statement of the gross Taxation per head.

amount of taxation, the average amount per head, and the proportion of taxation to the total revenue, during each of the last eleven years:—

## TAXATION, 1881-2 TO 1891-2.\*

Year.	Taxation.		
	Gross Amount.	Average per Head.†	Percentage of Total Revenue.
	£	£ s. d.	
1881-2 ... ..	2,317,706	2 12 8	41·44
1882-3 ... ..	2,334,255	2 11 11	41·60
1883-4 ... ..	2,318,520	2 10 4	39·07
1884-5 ... ..	2,548,171	2 13 11	40·51
1885-6 ... ..	2,634,560	2 14 4	40·65
1886-7 ... ..	2,739,635	2 14 9	40·68
1887-8 ... ..	3,071,003	2 19 6	40·37
1888-9 ... ..	3,749,670	3 9 8	43·22
1889-90 ... ..	3,630,814	3 5 10	42·62
1890-91 ... ..	3,252,638	2 17 5	38·98
1891-2 ... ..	3,149,310	2 14 5	40·74

Comparison  
of taxation  
1891-2 with  
former  
years.

246. It will be observed that in 1891-2, as compared with 1890-91 a falling-off of over £103,000, as compared with 1889-90 a falling-off of £482,000, and as compared with 1888-9 a falling-off of £600,000, took place in the gross amount raised by taxation; whilst the average amount per head, as compared with those years respectively, decreased by 3s., by 11s. 5d., and by 15s. 3d. With these exceptions, however, the gross amount of taxation in 1891-2 was much larger than in any previous year, whilst the taxation per head was lower than in any of the preceding five years, but higher than in any other year since 1859.\* The proportion of taxation to revenue was considerably higher than in 1890-91, about the same as in the years 1884-5 to 1887-8, but much lower than in 1888-9 or 1889-90.

Heads of  
taxation.

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

\* For figures relating to earlier years since 1852, see issue of this work for 1892, Vol. I., paragraph 336. According to figures contained in a statement distributed to Members of the Legislative Assembly by the Honorable the Treasurer in July, 1893, the taxation in 1892-3 (partly estimated) amounted to about £2,505,564, or £2 2s. 11d. per head of the estimated mean population (1,167,373) of that financial year. The falling-off, as compared with the previous financial year, was chiefly under the head of Customs Duties.

† For mean population of each of the years named, see table following paragraph 180 *ante*.

## HEADS OF TAXATION, 1884-5 TO 1891-2.\*

Heads of Taxation.	Amount Received.							
	1884-5.	1885-6.	1886-7.	1887-8.	1888-9.	1889-90.	1890-91.	1891-2.
	£	£	£	£	£	£	£	£
Customs duties ..	1,887,718	1,968,640	2,094,356	2,311,331	2,824,788	2,611,184	2,480,635	2,348,104
Wharfage rates† ..	31,821	35,820	38,005	41,719	55,042	46,825	44,937	40,857
Excise :—								
Spirits .. ..	68,930	67,250	56,556	65,603	88,867	98,712	102,201	114,428
Tobacco .. ..	72,295	70,459	64,145	62,766	57,688	138,621	27,789	29,147
Ports and Harbours ..	31,176	32,710	34,920	34,327	45,884	§29,789	20,669	18,880
Licences (not territorial)	32,535	33,922	18,898	21,002	23,904	21,756	22,152	20,755
Duties on estates of deceased persons ..	124,370	104,907	114,909	151,861	236,449	400,150	184,886	247,534
Duty on bank notes ..	27,529	28,769	28,104	27,879	34,023	32,173	30,736	27,954
Stamp duty¶ on								
Transfer of Land, etc. (Item III.)	51,452	60,986	53,220	99,363	119,724	92,800	75,939	39,670
Annual Licences of Insurance Companies, etc. (Item IV.)	**6,900	**7,400	**7,920	8,479	9,095	9,315	10,115	10,788
Other (Items I. & II.)	85,030	96,927	103,860	122,158	131,181	127,885	131,946	124,542
Land tax .. ..	128,415	126,770	124,742	124,515	123,025	121,604	120,633	126,651
<b>Total .. ..</b>	<b>2,548,171</b>	<b>2,634,560</b>	<b>2,739,635</b>	<b>3,071,003</b>	<b>3,749,670</b>	<b>3,630,814</b>	<b>3,252,638</b>	<b>3,149,310</b>

248. It will be noticed that of the falling-off, amounting to £600,000, in the revenue from taxation since 1888-9—the year of the greatest inflation—£477,000 was under the head of Customs, £14,000 under Wharfage rates, £29,000 under Excise duty on Tobacco, £27,000 under Ports and Harbours, and £85,000 (estimated) under Stamp duty—chiefly in that derivable from transactions in real estate, and £6,000 under duty on Bank notes—as against which there appears an increase of £26,000 under Excise duty on Spirits, £11,000 under duties on Estates of Deceased Persons; whilst the falling-off as compared with 1890-91, amounting to £103,000, was more than accounted for by a decrease of £133,000 under Customs alone, besides £43,000 under Stamp duty, £4,000 under Wharfage rates, £2,800 under Bank notes duty, as well as minor reductions under other heads, but as against these must be placed increases of £12,000 under Spirits, £1,400 under Tobacco, £6,000 under Land tax, and as

Heads of taxation 1891-2 and previous years compared.

\* See also footnotes to table following paragraph 192 ante.

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

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

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

|| Decrease in 1886-7 owing to the proportion payable to revenue by municipalities out of receipts from publicans' licence fees, etc., being then and thereafter made payable into the Licensing Act Fund. Of the amount in 1891-2, £14,042 was for auctioneers' licences.

¶ For classification of stamp duties and scale of charges, see last issue of this work, Vol. I., paragraph 363. The first two sections have been ascertained from the records in the Registrar General's and Titles Offices. The third is only a rough estimate. See footnote (§) on page 92 ante.

\*\* Estimated.

much as £63,000 under Duties on Estates of Deceased Persons, the revenue from which was exceptionally low in 1890-91. The decreases in 1890-91, under Tobacco (excise) and Ports and Harbours, were merely due to large reductions effected in 1889-90 in the rates of duty, but the decrease under Customs took place notwithstanding a net increase of Customs duties, estimated—assuming the imports remained constant—to bring in an additional revenue of nearly £100,000 per annum.\*

Proportion of Customs revenue to total taxation, etc.

249. In all the years the greater portion of the taxation has been derived from Customs duties. The proportion from that source, however, has gradually fallen from 89 per cent. in 1874-5 and 87 per cent. in 1875-6, to as low as 72 per cent. in 1881-2, and between 74 and 76½ per cent. in the nine years 1882-3 to 1891-2, excepting 1889-90, when the proportion again fell to 72 per cent. The revenue derived from Customs duties during 1891-2 was equivalent to a charge of 12 per cent. on the estimated total value of imports during the same year.†

Customs revenue, 1885 to 1892.

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

TAXATION BY CUSTOMS DUTIES, † 1884-5 TO 1891-2.

Articles.	Amounts Received.							
	1884-5.	1885-6.	1886-7.	1887-8.	1888-9.	1889-90.	1890-91.	1891-2.
	£	£	£	£	£	£	£	£
Spirits .. ..	518,370	545,170	566,134	611,256	664,438	661,129	657,700	692,193
Wine .. ..	42,101	41,086	41,335	44,688	53,146	51,409	41,825	37,871
Beer and cider ..	35,210	37,904	41,126	46,047	55,580	56,830	52,381	46,294
Tobacco and snuff	108,405	121,476	151,893	199,540	235,564	249,746	261,722	239,478
Cigars .. ..	34,299	33,583	37,848	46,896	61,195	58,244	58,969	60,592
Tea .. ..	88,093	87,544	90,660	98,955	103,402	57,938	37,128	48,590
Sugar and molasses	118,031	115,796	128,526	134,861	123,575	127,527	130,714	106,137
Coffee, chicory, cocoa, and chocolate	16,930	16,990	16,788	17,596	17,524	11,355	6,080	7,365
Opium .. ..	19,517	15,266	15,043	15,679	19,275	17,443	16,254	12,269
Rice .. ..	18,824	19,710	20,279	23,246	23,358	21,437	19,731	20,483
Hops .. ..	4,326	4,455	8,955	9,733	15,621	9,602	2,659	4,134
Malt .. ..	2,302	3,633	4,655	2,346	3,172	1,626	793	37
Fruits and vegetables, dried and preserved	53,348	47,806	54,641	64,376	59,846	58,830	47,007	56,978
Live stock ..	30,064	37,741	34,706	52,632	76,891	47,590	85,374	68,939
Articles subject to <i>ad valorem</i> duties	490,677	494,512	522,884	548,699	788,361	663,669	651,550	575,991
All other articles ..	307,221	345,968	358,883	394,781	523,840	516,809	410,748	370,753
<b>Total ..</b>	<b>1,887,718</b>	<b>1,968,640</b>	<b>2,094,356</b>	<b>2,311,331</b>	<b>2,824,788</b>	<b>2,611,184</b>	<b>2,480,635</b>	<b>2,348,104</b>

\* See table on page 164 *post*.

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

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



251. It will be observed that the Customs revenue, which rose to a maximum in 1888-9, has since been steadily falling off, and by 1891-2 had receded to about the level of 1887-8. The net falling-off in 1891-2, as compared with the previous year, amounted to £132,600. This resulted from a decrease of £193,600 under nine of the heads shown in the table, less an increase under the seven others of £61,000. The increase was made up for the most part of spirits—which produced a much larger revenue than in any previous year—£34,500, tea £11,500, and fruits and vegetables £10,000; whilst the more important decreases were under articles subject to *ad valorem* duties £75,600, “all other articles” £40,000, sugar £24,600, tobacco £22,200, live stock £16,400, and alcoholic beverages other than spirits £10,000. Nor were the articles affected by alterations in the tariff, for none had been made since 1889-90. Referring to such alterations\* it is worthy of notice that in 1891-2, as compared with 1889-90—the year before the alterations—the revenue from tea has fallen off by £55,000, or by little less than one-half, although the duty on that article was reduced by two-thirds (from 3d. to 1d.); whilst that from malt, which was over £3,000, has, under a duty increased 50 per cent., almost entirely disappeared. The falling-off generally in 1891-2 was, as in the previous two years, undoubtedly due to a contraction in the import trade, which has fallen off considerably since 1888-9. If the volume of trade had remained constant, the revenue would have been increased by nearly £100,000 per annum, owing to the duties having been raised in 1889-90.†

Customs duties, 1890-91 and 1891-2 compared.

252. Comparing 1891-2 with 1884-5, it will be seen that the total amount derived from Customs duties increased by over £460,000, or 24 per cent. The principal articles which contributed to this augmentation were spirits, wine, and beer, which show an increase of £180,700, or 30 per cent.; tobacco and cigars of £157,400, or 110 per cent.; live stock nearly £39,000, or 129 per cent.; articles subject to *ad valorem* duties of £85,300, or 17 per cent.; and “all other articles” of £63,500, or 21 per cent.

Customs duties—  
increase in seven years.

253. About one-third of the Customs revenue is derived from intoxicating liquors, and more than one-eighth from tobacco and cigars, whilst  $4\frac{1}{2}$  per cent. is from sugar,  $2\frac{1}{3}$  per cent. from tea, coffee, and cocoa, and nearly  $2\frac{1}{2}$  per cent. from fruits and vegetables. Nearly a fourth is derived from the numerous articles subject to *ad valorem* duties, but which are not further particularized in the Treasurer's

Taxation on chief articles of import.

\* See last issue of this work, Vol. I., paragraph 342.

† See table following paragraph 257 *post*.

statements. The relative importance of the various heads of imports as sources of Customs revenue is shown in the following table, which gives a statement of the total amount per head of the population, of duty received in 1891-2 from each of the principal groups of articles; also the proportionate amount received from the articles embraced in each group to the total amount received:—

TAXATION ON CHIEF ARTICLES OF IMPORT, 1891-2.

Articles.	Duty received 1891-2.		Proportion to Total Duty received.
	Total Amount.	Amount per Head of Population.	
	£	£ s. d.	Per cent.
Spirits, wine, beer, and cider ... ..	776,358	0 13 5	33·06
Tobacco, snuff, and cigars ... ..	300,070	0 5 2	12·78
Hops and malt ... ..	4,171	0 0 1	·18
Sugar and molasses ... ..	106,137	0 1 10	4·52
Tea, coffee, chicory, cocoa, and chocolate... ..	55,955	0 1 0	2·38
Rice ... ..	20,483	0 0 4	·87
Fruits and vegetables... ..	56,978	0 1 0	2·43
Opium ... ..	12,269	0 0 3	·52
Live stock ... ..	68,939	0 1 2	2·94
Articles subject to <i>ad valorem</i> duties ... ..	575,991	0 9 11	24·53
All other articles ... ..	370,753	0 6 5	15·79
Total ... ..	2,348,104	2 0 7	100·00

Customs revenue estimated and received, 1890 to 1892.

254. The following table shows, for the three years ended with 1891-2, the amount of Customs revenue estimated beforehand by the Treasurer, and the amount actually received under each head:—

CUSTOMS REVENUE ESTIMATED AND RECEIVED, 1889-90 TO 1891-2.

Sources of Revenue.	1889-90.		1890-91.		1891-2.	
	Estimated Receipts.	Actual Net Receipts.	Estimated Receipts.	Actual Net Receipts.	Estimated Receipts.	Actual Net Receipts.
	£	£	£	£	£	£
<b>CUSTOMS DUTIES.</b>						
Spirits ... ..	640,000	661,230	660,800	659,182	650,300	690,741
Wine ... ..	48,000	51,406	52,000	41,858	44,900	37,844
Beer and cider ... ..	58,000	56,833	59,000	52,378	55,600	46,306
Tobacco and snuff ... ..	230,000	249,718	250,000	261,688	259,500	239,577
Cigars ... ..	57,000	58,235	60,000	58,974	59,300	60,555
Tea ... ..	71,000	57,887	34,500	37,361	40,400	48,366
Sugar and molasses ... ..	124,000	127,645	134,000	130,727	150,000	106,230
Coffee, chicory, cocoa, and chocolate ... ..	10,000	11,351	3,500	6,064	6,200	7,375
Opium ... ..	18,000	17,443	17,000	16,253	16,900	12,269
Rice... ..	23,000	21,464	22,500	19,741	20,400	20,479

## CUSTOMS REVENUE ESTIMATED AND RECEIVED, 1889-90 TO 1891-2

—continued.

Sources of Revenue.	1889-90.		1890-91.		1891-2.	
	Estimated Receipts.	Actual Net Receipts.	Estimated Receipts.	Actual Net Receipts.	Estimated Receipts.	Actual Net Receipts.
<b>CUSTOMS DUTIES—</b> <i>continued.</i>	£	£	£	£	£	£
Hops ... ..	17,000	9,563	10,000	2,821	3,900	4,109
Malt ... ..	3,300	1,625	2,500	793	900	43
Fruits and vegetables, dried and preserved	60,000	58,965	63,000	46,843	55,700	57,204
Live stock ... ..	65,000	49,284	49,800	85,699	58,000	68,743
Articles subject to <i>ad</i> <i>valorem</i> duties	732,000	664,132	687,000	646,683	706,650	580,041
All other articles ...	529,000	516,756	519,200	409,367	440,300	372,254
<b>Total ...</b>	<b>2,685,300</b>	<b>2,613,537</b>	<b>2,624,800</b>	<b>2,476,432</b>	<b>2,568,950</b>	<b>2,352,136</b>
<b>EXCISE.</b>						
Spirits distilled in Vic- toria	80,000	98,720	100,000	102,601	99,000	113,989
Tobacco duty ... ..	43,875	38,620	42,000	27,789	30,000	29,147
<b>Licences—</b>						
Tobacco and cigars ...	1,250	1,275	1,500	1,300	1,400	1,473
Other ... ..	900	972	1,000	942	1,000	914
<b>Total ...</b>	<b>126,025</b>	<b>139,587</b>	<b>144,500</b>	<b>132,632</b>	<b>131,400</b>	<b>145,523</b>
<b>MISCELLANEOUS.</b>						
Wharfage rates ... ..	50,000	46,798	50,000	44,880	47,500	40,877
Tonnage ... ..	26,250	29,794	17,000	20,681	24,000	18,946
Fees... ..	7,000	7,280	7,000	8,070	8,000	8,535
Fines ... ..	842	399	500	1,260	500	877
Miscellaneous... ..	12,815	13,379	12,020	12,791	12,020	*11,054
<b>Total ...</b>	<b>96,907</b>	<b>97,650</b>	<b>86,520</b>	<b>87,682</b>	<b>92,020</b>	<b>80,289</b>
<b>Grand Total ...</b>	<b>2,908,232</b>	<b>2,850,774</b>	<b>2,855,820</b>	<b>2,696,746</b>	<b>2,792,370</b>	<b>2,577,948</b>

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

255. In seven of the twelve years ended with 1891-2, the total amounts received through the Customs exceeded the Treasurer's estimate, and in five of those years the receipts were below that estimate. Over the whole period the receipts exceeded the estimate

Customs  
revenue  
estimated  
and re-  
ceived, 1881  
to 1892.

\* Includes £2,592 included in other parts of this section under Land Revenue and Public Works.

by an average of £60,000 per annum, as is shown in the following table:—

**CUSTOMS REVENUE ESTIMATED AND RECEIVED,  
1880-81 TO 1891-2.**

Year.	Customs Revenue.		
	Estimate.	Net Receipts.	Net Receipts more (+) or less (-) than Estimates.
	£	£	£
1880-81... ..	1,561,420	1,649,467	+ 88,047
1881-2 ... ..	1,809,000	1,950,479	+ 141,479
1882-3 ... ..	1,974,580	1,949,388	- 25,192
1883-4 ... ..	1,982,500	1,936,810	- 45,690
1884-5 ... ..	2,010,150	2,109,477	+ 99,327
1885-6 ... ..	2,097,300	2,193,148	+ 95,848
1886-7 ... ..	2,201,770	2,308,634	+ 106,864
1887-8 ... ..	2,369,750	2,538,657	+ 168,907
1888-9 ... ..	2,560,980	3,092,694	+ 531,714
1889-90... ..	2,908,232	2,850,774	- 57,458
1890-91... ..	2,855,820	2,696,746	- 159,074
1891-2 ... ..	2,792,370	2,577,948	- 214,422
Total ... ..	27,123,872	27,854,222	+ 730,350*

256. In the twelve years, the cost of collecting the Customs revenue ranged from £2 15s. 9d. per £100 of the net amount collected in 1888-9 to £3 7s. 10d. per £100 in 1880-81, the cost per £100 over the whole period being £3 0s. 4d.; whilst in 1891-2 the cost per £100 was £3 2s. 4d., or much higher than in any year since 1883-4:—

**COST OF COLLECTING CUSTOMS REVENUE, 1880-81 TO 1891-2.**

Year.	Customs Revenue.		
	Net Receipts.	Charges of Collection.	
		Total...	Per £100 collected.
	£	£	£ s. d.
1880-81 ... ..	1,649,467	56,004	3 7 10
1881-2 ... ..	1,950,479	57,615	2 19 1
1882-3 ... ..	1,949,388	60,688	3 2 3
1883-4 ... ..	1,936,810	62,145	3 4 2
1884-5 ... ..	2,109,477	64,242	3 0 11
1885-6 ... ..	2,193,148	63,808	2 18 2
1886-7 ... ..	2,308,634	70,137	3 0 9
1887-8 ... ..	2,538,657	74,744	2 18 11
1888-9 ... ..	3,092,694	86,262	2 15 9
1889-90 ... ..	2,850,774	83,198	2 18 4
1890-91 ... ..	2,696,746	81,088	3 0 2
1891-2 ... ..	2,577,948	80,381	3 2 4
Total ... ..	27,854,222	840,312	3 0 4

\* Net figures.

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

## TAXES REPEALED AND IMPOSED, 1875-6 TO 1891-2.\*

Year ended 30th June.	Taxes Repealed or Reduced.			Taxes Imposed or Increased.		
	Heads of Taxation.	Estimated Loss to the Revenue—		Heads of Taxation.	Estimated Gain to the Revenue—	
		During the Financial Year.	In Complete Years.		During the Financial Year.	In Complete Years.
		£	£		£	£
1876	Nil ...	...	...	Succession duties increased ...	3,000	10,700
				Tax on bank notes	7,200	27,000
1877	Nil ...	...	...	Nil ...	...	...
1878	Customs— Wharfage rates transferred ...	(85,000)†	(85,000)†	Land tax ...	50,000	124,000
	Duties (net) ...	26,000	85,000‡	Excise— Publicans' licence fees transferred..	(4,600)†	(4,800)†
1879	Nil ...	...	...	Customs— Stock tax ...	28,300	37,000
1880	Nil ...	...	...	Nil ...	...	...
	Customs— (See contra) ...	...	...	Stamp duties imposed ...	83,005	120,000
1881	Nil ...	...	...	Customs— Net Increase ...	47,800	53,000‡
				Customs ...	2,300	3,500
1882	Customs ...	3,000	3,500	Excise— Tobacco duty...	21,872	65,000
1883	Excise—Beer duty remitted ...	88,000	100,000	Beer ,, ...	62,557	100,000
				Nil ...	...	...

\* For further details see last issue of this work, Vol. I., paragraph 348.

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

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

## TAXES REPEALED AND IMPOSED, 1875-6 TO 1891-2—continued.

Year ended 30th June.	Taxes Repealed or Reduced.			Taxes Imposed or Increased.		
	Heads of Taxation.	Estimated Loss to the Revenue.		Heads of Taxation.	Estimated Gain to the Revenue.	
		During the Financial Year.	In Complete Years.		During the Financial Year.	In Complete Years.
		£	£		£	£
1884	Nil ...	...	...	Nil ...	...	...
1885	Nil ...	...	...	Duty on Spirits— Customs ... Excise ...	74,972* 12,653	94,500 18,400
1886	Nil ...	...	...	Nil ...	...	...
1887	Customs ... Licences — Receipts transferred to Licensing Act Fund ...	19,100 (15,100)†	19,300 (16,450)†	Customs ...	20,700	22,200
1888	Customs— Sugar (Net increase) ...	13,900	15,000	Customs— Timber duties increased ...	5,900	6,400
1889	Nil ...	...	...	Nil ...	...	...
1890	Customs— Tea — Reduced from 3d. to 1d. Coffee and Cocoa (raw)—Duty of 3d. remitted ... Other articles — Estimated reduction ... Excise— Tobacco—Duty reduced one-half Harbors— Tonnage dues reduced one-half	45,500 7,500 8,500 19,000 16,000	69,000 15,000 10,000 28,850 22,800	Customs— Duties generally increased ...	156,000‡	210,000‡
1891	Nil ...	...	...	Nil ...	...	...
1892	Nil ...	...	...	Nil ...	...	...

\* This is the proportion actually received in 1884-5 at the increased rate of duty, but it does not correspond with the increased revenue from spirits, viz., £46,100, according to the table following paragraph 250 *ante*, owing to the quantity imported having fallen off by 6 per cent. The amount received from the increased duty was, moreover, much affected by an unusually large proportion—viz., 15 per cent. of the total quantity imported—having passed through the Customs during the first seventeen days of the financial year, and consequently at the lower rate of duty.

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

‡ On the assumption that there would be no falling-off in the importation of the articles affected. It should, however, be noted that the importations were exceptionally high during the year.

258. From the above table it would appear that no change in taxation was made since 1889-90, when additional taxation was imposed to the extent of £210,000, and old taxes reduced or remitted to the extent of £157,650—the net result being fresh taxation equivalent to about £52,350 per annum; also that, during the last seventeen years, the taxation imposed or increased, less that repealed or reduced, has resulted in an increased annual charge amounting to over half a million sterling,\* thus—

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

Amount of  
taxation  
imposed in  
last seven-  
teen years.

259. The tax on bank notes was imposed under the Act 39 Vict. No. 526, which came into operation on the 1st January, 1876. It is at the rate of £2 on every £100 of the average amount of notes circulated by any bank between the 1st July and the 30th June of each financial year. The revenue received from this duty in 1891-2 was, as already shown, £27,954.

Duty on  
bank notes.

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

Land tax.

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

261. The extent of land assessed under this Act amounted in 1893 to 7,031,000 acres, nearly half of which was placed in the lowest class, more than a third in the third class, over a ninth in the second class, and less than a twentieth in the first class.

Extent of  
land  
assessed for  
land tax.

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

Proportion of land assessed to total available and alienated land.

262. The area of Victoria is 56,245,760 acres, of which 22,467,000 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  $12\frac{1}{2}$  per cent. of the area of the colony, or to  $31\frac{1}{4}$  per cent. of the area alienated or in process of alienation.\*

Number of estates assessed.

263. The number of estates assessed was 1,116, or 3 less than in 1892. As some proprietors own more than one estate, their number is less than the number of estates, and is set down at 864. It is, however, actually less than this, as, whilst the returns show where the proprietor holds more than one estate in the same class, they do not distinguish cases of proprietors holding estates embraced in two or more classes.

Average size of estates assessed.

264. The average size of all the estates assessed is 6,300 acres, which is somewhat below the average of those in Class III. In Classes I. and II. the estates average 2,459 and 3,385 acres respectively, and in Class IV. 9,335 acres.

Proprietors and number and size of estates assessed.

265. 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, 1893.†

Class.	Number of Proprietors.	Estates Assessed.				
		Number.	Area.		Average Area to each.	
			Total.	Percentage of Each Class.	Proprietor.	Estate.
			Acres.		Acres.	Acres.
I. ...	104	122	300,036	4·27	2,885	2,459
II. ...	199	225	761,685	10·84	3,828	3,385
III. ...	316	411	2,627,632	37·37	8,315	6,393
IV. ...	245	358	3,341,765	47·52	13,640	9,335
Total ...	864	1,116	7,031,118	100·00	8,138	6,300

Valuation of estates assessed.

266. The capital value of the estates, according to the valuation prescribed by the Statute, is nearly twelve millions sterling; but, after deducting the exemptions allowed, viz., £2,500, from the value

\* The land in process of alienation amounted to 6,141,000 acres, on which, on the average, more than half the purchase money had been paid. If this were left out of account, the proportion of freehold land assessed for land tax would be increased to 43 per cent.

† According to the returns of the half-year ended 27th February, 1893.



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

267. 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, 1893.\*

Class.	Capital Value.	Value of Exemptions.	Net Taxable Value.	Proportion of Net Taxable Value to Capital Value.
	£	£	£	Per cent.
I. ...	1,194,694	260,000	934,694	78·23
II. ...	2,287,495	497,500	1,749,556	76·48
III. ...	5,021,826	790,000	4,238,586	84·40
IV. ...	3,343,501	612,500	2,731,001	81·68
Total ...	11,847,516	2,160,000	9,653,837	81·49

268. The land tax payable varied from 9¼d. per acre in Class I. to 2½d. per acre in Class IV., the average being nearly 4½d. per acre; the amount payable by each holder averaged £140, ranging from an average of £168 in Class III. to one of £110 in Class II.; and the amount payable for each estate averaged £108, averaging £129 in Class III., and from £95 to £97 in the other classes. Subjoined is a statement of the total amount payable annually in respect to the estates of each class; also the average amount payable per acre, per holder, and per estate:—

Amount of land tax payable.

### LAND TAX PAYABLE ANNUALLY, 1893.\*

Class.	Total Amount per Annum.	Amount per Acre.	Amount by each Holder.	Amount for each Estate.
	£	d.	£	£
I. ...	11,684	9·34	112·3	95·8
II. ...	21,869	6·89	109·9	97·2
III. ...	52,982	4·84	167·7	128·9
IV. ...	34,138	2·45	139·3	95·4
Total ...	120,673	4·12	139·7	108·1

\* According to the returns of the half-year ended 27th February, 1893.

Difference in payments in each class.

269. It will be observed that, although the average amount payable per acre goes, as may be supposed, in regular succession according to classes, the difference between the acreable payment by each class and its successor is very marked—the difference between each class and its succeeding one varying from 2d. to 2½d. It will also be noticed that the amount paid on behalf of each estate in Class III. is fully 35 per cent. more than that paid on behalf of those in Class IV., notwithstanding that the average area of each estate in the former class is, as is shown in a previous table, one-third smaller than that in the latter.

Estates assessed, 1880 and 1893.

270. The first general hearing of the appeals against the land tax was concluded in 1880. Since then the number of proprietors has increased by 46, and the area of the estates assessed by 136,372 acres, but the taxable value has decreased by £372,051. Except as regards the number of proprietors, which have increased in all cases, the increases have been confined to the third and fourth classes, the other two classes showing decreases, as is shown in the subjoined table:—

ESTATES ASSESSED FOR LAND TAX, 1880 AND 1893.

	Classes.				Total.
	I.	II.	III.	IV.	
Number of proprietors, 1880	98	196	315	209	818
"    "    1893	104	199	316	245	864
Increase ...	6	3	1	36	46
Area of estates, 1880 ...	Acres. 339,303	Acres. 816,505	Acres. 2,525,221	Acres. 3,213,717	Acres. 6,894,746
"    "    1893 ...	300,036	761,685	2,627,632	3,341,765	7,031,118
Increase ...	...	...	102,411	128,048	136,372
Decrease ...	39,267	54,820	...	...	...
Net taxable value, 1880 ...	£ 1,112,212	£ 1,959,515	£ 4,262,944	£ 2,691,217	£ 10,025,888
"    "    1893 ...	934,694	1,749,556	4,238,586	2,731,001	9,653,837
Increase ...	...	...	...	39,784	...
Decrease ...	177,518	209,959	24,358	...	372,051

Cost of administering Land Tax Act.

271. The cost of administering the *Land Tax Act* during the year 1891-2 amounted to only £590, as against £1,013 in 1890-91, and £1,293 in 1889-90.

Stamp duties.

272. Stamp duties were first imposed during the year 1879-80, under Act 43 Vict. No. 645, which came into force on the 18th

December, 1879. The provisions of this Act and subsequent amending Acts were consolidated by the *Stamps Act* 1890 (54 Vict. No. 1140), but the duties were not materially affected or increased until the passing of the *Stamps Act* 1892, which came into force on the 12th December, 1892. Except in regard to all annual licences, and to cases where the duty is assessed by the collector of imposts, on which the duty is payable in cash, all duty is payable by means of stamps, and that on bills of exchange and promissory notes executed on or after 1st January, 1893, must be denoted by *impressed* stamps. The following, in a condensed form, are the particulars of the duties levied under the Acts referred to, together with a list of the chief exemptions:—

### STAMP DUTIES.

#### I.—BILLS OF EXCHANGE AND PROMISSORY NOTES.

	£	s.	d.
Bills of exchange, payable on demand, cheques, etc., each ... ..	0	0	1
All other kinds (except bank notes) including bills of exchange payable on demand but not intended to be paid within 21 days—			
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
Duty chargeable on any bill of exchange or promissory note is now unlimited. Formerly the maximum was limited to £10.			

#### II.—RECEIPTS.

Receipts or discharges for payment of £2 or upwards, each ... ..	0	0	1
--	---	---	---

#### III.—CONVEYANCE ON SALE OF ANY REAL PROPERTY, APPLICATIONS, CONSENTS, AND TRANSFERS UNDER TRANSFER OF LAND ACT 1890.

For every £50 of the amount or value of the consideration or fraction thereof after deducting the first £50 ... ..	0	5	0
[NOTE.—Instruments for effecting exchange and partition of any real property for any other real property, where any consideration is given for equality, is charged with same duty on sum paid for equality.]			

#### IV.—DEED OF SETTLEMENT OR GIFT.

(1) Any instrument other than a will or codicil whether voluntary or upon any good or valuable consideration other than a *bonâ fide* adequate pecuniary consideration whereby any property is settled or agreed to be settled in any manner whatsoever, or is given or agreed to be given in any manner whatsoever, such instrument not being made before and in consideration of marriage.

(2) Any instrument declaring that the property vested in the person executing the same shall be held in trust for the person or persons mentioned therein, but not including religious, charitable, or educational trust—

Where the value of the property—	Per £100.
	£ s. d.
Does not exceed £1,000 ... ..	0 10 0
Exceeds £1,000 and does not exceed £5,000 ... ..	0 15 0
" £5,000     "     "     £10,000 ... ..	1 0 0
" £10,000   "     "     £25,000 ... ..	1 5 0
" £25,000   "     "     £50,000 ... ..	1 10 0
" £50,000   "     "     £100,000 ... ..	2 0 0
" £100,000   ...     ...     ...     ...     ...     ...	2 10 0

## V.—LEASES.

£ s. d.

Leases or agreements for lease of any lands or tenements for any definite or indefinite term—

- |   |       |
|---|-------|
| (1) Where the consideration or any part of the consideration moving either to the lessor or to any other person shall consist of any money or marketable security, for every £50 of such consideration, and also for any fractional part of £50 | 0 5 0 |
| (2) Where the consideration or any part of the consideration is any rent exceeding £65 per annum, for every £50 of such consideration, whether reserved as a yearly rent or otherwise, also for any fractional part of £50 per annum            | 0 2 6 |
| (3) For every transfer or assignment of any lease   | 0 5 0 |

## VI.—ANNUAL LICENCE.

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

1 10 0

[Minimum amount payable on any licence, £50.]

## VII.—BILLS OF LADING.

Bills of lading, or copies thereof, of or for any goods, merchandise, or effects to be exported, each

0 0 6

## VIII.—CONTRACT NOTES.

Contract notes for or relating to the sale of any marketable security not including shares in any mining company, of the value—

Under £50	0 0 3
Over £50 and under £150	0 0 6
„ £150 and under £500	0 1 0
£500 or upwards	0 2 0

## IX.—CUSTOMS ENTRY WARRANTS, ETC.

Issued by or on behalf of the proprietor or occupier of any warehouse or store for any goods stored therein—

Customs entry warrant where the value of goods is under £50	0 0 3
„ „ „ „ „ £50 or upwards	0 0 6
For samples only	Free.
Locker's order, not including those for goods to be exported	0 0 6
Certificate, receipt, or acknowledgment	0 0 1

## EXEMPTIONS.

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

*Class II.*—Receipts for moneys paid to or from public accounts for municipal rates, or for water rates amounting to less than £5 paid to the Melbourne and Metropolitan Board of Works, or any public Trusts Commissioners, or local governing bodies under the *Water Act* 1890; for deposits in banks in current account, 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; for the wages or salary of any person not exceeding £5; for moneys paid by a friendly or benefit society for sick pay; or for any money less than £5 paid to any person by way of gift or gratuity.

*Class III.*—Crown grants; instruments for conveyance or transfer on sale of any real 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 V.*—Any mining lease or any agreement for the right to enter upon or occupy and use any land for mining purposes.

*Class VI.*—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.

273. The revenue from the "Sale of Stamps" amounted to Revenue from stamps. £685,112\* in 1891-2, as compared with £751,330 in the previous year. For reasons already explained,† there is no means of ascertaining accurately what proportion of this is derived from stamp duties, excepting in regard to business transacted in the Registrar-General's and Titles Offices, of which a record has been kept; but after making due allowance for the value of stamps on telegrams—which has been ascertained; of those used for postage—which has been estimated; and of those used for fees; the balance representing the apparent revenue from stamp duties was £175,000 in 1891-2. Of this amount £39,670 is known to have been derived from the conveyance or transfer of real property, and £10,788 from the annual licences of insurance companies, whilst the balance (£124,542) is the estimated proceeds from bills of exchange and promissory notes and receipts. The latest year for which exact information is available is 1882-3, in which the revenue from stamp duties amounted to £133,433. The cost of printing stamps of all kinds amounted to £5,848 in 1891, and £5,036 in 1892. The following table shows the stamp revenue during the last eight years, distinguishing that derived from telegrams, also for the first time from duty and fees resulting from transactions in the Registrar-General's and the Titles Offices, from that derived from other services:—

## STAMPS REVENUE 1884-5 TO 1891-2.

(Including collections in cash.)

Year.	Telegrams.	Duty on—		Fees received in—		Other Duties, Fees, and Postage‡ (Balance).	Total.
		Transfer of Real Property, etc.	Insurance Companies Annual Licences.	Registrar General's Office.	Titles Office.		
1884-5 ..	84,031	51,452	6,900†		44,552	385,478	572,413
1885-6 ...	87,956	60,986	7,400†		51,053	405,874	613,269
1886-7 ...	104,111	53,220	7,920†		43,625	422,013	630,889
1887-8 ...	114,879	99,363	8,479		57,449	502,279	782,449
1888-9 ...	125,458	119,724	9,095		71,786	549,251	875,314
1889-90 ...	135,245	92,800	9,315	13,029	60,250	487,255	797,894
1890-91 ...	139,320	75,939	10,115	11,386	52,182	462,388	751,330
1891-2 ...	126,155	39,670	10,788	10,031	41,292	457,176	685,112

\* Including £49,630 cash received in lieu of stamps in the Registrar-General's and Titles Offices, as compared with £25,713 in 1890-91. The approximate stamp revenue (including collections in cash) for 1892-3 was £714,158, of which £109,154 was for telegrams, £29,444 duty on transfer of property, also leases from the 12th December, £10,296 on insurance licences, £11,158 from fees in Registrar-General's and Statist's Offices, £34,402 from fees in Titles Office, and the balance of £519,704 from all other sources (including new duties for deeds of gift (£1,738), leases, bills of lading, bonding certificates, lockers' orders and warrants (£1,225), and contract notes).

† See footnote (§) on page 92 ante.

‡ Estimated.

§ Revenue from parcels post included, viz., £4,790 in 1887-8, £6,305 in 1888-9, £7,964 in 1889-90, £9,060 in 1890-91, and £9,450 in 1891-2.

|| Information not available.

Taxation in  
Austral-  
asian  
colonies.

274. 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 six financial years, and in the other Australasian colonies during each of the five years ended with 1891:—

TAXATION IN AUSTRALASIAN COLONIES.

Colony.	Year.	Taxation.		
		Gross Amount.	Average per Head.	Percentage of Total Revenue.
		£	£ s. d.	
Victoria* ...	1886-7	2,739,635	2 14 9	40·68
	1887-8	3,071,003	2 19 6	40·37
	1888-9	3,749,670	3 9 8	43·23
	1889-90	3,630,814	3 5 10	42·62
	1890-91	3,252,638	2 17 5	38·98
	1891-2	3,149,310	2 14 5	40·74
New South Wales ...	1887	2,664,548	2 13 0	31·05
	1888	2,681,883	2 11 9	30·18
	1889	2,677,169	2 10 2	29·54
	1890	2,748,339	2 9 11	28·93
	1891	2,916,344	2 11 0	29·06
Queensland ...	1887	1,338,838	3 17 3	44·15
	1888	1,577,671	4 7 4	45·56
	1889	1,574,607	4 4 2	45·77
	1890	1,471,983	3 16 4	45·15
	1891	1,502,304	3 14 3	44·11
South Australia ...	1887	648,645	2 1 8	32·21
	1888	739,353	2 7 4	29·64
	1889	711,248	2 5 4	31·33
	1890	790,177	2 9 11	30·89
	1891	829,748	2 11 6	29·33
Western Australia ...	1887	188,911	4 10 7	50·00
	1888	179,944	4 5 1	50·40
	1889	194,248	4 10 3	50·82
	1890	204,405	4 5 3	49·34
	1891	264,055	5 3 1	53·06
Tasmania ...	1887	375,501	2 16 2	63·12
	1888	405,807	2 19 2	63·40
	1889	422,644	3 0 3	62·25
	1890	454,431	3 3 3	59·94
	1891	502,139	3 7 5	56·85
New Zealand ...	1887	1,876,235	3 2 11	54·17
	1888	2,031,658	3 7 1	49·43
	1889	2,086,081	3 8 2	52·26
	1890	2,173,985	3 10 0	51·66
	1891	2,179,739	3 9 3	52·57

NOTE.—For returns of taxation in these colonies prior to 1887 and during 1892 see Summary of Australasian Statistics (third folding sheet) in the second volume; also Appendix A. to the second volume.

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

275. The amount of taxation per head in the last year referred to in the table was lower in Victoria than in any of the other colonies except New South Wales and South Australia, which had both about the same amount per head. The following is the order in which the colonies stood in this respect during that year, the colony with the highest taxation per head being placed at the top, and the colonies with the lowest at the bottom of the list :—

Order of colonies in respect to taxation.

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

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

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

Order of colonies in respect to revenue raised by taxation.

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

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

277. If the gross amounts raised by taxation in the different colonies during 1891, 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 eight and three-quarter millions sterling; and the total taxation of the colonies on the continent, added to that of Tasmania and New Zealand, amounted to nearly eleven and a half millions sterling. The exact figures will be found in the following table, also the average amount of taxation per head of the population, and the proportion that the taxation bore to the total revenue :—

Taxation of Australia and Australasia.

## TAXATION OF AUSTRALIA AND AUSTRALASIA, 1891.\*

	Taxation.		
	Gross Amount.	Average per Head.	Percentage of Total Revenue.
	£	£ s. d.	
Continent of Australia ... ..	8,765,089	2 17 5	34·90
Ditto, with Tasmania and New Zealand	11,446,967	2 19 9	37·98

Comparison of Victoria and Australasia.

278. By comparing the above figures with those of Victoria, it will be found that in this colony the taxation per head of the population is 5s. 4d. lower, but the proportion of taxation to the total revenue is  $2\frac{3}{4}$  per cent. higher, than the corresponding items in the Australasian colonies as a whole.

Taxation in British possessions.

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

## TAXATION IN BRITISH POSSESSIONS.

Country.	Year.	Taxation.		
		Gross Amount.	Average per Head.	Percentage of Total Revenue.
EUROPE.				
United Kingdom ... ..	1891-2	£ 75,340,000	£ s. d. 1 19 7	82·80
ASIA.				
India ... ..	1891-2	32,778,600	0 3 0	38·23
Ceylon ... ..	1890	697,463	0 4 6	57·32
Straits Settlements ... ..	"	668,146	1 6 5	93·91
AFRICA.				
Mauritius ... ..	1891	469,257	1 5 4	61·78
Natal ... ..	"	411,934	0 15 2	31·24
Cape of Good Hope ... ..	"	1,654,583	1 1 8	39·93
Lagos ... ..	1890	47,013	0 9 5	83·44
Gambia ... ..	"	19,077	1 6 9	62·40
AMERICA.				
Canada ... ..	1890-91	6,062,830	1 5 1	76·48
Newfoundland ... ..	1890	268,420	1 7 2	88·58
Bermuda ... ..	1891	26,350	1 13 2	81·34
West Indies—				
Turk's Island ... ..	1890	6,479	1 7 4	72·79
Jamaica ... ..	1888-9	434,839†	0 13 7	55·12
St. Lucia ... ..	1887	32,397	0 15 6	64·49
Barbados ... ..	1890	146,932	0 16 1	78·92
Grenada ... ..	"	41,270	0 15 6	83·77

\* In the case of Victoria, the figures for 1890-91 have been taken.

† Including local taxation.



TAXATION IN BRITISH POSSESSIONS—*continued.*

Country.	Year.	Taxation.		
		Gross Amount.	Average per Head.	Percentage of Total Revenue.
<i>AMERICA—continued.</i>				
West Indies—		£	£ s. d.	
Tobago ... ..	1889	7,895	0 7 7	91·21
Virgin Islands ... ..	1890	1,504	0 6 6	85·36
Antigua ... ..	"	39,147	1 1 4	84·49
St. Christopher and Nevis ... ..	"	36,832	0 17 11	85·75
Montserrat ... ..	"	6,149	0 10 5	91·34
Dominica ... ..	"	19,541	0 13 6	90·58
Trinidad ... ..	"	237,951	1 2 11	50·78
<i>AUSTRALASIA.</i>				
Australia, Tasmania, and New Zealand*	1891	11,446,967	2 19 9	37·98
Fiji ... ..	"	57,267	0 9 1	80·37

280. It will be observed that the amount raised by taxation in Australasia is nearly double that in Canada; but that the amount raised by taxation in India is nearly three times, and in the United Kingdom nearly seven times, as large as that so raised in Australasia. It might be supposed that those countries which depended almost entirely on taxation for their revenue would be more heavily taxed than countries which had other ample resources. The reverse, however, is the case with the Australasian colonies; for whilst they raise barely 38 per cent. of their revenue by taxation—or about the same proportion as India, but smaller than in any of the other British possessions named except Natal—their average taxation per head exceeds by 20s. that in the United Kingdom, which raises 83 per cent. of its revenue by taxation, and is, moreover, in proportion to population, more heavily taxed than any of its other dependencies of which particulars are at hand.

Taxation in Australasia and other British possessions compared.

281. In Victoria the gross amount of taxation is about double that in the Cape of Good Hope, and is equal to more than half that in Canada. The average per head is nearly 15s. higher than in the United Kingdom; but in proportion to revenue, the taxation of Victoria, being a little more than the average of Australasia, is extremely low when compared with the other portions of the British dominions of which information is available.

Taxation in Victoria and other British possessions compared.

\* For gross amount of taxation and taxation per head, and proportion of taxation to total revenue, in the various Australasian colonies, see table following paragraph 274 *ante*.

Taxation in  
Foreign  
countries.

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

TAXATION IN FOREIGN COUNTRIES.

Countries.	Year.	Taxation.		
		Gross Amount (000's omitted).	Average per Head.*	Percentage of Total Revenue.†
EUROPE.				
Austria-Hungary ...	1892	£ 58,519,‡	£ s. d. 1 7 5	73·35
Belgium ...	„	6,679,	1 1 9	48·18
Denmark ...	1891	2,536,	1 3 4	83·48
France (including Algeria)	„	95,670,	2 5 3	75·73
Greece ...	„	1,804,	0 16 6	46·71
Holland ...	„	8,472,	1 17 2	80·34
Italy ...	„	53,093,	1 15 3	80·54
Portugal ...	„	6,899,	1 12 1	71·36
Russia ...	„	58,137,	0 11 11§	65·75
Spain ...	„	22,741,	1 5 11	70·58
Switzerland ...	1890	1,024,	0 7 0	35·30
Turkey ...	1883-4	12,712,	0 11 7	76·35
ASIA.				
Japan ...	1891	12,771,	0 6 4	76·51
AFRICA.				
Egypt ...	1891	7,391,	1 1 8	73·43
AMERICA.				
Argentine Confederation...	1891	10,675,	2 12 3	72·97
Brazil ...	„	12,807,	0 18 4	88·46
Mexico ...	„	7,820,	0 13 9	97·82
United States ...	1889	76,534,	1 4 5	94·91

Gross  
amount of  
taxation in  
various  
countries.

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

\* For figures of population, see Part "Population" ante.

† For figures of revenue, see table following paragraph 241 ante.

‡ This amount is made up of £35,602,000 taxation in Austria, and £22,917,000 approximate taxation in Hungary for the year 1892.

§ Based on the population of Russia in Europe. The proportion to the population of the whole Russian Empire is 10s. 2d.

|| See also the tables following paragraphs 274 and 279 ante.

Switzerland, as large again by more than half as that levied in Greece, and by about a fourth as that in Denmark; but considerably below that in any other of the countries named.

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

Taxation per head in various countries.

285. It will be observed that, with three exceptions—Belgium, Greece and Switzerland—all the countries named in the last table raise more than half their revenue by taxation; whilst the Australasian colonies as a whole raise less than two-fifths from that source. The revenues of the United States, Mexico, Brazil, and Denmark appear to be almost entirely derived from taxation; and although the United Kingdom raises more than four-fifths of its revenue from that source, four of the countries named raise a higher proportion.

Proportion of revenue raised by taxation in various countries.

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

Taxation by Customs in Australasian colonies.

#### TAXATION BY CUSTOMS IN AUSTRALASIAN COLONIES, 1891.

Colony.	Revenue from Customs Duties.		
	Amount.	Proportion to—	
		Total Taxation.	Total Value of Imports.
	£	Per cent.	Per cent.
Victoria (1891-2) ... ..	2,348,104	74·56	12·08
New South Wales ... ..	2,168,264	74·34	8·54
Queensland ... ..	1,201,685	80·00	23·66
South Australia ... ..	617,590	74·45	6·20
Western Australia ... ..	237,686	90·01	18·57
Tasmania ... ..	376,130	74·90	18·32
New Zealand ... ..	1,552,780	71·23	23·87

287. It will be observed that in Victoria, during 1891, about 75 per cent. of the taxation, or about the same as in Tasmania, New South Wales, and South Australia, was raised through the Customs,

Customs revenue in proportion to total taxation.

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

and that the proportion in New Zealand was somewhat less ; whereas in Queensland all but 20 per cent., and in Western Australia all but about 10 per cent., was levied through the Customs.

Customs  
revenue in  
proportion  
to total  
imports.

288. It will, moreover, be noticed that in Victoria the tax on the import trade as a whole was equivalent to an average duty of 12 per cent. *ad valorem*; which proportion was considerably lower than in any of the other Australian colonies, except South Australia and New South Wales, in the former of which the rates of duty were not high, and in the latter the dutiable articles were comparatively few in number. Since the duties on manufactured articles are for the most part much higher in Victoria than in any of the other colonies, the small proportion which the Customs revenue bears to the value of imports is probably owing to her importing, in a larger proportion than the others, raw, and consequently undutiable, material. The proportion of Customs duties to imports is seen to be highest in New Zealand and Queensland, and next in Western Australia and Tasmania, it being nearly 24 per cent. in the two former, and about 18½ per cent. in the two latter colonies.\*

Municipal  
revenue  
and expen-  
diture.

289. The following table gives a statement of the revenue and expenditure of municipalities in the year 1892, the amounts raised and expended in cities, towns, and boroughs being shown separately from those in shires :—

#### MUNICIPAL REVENUE AND EXPENDITURE, 1892.

Heads of Revenue.	Cities, Towns, and Boroughs.	Shires.	Total.
ORDINARY REVENUE.			
From Government {	£	£	£
Endowment ... ..	39,066	407,889	446,955
Other receipts ... ..	14,737	53,624	68,361
„ Rates—General and separate ... ..	464,550	313,893	778,443
„ „ Special ... ..	28,686	1,299	29,985
„ Licences ... ..	72,009	30,137	102,146†
„ Registration of dogs ... ..	6,064	7,411	13,475
„ Market and weighbridge rents and dues...	81,416	2,983	84,399
„ Formation of private roads, streets, etc., under <i>Health Act</i>	34,264	8,571	42,835
„ Contributions for flagging, asphaltting footpaths (including pitched crossings)	15,811	4,161	19,972
„ Registrations under <i>Health Act</i> , noxious trades, dairies, etc.	1,867	1,271	3,138
„ Interest ... ..	20,942	2,606	23,548
„ Other sources ... ..	103,383	50,312	153,695
Total ... ..	882,795	884,157	1,766,952

\* See footnote (†) on page 177.

† Including receipts from the "Licensing Act 1885 Fund." In the financial year, 1890-91, the 'equivalent' amounted to £91,706, and in 1891-2 to £92,492.

## MUNICIPAL REVENUE AND EXPENDITURE, 1892—continued.

Heads of Revenue.	Cities, Towns, and Boroughs.	Shires.	Total.
<b>EXPENDITURE.*</b>			
Public works (including labour and material) ...	458,247	619,146	1,077,393
Private streets, roads, etc., under <i>Health Act</i> ...	42,009	13,887	55,896
Salaries ... ..	73,116	102,728	175,844
Interest ... ..	126,404	39,495	165,899
Other expenditure ... ..	434,963	124,908	559,871
Total ... ..	1,134,739	900,164	2,034,903

290. Under the *Local Government Act* 1891 (54 Vict. No. 1243) a sum of £450,000† has been appropriated annually as an endowment to municipalities, commencing with the 1st January, 1892. This is the first regular endowment of this kind since 1879, when the annuity of £310,000, authorized under the *Local Government Act* 1874, ceased to be payable, although in the interval a subsidy in lieu thereof was voted by Parliament annually—equal at first to such endowment, but increased to £340,854 in 1888-9, to £450,000 in 1889-90 and 1890-91, but reduced to £380,000 (consisting of £155,000 subsidy for first six months at rate of £310,000 per annum, and £225,000 endowment for second six months at rate of £450,000 as authorized) in 1891-2.‡ The endowment is payable in equal moieties in March and September in each year.

Endowment  
of municipi-  
palities.

291. Under the present Act the municipalities are arranged in eight classes in order to insure an equitable distribution of the endowment, those in the lowest class to receive 10s. and those in the highest 55s. for every £1 of general rates§ received in the previous year; provided that no city, town, or borough shall receive more than £1,000, and no first-class shire more than £4,000; and that, if the general rate should exceed one shilling in the pound, the endowment must be calculated on the equivalent amount which a rate of one shilling would have yielded.|| The following is the classification referred to, together with the number of municipalities in each, and the rates of endowment:—

Rate of  
endow-  
ment.

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

† In July, 1893, a Bill to reduce the endowment to £310,000 was under the consideration of Parliament.

‡ It has since been reduced to £310,000 per annum.

§ For ratings in municipalities, see paragraph 158 *ante*.

|| If the general rate is under 1s., then credit may be taken for extra rates to the extent of the difference.

CLASSIFICATION OF MUNICIPALITIES FOR PURPOSES OF  
ENDOWMENT.

Classification.	No. of Municipalities.	Rate of Endowment payable for every £1 of general rates received.
		£ s. d.
Cities and Towns (including Melbourne and Geelong) ...	20	0 10 0
Boroughs ... ..	39	0 15 0
Shires—1st Class ... ..	5*	0 12 6
„ 2nd „ ... ..	65†	1 4 0
„ 3rd „ ... ..	45‡	1 8 0
„ 4th „ ... ..	5	2 0 0
„ 5th „ ... ..	13	2 7 6
„ 6th „ ... ..	7§	2 15 0
Total (net) ... ..	196	

NOTE.—No city, town, or borough can receive more than £1,000, and no first-class shire more than £4,000. If the endowment authorized be insufficient, proportionate reductions are made.

Municipal  
expendi-  
ture in  
excess of  
revenue.

292. In 1892 the expenditure exceeded the revenue in cities, towns, and boroughs by 29 per cent., and in shires by 2 per cent., as compared with an excess of expenditure over revenue of 17 per cent. in cities, towns, and boroughs, and of 6 per cent. in shires, in the previous year.

Munici-  
palities in  
which ex-  
penditure  
exceeded  
revenue.

293. The expenditure was greater than the revenue in 23 of the 60 cities, towns, and boroughs, and in 74 of the 137 shires in 1891; and in 29 of the 59 cities, towns, and boroughs, and in 57 of the 139 shires in 1892.

Salaries in  
municipi-  
palities.

294. In 1892 payments of salaries formed 8 per cent. of the revenue of cities, towns, and boroughs, and nearly 12 per cent. of that of shires.

Harbor  
Trust  
receipts  
and expen-  
diture.

295. Subjoined is a statement of the revenue and expenditure of the Melbourne Harbor Trust|| during the fifteen and a half years which have elapsed since the Act came into operation 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:—

\* All immediate suburbs of Melbourne.

† Except portions of 2 shires.

‡ Except portion of 1 shire.

§ Including portions of 3 shires.

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

MELBOURNE HARBOR TRUST.—ORDINARY RECEIPTS AND  
EXPENDITURE, 1877 TO 1892.

	Four and a half years, 1877-1881.	Five Years.		Year.		Total, 1877 to 1892.
		1882-1886.	1887-1891.	1891.	1892.	
<b>ORDINARY RECEIPTS (NET).</b>						
Wharfage rates .. .. .	£ 354,452	£ 569,403	£ 819,390	£ 155,654	£ 121,590	£ 1,864,835
Leases .. .. .	521	344	20,225	5,482	6,831	27,922
Licences .. .. .	9,409	23,724	19,628	6,118	5,286	58,047
Interest .. .. .	2,330	6,624	75,313	7,693	17,470	101,737
Spencer Street ferry .. .. .	..	1,526	7,554	2,035	1,456	10,536
Sundries .. .. .	888	3,059	12,652	3,346	2,081	18,680
<b>Total .. .. .</b>	<b>367,600</b>	<b>604,680</b>	<b>954,763</b>	<b>180,328</b>	<b>154,714</b>	<b>2,081,757*</b>
<b>EXPENDITURE.†</b>						
Plant .. .. .	106,046	216,997	210,053	13,161	253	533,349
Harbour improvements and main- tenance, including dredging, landing, and depositing silt	165,577	509,950	755,567	169,467	123,590	1,554,684
Wharves and approaches, con- struction and maintenance	63,421	274,904	683,716	202,870	115,395	1,137,436
General management and con- tingent expenses	39,517	58,503	91,631	19,393	17,787	207,438
Commissioners' fees .. .. .	7,480	8,142	8,500	2,125	1,615	25,737
Interest .. .. .	3,061	71,434	256,633	71,633	86,250	417,378
<b>Total .. .. .</b>	<b>385,102</b>	<b>1,139,930</b>	<b>2,006,100</b>	<b>478,649</b>	<b>344,890</b>	<b>3,876,022</b>

296. In the fifteen and a half years the Trust has been in existence, the net receipts have amounted to £2,081,757 and the expenditure to £3,876,022 or £1,794,265 in excess of the receipts. To meet this excess, loans† amounting to £2,000,000 have been raised. The expenditure of the Trust may be condensed into three main divisions, the first being Plant, on which, during the period the Trust has been in existence, £533,349 has been laid out, or less than a seventh of the whole expenditure; the second being the Improvement and Maintenance of the Harbor, together with the wharves and approaches, on which £2,692,120 has been expended, or not quite five-sevenths of the whole amount; and the third being the Management of and Interest on Loans, which has absorbed £650,553, or one-sixth of the whole amount. The cash at credit on the 31st December was £278,673; and the liabilities under contracts in progress amounted to £49,495.

Receipts  
and expen-  
diture  
compared.

297. The following is a statement for the year 1891-2 of the receipts and expenditure on account of the Melbourne Water and Sewerage Works, which were taken over from the Government by the Melbourne and Metropolitan Board of Works from the 1st July, 1891:—

Metro-  
politan  
Board of  
Works  
receipts  
and expen-  
diture.

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

† Including loan expenditure.

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

MELBOURNE AND METROPOLITAN BOARD OF WORKS—  
RECEIPTS AND EXPENDITURE, 1891-2.

							1891-2.
ORDINARY RECEIPTS.*							£
Water Rates	..	...	...	...	...	...	199,249†
„ Stations	...	...	...	...	...	...	1,934
Total							201,183
ORDINARY EXPENDITURE.*							
<i>Management—</i>							
Administration—Salaries, Wages, and Travelling Expenses	...	...	...	...	...	...	11,977
Rate Collectors—Salaries	...	...	...	...	...	...	6,476
Printing, Stores, and Incidentals	...	...	...	...	...	...	2,462
Rent of Offices (proportion)	...	...	...	...	...	...	1,000
Value of Tenements in Metropolitan Area	...	...	...	...	...	...	795
Miscellaneous Expenditure	...	...	...	...	...	...	318
<i>Maintenance—</i>							
Repairs to Works	...	...	...	...	...	...	13,133
Salaries	...	...	...	...	...	...	1,570
<i>Interest to—</i>							
Government	...	...	...	...	...	£94,503	
Less interest received (net)	...	...	...	...	...	19	
							94,484
Total							132,215
LOAN EXPENDITURE.*							
Water Works†	...	...	...	...	...	...	108,854
Sewerage‡—Chiefly Outfall Sewer and Sewage Farm	...	...	...	...	...	...	44,554
Furniture	...	...	...	...	...	...	4,609
Total							158,017

NOTE.—The balance of loans unexpended was £339,672, of which £300,000 was on fixed deposit.

Revenue  
and expen-  
diture of  
Fire  
Brigades  
Boards.

298. In order to make better provision for the protection of property from fire, the *Fire Brigades Acts* 1890 and 1891 were passed, constituting two Fire Brigades Boards with a view of organizing the isolated and independent volunteer brigades scattered over the colony, and of introducing the most approved methods and apparatus for extinguishing fires, viz., a Metropolitan Board, having jurisdiction over the district within a radius of ten miles from the General Post Office; and a Country Board, for such other parts of the colony as are specified in the Act, or may be included by Order in Council. It

\* Exclusive of refunds.

† Including £24,727 arrears of former years.

‡ Including proportion for salaries and rent.



was provided that each Board should consist of 9 members, 3 of whom should be appointed by the Governor-in-Council, and in the case of the Metropolitan Board 3 should be elected by the municipalities, and 3 by the fire insurance companies effecting insurances in its district; and in the case of the Country Board, 2 should be elected by the municipalities, 2 by the insurance companies, and 2 by the brigades. The principal Act was passed and became law on the 20th December, 1890, and the first meeting of the Metropolitan Board was held on the 6th March, and of the Country Board on the 18th March, 1891. It was also provided that the expenditure of each Board should be defrayed by contributions, made in equal proportions, by the Government, the municipalities, and the fire insurance companies. For 1892 the total contribution levied in the Metropolitan District was £29,250, and in the Country District £12,990—or a total of £42,240, of which £14,080 was payable by the Government, and a similar amount by the municipalities and by the insurance companies. In the Metropolitan Board's district, in 1892, there were 24 complete municipalities and 10 portions of municipalities contributing, having rateable property of an annual value of £6,954,744; and in the Country Board's district, there were 70 municipalities, with property of the annual value of £1,329,016. Thus the rate of contribution levied on municipalities in the former district was equivalent to about one-third of a penny, and in the latter to about 3 farthings in the £1. The Metropolitan District forms a single fire district with 49 stations, whilst the Country District contains 9 fire districts and 111 stations. The Metropolitan Brigade is a paid force of 83 permanent and 226 auxiliary firemen; and the Country Board had control over 73 brigades, containing 1,512 firemen, nearly all volunteers. The following is a statement of the receipts and expenditure of these Boards for the last two years:—

REVENUE AND EXPENDITURE OF FIRE BRIGADES BOARDS.

Revenue and Expenditure.	Metropolitan Board.		Country Board.	
	1891.	1892.	1891.	1892.
	£	£	£	£
<b>ORDINARY RECEIPTS.</b>				
Contributions from Government, municipalities, and insurance companies ...	12,944	25,979	6,648	13,711
Receipts for services of brigades ...	340	701	...	...
Interest on deposits ...	...	408	...	...
Sundries ...	38	405	...	...
<b>Total ...</b>	<b>13,322</b>	<b>27,493</b>	<b>6,648</b>	<b>13,711</b>

REVENUE AND EXPENDITURE OF FIRE BRIGADES BOARDS  
—continued.

Revenue and Expenditure.	Metropolitan Board.		Country Board.	
	1891.	1892.	1891.	1892.
<b>ORDINARY EXPENDITURE.</b>				
Salaries of permanent staff ... ..	£ 4,958	£ 10,275	£ 692	£ 1,650
Auxiliary and Volunteer staff allowances ...	2,123	2,411	527	2,030
Fire expenses ... ..	39	98		247
Horse expenses ... ..	773	1,156		715
Quarters, housing, and stables ... ..	1,685	2,052		
Establishment charges, uniforms, stores, printing, travelling expenses, furniture, auditors' fees ... ..	1,936	4,537	3,112	2,980
Plant, purchase and repairs (including harness and electrical appliances) ... ..	1,138	1,260		4,551
Annual demonstration ... ..	...	...	...	499
Interest on debentures ... ..	...	4,500	...	...
"    overdraft ... ..	2	83	...	...
Sinking fund ... ..	...	2,000	...	...
Expenses floating loans, etc. ... ..	...	282	...	...
Unapportioned ... ..	...	749	...	...
<b>Total ... ..</b>	<b>12,654</b>	<b>29,403</b>	<b>4,331</b>	<b>12,672</b>
<b>LOAN EXPENDITURE.</b>				
Purchase of freehold property ... ..	...	32,617	...	...
"    and erection of buildings ... ..	...	2,706	...	...
Plant ... ..	...	16,595	...	...
<b>Total ... ..</b>	...	<b>51,918*</b>	...	...

NOTE.—On the 31st December, 1892, the arrears of contributions due to the Metropolitan Board were—£2,437 by Government, £1,767 by municipalities, and £123 by Insurance Companies—total, £4,327; and to the Country Board, £1,082, £803, and £63 by the respective bodies—total, £1,948. The balance of loans unexpended (taking credit for the advance of £468 referred to in footnote (\*) to this page) was £48,082, of which £48,000 was on fixed deposit in one of the banks.

General and  
local  
revenue  
and ex-  
penditure.

299. A statement of the revenue and expenditure of the General Government, added to those of the Municipalities, of the Melbourne Harbor Trust, of the Melbourne and Metropolitan Board of Works, and of the Fire Brigades Boards, during the last seven years will be found in the following table. From the totals of their revenue and expenditure the amounts granted by the State, or by one Corporation to another, have been deducted. The expenditure of the proceeds of loans is entirely left out of account in the Government returns, but is included in the other cases; Government expenditure from the Land Sales by Auction Fund has also been excluded.†

\* Expenditure proper, exclusive of £468 advanced out of the loan account for cost of printing debentures, and towards interest on bank overdraft.

† See table following paragraph 202 ante.

## GENERAL AND LOCAL REVENUE AND EXPENDITURE, 1886 TO 1892.\*

	Total Amounts Received and Expended.						
	1886.	1887.	1888.	1889.	1890.	1891.	1892.
<b>REVENUE.</b>	£	£	£	£	£	£	£
Government ...	6,481,021	6,733,826	7,607,598	8,675,990	8,565,159	8,343,588	7,729,572
Municipalities...	859,184	921,466	1,056,437	1,182,291	1,273,855	1,365,486	1,251,636
Harbor Trust ...	149,479	153,783	194,584	215,496	210,572	180,328	154,714
Board of Works	...	...	...	...	...	...	201,183
Fire Boards ...	...	...	...	...	...	7,231	15,555
<b>Total</b> ...	<b>7,489,684</b>	<b>7,809,075</b>	<b>8,858,619</b>	<b>10,073,777</b>	<b>10,049,586</b>	<b>9,896,633</b>	<b>9,352,660</b>
<b>EXPENDITURE.</b>							
Government ...	6,513,540	6,561,251	7,287,151	7,919,902	9,645,737	9,128,699	8,482,917
„ Special†	...	...	...	39,424	25,264	44,217	20,139
Municipalities...	897,399	986,846	1,132,783	1,400,873	1,507,404	1,583,011	1,519,587
Harbor Trust ...	271,611	238,748	257,088	428,575	603,040	478,649	344,890
Board of Works	...	...	...	...	...	...	290,232
Fire Boards ...	...	...	...	...	...	4,246	68,344
<b>Total</b> ...	<b>7,682,550</b>	<b>7,786,845</b>	<b>8,677,022</b>	<b>9,788,774</b>	<b>11,781,445</b>	<b>11,238,822</b>	<b>10,726,109</b>

300. The next table gives the general and local revenue and expenditure per head of population in the same seven years. It will be observed that in the last year named the local revenue, embracing that of the municipal bodies, the Harbor Trust, the Board of Works, and the Fire Brigades Boards, amounted to £1 8s. per head, and the general and local revenue combined to £8 1s. 6d. per head:—

General and local revenue and expenditure per head.

## GENERAL AND LOCAL REVENUE AND EXPENDITURE PER HEAD, 1886 TO 1892.\*

	Amounts Received and Expended per Head. †						
	1886.	1887.	1888.	1889.	1890.	1891.	†1892.
<b>REVENUE.</b>	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.
Government ...	6 13 9	6 14 7	7 7 4	8 1 1	7 16 11	7 7 3	6 13 6
Municipalities	0 17 9	0 18 5	1 0 5	1 1 11	1 3 1	1 4 1	1 1 7
Harbor Trust ...	0 3 1	0 3 1	0 3 9	0 4 0	0 3 10	0 3 2	0 2 8
Board of Works	...	...	...	...	...	...	0 3 6
Fire Boards ...	...	...	...	...	...	0 0 2	0 0 3
<b>Total</b> ...	<b>7 14 7</b>	<b>7 16 1</b>	<b>8 11 6</b>	<b>9 7 0</b>	<b>9 3 10</b>	<b>8 14 8</b>	<b>8 1 6</b>
<b>EXPENDITURE.</b>							
Government ...	6 14 5	6 11 2	7 1 1	7 7 1	8 14 10	8 1 1	7 6 7
„ Special†	...	...	...	0 0 9	0 0 5	0 0 9	0 0 4
Municipalities	0 18 6	0 19 9	1 1 11	1 6 0	1 7 4	1 8 0	1 6 3
Harbor Trust ...	0 5 7	0 4 9	0 5 0	0 8 0	0 10 11	0 8 5	0 6 0
Board of Works	...	...	...	...	...	...	0 5 0
Fire Boards ...	...	...	...	...	...	0 0 1	0 1 2
<b>Total</b> ...	<b>7 18 6</b>	<b>7 15 8</b>	<b>8 8 0</b>	<b>9 1 10</b>	<b>10 13 6</b>	<b>9 18 4</b>	<b>9 5 4</b>

\* The financial year of the General Government, and of the Melbourne and Metropolitan Board of Works, 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 Harbor Trust and Fire Boards on the 31st December.

† Sale of City Police Court Fund. The receipts have been included with ordinary Government revenue in 1890.

‡ For populations used see table following paragraph 180 ante.

General, local, and loan expenditure, 1879 to 1892.

301. It has been already stated that in the last two tables the expenditure of the proceeds of loans contracted by the General Government is not included. If, however, it should be desired to know the total amount of public money spent in the colony, this must be added, as has been done in the following table for the 14 years ended with 1892, where the amount per head of the average population is also shown :—

GENERAL, LOCAL, AND LOAN EXPENDITURE, 1879 TO 1892.

Year.	Expenditure.			Expenditure per head.		
	General and Local.*	From Government Loans.†	Total.‡	General and Local.	From Government Loans.†	Total.‡
	£	£	£	£ s. d.	£ s. d.	£ s. d.
1879	5,507,869	1,278,217	6,786,086	6 13 2	1 10 11	8 4 1
1880	5,749,623	1,507,778	7,257,401	6 16 10	1 15 10	8 12 8
1881	5,777,479	830,505	6,607,984	6 14 4	0 19 4	7 13 8
1882	5,850,381	1,064,516	6,914,897	6 13 0	1 4 2	7 17 2
1883	6,572,203	2,656,810	9,229,013	7 6 1	2 19 1	10 5 2
1884	6,857,580	1,600,233	8,457,813	7 9 0	1 14 9	9 3 9
1885	7,255,527	1,194,345	8,449,872	7 13 7	1 5 4	8 18 11
1886	7,682,550	1,736,919	9,419,469	7 18 6	1 15 11	9 14 5
1887	7,786,845	2,257,625	10,044,470	7 15 8	2 5 1	10 0 9
1888	8,677,022	2,360,972	11,037,994	8 8 0	2 5 8	10 13 8
1889	9,788,774	3,671,645	13,460,419	9 1 10	3 8 2	12 10 0
1890	11,781,445	3,772,723	15,554,168	10 13 6	3 8 4	14 1 10
1891	11,238,822	3,427,424	14,666,246	9 18 4	3 0 6	12 18 10
1892	10,726,109	1,051,719	11,777,828	9 5 4	0 18 2	10 3 6

Public money spent in 1892 and other years.

302. It will be noticed that the total amount of public money spent per head ranged from £7 13s. 8d. in 1881 to £14 1s. 10d. in 1890; the proportion of which derived from Government loans varied from 18s. 2d. per head in 1892 to £3 8s. 4d. per head in 1890. It will further be remarked that the total amount per head in 1892, although much smaller than in the three years immediately preceding it, was larger than in any other year shown except 1883 and 1888.

General and local taxation.

303. The amount of taxation under the General Government, under the Municipal Bodies, and under the Melbourne Harbor Trust, is given in the following table for each of the seven years ended with 1892, the items being specified in the last two cases. The principle upon which the items of taxation are separated from the general revenue has been already explained.‡ The local taxation is separated from the whole municipal revenue by rejecting—besides all grants received from the General Government—rents of buildings and land, proceeds of the letting of halls, etc., the balance being considered as

\* Including expenditure from Municipal and other Corporation loans.

† Figures for the seven years ended with 1891 corrected since last issue of this work.

‡ See paragraph 244 ante.

taxation. The taxation levied by the Harbor Trust consists only of wharfage rates :—

## GENERAL AND LOCAL TAXATION, 1886 TO 1892.\*

Heads of Taxation.	Amounts Received.						
	1886.	1887.	1888.	1889.	1890.	1891.	1892.
	£	£	£	£	£	£	£
GOVERNMENT† ...	2,634,560	2,739,635	3,071,003	3,749,670	3,630,814	3,252,638	3,149,310
<b>MUNICIPAL.</b>							
Rates ...	546,830	592,235	646,694	732,324	802,356	837,575	808,428
Licences ...	90,495	102,313	104,227	101,475	102,727	103,120	102,146
Registration of dogs ...	13,837	13,853	13,128	13,045	13,293	14,073	13,475
Market dues ...	55,258	56,881	61,064	69,285	76,108	81,828	84,399
Total ...	706,420	765,282	825,113	916,129	994,484	1,036,596	1,008,448
<b>MELBOURNE HARBOR TRUST.</b>							
Wharfage rates ...	136,134	138,804	175,795	183,318	165,819	155,654	121,590
Total general and local taxation }	3,477,114	3,643,721	4,071,911	4,849,117	4,791,117	4,444,888	4,279,348

304. The aggregate amounts of taxation raised by the Government and the municipalities represented, in 1886, a proportion of £3 11s. 9d. to each individual in the community; in 1887, £3 12s. 10d.; in 1888, £3 18s. 10d.; in 1889, £4 10s.; in 1890, £4 6s. 10d.; in 1891, £3 18s. 5d.; and in 1892, £3 13s. 11d. General and local taxation per head.

305. It has already been pointed out that by far the greater portion of the General Government taxation is derived from Customs duties‡—the proportion varying in different years from 72 to 89 per cent. Seventy-seven per cent. of the Municipal taxation in 1886, 76 per cent. in 1887, 78 per cent. in 1888, 80 per cent. in 1889 and 1890, 81 per cent. in 1891, and 80 per cent. in 1892, was derived from rates. Chief sources of taxation.

306. The public debt of Victoria amounted on the 30th June, 1892, to £46,711,287, § consisting of moneys— Public debt.

	£
Borrowed in Victoria ...	1,949,587
„ England ...	44,761,700
Total ...	46,711,287

307. The aggregate amount of the loans raised up to the 30th June, 1892, was £58,154,907; but a total of £11,443,620 having been repaid, Purposes for which loans were incurred.

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

† For details of Government taxation, see table following paragraph 247 ante.

‡ See paragraph 249 ante.

§ On the 30th June, 1893, the public debt (exclusive of £750,000 Treasury Bills in aid of revenue) amounted to £47,144,562.

viz., £2,379,200 out of the general revenue, and £9,064,420 out of the proceeds of redemption loans—the balance outstanding on the 30th June, 1892, was reduced to £46,711,287. The amount of public debt borrowed under each of the purposes for which the debt was incurred, the amount paid off, and the amount outstanding on the 30th June, 1892, are shown in the following table:—

## PURPOSES FOR WHICH LOANS WERE RAISED.

Public Borrowings contracted for—	Total Amount Borrowed.*	Amount.		
		Paid off.	Outstanding, 30th June, 1892.	
			Total.	Percentage.
<b>REVENUE YIELDING WORKS.</b>				
Railways ... ..	£ 36,793,806	£ 344,200	£ 36,449,606†	78·02
Tramways in country districts...	200,000	...	200,000	·43
Water supply and irrigation—				
Melbourne ... ..	3,149,939	800,000	2,349,939	5·03
Country ... ..	5,005,216	...	5,005,216‡	10·72
Harbours and docks ... ..	275,554	...	275,554	·59
Graving-dock ... ..	350,464	...	350,464	·75
Total revenue yielding ...	45,774,979	1,144,200	44,630,779	95·54
<b>OTHER WORKS OF A PERMANENT CHARACTER.</b>				
Parliament houses ... ..	246,453	...	246,453	·53
Law courts ... ..	354,260	...	354,260	·76
Public offices ... ..	166,195	...	166,195	·36
Defence works ... ..	100,000	...	100,000	·21
State school buildings ...	1,105,557	...	1,105,557	2·37
Prince's Bridge, Melbourne ...	108,043	...	108,043	·23
Melbourne and Geelong im- provements	735,000§	735,000	...	...
Total permanent works ...	2,815,508	735,000	2,080,508	4·46
<b>MISCELLANEOUS.</b>				
Treasury bonds in aid of revenue	500,000	500,000	...	...
Net borrowings ... ..	49,090,487	2,379,200	46,711,287	100·00
Redemption of loans   ...	9,064,420	9,064,420	...	...
Gross borrowings ... ..	58,154,907	11,443,620	46,711,287	...

308. It will be observed that at the present time 95½ per cent. of the Victorian borrowings has been devoted to railways, waterworks,

Borrowings devoted to revenue producing works.

\* For expenditure of the net proceeds of these amounts, see table following paragraph 206 *ante*, and for further details of the expenditure of railway loans, see portion relating to Railways in Part "Interchange" in the second volume.

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

‡ Of this amount £678,063 was re-lent to municipal bodies, £679,864 to Water Works Trusts, and £785,472 to Irrigation and Water Supply Trusts, for local waterworks, the principal and interest being repayable by annual instalments—the former into a sinking fund, the latter into the general revenue. For accumulation of Sinking Fund (Municipalities Redemption Account), see table, "Trust Funds," *post*.

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

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

and other revenue producing works, from which the State derives a considerable income. Only  $4\frac{1}{2}$  per cent. of the debt is not directly revenue producing, and this has been expended on such useful and permanent works as bridges, defence works, State schools, public buildings, etc.

309. Of the debt outstanding on the 30th June, 1892, a sum of about £53,000 was authorized as early as 1857, nearly 3 millions during the ten years ended with 1870, over 10 millions in the ten years ended with 1880, over  $30\frac{1}{4}$  millions—of which nearly 9 millions was for purposes of redemption—in the ten years ended with 1890, and 3 millions since 1890, as will be seen by the following table, which shows the years in which the various amounts of which the debt is composed were authorized and the number of the Act by which such authorization was given; also the changes that have been effected by means of conversion operations:—

#### AUTHORIZATION OF THE PUBLIC DEBT.

Authorization.		Rate of Interest.	Amount Outstanding on the 30th June, 1892.	
Year.	Number of Act.		As originally Authorized.	After Conversion Operations.
		Per cent.	£	£
1857	36	6	52,780	...
1862	150	6	23,900	...
1868	331	5	2,107,000	2,107,000
"	332	5	610,000	312,900
1870	371	4	100,000	...
1872	428	4	1,113,000	543,000
"	439	4	...	{ 86,780*
1873	468	4	1,500,000	{ 13,102†
1876	531	4	{ 2,500,000	500,000*
1878	608	$4\frac{1}{2}$	5,000,000	2,500,000
"	611	4	...	5,000,000
"	617	5	183,900	457,000*
1881	717	4	4,000,000	183,900†
1882	739	4	2,000,000	4,000,000
"	741	4	167,600	2,000,000
1883	760	4	4,000,000	167,600
1884	805	4	4,000,000	4,000,000
1885	845	4	6,000,000	4,000,000
1887	963	4	130,000	6,000,000
1888	989	$3\frac{1}{2}$	3,000,000	130,000
1889	1,015	4	210,005	3,000,000
"	1,032	$3\frac{1}{2}$	4,000,000	210,005
1890	1,196	$3\frac{1}{2}$	3,000,000	4,000,000
1891	1,217	$3\frac{1}{2}$	2,000,000	3,000,000
"	1,233	$4\frac{1}{2}$	1,000,000	2,000,000
	Total ...	...	46,698,185	1,000,000
				46,711,287

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

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

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

Growth of  
the public  
debt.

310. The gross total of the public debt increased from £5,000,000 in 1860 to nearly £12,000,000 in 1870, and again to over £22,000,000 in 1880-81—the amount at the end of each decennial period being about double that at the commencement. During the eleven years subsequent to 1880-81, a net amount of £24,000,000 was added to the debt. The whole increase in 31 years was in a much greater ratio than the increase of population, for the indebtedness per head gradually rose from £9 10s. in 1860 to £40 in 1891-2. A considerable increase also took place as compared with the total revenue, for whilst in 1860, or three years after the colony commenced to borrow, the debt was equivalent to only  $1\frac{2}{3}$  year's revenue, in 1870 it was equivalent to  $3\frac{2}{3}$  years', and in 1891-2 to over 6 years' revenue. The amount of debt outstanding, together with the average per head and the multiple of revenue at the end of 1860 and the two following decennial periods, and of the four years ended with 1891-2, are shown in the following table:—

GROWTH OF THE PUBLIC DEBT, 1860 TO 1891-2.\*

At end of the Financial Year.	Amount Outstanding.	Average per Head.			Multiple of Revenue.
		£	s.	d.	
1860 ... ..	£ 5,118,100	9	10	4	1·66
1870 ... ..	11,924,800	16	8	5	3·66
1880-81 ... ..	22,593,102	26	1	2	4·36
1888-9 ... ..	37,627,382	34	10	2	4·34
1889-90 ... ..	41,377,693	36	19	11	4·86
1890-91 ... ..	43,610,265	38	0	6	5·23
1891-2 ... ..	46,711,287	40	3	6	6·04

NOTE.—On the 30th June, 1893, the public debt was £47,144,562 (excluding Treasury Bonds in aid of revenue £750,000). At the same date the estimated population was about 1,170,300. The amount of indebtedness per head was thus £40 6s. ; and the multiple of the revenue was 6·8.

Increase of  
debt,  
1891-2.

311. It will be noticed that in 1891-2 the public debt increased by £3,101,022. This was in consequence of the debt having been added to by Treasury Bills for £1,000,000 floated in Melbourne (principal and interest payable in London) in March, and by a new loan for £2,000,000 floated in London in June, 1892, and by the stock on the Melbourne register having been increased by £101,022. The debt per head of population increased by £2 3s., whilst the ratio of debt to revenue rose from nearly  $5\frac{1}{4}$  years of the latter in 1890-91 to slightly over 6 years in 1891-2.

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



312. Of the total debt on the 30th June, 1892, £13,978,600 <sup>Repayment of debt.</sup> (including £183,900 debentures taken over by the Government) was in the form of debentures; £30,582,200 in that of Inscribed Stock (*London Register*); £1,150,487 in that of Funded (or permanent) Stock (*Melbourne Register*); and that of £1,000,000 Treasury Bills. The following are the dates at which the various amounts of which the debt is composed are repayable, also the amounts repayable in Melbourne and London:—

## REPAYMENT OF DEBT.

Under Act No.	When Repayable.	Rate of Interest per cent.	Amount Repayable.		
			In Melbourne.	In London.	Total.
	<i>Debentures.</i>				
331-2	1st January, 1894 ...	5	£ 312,900	£ 2,107,000	£ 2,419,900
468	1st July, 1899 ...	4	...	1,500,000	1,500,000
531	„ 1901 ...	„	...	3,000,000	3,000,000
608	1st January, 1904 ...	4½	...	5,000,000	5,000,000
611	„ „ ...	4	457,000*	...	457,000*
	<i>Inscribed Stock (London).</i>				
717	1st July, 1907 ...	4	...	4,000,000	4,000,000†
739	1st April, 1908 ...	„	...	2,000,000	2,000,000†
760	1st October, 1913 ...	„	...	4,000,000	4,000,000†
805	„ 1919 ...	„	...	4,000,000	4,000,000
845	„ 1920 ...	„	...	6,000,000	6,000,000
989 } 1032 }	„ 1923 ...	3½	...	7,000,000	7,000,000
989 } 1196 }	1st January, 1921 to 1926 ‡	„	...	5,000,000	5,000,000
	<i>Funded Stock (Melbourne).</i>				
§	28th November, 1897   ...	4	1,150,487	...	1,150,487
617	<i>Debentures of late M. &amp; H. B. U. Railway Co.</i> ¶	5	29,200	154,700	183,900
	<i>Treasury Bills (London).</i>				
1233	31st December, 1893 ...	4½	...	1,000,000	1,000,000
	Total ...	...	1,949,587	44,761,700	46,711,287

\* Held by Government; nominally repayable in London.

† Original debentures were convertible into inscribed stock at option of holders. The amount so converted, according to advices received to the 30th June, 1892, was £8,582,200, the balance being still held in the form of debentures.

‡ Or at any time between the dates named after due notice.

§ Acts 428, 439, 741, 963, and 1015.

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

¶ Of which £30,000 is redeemable on 1st July, 1892; £22,000 on 1st July, 1895; £100,000 on 1st September, 1895; and £31,900 on 1st January, 1897. Amount payable in London and Melbourne has been estimated.

Reduced  
rate of  
interest on  
loans.

313. The last of the old 6 per cent. loans was paid off on 1st January, 1891, making a total of £9,073,320, which has been redeemed from 1st October, 1883. With the exception of £276,100 redeemed out of revenue, all the 6 per cent. loans have been replaced by redemption loans bearing only 4 or 3½ per cent. interest, and the nominal saving by such substitution in the annual interest payable amounts to £180,195. Moreover, it will be noticed that further loans amounting to £2,449,900 (including £30,000 Hobson's Bay debentures) at 5 per cent. will fall due on 1st January, 1894, which, if converted at 4 per cent., will result in an annual saving of £24,499. With one slight exception, none of the remaining loans bear a higher rate than 4½ per cent.

Loans  
redeemed.

314. The loans which have been redeemed up to the 30th June, 1892, amount in the aggregate to £11,443,620, of which £2,379,200 was provided for out of revenue, and £9,064,420 by means of redemption loans, bearing interest at the rates of 4 or 3½ per cent. Nearly three-fourths of the amount was repayable in London, and the remainder in Melbourne. The following are the particulars:—

#### LOANS REDEEMED TO THE 30TH JUNE, 1892.

Under Act No.	Date of Redemption.	Rate of Interest.	Source from which funds were provided.	Amount Redeemed.		
				Melbourne.	London.	Total.
				£	£	£
13	1855 to 1875 ...	...	Revenue	525,000	...	525,000
23	" " ...	...	"	210,000	...	210,000
40	1857 to 1872 ...	6	"	299,100	500,900	800,000
15	1872 to 1874 ...	6	"	2,900	65,200	68,100
663	1st November, 1881	5	"	166,600	...	} 500,000†
"	" 1882†	5	"	166,700	...	
"	" 1883†	5	"	166,700	...	
617	1880 to 1886	6 & 3½§	Loans	33,800	233,400	267,200‡
36	1st October, 1883	6	"	236,600	3,587,500	3,824,100
"	" 1884	6	"	...	812,500	812,500
"	" 1885	6	"	580,620	2,600,000	3,180,620
"	" 1888	6	"	130,000	...	130,000
150	" 1889	6	Revenue	276,100	...	276,100
287	1st January, 1891	6	Loans	...	850,000	850,000
Total ...				2,794,120	8,649,500	11,443,620

\* Exclusive of the saving on the loan of £276,100, which was paid off out of revenue.

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

‡ Treasury bonds.

§ Only £200 bore interest at 3½ per cent.

¶ This amount was repaid as follows:—£100,000 on 1st July, 1880; £59,600 on 1st March, 1881; £20,400 on 1st May, 1882; £48,300 on 1st January, 1883; £38,900 on 1st January, 1886.

Victorian  
Govern-  
ment stock.

315. Victorian stock on the Melbourne register was first authorized under the *Public Works Loan Act* 1872 (36 Vict. No. 428), and originally amounted to £1,113,000. Owing to portion of this being converted into debentures, which operation was more than counter-balanced by re-conversions and fresh issues, the amount outstanding became increased on the 30th June, 1892, to £1,150,487. Of this amount, £622,229 is held by the public, and £528,258 by the Government, viz. :—£324,844 on account of Trust Funds invested, and £203,414 on account of investments by municipalities. In the case of the first three loans issued in London since the 1st January, 1883—amounting to £10,000,000—the option was given to holders of converting their debentures into stock, to be registered in London; whilst the subsequent loans (not including short-dated Treasury bonds) raised up to the end of the financial year 1891-2—amounting to £22,000,000—were issued as stock in the first instance. The privilege referred to, according to advices received up to the 30th June, 1892, had been availed of up to the extent of £8,582,200, so that the stock then outstanding upon the London register amounted to £30,582,200. The total amount of stock on the two registers combined was thus £31,732,687. Of this amount, £19,732,687 bears interest at the rate of 4 per cent., and £12,000,000 at the rate of  $3\frac{1}{2}$  per cent. per annum.

316. About a fourth of the public debt bears interest at the rate of  $3\frac{1}{2}$  per cent., whilst nearly three-fifths bears interest at 4 per cent., and the balance at higher rates up to 5 per cent., the average being 3.99 per cent. The following are the rates of interest payable on the various amounts of which the public debt of Victoria was composed on the 30th June, 1892:—

Rates of  
interest.

Rates of Interest.	Amount at each Rate.
5 per cent. ... ..	£2,603,800
$4\frac{1}{2}$ per cent. ... ..	6,000,000
4 per cent. ... ..	26,107,487
$3\frac{1}{2}$ per cent. ... ..	12,000,000
Total ... ..	£46,711,287

317. Nearly three-fourths of the interest on the debt is payable in July and January, and the bulk of the remainder in October and April. In connexion with this, Messrs. W. Westgarth & Co., of London, whilst admitting the inconvenience to the colony of having large interest amounts falling due at one time, have pointed out that

Interest on  
debt.

the greatest degree of negotiability for the stock can only be attained by making the periods of payment uniform for all loans. About a twenty-third of the interest is payable in Melbourne, and the remainder in London. The following table shows the amounts of annual interest payable on the debt as it existed on the 30th June, 1892, also the time when and places where it becomes payable :—

ANNUAL INTEREST ON PUBLIC DEBT AT 30TH JUNE, 1892.

Rate per cent.	When due.	Interest due annually—		
		In Melbourne.	In London.	Total.
		£	£	£
5	July and January ...	15,645	105,350	120,995
4½	” ” ...	..	225,000	225,000
4	” ” ...	18,280*	580,000	598,280
3½	” ” ...	...	420,000	420,000
	Total ...	33,925	1,330,350	1,364,275
4	October and April ...	46,019	400,000	446,019
4½	June and December† ..	...	45,000	45,000
	Melbourne and Hobson's Bay Railway Debentures	1,460	7,735	9,195
	Grand Total ...	81,404	1,783,085	1,864,489*

NOTE.—According to the Treasurer's Finance Statement, 1891-2, the amount actually payable for 1892-3 was £1,810,459. The difference between this and the amount shown in the table (£54,030) is accounted for by the non-payment of £18,280 on debentures not issued to the public, but held by Government on account of Trust Funds invested, by only half a year's interest on £2,000,000 floated in June, 1892, being chargeable to the financial year, and by the redemption of a 5 per cent. loan for £30,000 on 1st July, 1892.

Interest on loans for different works.

318. The average interest on the public debt, as it existed at the end of the financial year 1891-2, was equivalent to a shade under 4 per cent., the average rates on the amounts borrowed for the different works varying from 3½ to 4½ per cent. No money has been borrowed at 6 per cent. since 1866; and the 5, 4½, 4, and 3½ per cent. loans floated since, together with the substitution of 4 and 3½ per cent. debentures and stock for the 6 per cent. loans which had become due, have gradually brought down the rate of interest, so that at the end of 1891-2 it averaged less than 4 per cent. as just stated. The following are the particulars of the amounts borrowed for the different works, and the annual interest and average rate of interest chargeable thereon :—

\* Debentures held by the Government. See Note *supra*.  
 † For Treasury Bills redeemable on 31st December, 1893.

## INTEREST ON LOANS FOR DIFFERENT WORKS.

Purpose for which Raised.	Amount Outstanding on 30th June, 1892.*	Annual Interest.	
		Amount.	Average Nominal Rate per cent.
	£	£	
Railways ... ..	36,449,606†	1,457,259	4·00
Tramways in Country Districts ...	200,000	7,750	3·88
Water Supply { Melbourne ... ..	2,349,939	92,385	3·93
{ Country ... ..	5,005,216	195,367	3·90
Law Courts and Parliament House ...	600,713	25,265	4·21
Public Offices ... ..	166,195	6,789	4·08
Defences ... ..	100,000	3,500	3·50
State Schools ... ..	1,105,557	45,222	4·09
Yarra Bridge ... ..	108,043	4,622	4·28
Harbours, etc. ... ..	275,554	11,022	4·00
Graving-dock ... ..	350,464	15,308	4·37
<b>Total ... ..</b>	<b>46,711,287</b>	<b>1,864,489</b>	<b>3·99</b>

319. By the last two tables it appears that, on the debt as it stood at the end of 1891-2, the total amount accruing annually as interest is £1,864,489; but as interest (£18,280) on debentures held by the Government was not paid, and as no interest whatever on £2,000,000 either accrued or was payable during the year, and as six months interest on £1,000,000, which had accrued, was not payable until the ensuing year, the amount actually paid in 1891-2 was only £1,687,817, viz., £1,628,092 in London, and £59,725 in Melbourne. Interest payable and paid.

320. The real burden of the debt is shown by the amount of interest, which not being covered by the profits arising from those public works on which the loan moneys have been expended, and which has necessarily to be provided for by taxation, land revenue, etc. Thus, in 1891-2, although the interest which accrued on the public debt of Victoria amounted to £1,769,970,‡ it was only necessary to provide for £650,500, or about 37 per cent., by these methods, the remaining 63 per cent. being derived from public works of a reproductive character. In the preceding year, however, only 25 per cent. was so derived. The following is a statement of the sources from which the interest was defrayed:— Interest on debt recouped from reproductive works.

\* See also footnotes to table following paragraph 307 ante.

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

‡ The actual amount paid was £1,687,817, and the annual interest on the debt as it stood at the end of the year was £1,864,489. See last paragraphs.

INTEREST ON VICTORIAN PUBLIC DEBT AND SOURCES WHENCE  
DEFRAIDED, 1891-2.

Interest defrayed from—	1891-2.
	£
Net Revenue from Railways ... ..	956,983
"    "    Graving Dock ... ..	3,332
Interest on Loans to Melbourne and Metropolitan Board of Works	57,349
"    "    Local Bodies (actual receipts)	53,552
"    "    Debentures held by Government ...	18,280
"    "    Unexpended Balances in Banks (ap- proximate)	30,000
Total ... ..	1,119,496
Taxation and Land Revenue ... ..	650,474
Total Interest accrued ... ..	1,769,970*

Interest  
from repro-  
ductive  
works in  
Austral-  
asian  
colonies  
and  
Canada.

321. From the best information available similar particulars have been compiled for 1890 in regard to the other Australian colonies (except Western Australia) and Canada, with the result that the profits of reproductive public works are found to have covered a larger proportion of the interest on the debt in Victoria than in any of the other colonies of this group, whilst the proportion in Canada was lower than in any Australasian colony. The following are the proportions referred to:—

PROPORTION OF INTEREST ON PUBLIC DEBT COVERED BY  
EARNINGS OF REPRODUCTIVE WORKS, 1890.

	Per cent.		Per cent.
Victoria ... ..	75·10	New Zealand ... ..	25·27
New South Wales ... ..	67·30	Tasmania ... ..	11·92
South Australia ... ..	60·43	Canada ... ..	11·21
Queensland ... ..	27·33		

Expenses of  
paying  
interest on  
debt.

322. The payment of interest in Melbourne is not attended with any expense; but in connexion with the payment of interest in London expenses are incurred, consisting chiefly of premium, on the remittance of money and commission to the Banks. For payment of debenture coupons a commission of  $\frac{1}{2}$  per cent. is payable; and in the case of inscribed loans a commission of £500 per million per annum for inscription and payment of interest is charged for the first 10 millions of stock inscribed, £450 for the second 10 millions, and £400 for subsequent amounts. These charges amounted in 1891-2 to £26,599, which is equivalent to a proportion of nearly  $1\frac{2}{3}$  per cent. on the total amount paid in London, viz., £1,628,092, as just stated; as compared

\* The actual amount paid was £1,687,817, and the annual interest on the debt as it stood at the end of the year was £1,864,489. See last paragraphs.

with a similar proportion in 1889-90 and 1890-91, but only  $1\frac{1}{2}$  per cent. in 1887-8 and 1888-9. The following figures show the items of which the expenses were made up during the last five years:—

EXPENSES OF PAYING INTEREST ON LOANS,  
1887-8 TO 1891-2.

	1887-8.	1888-9.	1889-90.	1890-91.	1891-2.
	£	£	£	£	£
Commission of $\frac{1}{2}$ per cent. on debenture coupons payable ...	3,182	3,161	3,152	3,106	2,841
Commission for inscription of stock and payment of interest ( $1\frac{1}{4}$ or $1\frac{1}{8}$ per cent. on interest payable) ...	7,984	8,709	9,932	11,553	12,577
Premium on remittances	7,187	7,540	10,755	10,846*	10,666*
Stamps, advertising, etc.	994†	1,108	561	603	515
<b>Total Expenses ...</b>	<b>19,347</b>	<b>20,518</b>	<b>24,400</b>	<b>26,108</b>	<b>26,599</b>
Interest paid in London	1,291,755	1,363,753	1,460,463	1,563,783	1,628,092
Percentage of expenses	1.50	1.51	1.67	1.67	1.64

323. Adding the interest paid in Melbourne—in connexion with which, as has been already stated, there are no expenses—to the interest and expenses in the last column of the table, it will be found that the total interest and expenses of the public debt of Victoria in 1891-2 amounted to £1,714,416,‡ being in the proportion of £1 9s. 7d. per head of population, and equal to about a fifth of the general expenditure of the colony.

Interest on debt per head.

324. A commission of  $\frac{1}{4}$  per cent. was chargeable on the redemption at maturity of loans redeemable in London; and accordingly £2,125 was paid in 1890-91 for the redemption of £850,000, which fell due on the 1st January, 1891. Interest was also paid, in 1891-2, amounting to £12,284, on advances by banks in London to redeem the debentures.

Commission on redemption of £850,000 loan.

325. The following is a statement of the total amount, and amount per head, paid for interest and expenses of the public debt in 1860, in each fifth year from that period to 1889-90, and in 1890-91 and 1891-2; also in each of the same years, the proportion such interest and expenses bore to the general revenue of the colony. It will be

Interest and expenses of debt, 1860 to 1891-2.

\* Including £5,208 in 1890-91, and £5,351 in 1891-2, equivalent to Banks for non-remittance of interest.

† Including £153 arrears.

‡ Exclusive of £12,284 interest on advances by Banks in London to redeem debentures referred to in next paragraph. See under head of "Public Debt," page 117 *ante*.

observed that, although the total amount and amount per head have been gradually increasing, the amount in proportion to revenue has fallen off considerably since 1879-80 :—

INTEREST AND EXPENSES OF PUBLIC DEBT, 1860 TO 1891-2.

Year.	Interest and Expenses of Debt.		
	Total Amount Paid.	Amount Per Head of Population.	Percentage of Revenue.
	£	£ s. d.	
1860 ...	251,777	0 9 4	8·17
1865 ...	517,081	0 16 8	16·81
1870 ...	647,674	0 17 10	19·86
1874-5 ...	719,282	0 18 3	17·25
1879-80 ...	979,864	1 3 1	21·30
1884-5 ...	1,271,907	1 6 11	20·22
1889-90 ...	1,548,145	1 8 1	18·17
1890-91 ...	1,646,884	1 9 1	19·74
1891-2 ...	1,714,416	1 9 7	20·55

326. In the other Australasian colonies, in 1891, the interest and expenses of the public debt per head varied from £2 16s. 9d. in Queensland, £2 12s. 3d. in South Australia, and £2 10s. 9d. in New Zealand, to £1 15s. 5d. in Tasmania, £1 13s. 4d. in New South Wales, and £1 4s. 6d. in Western Australia ; whilst the proportion to the total expenditure varied from 39 per cent. in New Zealand, 31 per cent. in Tasmania and Queensland, and about 30 per cent. in South Australia, to 18 per cent. in New South Wales, and only 14 per cent. in Western Australia.\* In the Australasian colonies as a whole, the interest and expenses of the public debt in 1891 amounted to £7,469,271, or to £1 19s. per head, being equivalent to nearly a fourth of the total expenditure.

327. The interest on the public debt is raised by the exertions of the breadwinning portion of the population as distinguished from the dependent portion, which consists for the most part of women and children not engaged in remunerative occupations. These two sections of the population, as returned at the census of 1891, were carefully separated in all the Australasian colonies, and the totals have been published in all except South Australia, the entire returns of which have not yet been compiled (September, 1893). Comparing the number of breadwinners in each colony with the interest and expenses on its debt, as it existed in 1891, the following figures are obtained, which, as a matter of course, are much higher than those shown in the preceding paragraph, where the debt is compared with the total population :—

\* See Australasian Statistics for 1891, Table V., Appendix A., Vol. II., *Victorian Year-Book* 1891-2. For later information see Appendix A. in the second volume.

Interest on debt in Australasian colonies and elsewhere.

Interest on debt per breadwinner in Australasian colonies.



PROPORTION OF THE INTEREST ON PUBLIC DEBT TO BREADWINNERS  
IN SIX AUSTRALASIAN COLONIES, 1891.

	Interest on Debt per Breadwinner, 1891.	Interest on Debt per Breadwinner, 1891.
1. Queensland ...	£6 9 2	4. New South Wales ... £4 2 0
2. New Zealand ...	6 8 9	5. Victoria ... 3 5 8
3. Tasmania ...	4 6 7	6. Western Australia ... 2 11 7

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

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

Countries.	Annual Interest on Public Debt.†	
	Amount (000's omitted).	Proportion of Total Expenditure.
	£	Per cent.
Portugal ...	4,720,	55
Roumania ...	2,360,	48
Greece ...	1,480,	40
New Zealand ...	1,597,	39
Austria ...	11,280,	38
Hungary ...	10,640,	38
France ...	53,480,	35
Spain ...	10,960,	32
Tasmania ...	264,	31
Russia ...	27,800,	31
Italy ...	12,600,	31
Belgium ...	3,840,	31
Queensland ...	1,148,	31
United Kingdom ...	27,000,	30
South Australia ...	843,	30
Holland ...	2,640,	24
Denmark ...	560,	19
New South Wales ...	1,905,	18
Victoria ...	1,649,	18
Sweden ...	800,	16
Western Australia ...	63,	14
Prussia ...	8,480,	13
Norway ...	280,	11
Germany ‡	4,360,	9
Switzerland ...	80,	3

329. According to the table the only countries in the world in which the relation of the annual charge on the Public Debt to the Public Expenditure is smaller than in Victoria and New South

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

† The figures for the Australasian colonies, which relate to the year 1891, express the expenses, in addition to the interest, of their Public Debts, except in the case of Queensland.

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

Interest on debt—  
Proportion to total expenditure.

Relation of debt to expenditure in Victoria and other countries.

Wales (in which the proportions are equal) are Sweden, Western Australia, Prussia, Norway, Germany, and Switzerland. So far as the German Empire is concerned, the result might be different if the indebtedness of the several German states was taken into account. New Zealand, it will be observed, stands near the head of the list, having only three countries above it; and all the other Australasian colonies, except Western Australia, occupy a higher and consequently worse position than Victoria or New South Wales.

Loans  
authorized  
but not  
raised.

330. The permanent loans authorized but not raised on the 30th June, 1892, amounted to £4,539,994, which represents the balances unfloated of loans for £750,000 and £6,000,000 authorized in 1889 and 1891 respectively for the construction chiefly of railways, but also of water and irrigation works. The former was to be issued in Melbourne when required as 4 per cent. stock similar to that already in existence; the latter as 3½ (or 4) per cent. inscribed stock, to be placed in London, and redeemable at any time after 30 but before 35 years from date of stock,\* after twelve months' notice. Besides these the following table shows the amounts authorized to be devoted to the respective purposes for which the original loans were to be raised:—

PERMANENT LOANS AUTHORIZED BUT NOT RAISED TO 30TH JUNE, 1892.†

Purposes.	Under <i>Loan Act</i> —	
	53 Vict., No. 1015.‡	55 Vict., No. 1217:
	£	£
Railways ... ..	500,000	5,000,000
Water Supply—Melbourne ...	250,000	...
Irrigation Works, etc. ...	...	1,000,000
Total ... ..	750,000	6,000,000
Amount raised to 30th June, 1892 ...	210,006	2,000,000
Balance not floated to date ...	539,994	4,000,000§

331. In addition to the amounts shown in the last table, authority was obtained in 1891, under Act 55 Vict. (No. 1233), to issue Treasury bonds for £2,000,000 in London as a temporary expedient in anticipation of the balance of the loan authorized under Act 55 Vict.

Treasury  
bonds  
authorized  
in 1891-2.

\* The 1st January, 1891, was subsequently fixed as the date of commencement for both loans.

† In February and March, 1893, further amounts of £2,107,000 and £1,282,123 were authorized to be issued in London and Melbourne respectively, but, excepting £1,000,000 of the latter sum, they were intended merely to provide for loans falling due on 1st January, 1894. In regard to the latter authorization, it was provided, for the first time, that debentures could be taken up for sums as small as £10, £25, and £50 (the previous minimum being £100), and that they should be obtainable at any pay office or money order office in the colony, where also the principal and interest could be received when due.

‡ Stock to be issued in Melbourne.

§ If allowance be made for amount obtained by means of Treasury Bonds, as stated in next paragraph, this would be reduced to £3,000,000.

No. 1217, the time not being favourable for floating a regular loan. Such bonds were authorized to bear interest at a rate not exceeding  $4\frac{1}{2}$  per cent. and to be repayable on the 31st December, 1893. Only £1,000,000 of the bonds, however, were disposed of, viz., on the 4th March, 1892, under an agreement made in Melbourne with the New Zealand Loan and Mercantile Agency Company. The gross proceeds averaged £100 19s.  $2\frac{1}{4}$ d., but from this must be deducted £1 15s.  $3\frac{1}{2}$ d. for accrued interest, and 2s. 6d. for expenses (stamp duty only), so that the net proceeds averaged only £99 1s.  $4\frac{3}{4}$ d., being equivalent to a par loan at 5 per cent.

332. The first portion, viz., £2,000,000, of the loan of £6,000,000 authorized in November, 1891, to be raised in London—the interest being fixed at  $3\frac{1}{2}$  per cent., and the principal redeemable, after due notice, at any time between the 1st January, 1921, and the 1st January, 1926—was offered on the 29th June, 1892, at a minimum price of £92, being equivalent, after allowing for accrued interest and deferred payments from the 1st July, to £91 12s.  $3\frac{1}{2}$ d. per £100 stock. The number of tenders was 283, and the amount tendered £2,476,100. The average price obtained was £92 1s. 4d., or £91 13s.  $7\frac{1}{2}$ d. *ex* accrued interest; whilst, if expenses of floating be also deducted, the net proceed will be found to have averaged only £90 10s. 8d. As the loan is redeemable after 30 years' currency, the real rate of interest at which the money was obtained is equivalent to £4 0s. 5d. for every £100 actually received.

Loan floated  
in 1892.

333. In order to temporarily provide for portion of the deficit in the public finance account, Treasury bonds of the nominal value of £750,000 were offered for public subscription in Melbourne on the 31st January, 1893. These bonds were legalised under Act 56 Vict. No. 1283. Each bond is of the value of £100, and bears interest at the rate of  $4\frac{1}{2}$  per cent. from the 1st January. The bonds were divided into three equal lots of £250,000, redeemable in three, four, and five years. It was stipulated that 5 per cent. of the amount tendered was to be paid on application, and the balance on the 14th February. At first, no minimum having been announced, £1,147,100 was tendered for at prices ranging from £94 to £100 10s. per £100, but only tenders at £99 and upwards were accepted, amounting to £238,200, the balance being offered and disposed of at a minimum of £99 on the 1st February. The number of tenders was 205, and of these 146 were successful. The gross proceeds obtained for the three years' bonds was £247,648; for the four years' bonds £247,787; and for the five years' bonds £249,058; or a total of £744,493. Such proceeds averaged £99 1s. 2d. per £100 for the first, £99 2s. 4d. for the second, and £99 12s. 6d. for the third; the average for the whole being £99 5s.  $3\frac{3}{4}$ d. From these

Treasury  
bonds to  
cover  
revenue  
deficiencies  
issued in  
1893.

figures must be deducted £4,004, or an average of 10s. 8d. per £100, for accrued interest, and £1,590, or 4s. 3d. per £100, for brokerage on £636,100, at the rate of  $\frac{1}{4}$  per cent., which reduced the proceeds of the whole to £738,899, or £98 10s. 4 $\frac{3}{4}$ d. per £100. Making all due allowances, it is calculated that the money was obtained at the rates per cent. per annum of 5.13, 4.96, and 4.75 for the three, four, and five years' bonds respectively; or at an average of 4.92 per cent. for the whole amount. These bonds are not considered in this work to form part of the public debt.

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

PARTICULARS OF LOANS FLOATED, 1891 AND 1892.  
(3 $\frac{1}{2}$  PER CENT. STOCK.)

Particulars.	(52 Vict. No. 989, and 54 Vict. No. 1196.)		(55 Vict. No. 1217.)
	First portion, £2,000,000.	Second portion, £1,000,000.	First portion, £2,000,000.
When floated ... ..	13th April, 1891.	7th July, 1891.	29th June, 1892.
When repayable ... ..	1921-6 (Jan.).	1921-6 (Jan.).	1921-6 (Jan.).
Minimum price fixed per £100 ... .. £	96 2 11	...	91 12 3 $\frac{1}{2}$
Number of tenders ... ..	352	...	283
Amount tendered ... .. £	2,000,000	1,000,000	2,476,100
Number of successful tenders	352	...	282*
Highest tender per £100 £	98 13 5	...	97 12 9 $\frac{1}{2}$
Lowest successful tender per £100 ... .. £	96 2 11	...	91 12 3 $\frac{1}{2}$
Gross proceeds, average per £100 ... .. £	96 4 3	96 2 3 $\frac{3}{4}$	91 13 7 $\frac{1}{2}$
Deduct expenses, do. .. £	1 2 10	1 2 6 $\frac{1}{4}$	1 2 11 $\frac{1}{2}$
Net proceeds, do. ... .. £	95 1 5	94 19 9 $\frac{1}{2}$	90 10 8
Bank of England min. rate of discount ... ..	3	2 $\frac{1}{2}$	2
British Consols (2 $\frac{3}{4}$ per cent.)	96 @ 96 $\frac{1}{4}$	96 $\frac{1}{8}$ @ 96 $\frac{3}{8}$	96 $\frac{1}{8}$ @ 97

NOTE.—The quotations in this table are exclusive of accrued interest, which was £1 7s. 1d., 2s. 8 $\frac{1}{4}$ d., and 7s. 8 $\frac{1}{2}$ d. respectively for the last three loans.

335. The total expenses connected with floating Victorian loans from 1855 (the time the first loans were authorized) to the 30th June, 1892, including bank charges, brokerage, advertising, etc., have amounted to £612,613, which figures furnish a proportion of 1.180

\* Wholly or partly successful.

Net pro-  
ceeds of  
recent  
loans.

Expenses of  
floating and  
redemption  
of loans.

per cent. (equal to £1 3s. 7¼d. per £100) on the gross amount (£51,914,000) borrowed in London to that date; a not widely different average prevailed for the loans recently floated, as will be seen by figures in the last table. The expenses are made up of 5s.\* per £100 commission to the Banks for floating, 5s. brokerage, and 2s. 6d. duty on loans in the form of debentures or 12s. 6d. composition duty on those in the form of stock, payable to the British Government; whilst 5d. or 5½d. generally defrays the cost of advertisements and other charges. It should be mentioned that there are other charges which, as they do not come into operation until the debentures arrive at maturity, are not usually taken into account. These are the Banks' commission (including brokerage) of ¼ per cent. for floating the earlier debenture loans, and ⅛ per cent. for the more recent inscribable loans, besides exchange on remittances for redemption of the debentures. In January, 1891, a commission of ¼ per cent. was paid to the Banks on the redemption of a loan of £850,000.

336. The minimum price for tenders for a loan is fixed after due inquiry from those supposed to be best acquainted with the state of the money market. The results, however, are very various, and in the case of the loans from 1874 onwards the amounts obtained per £100 debenture or stock have ranged from 1s. 4d. in 1891 and 1892 to as much as £4 11s. in 1888 above the minimum fixed, as is shown in the last column of the following table:—

Prices fixed and obtained for loans.

#### VICTORIAN LOANS—PRICES FIXED AND OBTAINED, 1874 TO 1892.

When Raised.	Price per £100 <i>ex</i> Interest.		Amount above Minimum Obtained.
	Minimum Fixed.	Average Obtained.	
	£ s. d.	£ s. d.	£ s. d.
1874 ...	90 0 0	90 2 7	0 2 7
1876 ...	93 0 0	94 16 10¾	1 16 10¾
1879 ...	96 16 1	97 17 5½	1 1 4½
1880 ...	100 0 0	103 3 8½	3 3 8½
1883 ...	98 13 7	98 16 8½	0 3 1½
„ ...	96 13 3	97 14 1½	1 0 10½
1884 ...	98 2 8	98 5 7	0 2 11
1885 ...	97 4 9½	98 18 6½	1 13 9
1886 ...	101 3 3	105 12 3¼	4 9 0¼
1887 ...	101 6 3	102 5 6¾	0 19 3¾
1888 ...	103 9 11¾	108 1 1¼	4 11 1½
1889 ...	99 8 10½	102 14 10	3 5 11½
1890 ...	98 11 11½	100 2 4	1 10 4½
1891 ...	96 2 10½	96 4 2½	0 1 4
1892 ...	91 12 3½	91 13 7½	0 1 4

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

\* South Australia saves this commission by floating the loans through the medium of the Agent-General; whilst New South Wales pays as much as 10s. per £100 to the Bank of England. See table following paragraph 348 *post*.

Loans  
floated in  
Melbourne.

337. The amount outstanding on loans floated in Melbourne at one time amounted to over £3,123,000, but owing to portions of such loans having been converted into debentures floated in London, and £1,223,320 having been paid off and replaced for the most part by loans raised in London, counterbalanced to some extent by fresh issues, the debt repayable in Melbourne has become reduced to £1,920,388. The following is a statement of such loans, showing the amounts as originally raised, the amounts converted or paid off, and the amounts outstanding on the 30th June, 1892:—

LOANS FLOATED IN MELBOURNE.

Authorization.		Loans as originally raised.			Amounts.		Loans Outstanding on 30th June, 1892.
Act No.	Year.	Rate of Interest.	When due.	Amount.	Converted into Stock or Debentures.	Paid off.	
		Per Cent.		£	£	£	£
DEBENTURES.							
36	1857	6	1883-5-8	1,000,000	52,780	947,220	...
150	1862	6	1889	300,000	23,900	276,100	...
332	1868	5	1894	610,000	297,100	...	312,900
371	1870	5	...	100,000	100,000	...	...
611	1878	4	1904	457,000§	...	...	457,000
STOCK.							
428	1872	4	1897*	1,113,000	570,000	...	543,000
741	1882	4	"	167,600	...	...	167,600
963	1887	4	"	130,000†	...	...	130,000
1,015	1890	4	"	210,006‡	...	...	210,006
439	1872	4	"	{ 86,780§ } { 13,102   }	...	...	99,882
Total ...				4,187,488	1,043,780	1,223,320	1,920,388¶

Particulars  
of loans  
floated in  
London.

338. Particulars respecting the amounts; due dates of, number of years' currency, nominal rates of interest on, and average prices obtained for, the various loans forming part of the public debt of Victoria, raised in London from 1859 to 1893, are given in the following table; also the average prices obtained after deducting expenses of floating, as well as of accrued interest; the rates of interest to which such prices are equivalent, which are really those payable by the colony on the moneys actually available (net proceeds) for the purposes for which the loans were raised; to which is added, in the last column,

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

† Sales to date out of a total of £750,000 authorized.

‡ Conversion loan. Another conversion loan, amounting to £500,000, was raised in London. See footnote (††) to next table. || Increase of debt on conversion of 5 and 6 per cent. debentures.

¶ Exclusive of debentures of late M. & H. B. U. Railway Co., of which about £29,200 will, it is believed, be repayable in Melbourne.

† Redemption loan.

the minimum rate of discount, with a view of indicating the state of the money market at the time of floating the respective loans:—

VICTORIAN LOANS FLOATED IN LONDON, 1859 TO 1893.

When Raised.	Debentures or Stock.				Average price obtained per £100 Debenture or Bond.						Bank of England Minimum Rate of Discount at time of Floating.			
	Currency.		Amount Sold.	Rate of Interest.	Ex Accrued Interest.			Ex Interest and Expenses. † (Net proceeds.)				Actual Rate of Interest per £100 Net.		
	When due.	No. of Years.			£	£	s.	d.	£	s.			d.	£
1859	1883	24	1,000,000	6	105	1	11 <sup>3</sup> / <sub>4</sub>	103	18	11 <sup>3</sup> / <sub>4</sub>	5	14	0	2 <sup>1</sup> / <sub>2</sub>
"	"	"	750,000	"	107	17	7 <sup>1</sup> / <sub>4</sub>	106	14	7 <sup>1</sup> / <sub>4</sub>	5	9	10	2 <sup>1</sup> / <sub>2</sub>
1860	"	23	1,837,500	}	104	17	10 <sup>1</sup> / <sub>2</sub>	103	14	10 <sup>1</sup> / <sub>2</sub>	5	14	1	4 <sup>1</sup> / <sub>2</sub> -5
"	1884	"	812,500											
1861	1885	24	1,000,000	"	103	1	6 <sup>1</sup> / <sub>4</sub>	101	18	6 <sup>1</sup> / <sub>4</sub>	5	17	0	6
1862	"	23	1,600,000	"	102	19	7	101	16	7	5	17	2	2 <sup>1</sup> / <sub>2</sub>
1866	1891	25	850,000	"	100	8	11 <sup>3</sup> / <sub>4</sub>	99	5	11 <sup>3</sup> / <sub>4</sub>	6	1	1	4 <sup>1</sup> / <sub>2</sub>
1869	1894	"	588,600	5	98	4	2 <sup>3</sup> / <sub>4</sub>	97	1	2 <sup>3</sup> / <sub>4</sub>	5	4	3	3
1870	"	24	1,518,400	"	100	17	6 <sup>1</sup> / <sub>2</sub>	99	14	6 <sup>1</sup> / <sub>2</sub>	5	0	5	3
1874	1899	25	1,500,000	4	90	2	7	88	19	7	4	15	5	3-4
1876	1901	"	{ 500,000 † 2,500,000 }	}	94	16	10 <sup>3</sup> / <sub>4</sub>	93	18	11 <sup>3</sup> / <sub>4</sub>	4	8	1	2
1879	1904	"	3,000,000											
1880	"	24	2,000,000	"	103	3	8 <sup>1</sup> / <sub>2</sub>	102	5	11	4	6	11	2 <sup>1</sup> / <sub>2</sub>
1883	1907	"	STOCK. § 4,000,000	4	98	16	8 <sup>1</sup> / <sub>2</sub>	97	13	7 <sup>1</sup> / <sub>2</sub>	4	3	0	5-3
"	1908	"	2,000,000	"	97	14	1 <sup>1</sup> / <sub>2</sub>	96	10	11 <sup>1</sup> / <sub>2</sub>	4	4	6	4
1884	1913	29	{ 2,636,600    1,363,400 }	}	98	5	7 ¶	97	2	8 <sup>1</sup> / <sub>4</sub>	4	3	3	3
1885	1919	34	{ 3,180,620    819,380 }											
1886	1920	"	1,500,000	"	105	12	3 <sup>1</sup> / <sub>4</sub>	104	9	0	3	15	5	3
1887	"	33	3,000,000	"	102	5	6 <sup>3</sup> / <sub>4</sub>	101	2	9	3	18	9	5
1888	"	32	1,500,000	"	108	1	1 <sup>1</sup> / <sub>4</sub>	106	18	0 <sup>3</sup> / <sub>4</sub>	3	12	9	4
1889	1923	34	3,000,000	3 <sup>1</sup> / <sub>2</sub>	102	14	10	101	11	11 <sup>1</sup> / <sub>2</sub>	3	8	5	4
1890	"	33	4,000,000	"	100	2	4	98	19	6	3	11	1	3 <sup>1</sup> / <sub>2</sub>
1891	†† 1921-6	30-5	{ 850,000    2,150,000 }	}	96	3	7	95	0	10	3	15	6	3
1892	"	29-34	2,000,000											
"	1893	1	Treasury Bonds. 1,000,000	4 <sup>1</sup> / <sub>2</sub>	99	3	11	99	1	5	5	0	0	3
Total			52,457,000 ††											
Paid off			7,850,000											
Outstanding			44,607,000											

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

† For loans raised prior to 1876, the expenses have been uniformly assumed to have been 1.15 per cent.

‡ Conversion loan. See footnote (§) on last page.

§ The first three of these loans were issued as debentures, with right of inscription as stock. See paragraph 315 ante.

|| Redemption loans.

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

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

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

‡‡ Including £500,000 for conversion of debentures and stock issued in Melbourne; also £817,220 for redemption of loans falling due in Melbourne; such amounts being virtually transfers of debt from Melbourne to London.

Terms upon  
which loans  
have been  
obtained.

339. It will be noticed that the nominal rate of interest was 6 per cent. for all loans floated prior to 1869, when it was reduced to 5 per cent.; it was further reduced to 4 per cent. in 1874, which rate has, with exceptions in 1879 and 1880, prevailed until 1889, when a  $3\frac{1}{2}$  per cent. loan was floated. It will be seen that the first 4 per cent. loan was floated at a heavy discount, viz., 10 per cent., but the credit of the colony improved so considerably, especially since 1885, that a  $3\frac{1}{2}$  per cent. loan, floated at the beginning of 1889, brought a premium of £2 15s. per £100 debenture. It should be stated, however, that after the Victorian loan of 1888 was floated, a large advance took place in the value of Australian securities, owing probably for the most part to the conversion of British 3 per cents., and the possibility that English trustees might sooner or later be allowed to invest in colonial securities, in consequence of which no less than five of the Australasian colonies—viz., New South Wales, Queensland, Victoria, South Australia, and Tasmania, in the order named—have already been able to float  $3\frac{1}{2}$  per cent. loans, either at a premium or at a small discount. In 1893, owing to the fall in the  $3\frac{1}{2}$  per cents., the colony deemed it advisable to cease the issue of the ordinary inscribed stock, meeting her present requirements by a temporary issue at  $4\frac{1}{2}$  per cent. in the form of Treasury bills.

Actual rate  
of interest  
on loans.

340. By the last column but one of the table, it appears, in respect to the earlier Victorian loans, that, although the nominal rate of interest was 6 per cent., the money was usually obtained for about  $5\frac{3}{4}$  per cent., the lowest rate being  $5\frac{1}{2}$  per cent. in 1859, and the highest a small fraction over 6 per cent. in 1866. After that year, however, the credit of the colony gradually improved, for the money was secured in 1870—or four years later—for about 5 per cent.; in the early part of 1883 for  $4\frac{3}{20}$  per cent.; in 1885 for  $4\frac{1}{8}$  per cent.; in 1888 for about  $3\frac{5}{8}$  per cent.; in 1889 for less than, and in 1890 for a little over,  $3\frac{1}{2}$  per cent.—the former being the lowest actual rate at which any Victorian, or, in fact, any Australasian, loan has yet been raised. In 1891 there was a reaction, for the money could only be obtained for a little over  $3\frac{3}{4}$  per cent., whilst in the early portion of 1892 the depression amongst high-class securities was so great that it was at first deemed inadvisable to apply for further permanent loans until affairs should resume their normal condition, temporary requirements being met by the issue of  $4\frac{1}{2}$  per cent. Treasury bonds of twelve months' currency, for which 5 per cent. has in reality to be paid; and when a loan was raised in June, 1892, the money could only be obtained at over 4 per cent. No further loan has since been raised in London.



341. The following table, giving similar information respecting the loans of New South Wales since 1880, has been compiled in the office of the Government Statist, Melbourne, from official documents. Prior to 1881, the actual rate of interest exceeded 4 per cent.; and prior to 1872 it exceeded 5 per cent.\*:—

NEW SOUTH WALES LOANS RAISED IN LONDON, 1881 TO  
31ST MAY, 1893.

When Raised.	Debentures or Stock Sold.				Average Price obtained per £100 Debenture or Bond.		Actual Rate of Interest per £100 Net.
	Currency.		Amount Sold.	Rate of Interest per £100.	Ex Accrued Interest.	Ex Interest and Expenses (Net Proceeds).	
	When Due.	No. of Years.					
1881	1910	30	2,050,000	4	102 15 6	102 4 1	3 17 6
1882	1913	30	813,700†	4	101 3 10	100 12 6	3 19 3
	1933	50	1,186,300			100 2 6	3 19 11
1883	"	50	3,000,000	4	98 15 4	97 14 5	4 2 2
"	"	50	3,000,000	4	99 8 0	98 7 0	4 1 7
1884	1924	40	5,500,000	3½	92 14 7	91 6 11	3 18 9
1885	"	40	5,500,000	3½	90 14 8	89 6 11	4 0 11
1886	"	38	5,500,000	3½	93 10 7	92 2 10	3 18 0
1888	1918	30	3,500,000	3½	102 5 2	100 17 4	3 9 1
1889	"	29	1,390,630† 2,109,400	3½	101 4 8	99 16 10	3 10 2
1891	1919	27	1,503,100§ 2,996,900				
1892	1894	2	Treasury Bills.    1,250,000	4	99 10 0	99 4 0	4 8 6
	1896	3½	1,000,000	4	100 4 0	99 16 6	4 2 1
	1897	4	263,500	4	100 0 0	99 12 6	4 2 1
1893	1897	4	{ 10,800	4	100 0 0	99 12 7	4 2 1
			{ 725,700	4	100 0 0	99 7 3	4 3 5

342. By this table it appears that during the ten years ended with 1891, New South Wales floated in London regular loans amounting in the aggregate to £36,000,000, of which, however, about £3,000,000 was for the redemption of maturing loans; but owing to the great depreciation, commencing with 1891, in the stocks of the colony, long dated issues were temporarily suspended in 1892 and 1893, in favour of 4 per cent. Treasury bills of short currencies, amounting in the aggregate to £3,250,000 up to the 31st May, 1893. The loan of 1882

\* For particulars of the earlier loans, see *Victorian Year-Book* for 1890-91, Vol. I., paragraph 256.

† Debentures unconverted into stock.

‡ Redemption loan.

§ Issued privately in exchange for debentures falling due in 1891 and 1892.

|| Portions of these issues were to meet loans falling due, but the exact amounts were not obtainable.

was issued in the form of debentures, but with the right of inscription as stock; whereas all previous loans were issued as debentures only, whilst all subsequent ones, except the Treasury bills, were issued either as inscribed stock or debentures inscribable as stock. It would appear that as early as 1881 New South Wales was able to borrow, allowing for all charges, for less than 4 per cent.—the real interest on the net proceeds of the loan floated in 1881 being only £3 17s. 6d. per £100 per annum, although on three subsequent occasions that colony had to pay more than 4 per cent. The last six regular loans, it will be observed, were launched nominally at  $3\frac{1}{2}$  per cent.; New South Wales being the first Australasian, and, except India and Canada,\* the first outlying British possession to issue loans bearing a lower nominal rate of interest than 4 per cent. The actual rate payable on the first three and on the last of these, however, was nearer 4 than  $3\frac{1}{2}$  per cent. on the net proceeds; but the two last but one were floated either above or slightly below par. The earlier of these two loans was, at the time, the most successful Australian loan floated, its great success being no doubt attributable to the extraordinary demand for Colonial securities in the London money market, owing to a great extent to the then proposed, and since accomplished, compulsory conversion of the greater portion of the British 3 per cent. debt into  $2\frac{3}{4}$  per cents.—eventually to be reduced to  $2\frac{1}{2}$  per cents.; but this was subsequently, in its turn, eclipsed by the Victorian  $3\frac{1}{2}$  per cent. loan of 1889. The 4 per cent. Treasury bills, it will be observed, were all disposed of at slightly below par.

343. All the Australasian colonies, except Western Australia, now float their fixed loans in London at  $3\frac{1}{2}$  per cent. as the nominal rate of interest, New South Wales having been the first to make the change as early as 1884. The most successful of these loans was the Victorian loan raised early in 1889, when the money was secured at the rate—based on the price realized *ex* interest—of only £3 7s. 4d. per £100 actually received; and next to this was the New South Wales loan of April, 1888, which was at the rate of £3 8s. 1d. per £100. By 1891, however, a reaction set in against the colonies, from causes already explained, and in that year Victoria and New South Wales had to pay £3 14s. 2d. and £3 16s. 8d. respectively for every £100 actually received, gradually increasing in 1892 and 1893 to 4 per cent. and upwards. In consequence of this reaction, long dated issues were temporarily suspended; and although  $10\frac{3}{4}$  millions of Australasian fixed loans were floated in 1891, less than £2,800,000—of which

Loans of  
Austral-  
asian  
colonies,  
1888 to  
1893.

\* See paragraph 345 *post*.

£2,000,000 was for Victoria alone—was so obtained in 1892, and so far only a little over £1,780,000, according to latest advices, in 1893; and in lieu thereof the requirements of the colonies have been temporarily satisfied, for the first time, by the issue of Treasury bonds or bills of from two to six years' currency, bearing interest at the rate of 4 or 4½ per cent.—the total so issued in the two last years named being £5,790,000, of which £3,250,000 was by New South Wales, £1,020,900 by Queensland, £1,000,000 by Victoria, and £519,800 by Tasmania. The following are the particulars of the loans raised since 1887:—

LOANS OF AUSTRALASIAN COLONIES RAISED IN LONDON  
IN 1888 TO 1893.

Colony.	Date of Issue.	Inscribed Stock.			Price obtained per £100 Stock.			Yield to Investor per £100.		
		Currency	Amount.	Nominal Rate of Interest.	Gross.		Ex Accrued Interest.			
		Years.	£	Per cent.	£	s.	d.	£	s.	d.
Victoria ...	1888. Jan.	33	1,500,000	4	108	11	1	108	1	1
New South Wales ...	April	30	3,500,000	3½	108	12	2	102	5	2
New Zealand ...	June	41	2,000,000	4	95	15	7	96	11	5
Queensland ...	July	36	2,500,000	3½	94	15	8	94	6	11
	1889.									
Victoria ...	Jan.	35	3,000,000	3½	103	6	0	102	14	10
South Australia... †	„	25 to 50*	1,317,800	3½	100	0	0	98	3	10
Tasmania ... †	April	30 to 50*	1,000,000	3½	98	5	8	97	13	6
New South Wales ...	July	29	3,500,000	3½	102	8	1	101	4	8
Western Australia ...	„	45	100,000	4	108	15	3	108	1	11
New Zealand ...	Oct.	50	†2,700,000	3½	95	16	8	95	10	2
	1890.									
Queensland ...	Mar.	34½	2,264,734	3½	97	16	7	96	13	4
Victoria ...	April	34	4,000,000	3½	101	10	5	100	2	4
Tasmania ...	„	50	§1,106,500	3½	100	0	0	100	0	0
	1891.									
South Australia... †	Feb.	25 to 50*	455,400	3½	98	1	5	97	4	7
Victoria ... †	April } July }	30 to 35*	3,000,000	3½	97	2	7	96	3	7
Queensland ... †	May } June }	39	2,500,000	3½	¶90	0	0	89	8	4
Western Australia ...	July	20 to 40*	250,000	4	100	10	10	99	1	6
New South Wales ...	Sept.	27	4,500,000	3½	95	0	5	94	7	9
	1892.									
Western Australia ...	Feb.	19 to 39*	250,000	4	99	2	0	97	9	0
Victoria ...	June	29 to 34*	2,000,000	3½	92	1	4	91	13	7
Western Australia ...	Nov.	19 to 39*	400,000	4	100	5	1	99	6	6
South Australia... †	...	...	**144,000	...	...	...	...	...	...	...
	1893.									
Queensland ...	Jan.	37	1,182,400	3½	88	16	4	87	18	11
Tasmania ...	Mar.	27 to 47*	{ †545,345 } { 54,655 }	3½	92	2	2	90	18	2

\* Repayable at the option of the Government at any time between the periods stated on giving 12 months' notice. † Conversion loan. ‡ Redemption loan.

§ Accepted by Tasmanian Main Line Railway Co. at par, on account of purchase of their lines.

|| The total amount offered was £1,200,000, the balance unsubscribed being withdrawn.

¶ Commission of 2½ per cent. for floating loan deducted.

\*\* Sold privately; no further particulars.

LOANS OF AUSTRALASIAN COLONIES RAISED IN LONDON  
IN 1888 TO 1893—*continued.*

Colony.	Date of Issue.	Inscribed Stock.			Price obtained per £100 Stock.			Yield to Investor per £100.		
		Currency	Amount.	Nominal Rate of Interest.	Gross.	<i>Ex</i> Accrued Interest.				
			TREASURY	BONDS.						
		Years.	£	Per cent.	£	s.	d.	£	s.	d.
New South Wales	1892. Jan.	2	1,250,000	4	99	10	0	99	10	0
"	May	3½	1,000,000	4	100	5	0	100	5	0
"	Dec.	4	263,500	4	100	0	0	100	0	0
Victoria	... Mar.	2	1,000,000	4½	100	19	2	99	3	11
Queensland	... ..	4	500,000	4	98	0	0	...		
"	... July	4	300,000	4	98	0	0	...		
Tasmania	... ..	2	360,000	4½	100	0	0	...		
	1893.									
New South Wales	Jan.	4	10,800	4	100	0	0	100	0	0
"	Feb.	4	725,700	4	100	0	0	100	0	0
Queensland	... Jan.	6	220,900	...	...			...		
Tasmania	{ Jan. to June }	{ 2 }	{ 50,000 *109,800 }	{ 4½ 4 }	99	6	5	99	6	5

NOTE.—The calculations in this table are based on the prices *ex* accrued interest as shown in the previous column, but not *ex* expenses also, as a statement of these for some of the colonies was not available; the rates for Victoria and New South Wales are, therefore, somewhat lower than those given in previous tables. Portion of the proceeds of the Treasury bonds in New South Wales was required to redeem loans falling due, but the amount was not stated; whilst the whole of those of Queensland, and £50,000 of the last issue of Tasmania, were required to cover revenue deficits. The interest on the bonds of Queensland is payable at option of holders either in London, Brisbane, Sydney, or Melbourne. The Victorian bonds were sold in Melbourne, but the principal and interest are payable in London.

Loans raised locally, 1892 and 1893.

344. The depreciation in colonial stocks just referred to induced the colonies to turn their attention to their own resources and to the possibilities of their local money markets, which had hitherto been much neglected, and the result was that New South Wales succeeded in obtaining over £1,200,000 in a few months by the issue at par of the scrip of a new 4 per cent. "Funded Stock," of which £3,000,000 had been authorized in October, 1892, to be issued in sums of £10, or any multiple thereof, and the principal to be redeemable in 1912, or at any time thereafter, at the option of the Government, after 12 months' notice; also, £750,000 by means of 4½ per cent. Treasury bonds. Victoria and Tasmania also issued small quantities of stock; whilst Treasury bonds for £797,600 were disposed of by Tasmania, £750,000 by Victoria, nearly £600,000 by South Australia, and £400,000 by Queensland. Moreover, New South Wales issued up to the 21st June, 1893, under the provisions of the *Current Account Depositors Act* 1893, legal tender Treasury bills for currency purposes amounting to £340,000, of denominations varying from £1 to £50 sterling. This was

\* Redemption loan.

† Liable to correction.

intended as a measure of relief to depositors whose current accounts had been rendered inoperative owing to the suspension of several of the leading banks of the colony, the principle being to advance up to one-half of the nominal value of the deposit receipts on the security of the whole. The following is a statement of the local loans referred to:—

LOANS OF AUSTRALASIAN COLONIES LOCALLY RAISED,  
1892 AND 1893.

Colony.	Date of Issue.	Inscribed or Funded Stock.			Price obtained per £100 Stock.			Yield to Investor per £100.		
		Currency.	Amount.	Nominal Rate of Interest.	Gross.			Ex Accrued Interest.		
		Years.	£	Per cent.	£	s.	d.	£	s.	d.
Victoria ...	1892 Jan. to Dec.	5*	165,228	4	100	0	0	100	0	0
N. S. Wales	December	20*	227,000	4	100	0	0	100	0	0
N. S. Wales	1893 Jan. to May	19*	997,430	4	100	0	0	100	0	0
Tasmania ...	Jan. to June	3 to 33†	67,750	4	100	0	0	...	¶4	0 0
Victoria ...	Jan. to Aug.	4*	177,409	4	100	0	0	100	0	0
TREASURY BONDS.										
Queensland	1892 April	4	300,000	4	98	0	0	...	¶4	11 1
"	September	4	100,000	4	98	0	0	...	¶4	11 1
S. Australia	April	5	349,225	4 11 3	100	0	0	...	¶4	11 3
N. S. Wales	July to Dec.	4	750,000	4½	100	0	0	100	0	0
Tasmania ...	December	1 to 6‡	372,460 200 183,230	5 4½ 4½	100	0	0	100	0	0
Victoria ...	1893 January	{ 3 4 5	{ 250,000 250,000 250,000	{ 4½	{ 99 1 2 99 2 4 99 12 6	{ 98 10 6 98 11 8 99 1 10	{ 4 17 4			
S. Australia	March	5	250,000	4 11 3	100	0	0	...	¶4	11 3
Tasmania ..	June	2 & 5§	240,570 1,200	4½ 4½	99	1	0	99	1	0
N. S. Wales	June	...	340,000	...	...	...	...	...	...	...

NOTE.—The proceeds of all the Treasury bonds raised locally in Victoria and Queensland, £349,225 of those raised in South Australia, and £123,580 of those raised in Tasmania were required to cover revenue deficits; and £432,210 of those raised in Tasmania to redeem loans falling due. Portion of the proceeds of the bonds of New South Wales was, it is believed, for similar purposes, but the amount has not been furnished. The interest on the Treasury bonds of South Australia is payable quarterly, not half-yearly, as is the case in the other colonies.

345. Of all the dependencies of the United Kingdom, India Loans of other British dominions. can borrow on the most favourable terms, its 3 per cent. Stocks closely resembling and ranking next to British Consols; but only

\* At earliest, but the Government has the option of continuing the loan indefinitely.

† £300 in 3 years, £2,200 in 5, £1,450 in 10, and £63,800 in 33 years.

‡ £30,000 in 1 year, £412,660 in 2, £40,000 in 3, £40,000 in 4, £30,000 in 5, and £3,230 in 6 years.

§ £200,000 in 2 years and £41,770 in 5 years.

|| Issued under *Current Account Depositors Act* 1893 for currency purposes.

¶ Liable to correction.

once, viz., in April, 1889, did India succeed in floating a 3 per cent. loan at a premium. Canada and Ceylon are the only other British dependencies which have issued 3 per cent. bonds; but the latter colony succeeded in issuing only a small amount at that rate. The actual interest on the two 3 per cent. Canadian loans averaged £3 4s. 3d. and £3 8s. 5d. per £100 of the proceeds, as compared with £3 7s. 4d. for the cheapest Australian loan—raised in 1889—and with £3 1s. 2d. for the latest Indian loan, raised in 1893. The success of the last two Canadian loans was probably partly attributable to the circumstance that that colony is only a moderate borrower; they were, however, the first Canadian loans that yielded the investor less than 4 per cent.\* The following are the particulars of the most recent loans raised by India and six British colonies outside Australasia:—

**RECENT LOANS OF INDIA AND OTHER BRITISH POSSESSIONS  
FLOATED IN LONDON.**

Colony.	Date.	Inscribed Stock Sold.			Price obtained per £100 Stock, <i>ex</i> Accrued Interest.			Yield to Investor per £100.		
		Currency.	Amount.	Nominal Rate of Interest.	£	s.	d.	£	s.	d.
India ...	Apr., 1892	Years. 56	£ 1,300,000	Per cent. 3	96	5	1	3	2	10
" ...	July, 1893	55	1,300,000	3	98	8	7	3	1	2
Canada ...	June, 1888	50	4,000,000	3	94	14	10	3	4	3
" ...	" 1892	46	2,250,000	3	91	14	10	3	7	2
Ceylon ...	May, 1890	50	† 300,500	3	92	9	8	3	6	4
Cape of Good Hope	Mar., 1890	39 to 59‡	1,150,000	3½	100	0	10	3	9	11½
" " ...	Jan., 1891	38 to 58‡	1,119,000	3½	97	15	8	3	12	2
Natal ...	"	23 to 48‡	2,110,000	3½	94	16	7	3	16	10
Hongkong ...	Apr., 1893	25 to 50‡	200,000	3½	100	7	2	3	9	7
Newfoundland	June, 1893	48	§ 419,200	3½	91	6	5	3	17	11

Cost of floating foreign loans of Australasian colonies.

346. The expense of floating the inscribed loans of New South Wales in London is about  $\frac{1}{4}$  per cent. greater than that of floating those of Victoria, whilst South Australia pays less than any other colony. The following table contains a statement of the average expense of floating loans in the Australasian colonies in London during each of the thirteen years ended with 1893:—

\* The actual interest on the net proceeds (*i.e.*, after deducting expenses) of the last four Canadian loans were as follow:—£4 4s. 7d. (for 3½ per cents.), £4 1s. 7d. and £4 2s. (for 4 per cents.), and £3 5s. 5d. and £3 8s. 5d. per cent. (for 3 per cents.) respectively.

† The amount offered was £450,000, the balance being subsequently sold at prices ranging from 92½ to 93½.

‡ Repayable at option of the Government at any time between the periods shown.

§ Sterling bonds.

EXPENSES OF FLOATING LOANS OF AUSTRALASIAN COLONIES,  
1881 TO 1893.\*

Year.	Expenses per £100 Debenture† or Stock in—														
	Victoria.		New South Wales.		Queensland.		South Australia.		Tasmania.		New Zealand.				
	£	s.	d.	£	s.	d.	£	s.	d.	£	s.	d.	£	s.	d.
1881 ...	...	...	...	0	11	5†	0	15	9†	...	...	...	0	18	11†
1882 ...	...	...	...	1	1	4	...	...	...	0	9	1†	...	...	...
1883 (1st loan) ...	1	3	1	1	0	11	} 0	15	9†	0	9	0†	0	17	9†
„ (2nd loan) ...	1	3	2	1	1	0				0	9	0†	0	17	9†
1884 ...	1	2	11	1	7	8	1	7	8	0	11	8	0	18	3†
1885 ...	1	2	9	1	7	9	1	7	11	0	18	10	...	...	...
1886 ...	1	3	3	1	7	9	1	8	4	0	18	11	0	18	0†
1887 ...	1	2	10	...	...	...	1	7	11	0	19	6	...	...	...
1888 ...	1	3	1	1	7	10	1	8	0	...	...	...	...	...	...
1889 ...	1	2	11	1	7	10	...	...	...	0	19	1	1	4	10
1890 ...	1	2	10	...	...	...	1	8	0	...	...	...	...	...	...
1891 ...	1	2	8	1	7	9	1	8	2	1	1	2	...	...	...
1892 ...	1	3	0	...	...	...	...	...	...	...	...	...	...	...	...
1893 ...	...	...	...	...	...	...	...	...	...	1	4	4	...	...	...

NOTE.—In Western Australia, the expenses per £100 were as follow:—£1 4s. 1d. in 1885 for debentures, convertible into stock; and £1 13s. 7d. in 1889, and £1 3s. 8d. in 1891 and 1892, for inscribed stock. The expenses of floating in London the Treasury bonds of New South Wales in 1892 and 1893 usually amounted to 7s. 6d. per £100, but once they were as low as 6s., and once as high as 12s. 9d.; those of Tasmania averaged 6s. 6d. per £100. In cases where blanks occur, no debentures or stock were raised.

347. The cost of floating the new local “Funded Stock” of New South Wales in 1892-3 varied from 1s. 5d. to 3s. 7d. per £100. The average cost of floating local Treasury bonds during the same period was *nil* in New South Wales, 1s. 3d. in South Australia, 4s. 3d. in Victoria, and as high as 16s. 6d. per £100 in Tasmania.

Cost of floating local loans of Australasian colonies.

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

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

349. The following table shows the total amount of debt, and the indebtedness per head, in Victoria and the other Australasian colonies on the 31st December of every fifth year from 1875; also of the three years 1889, 1890, and 1891; also the number of years' revenue the debt was equal to in each of those years:—

Debts of Australasian colonies.

\* For particulars of the amounts raised for several of the years, see tables following paragraphs 338, 341, and 343 *ante*.

† Debenture loans, on which the Stamp Duty payable is less by ten shillings per £100 than on Stock.

‡ Average.

## PUBLIC DEBTS OF THE AUSTRALASIAN COLONIES.

Colony.	Year.	On the 31st December.		
		Total Amount of Debt.	Amount of Indebtedness per Head.	Number of Years' Revenue Debt is equal to.
		£	£ s. d.	
Victoria ...	1875	13,995,093	17 0 0	3·30
	1880	22,060,749	25 13 0	4·77
	1885	28,628,588	29 10 9	4·55
	1889	37,367,027	33 17 1	4·31
	1890	41,443,216	36 11 5	4·86
	1891	43,638,897	37 13 11	5·23
New South Wales	1875	11,470,637	19 6 0	2·78
	1880	14,903,919	19 18 6	3·04
	1885	35,564,259	37 9 1	4·69
	1889	46,646,449	43 2 4	5·15
	1890	48,425,333	43 3 4	5·11
	1891	48,771,549	41 17 1	4·86
Queensland ...	1875	6,435,250	35 1 0	4·72
	1880	12,192,150	53 18 7	7·56
	1885	19,320,850	61 4 10	6·80
	1889	25,840,950	67 18 2	7·51
	1890	28,105,684	71 17 4	8·62
	1891	29,457,134	71 15 9	8·65
South Australia ...	1875	3,320,600	15 15 7	2·90
	1880	9,865,500	36 17 5	4·86
	1885	17,020,900	54 6 2	7·37
	1889	20,435,500	64 13 4	9·00
	1890	21,151,500	66 5 6	8·27
	1891	21,133,300	64 17 5	7·47
Western Australia*	1875	135,000	5 1 1	·86
	1880	361,000	12 8 9	2·00
	1885	1,288,100	36 12 4	3·99
	1889	1,371,981	31 7 11	3·59
	1890	1,367,444	27 15 10	3·30
	1891	1,613,594	30 5 8	3·24
Tasmania ...	1875	1,489,400	14 7 4	4·35
	1880	1,943,700	16 18 9	4·42
	1885	3,357,000	25 19 5	5·88
	1889	5,019,050	35 6 0	7·39
	1890	6,432,800	44 5 6	8·48
	1891	6,990,940	45 16 2	7·92
New Zealand*	1875	17,400,031	46 5 11	6·18
	1880	28,583,231	58 19 0	8·71
	1885	35,790,422	62 4 5	8·74
	1889	38,483,250	62 9 4	9·64
	1890	38,832,350	62 1 8	9·23
	1891	38,713,068	61 1 1	9·34

NOTE.—For public debts of the respective colonies at the end of 1892, see Summary of Australasian Statistics (third folding sheet at the commencement of the second volume), which gives a statement of the debts of the respective colonies at the end of each of the twenty years 1873 to 1892; also tables following paragraphs 343 and 344 *ante*, and Appendix A. to the second volume.

\* New Zealand has, as a set-off against the debt, an accrued sinking fund, which amounted on the 31st March, 1892, to £1,035,449. The net liability was thus £37,677,619, or £59 8s. 6d. per head, being equal to 9 times the revenue. Western Australia also has a sinking fund of £114,292. The sinking funds in the other colonies are of no great importance.



350. In 1891, as compared with the previous year, New South Wales, Queensland, South Australia, and New Zealand showed a decrease of indebtedness per head, but increases of from £1 2s. 6d. to £2 10s. per head occurred in Victoria, Tasmania, and Western Australia. According to the returns of the same year, by far the most heavily indebted colonies in proportion to population were Queensland with about £72, South Australia with about £65, and New Zealand with £61 per head. Victoria, in proportion to population, was little more than half as heavily indebted as any of these, and was, moreover, less heavily indebted than any other of the Australasian colonies, except New South Wales and Western Australia. The following is the order in which the colonies stood in respect to their indebtedness per head, the most heavily indebted colony being placed first:—

Order of colonies in respect to indebtedness.

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

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

351. Comparing the amount of public debt in each colony with the number of its breadwinning, as distinguished from its total population, the following figures are arrived at. The colonies stand in the same relative positions as they did in the preceding paragraph, but the amounts are obviously higher than those shown for 1891 in the last column but one of the preceding table, where a comparison is made between the amount of debt and the total population:—

Debt per breadwinner in Australasian colonies.

PROPORTION OF THE PUBLIC DEBT TO BREADWINNERS IN SIX AUSTRALASIAN COLONIES, 1891.

	Public Debt per Breadwinner.	Public Debt per Breadwinner.
1. Queensland...	£165 14 0	4. New South Wales ... £104 18 8
2. New Zealand ...	156 0 7	5. Victoria ... 86 18 10
3. Tasmania ...	114 14 2	6. Western Australia... 65 15 10

NOTE.—South Australia is omitted, as the compilation of its census returns has not been completed.

352. The public debts of the different colonies varied, in 1891, from an amount equal to  $9\frac{1}{3}$  years' revenue in New Zealand, about  $8\frac{2}{3}$  years' revenue in Queensland, 8 years' revenue in Tasmania, and  $7\frac{1}{2}$  years' revenue in South Australia, to a sum equal to  $3\frac{1}{4}$  years' revenue in Victoria.

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

revenue in Western Australia. Victoria occupied a lower, and consequently more favourable, position in this respect than any of the colonies except Western Australia and New South Wales, her debt being equal to her revenue for about  $5\frac{1}{4}$  years. The following is the order in which the colonies stood in respect to this matter:—

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

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

353. 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  $144\frac{1}{2}$  millions, being over 4 millions more than in 1890, and the aggregate debt of Australia, with the addition of Tasmania and New Zealand, somewhat exceeded  $190\frac{1}{4}$  millions sterling, being  $4\frac{1}{2}$  millions more than in 1890. The following are the exact figures for 1891, also the proportion of indebtedness per head of the population, and the proportion the aggregate debt bore to the aggregate revenue of the colonies within the same limits:—

PUBLIC DEBT OF AUSTRALIA AND AUSTRALASIA, 1891.\*

	Public Debt.		
	Total Amount.	Amount per Head.	Multiple of Revenue.
	£	£ s. d.	Per cent.
Continent of Australia ... ..	144,614,474	46 9 3	5.76
Ditto with Tasmania and New Zealand...	190,318,482	48 16 3	6.31

354. It will be observed that a combination of the indebtedness of the insular colonies with that of the colonies upon the Australian continent gives a proportion of debt per head higher by about £2 7s. than such a proportion applied to the continental colonies alone, in explanation of which it will be remembered that, although in proportion to population Tasmania's indebtedness is somewhat below the average, New Zealand is the third most heavily indebted colony of the group.

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

Public debt of Australia and Australasia.

Debt per head higher in Australasia than in Australia.

355. During the year 1891, the public debt of Australasia, taken as a whole, increased by  $4\frac{1}{2}$  millions, or  $2\frac{1}{2}$  per cent., but the amount per head of population decreased by 5s. 3d. During the sixteen years ended with 1891, the public debt increased by one hundred and thirty-six millions—or nearly fourfold—whilst the proportion per head more than doubled. The debt also increased in a much greater ratio than the public revenue, for whereas in 1875 it was equal to the income of the colonies for less than four years, and in 1880 to about five and a quarter years, in 1890 and 1891 it was equal to their income for over six and a quarter years. This is shown by the following figures :—

Increase of debt in Australasia in sixteen years.

INCREASE OF PUBLIC DEBT OF AUSTRALASIA,  
1875 TO 1891.

Year.	Public Debt of Australia, Tasmania, and New Zealand.		
	Total Amount.	Amount per Head.*	Multiple of Revenue.
	£	£ s. d.	
1875	54,246,011	23 6 0	3·85
1880	89,910,249	33 0 8	5·27
1885	140,970,119	42 17 8	5·87
1889	175,164,207	47 10 11	6·15
1890	185,758,327	49 1 6	6·36
1891	190,318,482	48 16 3	6·31
Increase 1875-91	136,072,471	25 10 3	2·46
„ in 1891	4,560,155	-0 5 3†	-·05†

356. The purposes for which the public debts of the Australasian colonies were incurred may be classified under three heads—(1.) Works yielding direct revenue, including all immediately reproductive works, such as railways, telegraphs, waterworks, harbour and river improvements, etc.; (2.) Other works of a permanent character but not returning direct revenue—including roads and bridges, defence works, school buildings, and other public works and buildings; (3.) Miscellaneous—including introduction of immigrants, amounts borrowed to cover deficiencies in revenue, and amounts unapportioned to their proper heads. In the following table the debt of each colony is classified under these three heads :—

Classification of debts of Australasian colonies.

\* In 1875, the population was 2,327,882; in 1880, 2,721,747; in 1885, 3,287,363; in 1889, 3,684,016; in 1890, 3,785,349; and in 1891, 3,899,036.

† Decrease.

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

(Amounts outstanding on the 31st December, 1891.)

Purposes for which incurred.	Victoria.	New South Wales.*	Queensland.	South Australia.	Western Australia.	Tasmania.	New Zealand.†
<b>1.—WORKS YIELDING DIRECT REVENUE.</b>							
Railways and Tramways..	£ 34,149,606	£ 33,781,537	£ 17,475,174	£ 11,366,903	£ 875,724	£ 3,626,643	£ 14,257,828
Electric Telegraphs ..	..	740,561	827,866	848,081	238,336	113,971	634,420
Water Supply and Irrigation (including Sewerage)	6,782,765	5,240,572	†1,674,593	3,288,800	8,697	..	563,358
Harbours, Rivers, Lighthouses and Docks	626,018	2,961,725	1,942,977	1,389,562	75,878	\$1,916,337	889,165
<b>Total .. ..</b>	<b>41,558,389</b>	<b>42,724,395</b>	<b>21,920,610</b>	<b>16,893,346</b>	<b>1,198,635</b>	<b>5,656,951</b>	<b>16,344,771</b>
<b>2.—OTHER WORKS OF A PERMANENT CHARACTER.</b>							
Roads and Bridges .. ..	108,043	663,074	863,556	1,428,284	59,653	..§	3,515,925
Defence Works .. ..	100,000	981,741	188,553	250,648	..	128,189	429,719
School Buildings .. ..	1,105,557	559,323	..¶	¶680,300	..	131,128	..
Other Public Works and Buildings	766,908	1,046,129	925,573	471,425	167,819	659,717	2,175,543
<b>Total .. ..</b>	<b>2,080,508</b>	<b>3,250,267</b>	<b>1,977,682</b>	<b>2,830,654</b>	<b>227,472</b>	<b>919,034</b>	<b>6,121,187</b>
<b>3.—MISCELLANEOUS.</b>							
Immigration .. ..	..	549,264	2,734,886	..	..	235,714	2,145,967
Deficiencies in Revenue (including Treasury Bonds)	..	..	397,336	30,000	..	27,521	218,500
Balance { Other Services** .. ..	..	48,047	..	591,000	2,694	151,720	1,334,363
{ Unapportioned†† .. ..	..	2,199,576	2,426,620	788,300	184,793	..	12,548,280
<b>Total .. ..</b>	<b>..</b>	<b>2,796,887</b>	<b>5,558,842</b>	<b>1,409,300</b>	<b>187,487</b>	<b>414,955</b>	<b>16,247,110</b>
<b>Grand Total‡‡ ..</b>	<b>43,638,897</b>	<b>48,771,549</b>	<b>29,457,134</b>	<b>21,133,300</b>	<b>1,613,594</b>	<b>6,990,940</b>	<b>38,713,068</b>

NOTE.—The amounts set down are exclusive of temporary Treasury bills in aid of revenue, viz.:—£2,223,884 for New South Wales, £500,000 for South Australia, and £119,350 for Tasmania. The figures for New Zealand relate to the 31st March, 1892.

\* For explanation of the way in which these figures were arrived at, see last issue of this work, Vol. II., page 451, footnote (1).

† The figures set down as showing the objects for which the Public Debt of New Zealand was contracted represent the net expenditure out of the "Public Works Fund" since 1870—the date of the first Immigration and Public Works Loan—which is the only existing record of the loan expenditure; it is, however, stated that, besides loan moneys, receipts in aid from Stamp duties, etc., contributed somewhat towards the total sum so expended. The balance required to make up the total debt at the end of 1891 has been entered as "unapportioned."

‡ Including £1,405,456, loans to local bodies, chiefly for waterworks, but also for roads and bridges.

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

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

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

\*\* In New South Wales the amount under this head was expended on public works on behalf of Queensland, when it formed part of New South Wales; in Queensland, Treasury Bills; in South Australia, £591,000 on general public works for the Northern Territory, and £30,000 deficiencies in revenue; in New Zealand on land purchases (presumably from the Maoris), £1,248,876, rates on native lands, £60,052, and £218,500 deficiencies in revenue. From the amount returned for Tasmania, debentures redeemed, amounting to £105,350, have been deducted, since the purposes were not specified for which the original loans thereby paid off were raised.

†† Consisting of deficiencies in floating loans (the whole in New South Wales, £1,753,470 in Queensland, and £1,021,472 in New Zealand); loans not accounted for in New Zealand; and unexpended balances in some cases. In Victoria deficiencies in floating loans are distributed over the heads for which the loans were raised.

‡‡ As a set-off against the public debt, New Zealand possessed an accrued sinking fund amounting, on the 31st March, 1892, to £1,035,449; the net liability for that colony was, therefore, £37,677,619. The sinking funds possessed by the other colonies are comparatively small, consisting of the following amounts:—Victoria, £156,100; Western Australia, £99,325; and Tasmania, £145,004.

357. The major portion of the public debt of each of the Australasian colonies was contracted for the purpose of railway construction, but smaller amounts were borrowed for water supply, immigration, electric telegraphs, harbour and defence works, roads and bridges, school-houses, and other public works. Up to the end of 1891, New South Wales and Victoria had borrowed a larger amount for railway construction than any of the other colonies, the amount being about £34,000,000 in both cases, as against £17,500,000 borrowed for the same purpose by Queensland, nearly £14,300,000 by New Zealand, and nearly £11,400,000 by South Australia. Victoria has borrowed more for water supply than any other colony, the total amount being nearly £6,800,000, as against £5,200,000 borrowed by New South Wales, and nearly £3,300,000 borrowed by South Australia for the same object. No portion of the public debt of Victoria, South Australia, or Western Australia has been contracted for the promotion of immigration, but Queensland and New Zealand have borrowed two and three-quarters and over two millions respectively for that purpose, whilst New South Wales and Tasmania have borrowed three-quarters of a million between them.

Purposes for which debts of Australasian colonies were contracted.

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

Order of colonies in respect to borrowings for reproductive works.

ORDER OF COLONIES IN REFERENCE TO PROPORTION OF DEBT INCURRED FOR REVENUE-YIELDING WORKS.

	Per Cent.		Per Cent.
1. Victoria ...	95·23	5. Queensland ...	74·42
2. New South Wales ...	87·60	6. Western Australia ...	74·28
3. Tasmania ...	80·92	7. New Zealand ...	42·22*
4. South Australia ...	79·94		

359. Of the total amount borrowed by the colonies on the Australian continent to the end of 1891, over four-fifths was for railways and other reproductive works, more than 7 per cent. was for other works of a permanent character, and, with the exception of nearly 4 per cent., which was unappropriated, the balance was spent chiefly on immigration. Of the amount borrowed by the continental and insular colonies combined, the proportion for reproductive works is considerably less, but the proportions for roads, immigration, and other purposes are somewhat more than those for like objects relating

Purposes for which debt of Australasia was contracted.

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

to the continental colonies alone. This is shown in the following table:—

PURPOSES FOR WHICH DEBTS OF AUSTRALIA AND AUSTRALASIA WERE CONTRACTED.

(Amounts outstanding on the 31st December, 1891.)

Purposes for which debt was contracted.	Continent of Australia.		Australia with Tasmania and New Zealand.	
	Amount of Debt.	Proportions per cent.	Amount of Debt.	Proportions per cent.
	£		£	
<b>1.—WORKS YIELDING DIRECT REVENUE.</b>				
Railways and Tramways ...	97,648,944	67·52	115,533,415	60·70
Electric Telegraphs ...	2,654,844	1·84	3,403,235	1·78
Water Supply (including Sewerage)	16,995,427	11·76	17,558,785	9·22
Harbours, Rivers, Lighthouses, and Docks	6,996,160	4·84	9,801,662	5·15
Total ...	124,295,375	85·96	146,297,097	76·85
<b>2.—OTHER WORKS OF A PERMANENT CHARACTER.</b>				
Roads and Bridges ...	3,122,610	2·16	6,638,535	3·48
Defence Works ...	1,520,939	1·05	2,078,847	1·09
School Buildings ...	2,345,180	1·62	2,476,308	1·30
Other Public Works and Buildings	3,377,854	2·34	6,213,114	3·26
Total ...	10,366,583	7·17	17,406,804	9·13
<b>3.—MISCELLANEOUS.</b>				
Immigration ...	3,284,150	2·27	5,665,831	2·98
Revenue Deficiencies (including Treasury Bonds)	427,336	·29	673,357	·36
Balance { Other Services ...	641,741	·44	2,127,824	1·14
{ Unapportioned ...	5,599,289	3·87	18,147,569	9·54
Total ...	9,952,516	6·87	26,614,581	14·02
Grand Total ...	144,614,474	100·00	190,318,482	100·00

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

## PUBLIC DEBTS OF BRITISH DOMINIONS, 1891.

Country or Colony.	Public Debt.		
	Total Amount.	Amount per Head.*	Multiple of Revenue. †
<b>EUROPE.</b>			
	£	£ s. d.	
United Kingdom (1891-2) ...	680,541,767‡	17 17 3	7·48
Malta ...	79,168	0 9 7	·29
<b>ASIA.</b>			
India ...	218,426,069	0 19 9	2·55
Ceylon ...	2,535,247	0 16 10	1·94
Protected Malay States ...	165,271	0 8 0	·23
Hong Kong ...	200,000	0 18 1	·47
<b>AFRICA.</b>			
Mauritius ...	777,750	2 2 0	1·02
Natal ...	7,170,354	13 3 8	5·44
Cape of Good Hope ...	24,839,167	16 5 3	5·99
St. Helena ...	250	0 1 2	·04
Sierra Leone ...	50,000	0 13 4	·56
<b>AMERICA.</b>			
Canada ...	60,395,670§	12 9 5	7·52
Newfoundland ...	1,088,201	5 9 11	2·87
Bermuda ...	8,600	0 11 4	·26
British Guiana ...	735,429	2 11 2	1·31
Honduras ...	17,000	0 10 10	·32
West Indies—			
Bahamas ...	81,126	1 14 1	1·54
Jamaica ...	1,458,222	2 5 7	1·87
St. Lucia ...	140,770	3 5 11	2·85
St. Vincent ...	14,370	0 7 0	·52
Barbados ...	30,100	0 3 4	·18
Grenada ...	44,475	0 16 5	·82
Tobago ...	5,000	0 5 5	·57
St. Christopher } ...	30,400	0 12 9	·80
Nevis ... }			
Antigua ...	35,371	0 19 3	·81
Montserrat ...	8,300	0 14 1	1·27
Dominica ...	40,900	1 10 6	1·90
Trinidad ...	520,420	2 12 0	1·07
<b>AUSTRALASIA.</b>			
Australia, Tasmania and New Zealand	190,318,482	48 16 3	6·31
Fiji ...	246,690	1 19 4	3·46
Total ...	1,190,004,569	4 6 2	5·25

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

† For revenue of Great Britain and the various colonies, see table following paragraph 237 ante.

‡ Gross debt. The net debt, after deducting loans recoverable, nominal value of Suez Canal Shares, and Bank Balances, was £669,077,170.

§ Gross liability. The net liability, after deducting "interest bearing investments, loans, cash, and banking accounts," was only £49,543,550, or £10 5s. per head.

|| For public debts and amounts per head and proportion of debt to revenue in the various Australasian colonies, see table following paragraph 349 ante.

Indebted-  
ness of  
British  
dominions.

361. It will be observed that the total indebtedness of Great Britain and her dependencies reaches to about 1,190 millions sterling; that 681 millions, or nearly three-fifths of this amount, is owing by Great Britain herself; 218 millions by India, or less than a fifth; 190 millions, or less than one-sixth of the whole, by the Australasian colonies; and the remainder, 101 millions, by Canada, the Cape of Good Hope, and other British colonies.

Indebted-  
ness per  
head of  
British  
dominions.

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

Proportion  
of debts to  
revenues of  
British  
dominions.

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

Increased  
indebted-  
ness of  
British  
dominions.

364. During the year 1891 the public indebtedness of the British dominions increased by over £10,000,000, notwithstanding a reduction of nearly  $5\frac{1}{2}$  millions in the debt of the United Kingdom. An increased amount of over six and three-quarter millions was borrowed by India, and  $4\frac{1}{2}$  millions by Australasia.

National  
debt of  
United  
Kingdom,  
1891-2.

365. At the end of March, 1892, the National Debt of the United Kingdom stood in round numbers at  $680\frac{1}{2}$  millions, the various denominations of the debt will be found in the following table:—



## NATIONAL DEBT OF THE UNITED KINGDOM, 31ST MARCH, 1892.

Denomination.	Total Amount of National Debt.	Amount of Debt held by Government Departments (included in previous column).
	£	£
<b>FUNDED DEBT—</b>		
New 3½ per Cents. ...	225,746	5,935
2¼ per Cents. Cons. Stock (Goschen's) ...	526,566,449	96,782,431
2¼ per Cents. (1905) ...	4,647,799	215,822
2½ per Cents. ...	32,858,801	11,830,260
Debt to Banks of England and Ireland ...	13,645,869	...
Terminable Annuities ...	64,421,912	53,081,909
Exchequer Bills ...	3,553,400	
Exchequer Bonds ...	18,483,094	18,559,494
Treasury Bills ...	12,375,500	
Temporary Advances ...	896,000	
Deficit to Savings Banks and Friendly Societies Accounts ...	1,566,279	...
Russian-Dutch Loan ...	531,359	...
Under <i>Imperial Defence Act</i> 1888 ...	764,558	...
<b>Total Debt ...</b>	<b>680,541,766</b>	<b>180,475,851</b>

**NOTE.**—The information in this table has been taken from *Burdett's Official Intelligence*, 1893, page 76.

366. A gradual but continuous diminution has taken place in the national indebtedness of the United Kingdom, this reduction in the last 34 years having apparently amounted to nearly 151 millions sterling.\* The decrease from period to period is shown by the following figures, which indicate the amount of the debt at the end of various financial years:—

British National Debt, 1857 to 1891.

## PUBLIC DEBT† OF THE UNITED KINGDOM, 1857 TO 1891.

		Debt at the end of each Financial Year. ‡			Debt at the end of each Financial Year. ‡
		£			£
1857-8	...	831,532,535	1887-8	...	705,575,073
1862-3	...	821,992,158	1888-9	...	699,300,767
1867-8	...	799,839,663	1889-90	...	690,663,838
1872-3	...	779,222,110	1890-91	...	685,954,018
1877-8	...	772,151,725	1891-2	...	680,541,766
1882-3	...	754,455,270			

367. 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.

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

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

‡ Financial year ends on the 31st March.

## PUBLIC DEBTS OF FOREIGN COUNTRIES.

Country.	Year.	Public Debt.		
		Total Amount (000's omitted).	Amount per Head.*	Multiple of Revenue.
EUROPE.				
Austria-Hungary ...	1891	£ 573,794†,	£ 13 8 4	6.99
Belgium ...	1892	92,594,	15 1 1	6.72
Denmark ...	1890-91	10,367,‡	4 15 5	3.28
France ...	1893	1,224,467,	31 18 8	9.30
Germany ...	1889-93	535,856,§	10 16 10	3.55.
Greece ...	1892	23,285,	10 12 11	5.62
Holland ...	1893	93,517,	20 4 8	8.63
Italy ...	1892	479,189,	15 15 10	7.19
Portugal ...	1890-91	119,996,	27 17 3	11.41
Roumania ...	1892	38,752,	7 0 11	5.51
Russia ...	1892	568,560,	5 16 7	6.53
Spain ...	1892	246,256,	14 0 8	8.23
Sweden and Norway ...	1891-92	20,785,	3 1 1	2.56
Switzerland ...	1892	2,439,¶	0 16 9	.88
Turkey... ..	1878	292,830,**	10 11 1	17.59
ASIA.				
Japan ... ..	1891	42,431,	1 1 0	3.41
AFRICA.				
Egypt ... ..	1892	106,372,	15 12 1	9.79
Tunis ... ..	1884	5,702,††	3 16 0	4.26
AMERICA.				
Argentine Confederation ...	1891	72,418,	17 14 5	4.95
Brazil ... ..	1892	118,484,	8 9 3	5.06
Mexico... ..	1891	26,970,	2 7 4	3.12
Peru ... ..	1888	53,437,‡‡	17 16 11	31.03
United States ... ..	1891	322,082,§§	5 2 5	4.54

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

† This amount is made up of £275,233,000 general debt of the whole empire; £105,549,000, special debt of Austria proper; and £193,012,000, special debt of Hungary.

‡ Denmark has State investments, including the Reserve Fund, amounting to £3,823,670, or nearly one-third the total debt.

§ This amount is made up of the debt of the Empire, £65,889,885 (including Treasury Bills) in 1890-91, together with the debts—chiefly borrowed for railway construction—of the following States at the dates named, viz.:—Alsace-Lorraine, £1,276,135 in 1892; Anhalt, £88,741 in 1891; Baden, £16,541,792 in 1892; Bavaria, £66,417,007 in 1892; Bremen, £4,014,180 in 1891; Brunswick, £1,394,280 in 1892; Hamburg, £14,012,059 in 1892; Hesse, £1,762,307 in 1892; Lippe, £39,664 in 1889; Lübeck, £492,168 in 1891; Mecklenburg-Schwerin, £4,130,230 in 1892; Mecklenburg-Strelitz, £300,000 in 1890; Oldenburg, £1,835,960 in 1890; Prussia, £303,087,395 in 1892-3; Reuss-Greiz, £7,950 in 1892; Reuss-Schleiz, £52,027 in 1892; Saxe-Altenburg, £44,372 in 1891; Saxe-Coburg-Gotha, £172,914 in 1890-91; Saxe-Meiningen, £619,706 in 1891; Saxe-Weimar, £254,183 in 1891; Saxony, £31,598,362 in 1891; Schaumburg-Lippe, £25,500 in 1891; Schwarzburg-Rudolstadt, £200,934 in 1891; Schwarzburg-Sondershausen, £177,393 in 1891; Waldeck, £109,470 in 1892; and Württemberg, £21,311,827 in 1892. A large proportion of the debts of the German States was contracted for the construction of railways. As a set-off against the "Debt of the Empire," there exist war treasure (in gold) and various invested funds amounting at end of 1890-91 to about £30,500,000. Deductions have been made where possible, so as to prevent sums being included twice over, thus appearing in both the Imperial and the State revenues.

|| This amount is made up of £14,337,321, debt of Sweden; and £6,447,926, debt of Norway.

¶ The above amount excludes the debts of the various Cantons, amounting in the aggregate to about £10,400,000. There exists, as a set-off against the debt, State property ("federal fortune") valued at £1,462,292.

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

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

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

§§ Gross liability. The net liability after deducting the cash in the Treasury was about £175,000,000. In addition to the Federal Debt, there were State and Local Bonded Debts amounting—after deducting Sinking Funds—to £236,532,000.

368. 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 £544,000,000. Next to these countries in point of indebtedness are Austria-Hungary, Russia, Germany, Italy, the United States, Turkey, Spain, and British India, in the order named. These are the only countries which have larger debts than the present united debt of the Australasian colonies.\*

Gross amount of debt in different countries.

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

Amount of debt per head in different countries.

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

Proportion of debt to revenue in different countries.

371. In comparing the indebtedness of the Australasian colonies with that of other countries, it cannot be too distinctly borne in mind that, whereas the latter was in most cases mainly incurred for purposes of war, the former was, as already pointed out, almost entirely contracted for the construction of railways, water supply, and other works which aid materially in the opening up and development of the country. In Victoria, for example, the National Debt is about £40 per head; in the United Kingdom it is about £18. The interest on the Victorian debt, however, as has already been shown, is largely provided for by the reproductive works on which the borrowings have been expended; but the debt of the United Kingdom is wholly unproductive,—in other words, the interest can only be raised by means of taxes. The railways alone of the United Kingdom—all constructed by private companies—cost £897,500,000, leaving out of account the cost of waterworks and the large amounts borrowed by local authorities for school buildings, sewerage works, harbours, etc.

Comparative indebtedness in various countries.

\* See table following paragraph 360 *ante*.

† See table following paragraph 349 *ante*.

If this amount be added to the National Debt of the mother country, it would be increased to nearly £42 per head, or £2 per head more than the debt of Victoria. The debt of the United Kingdom, however, has been borrowed at less than 3 per cent., and as the railways pay more than that rate of interest, the addition of their cost to the debt would not add to the burdens of the people. In like manner so much of the debt of Victoria as has its interest covered by amounts derived from reproductive works may be considered to be provided for. It is therefore evident that the gross amount of money borrowed does not afford a true indication of the indebtedness of a country, which cannot be ascertained without also taking into consideration the proportion expended on reproductive works. Even then the standard of comparison is not complete unless the respective debts bearing various rates of interest be reduced to a uniform interest basis. In the following table both these elements are taken into account, the interest paid by the different countries being adjusted to a uniform basis of  $3\frac{1}{2}$  per cent. The comparative indebtedness will be found in the last column:—

COMPARATIVE INDEBTEDNESS PER HEAD IN VARIOUS COUNTRIES.

Country.	Nominal Amount per Head.	Adjusted to a $3\frac{1}{2}$ per cent. basis.			
		Amount.	Proportion covered by—		
			Earnings.	Taxation and Land Revenue.	
	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.
Canada... ..	12 9 5	11 18 8	1 10 0	10 8 8	10 8 8
South Australia ... ..	64 17 5	75 8 4	62 11 11	12 16 5	12 16 5
United Kingdom ... ..	18 0 1	14 2 10	0 2 1	14 0 9	14 0 9
Austria ... ..	14 8 0	15 8 7	Nil	15 8 7	15 8 7
New South Wales ... ..	41 17 1	46 3 2	28 16 0	17 7 2	17 7 2
Victoria ... ..	40 3 6	47 12 0	30 1 0	17 11 0	17 11 0
Hungary ... ..	8 19 6	19 7 2	Nil	19 7 2	19 7 2
Portugal ... ..	25 0 0	23 18 7	Nil	23 18 7	23 18 7
Argentine Republic ... ..	20 4 6	34 11 5	4 0 0	30 11 5	30 11 5
France ... ..	30 0 0	36 17 2	2 14 3	34 2 11	34 2 11
Queensland ... ..	71 15 9	80 12 0	34 2 10	46 9 2	46 9 2
Tasmania ... ..	45 16 2	54 11 7	5 14 0	48 17 7	48 17 7
New Zealand* ... ..	62 1 8	74 17 0	18 18 6	55 18 6	55 18 6

NOTE.—The figures, except those for the United Kingdom, which are for 1890-91, and for Canada and the Australasian colonies, which relate to the year 1891, have been deduced from results given in *Fenn on the Funds* (1889), 14th edition, pages xv. and xvii.

Low comparative indebtedness of Victoria.

372. Canada and South Australia, it will be seen, are at the head of the list, the United Kingdom and Austria stand next, and New South Wales and Victoria next. In Victoria, the amount of real indebtedness per head, or that for which interest must be provided

\* Figures for 1890. In 1891 the debt fell to £61 1s. 1d.

by taxation or other special source of income, is only about £7 higher than that in Canada, and only £3 10s. more than in the United Kingdom, whilst it is lower than in any of the other countries named, the nominal amount of its indebtedness per head is more than three times as high as that in the former, and more than twice as high as that in the latter country. In regard to the high comparative indebtedness in some of the Australasian colonies, it should be remembered that, besides taxation, they all have available—for meeting interest on works not yielding revenue—large sums derived from the occupation and alienation of Crown lands.

373. Judging from the average growth of population, Victoria could in prosperous times borrow £1,200,000, and the Australasian colonies as a whole £6,200,000 per annum without increasing their liability per head. As, moreover, the money would probably in future be expended only on carefully selected reproductive works, even if more were borrowed under such circumstances it would not add to the burdens of the people.

374. Municipalities in Victoria are empowered by the *Local Government Act* (54 Vict. No. 1112) to borrow money for permanent works or undertakings, but the amount so borrowed is not to exceed ten times their average annual income from general rates during the three years prior to the raising of the loan. The following is a statement of the number of cities, towns, and boroughs, and the number of shires, which had loans outstanding in September, 1892, also of the total amounts included therein. These amounts are exclusive of sums borrowed by the municipalities through the General Government for waterworks amounting to £375,763,—the redemption of which is provided for by a sinking fund—they being included in the public debt of the colony\* :—

## MUNICIPAL DEBT, 1892.

Municipalities.	At the end of the Municipal Financial Year.	
	Districts with Loans outstanding.	Amount of Debt.
		£
Cities, towns, and boroughs ...	43	2,795,825
Shires ... ..	42	491,211
Total ... ..	85	3,287,036

375. The interest payable by municipalities for loans amounts to £158,036 per annum, the rates varying from 4 to 7½ per cent., and

\* See table following paragraph 307 *ante*, also footnote (||) to that table. The Government moneys originally authorized to be advanced to municipalities was £678,063, but from this must be deducted £302,300 for the Ballarat Waterworks, which have been transferred to the Ballarat Water Commission.

averaging 4·81 per cent. The average rate paid by cities, towns, and boroughs is 4·74 per cent., and that by shires 5·17 per cent.\* The following are the amounts borrowed by the two kinds of municipalities at each rate:—

RATES OF INTEREST ON MUNICIPAL LOANS,† 1892.

Rate of Interest.	Loans outstanding in—		
	Cities, Towns, and Boroughs.	Shires.	All Municipal Districts.
	£	£	£
4 per cent. ...	660,000	...	660,000
4½ " ...	538,700	...	538,700
5 " ...	1,396,429	411,657	1,808,086
5½ " ...	...	5,400	5,400
6 " ...	180,946	67,386	248,332
6½ " ...	13,000	...	13,000
7 " ...	6,750	6,368	13,118
7½ " ...	...	400	400
Total ...	2,795,825	491,211	3,287,036
Annual Interest Payable‡	£132,637	£25,399	£158,036

Municipal debt, 1881 to 1892.

376. In 1892, as compared with 1891, the number of municipalities which had outstanding loans increased by 2—both being shires. The total increase in the amount outstanding was £143,434, of which £129,644 was due to further borrowing by cities, towns, or boroughs, and £13,790 to that by shires. The municipal debt has been increasing rapidly since 1883, when the debt was less than a fourth of what it was at the end of 1892, as is indicated by the following figures, which show the municipal debt in each of the last twelve years:—

MUNICIPAL DEBT,† 1881 TO 1892.

£			£		
1881	...	728,093	1887	...	1,708,252
1882	...	742,911	1888	...	2,062,327
1883	...	776,683	1889	...	2,264,607
1884	...	1,083,613	1890	...	2,944,440
1885	...	1,229,203	1891	...	3,143,602
1886	...	1,479,159	1892	...	3,287,036

Municipal borrowings in London, 1883-1892.

377. The London money market was first approached by Victorian municipalities for the purpose of borrowing, in 1854, when a loan of £735,000 was raised there, of which £525,000 was for improvements to the city of Melbourne, and £210,000 for improvements to the

\* In the previous year these proportions were 4·73 and 5·23, not 4·78 and 7·78, as published in the last issue of this work.

† Exclusive of loans from the General Government.

‡ The figures in this line in the last issue of this work have been discovered to be incorrect; they should have been as follow:—£126,171, £24,980, and £151,151 respectively.

town of Geelong. This loan was guaranteed by the Government, and was paid off at the rate of £35,000 per annum, the final instalment having been cleared off in 1874. Since then, with the exception of a loan of £125,000 raised in 1878, by the Melbourne Corporation, no serious borrowing by municipalities took place until 1883. In that year, however, £200,000 was borrowed, and municipal loans have been raised in each subsequent year, with the exception of 1884. The largest amount borrowed (£555,000) was in 1890, whilst as much as £250,000 was raised in 1892. The following are the amounts borrowed in each year:—

MUNICIPAL BORROWINGS IN LONDON, 1883 TO 1892.

£			£		
1883	...	200,000	1889	...	167,700
1884	...	Nil.	1890	...	555,000
1885	...	80,000	1891	...	85,000
1886	...	250,000	1892	...	250,000
1887	...	168,000			
1888	...	120,000	Total	...	1,875,700

378. Of the total raised, as much as £1,050,000 was borrowed by the city of Melbourne, and the remainder by other municipalities—Municipalities borrowing in London. all of which are suburbs of that city. The names of such municipalities, together with the amounts raised by each, are as follow:—

BORROWINGS BY VARIOUS MUNICIPALITIES IN LONDON, 1883 TO 1892.

£			£		
Melbourne	...	1,050,000	Richmond	...	65,000
South Melbourne	...	208,700	North Melbourne	...	60,000
Prahran	...	135,000	Collingwood	...	40,000
St. Kilda	...	125,000			
Fitzroy	...	119,000	Total	...	1,875,700
Brunswick	...	73,000			

379. Prior to 1888 the borrowing powers of the Melbourne Harbor Trust were limited (under Act 47 Vict. No. 763) to £1,000,000, but by an Act (52 Vict. No. 994) passed in December, 1888, these powers were increased to £2,000,000.\* On the 15th October, 1891, the Trust exhausted its borrowing powers by floating a loan of £500,000 in London, bearing interest at 4 per cent., and having a currency of 30 years. The minimum price fixed for tenders was £95; the amount tendered was £511,000, and the average price realised was £95 0s. 8d., which includes £1 3s. 2d. interest accruing from the 1st July, 1891, up to the periods when the various instalments were due. The leading particulars of the various loans floated are shown in the following table:—

\* For revenue and expenditure of the Trust, see table following paragraph 295 ante.

## MELBOURNE HARBOR TRUST LOANS.

When raised.	Amount of Loan.	When due.	Nominal Rate of Interest.	Price realized per £100 Debenture.			Actual Rate of Interest per £100.
				Gross.	Ex Accrued Interest.	Ex Interest and Expenses (Net).	
	£			£ s. d.	£ s. d.	£ s. d.	£ s. d.
1883	250,000	1908	5	101 6 6	100 6 9	98 19 8	5 1 5
1884	250,000	1909	5	106 13 2	105 10 0	105 0 11	4 13 1
1886	250,000	1915	4½	105 7 8	103 5 6	102 1 7*	4 7 6
1888	250,000	1918	4	101 16 0	100 0 7	98 17 2	4 1 4
1889	500,000	1919	4	102 7 7	101 12 1	100 8 4	3 19 6
1891	500,000	1921	4	95 0 8	93 17 6	92 16 0	4 5 2
Total	2,000,000						

Debt of  
Metropolitan Board  
of Works,  
1891-2.

380. The Melbourne and Metropolitan Board of Works † is authorized to raise loans amounting to £5,000,000, in addition to certain Government loans for which the Board has become responsible, amounting to £2,389,934—of which £2,139,934 had been borrowed prior to the passing of the Act constituting the Board, and £250,000 ‡ was floated subsequently. The total authorized indebtedness of the Board is thus £7,389,934, of which £2,886,685—all but £500,000 in Government loans—was outstanding on the 30th June, 1892. The amount derived from Government loans, however, has already been included in the public debt. § The following shows the rates of interest payable on, and the due dates of, the various loans of which the Board's debt is made up:—

DEBT OF MELBOURNE AND METROPOLITAN BOARD OF WORKS,  
30TH JUNE, 1892.

Rate of Interest.	When Repayable.	Principal.
%		£
5	1894	30,777
4½	1904	190,993
4	1901 to 1923	1,343,164
4 (stock)	1897 ¶	286,751
3½	1923	575,000
	Total from Government ...	2,386,685
5	1897	500,000
	Total debt ...	2,886,685

\* The stamp duty payable to the British Government was raised between the floating of this and the previous loan from  $\frac{1}{8}$  to  $\frac{1}{2}$  per cent. ; if this had not been done the net price for this and each of the succeeding loans would have been 7s. 6d. higher than the amount stated.

† For particulars of the constitution of the Board see last issue of this work, Vol. I., paragraph 49.

‡ Of this, only £210,006 had been received up to 30th June, 1892.

§ Except a small portion which was advanced from revenue in anticipation of loans, but which will eventually be included. See table following paragraph 307 *ante*.

|| Of this amount, £276,820 is repayable in 1901, £42,681 in 1904, £160,000 in 1907, £128,877 in 1913, £246,604 in 1919, £375,000 in 1920, and £113,182 in 1923.

¶ Or at any time afterwards after due notice being given.



381. On the 18th October, 1892, a further loan of £1,000,000 was raised by the Board in London by means of debentures bearing interest at 4 per centum per annum, with a currency of 29 years, the principal and interest to be payable in London, the interest being due in April and October of each year. The minimum was fixed at £95 per £100 debenture, and applications were received for a total of £1,769,500. The gross price realized was £95 per £100, but from this will have to be deducted 9s. 10d. for accrued interest, and £3 10s. 7d. for expenses, so that the net proceeds amounted to only £90 19s. 7d., being equivalent to interest at the rate of £4 11s. 6d. per £100. The expenses per £100, which were unusually heavy owing to underwriting, consisted of the following items:—Underwriting £2 10s., stamp duty 10s., brokerage 4s. 8d., bank commission 4s. 9d., advertising 1s. 2d.; total, £3 10s. 7d. Similar debentures to the amount of £140,000 were also issued at par, as the purchase-money of certain land bought by the Board. Moreover, 4½ per cent. debentures for £500,000, with a currency of 10 years, were offered locally at £99 per £100 in July, 1893, but only £52,550 was taken up, at an average price of £99 4s. 11d.\* The following is a statement of the loans floated by the Board since its constitution, and of the nominal and actual rates of interest payable thereon:—

Metropolitan Board's further loans of 1892 and 1893.

**DEBENTURES ISSUED BY THE MELBOURNE AND METROPOLITAN BOARD OF WORKS.\***

When and Where Raised.	Amount of Loan.	When Due.	Nominal Rate of Interest.	Prices realized per £100 Debenture.						Actual Rate of Interest per £100.			
				Gross.			Ex Accrued Interest.				Ex Interest and Expenses (net).		
	£			£	s.	d.	£	s.	d.	£	s.	d.	
(Melbourne) 1892, March	500,000	1897	5	100	2	2½	100	2	2½	100	2	2½	4 19 6
1893, July (London)	52,550	1903	4½	99	4	11	99	4	11	99	4	11	4 11 11
1892, Oct.	1,000,000	1921	4	95	0	0	94	10	2	90	19	7	4 11 4
„	140,000	„	4	100	0	0	100	0	0	100	0	0	4 0 0

382. The tramways in Melbourne and its principal suburbs were constructed by a Trust (called the Melbourne Tramways Trust) consisting of delegates elected annually by the municipalities interested. By the original Act creating this corporation, the Trust was authorized to raise all money required for the construction of tramways, as well as for the expenses of the Trust, by means of debentures secured on the lines constructed, also on the revenues of the municipalities represented, in the proportion of the length and

Tramways Trust loans.

\* A further loan for £500,000, of which £48,970 was exchanged for other debentures, was successfully floated in Melbourne on the 7th September, 1893.

cost of the tramways within their respective limits. The Melbourne Tramway and Omnibus Company, to which the lines have been leased for a period of thirty-two years, from the 1st July, 1884, are required to pay to the Trust the annual interest, also a yearly percentage to form a sinking fund calculated to extinguish the loan by the end of the lease. The borrowing powers of the Trust have been limited to £1,650,000; and the debentures are secured on the property as well as on the revenues of the municipalities interested; the latter being, moreover, jointly and severally, liable for the amount borrowed. Although the security offered is thus of the very best character, it was some time apparently before its true value was appreciated in London, as is evident by the low price obtained for the first issue as compared with the much higher prices for the subsequent issues. The last loan floated, viz., £130,000, was placed on the London market in January, 1891, making a total of £1,630,000, all bearing interest at the rate of  $4\frac{1}{2}$  per cent. A further sum of £20,000 will be offered on the London market early in 1893, making the full amount of £1,650,000 which the Trust can borrow. The particulars of the various loans, together with the prices realized, are given in the following table\* :—

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

Year.	Amount of Loan.	When due.	Price realized per £100 Debenture.			Actual rate of Interest.
			Gross.	Ex Interest.	Ex Interest and Expenses (Net).	
	£		£ s. d.	£ s. d.	£ s. d.	£ s. d.
1884	500,000	1914	100 2 10	98 2 7	97 6 6	4 13 5
1886	500,000	"	...	...	101 15 0†	4 7 10
1887	200,000	"	106 6 8	105 16 8	104 13 3	4 4 1
1888	250,000	1916	109 15 11	109 5 4	108 2 1	4 0 4
1889	50,000	"	110 4 8	109 14 2	108 8 8	3 19 8
1891	130,000	"	108 9 3	107 17 0	106 13 0	4 1 6
1893	20,000‡	...	..	...	...	...
Total	1,650,000					

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

*Sinking Fund.*—Act No. 765 provides that the Company shall pay to the Trust as sinking fund  $1\frac{1}{2}$  per cent. for the first ten years, 2 per cent. for the second ten years, and 3 per cent. for the last ten years on the total amount borrowed, these terms to run from the date on which the first loan was floated. The total amount

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

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

‡ Not yet floated.

borrowed under this Act and its subsidiary one was £1,200,000, the sinking fund on which had to be paid by the Company from the 1st July, 1884. It was calculated that, capitalized at 4 per cent., these contributions would give an excess over the Trust's debt of £129,000. When subsequent Acts were passed, increasing the Trust's borrowing powers by £300,000 and £150,000 respectively, the Tramway and Omnibus Company consented on condition that the liability to pay to the sinking fund on the new loans should not commence until the 1st July, 1889, and the 1st July, 1890, respectively. It was also provided that these percentages should cease to be paid by the Company if at any time before the end of the extended lease (1st July, 1916) the amounts so contributed should be sufficient to repay the loan with all expenses; and that the Company should, on the other hand, be liable for any deficiency. Power was also given to the Trust to invest the sinking fund contributions in first mortgages of freehold land in Victoria, instead of restricting them to municipal and Government debentures and bank deposits. The total amount of sinking fund invested to the 31st December, 1892, is £189,650, all in 5 per cent. Victorian municipal debentures, which have cost the Trust a little over par.

384. The Metropolitan and Country Fire Brigade Boards, which are separate corporate bodies, whose members are elected by the Government, the Municipalities, the Insurance Companies, and, in the case of the Country Board, by the Brigades, have each authority to borrow £100,000, for the purpose of taking over the entire control of the appliances for extinguishing fires and for the protection of life and property in each district, and for the erection of central fire stations, in equipping them with the best and most modern appliances, and other cognate purposes. Up to the 31st December, 1892, however, only the Metropolitan Board exercised this right by issuing in London in February, 1892, 4½ per cent. debentures for £100,000, having a currency of 30 years, at the end of which period the amount is redeemable by a sinking fund,\* into which 2 per cent. of the amount borrowed must be paid annually, invested in Victorian Government debentures or the Board's own debentures. The gross price realized for the loan averaged £103 per £100, but after allowing £1 10s. per £100 for accrued interest, and £3 5s. 5d. for expenses of the floating, the net price was only £98 4s. 7d., which was equivalent to a *par* loan at the rate of £4 12s. 2d. per £100.

Loans of  
Fire  
Brigade  
Boards.

385. Adding the borrowings of the municipalities and of other corporations to those of the Government, not counting redemption loans, it appears that the colony has borrowed in London during the past 13 years close on 32 millions for public purposes, viz., about 25¼ millions by the Government, 1⅞ millions by municipalities, and nearly 4¾ millions by other corporations. The era of heavy and continuous borrowings commenced in 1883, with nearly 4½ millions, and only once between that year and 1892 did the amount borrowed fall below one or even two millions, whilst the largest amount borrowed was over 4½ millions, in 1890. The following are the figures:—

Government  
and Cor-  
poration  
loans, 1880  
to 1892.

\* The amount to the credit of the fund on 31st December, 1892, was £2,020.

GOVERNMENT AND CORPORATION LOANS RAISED IN LONDON,  
1880 TO 1892.

Year.	Loans raised by—			Total.
	Government.*	Municipalities.	Other Corporations.†	
	£	£	£	£
1880 ...	2,000,000	...	...	2,000,000
1881 ...	...	...	...	Nil
1882 ...	...	...	...	Nil
1883 ...	4,000,000	200,000	250,000	4,450,000
1884 ...	1,363,400	...	750,000	2,113,400
1885 ...	819,380	80,000	...	899,380
1886 ...	1,500,000	250,000	750,000	2,500,000
1887 ...	3,000,000	168,000	200,000	3,368,000
1888 ...	1,500,000	120,000	500,000	2,120,000
1889 ...	3,000,000	167,700	550,000	3,717,700
1890 ...	4,000,000	555,000	...	4,555,000
1891 ...	2,150,000	85,000	630,000	2,865,000
1892 ...	2,000,000	250,000	1,100,000	3,350,000
Total ...	25,332,780	1,875,700	4,730,000	31,938,480

386. If the debts (exclusive of those portions borrowed by the Government) of the municipalities, the Harbor Trust, the Metropolitan Board of Works, and the Fire Brigade Boards be added to the Government debt on the 30th June, 1892, viz., £46,711,287,† it will appear that the total gross public liability of the colony was £52,598,323,§ or a proportion of £45 5s. per head of population.

387. The following is a summary of the annual interest payable by the Government and Municipal and other public bodies on the debts existing on the 31st December, 1892, distinguishing the amounts payable in London and Melbourne respectively :—

ANNUAL INTEREST ON VICTORIAN PUBLIC LOANS, 1892.

Loans raised by—	Interest on Debt at end of 1892, payable in—		Total Annual Interest.
	London.	Melbourne.	
	£	£	£
Government ...	1,783,085	81,404	1,864,489
Municipalities ...	88,367	69,669	158,036
Harbor Trust ...	86,250	...	86,250
Board of Works ...	45,600	25,000	70,600
Tramways Trust ...	73,350	...	73,350
Fire Brigades Boards ...	4,500	...	4,500
Total ..	2,081,152	176,073	2,257,225

\* Exclusive of loans set apart to pay off loans falling due in London.

† Viz., Harbour and Tramways Trusts, Metropolitan Board of Works, and Fire Brigades Board. See paragraphs 379, 381, 382, and 384 *ante*.

‡ On the 30th June, 1893, the debt of the General Government had increased to £47,144,562 (exclusive of £750,000 temporary Treasury Bills to cover revenue deficit).

§ Exclusive of the Tramways Debt, which, although borrowed on the security of municipal property, is repayable by the Melbourne Tramway and Omnibus Company.

General and municipal debt.

Interest on Government and other Public Loans.

388. At the end of June, 1892, there was a total balance of **Trust funds, 1891 and 1892.** £2,959,000 to the credit of the various trust funds, as against a credit balance of nearly £2,739,000 at the end of the previous year, the principal increase being under the heads of Post Office Savings Banks and the Municipal Investments account. The following are the particulars of the various funds at each of these periods:—

## TRUST FUNDS, 1891 AND 1892.

Accounts.	Credit Balances on the 30th June.		Increase.	Decrease.
	1891.	1892.		
	£	£	£	£
Assurance fund* ... ..	90,026	101,174	11,148	...
Suitors' fund ... ..	31,943	23,023	...	8,920
Police Superannuation fund ... ..	71,960	70,000	...	1,960
Port Phillip Pilot Sick and Superannuation fund ... ..	5,690	14,889	9,199	...
Intestate estates ... ..	109,655	110,668	1,013	...
Master-in-Lunacy—Investment account	7,194	6,694	...	500
Lunacy Trust ... ..	5,058	2,902	...	2,156
Municipal Investments account ... ..	156,098	203,413	47,315	...
Municipal Contributions for Prince's Bridge ... ..	2,563	3,147	584	...
Waterworks Trust Sinking fund ... ..	1,544	2,395	851	...
Trustees, Executors, and Agency Companies, and Insurance Companies ... ..	90,000†	90,000†	...	...
Defences—Discipline Act 1883—Ammunition and Deferred Pay fund, etc. ... ..	5,594	4,227	...	1,367
Post Office Savings Banks ... ..	1,946,859	2,090,841	143,982	...
Ocean Mails ... ..	26	20	...	6
Insolvency (unclaimed dividends) ... ..	4,259	4,679	420	...
Customs Goods overtime ... ..	800	782	...	18
Municipalities Sinking fund and Redemption account... ..	55,389	58,602	3,213	...
Survey Fees account ... ..	15,614	11,331	...	4,283
Security account ... ..	3,384	2,424	...	960
Licensing Act 1885 ... ..	68,267	87,071	18,804	...
Vermin Rate ... ..	1,678	1,325	...	353
Country Tramways ... ..	1,738	1,539	..	199
Melbourne Police Court fund... ..	31,095	10,956	...	20,139
Public Instruction—Prize fund ... ..	1,280	2,000	720	...
Sundries ... ..	31,284	54,953	23,669	...
Total ‡ ... ..	2,738,998	2,959,055	220,057§	...

389. The trust funds at the end of 1892 amounted to nearly **Trust funds, 1882 to 1892.** 3 millions sterling, whereas twenty-two years previously they amounted to less than half a million. Thirty-three per cent. of the

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

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

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

§ Net increase.

total is invested in debentures or inscribed stock, and the balance is either deposited in banks or used by the Government as a temporary loan fund to fall back on in case of emergency. Of the large amount of nearly £1,840,000 uninvested or not held in cash in 1891-2, £639,700 was advanced on account of interest payable in London in 1892-3; £36,913 was advanced for the construction of waterworks, to be recouped from a future loan; and £415,122 was advanced to the "Land Sales by Auction Fund." The following table shows the amounts, and manner of their investment, at the end of each of the last eleven financial years:—

## TRUST FUNDS, 1882 TO 1892.\*

On the 30th June.	Amount at Credit of Trust Funds.			
	Invested in Debentures or Inscribed Stock.	Deposited in Banks.	Held otherwise.†	Total.
	£	£	£	£
1882 ...	725,045	574,984	281,351	1,581,380
1883 ...	726,186	394,851	332,887	1,453,924
1884 ...	756,980	673,736	84,395	1,515,111
1885 ...	766,095	904,073	7,133	1,677,301
1886 ...	787,439	976,528	43,996	1,807,963‡
1887 ...	782,820	985,178	41,689	1,809,687
1888 ...	829,735	1,315,508	43,486	2,188,729
1889 ...	875,027	945,269	612,709	2,433,005
1890 ...	888,998	1,272,704	411,075	2,572,777
1891 ...	933,274	84,516	1,721,208	2,738,998
1892 ...	985,258	135,082	1,838,715	2,959,055

390. All fees received from the licensing of persons authorized to sell spirituous liquors in Victoria are paid into a fund called "The Licensing Act Fund," which, after the payment of a certain proportion fixed by the Act to municipalities and termed the "equivalent," is charged with the general cost of carrying out the provisions of the Act. In 1891-2 there was a credit balance of £68,267 brought forward from the previous year, the receipts during the year amounted to £119,386, and the expenditure to £100,581, and the balance carried forward to the next year being £87,071. The receipts consisted of £115,523 from licences, £3,840 from fines, and £23 from sale of confiscated liquor, etc. The expenditure was made up of £92,492 "equivalent" paid to municipalities, £1,483 for travelling expenses of members of Licensing Courts, £2,663 to police

\* For earlier years, as far back as 1870, see last issue of this work, Vol. I., table following paragraph 470.

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

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

acting as inspectors, £2,064 for incidental expenses, £509 for cost of taking poll of electors, and £1,370 for compensation.

391. The balance at the credit of the public account on the 30th June, 1892, was £2,707,981, but as nearly £605,000\* was required to cover the deficit in the revenue, and as various sums had been advanced in anticipation of the next year's appropriations, including interest, etc., due 1st July, remitted to England (£671,952), also advances to be recouped from "Land Sales by Auction Fund" (£415,122), etc., the actual cash balance in hand (in Melbourne) became reduced to £877,984. The balance was distributed over the three principal accounts as follow:—

Balance at credit of public account.

PUBLIC ACCOUNT BALANCES, 30TH JUNE, 1892.†

Consolidated Revenue ... ..	...	...	...	...	...	...
" " on account of 1892-3	...	...	...	...	...	£32,219
Trust Funds ... ..	...	...	...	...	...	1,932,860
Loan Account ... ..	...	...	...	...	...	742,902
						<hr/>
Net Credit Balance ... ..	...	...	...	...	...	£2,707,981
<i>Less</i> —Deficit Consolidated Revenue, 1891-2	...	...	...	...	...	£604,986*
Advanced to Land Sales by Auction Fund	...	...	...	...	...	415,122
Advances, to be recouped from future revenue, loans, etc.	...	...	...	...	...	809,889
						<hr/>
						1,829,997
						<hr/>
Cash Balance ... ..	...	...	...	...	...	£877,984
						<hr/>

392. The retiring allowances paid from the Victorian revenue are of two kinds, pensions and superannuation allowances. Of the former there were in 1891-2 five in all, embracing allowances to three former Ministers released from office on political grounds, to the widow of a former Governor of Victoria, and to the daughter of an eminent explorer of the Australian coasts. The total amount included in these pensions was £3,767. Pensions.

393. The persons entitled under Acts of Parliament to superannuation allowances in the same year numbered 1,064, and consisted of one ex-Supreme Court Judge, eight former judges of County Courts, a late Clerk of Parliaments, a late Master-in-Equity, two late Commissioners of Audit, 913 ex-officers of the Public Service, 27 ex-officers of the Lunacy Department, 101 ex-officers of the Railway Department, and 10 ex-officers of the Defence Forces. The aggregate amount of the allowances to these persons was £113,921 or an average of £107 1s. 4d. to each recipient. Superannuation allowances under Acts of Parliament.

\* Subsequently increased by payments during July and August to £960,188, which is the debit balance carried forward to 1892-3.

† On the 30th June, 1893, the net credit balance was £4,567,786, and the cash balance £2,448,198, in addition to which there was £813,074 held by banks in process of reconstruction.

Pensions,  
etc., under  
Acts, 1891  
and 1892.

394. Taken together, the pensions and superannuation allowances numbered 1,069, or 110 more than in the previous year, and the sum paid amounted to £117,688, or £11,119 more than in that year. The average to each recipient was £110 ls. 10d., or £1 0s. 8d. less than in 1890-91. It may be mentioned that the increase in the number and amount of these allowances is more apparent than real, it being due chiefly to the circumstance that a large proportion of allowances which were formerly voted annually are now paid under special appropriation.

Pensions,  
etc.,  
1891-2.

395. The different authorities under which pensions and superannuation allowances are legalized, and the individuals to whom they were awarded, also the number on the list, and the gross and average amount of the pensions and superannuation allowances—not subject to annual votes—paid during 1891-2, will be found in the following table:—

PENSIONS AND SUPERANNUATION ALLOWANCES,\* 1891-2.

Authority under which legalized.	Description of the Recipients.	Number of Persons on the List.	Amount paid.					
			Total.			Average to each Recipient.		
			£	s.	d.	£	s.	d.
PENSIONS.								
18 & 19 Vict. cap. 55 ( <i>Constitution Act</i> , Schedule D)	Former Ministers of the Crown	3	2,667	0	0	889	0	0
21 Vict. No. 20 ...	Daughter of the late Captain Flinders, R.N.	1	100	0	0	100	0	0
33 Vict. No. 362 ...	Widow of a former Go- vernour of Victoria	1	1,000	0	0	1,000	0	0
SUPERANNUATION ALLOWANCES.								
18 & 19 Vict. cap. 55	Supreme Court Judge ...	†1	...			...		
54 " Vict. " No. "	Clerk of Parliaments ...	1	500	0	0	500	0	0
54 " Vict. No. 1078 ( <i>County Court Act</i> )	County Court Judges ...	8	4,830	0	0	603	15	0
36 Vict. No. 435 ...	Master-in-Equity ...	1	750	0	0	750	0	0
54 Vict. No. 1066 ...	Commissioners of Audit	‡2	724	0	0	362	0	0
25 Vict. No. 160 ( <i>Civil Service Act</i> )	Officers in the Public Service	435	62,155	0	0	142	17	8
54 Vict. No. 1133 ( <i>Pub- lic Service Act</i> )	Ditto ...	478	33,130	0	0	69	6	2
54 Vict. No. 1113 ( <i>Lu- nacy Act</i> )	Officers in the Lunacy Department	27	1,108	0	0	41	0	9
54 Vict. No. 1135 ( <i>Vic- torian Railways Act</i> )	Officers in the Railway Department	101	9,806	0	0	97	1	9
54 Vict. No. 1083 ( <i>Dis- cipline Act</i> )	Officers of the Defence Force	10	918	0	0	91	16	0
Total ...	...	1,069	117,688	0	0	110	1	10

\* Not including £2,000 paid to the Police Superannuation Fund, and allowances voted annually, for which see paragraph 397 *post*.

† This pensioner died on 18th October, 1891, but no portion of the pension was paid during the year 1891-2.

‡ One of these died on 16th August, 1891.



396. Superannuation allowances to the police are not included in the foregoing statement, as they are paid under the *Police Regulation Act* (54 Vict. No. 1,127) out of a fund called the Police Superannuation Fund, which is maintained by an annual income of £2,800 arising from the investment of £70,000 in Government Stock; by an annual subsidy of £2,000 from the consolidated revenue; by a moiety of the fines inflicted by the Courts of Petty Sessions under various Statutes (£7,218 in 1891-2); and, if necessary, by a deduction not exceeding 2½ per cent. from the pay of the members of the force, and a further grant in aid from the consolidated revenue. In all cases of a police superannuation allowance being granted, the option is given to the retiring member to commute it for a gratuity equal to one month's pay for each year of service. The number of recipients of police retiring allowances in 1891-2 was 269,\* on which the annual amount payable was £27,974 or an average of £104 5s. 1d. to each recipient. It should be mentioned, however, that the actual amount paid in 1891-2 was £25,689, in consequence of arrears being included. In addition, gratuities in lieu of retiring allowances were paid in 19 instances, amounting in the aggregate to £5,133, or an average of £270 to each recipient.

Police pensions and gratuities.

397. In the year under review, for the fifteenth time, a deduction was made from the pay of the police for the purpose of enabling the superannuation fund to meet the demands made thereon. The deduction was at the rate of 2½ per cent., or the full amount allowed by law, and realized £5,120; as against this, however, the proportion paid by officers of over 30 years' service, viz., £695, was refunded out of the consolidated revenue. Even with this addition, however, the ordinary receipts have proved insufficient, and the large balance which existed in the earlier years of the fund's existence having gradually become exhausted, it became necessary for Parliament to vote in aid of the fund a sum amounting in the ten years ended with 1889-90 to £76,600; also £8,000 in 1890-91, and £10,700 in 1891-2. The balance to the credit of the fund at the beginning of 1891-2 was £1,960, but at the end of the year this had changed to a debit balance of £329.†

Deduction from pay of police, and votes in aid.

\* Of these 14 lapsed during the year, so that the number at the end of the year was 255.

† The actual debit balance on 30th June, 1892, was £4,224, but this has been reduced by the portion of the Government Grant due on account of the year—£3,895—which was paid soon afterwards.

Retiring allowances granted for infirmity.

398. Except in cases of infirmity of mind and body, the minimum age at which retiring allowances are granted to members of the civil service is sixty years,\* and to members of the police force fifty-five years. Of the existing retiring allowances, however, 36 per cent. of those granted to public servants,† and as many as 45 per cent. of those granted to the police, were awarded in consequence of infirmity or disablement before the full age had been attained.

Allowances voted by Parliament.

399. Besides the superannuation allowances and pensions for which amounts are specially appropriated, certain allowances are voted by Parliament each year to retired public servants who, prior to the passing of the *Public Service Act* 1883, were attached to the unclassified branches of the service, and consequently were not comprehended in any of the several Statutes under which retiring allowances are legalized; in addition to which there was voted a grant in aid of the Police Superannuation Fund, and pensions to two widows of constables who were shot by the Kelly gang of outlaws. The number of retiring allowances voted in 1891-2, the gross amount paid, and the average to each recipient, also the departments in which the several recipients served, will be found in the following table:—

SUPERANNUATION ALLOWANCES AND PENSIONS VOTED BY  
PARLIAMENT, 1891-2.

Department.	Number of Recipients.	Allowances voted.	
		Total Amount paid.	Average to each Recipient.
SUPERANNUATION ALLOWANCES.			
Chief Secretary‡ ... ..	11	£ 567	£ 51 10 11
Minister of Public Instruction ...	55	3,877	70 9 10
Attorney-General ... ..	1	240	240 0 0
Treasurer ... ..	1	79	79 0 0
Commissioner of Public Works ...	13	1,215	93 9 3
Commissioner of Trade and Customs ...	2	550	275 0 0
Postmaster-General ... ..	10	376	37 12 0
Commissioner of Railways ... ..	11	927	84 5 5
PENSIONS.			
Widows of Constables shot by the Kelly gang of outlaws	2	67	33 10 0
Total ... ..	106	7,898	74 10 2

\* Now extended to 65 years, at the option of the officer, unless he is called upon by the Governor in Council to retire upon the recommendation of the Public Service Board (Act 54 Vict., No. 1133, sec. 143).

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

† Five of these pensions, amounting to £136, were granted to ex-constables of police for injuries received in execution of duty, in addition to amounts paid out of Police Superannuation Fund.

400. The following is a summary of the pensions, superannuation allowances, compensations, and gratuities, paid out of the general revenue during the year 1891-2, distinguishing payments from special appropriations from those from annual votes or other sources:—

Pensions,  
gratuities,  
etc.

**PENSIONS, RETIRING ALLOWANCES, COMPENSATIONS, AND GRATUITIES  
PAID, 1891-2.**

Pensions, Compensations, etc.	Annual Allowances.	Compensations and Gratuities.	Total.
	£	£	£
<i>Under Special Appropriations—</i>			
<i>Constitution Act</i> ... ..	3,167	...	3,167
County Court Judges ... ..	4,830	...	4,830
Master-in-Equity ... ..	750	...	750
Commissioners of Audit ... ..	724	...	724
Railway Department ... ..	9,806	22,196	32,002
Public Service* ... ..	97,311	8,781	106,092
Others (Lady Darling and Mrs. Petrie) ... ..	1,100	...	1,100
<b>Total</b> ... ..	<b>117,688</b>	<b>30,977</b>	<b>148,665</b>
<i>Under Annual Votes—</i>			
Railway Department ... ..	927	16,843	17,770
Public Service ... ..	6,971	12,904	19,875
<b>Total</b> ... ..	<b>7,898</b>	<b>29,747</b>	<b>37,645</b>
<b>Total, exclusive of Police Pensions</b> ... ..	<b>125,586</b>	<b>60,724</b>	<b>186,310</b>
<i>To the Police—</i>			
Endowment and amount voted £13,395† } From Police Superannuation Fund 17,427 }	25,689	5,133	30,822
<b>Grand Total</b> ... ..	<b>151,275</b>	<b>65,857</b>	<b>217,132</b>
<i>Less amount derived from Police Superannuation Fund</i> ... ..	12,294	5,133	17,427
<b>Amount paid by State ‡</b> ... ..	<b>138,981</b>	<b>60,724</b>	<b>199,705</b>

401. Taking into account pensions, retiring allowances, compensations, and gratuities of all kinds, whether specially appropriated or voted, the amount paid by the State was greater by £17,504 in 1891-2 than in the previous year.

Retiring  
allowances,  
etc., 1890-1  
and 1891-2.

\* Including allowances to officers under the *Civil Service* and *Public Service Acts*, the *Lunacy Statute* and the *Discipline Act*.

† These figures represent the amount paid from the general revenue, which consists of the usual endowment of £2,000, and an additional grant of £11,395 voted by Parliament.

‡ See table following paragraph 193, *ante*.

Pilots'  
pensions.

402. The Port Phillip Pilot Sick and Superannuation Fund was originally under the control of the Pilot Board, but under the *Marine Board Act* (54 Vict. No. 1165) it was handed over to the Treasurer of the colony on the 26th April, 1889. The amount at its credit at the commencement of the year 1891-2 was £43,590, consisting of £40,900 in securities and £2,690 in cash. The receipts during the financial year amounted to £2,752, of which £737 was deducted from the pay of pilots, and £2,015 was received as interest on moneys invested; whilst the expenditure, of which all but £64 (for sick allowances) was for pensions, amounted to £2,048. The number of pensions on the list at the end of the year was 19, and the annual amount payable was £1,898. The balance at the credit of the fund on 30th June, 1892, was £44,289. These pensions are not included in the foregoing tables.

Abolition of  
retiring  
allowances.

403. Since the passing of the *Pensions Abolition Act* (45 Vict. No. 710), viz., on the 24th December, 1881, no persons entering the Public Service, except Judges of the Supreme and County Courts and officers and members of the police force, are entitled to a retiring allowance or gratuity of any kind whatever.