

FINANCE.

State Finance. Under the Constitution Act the revenues of the State are payable into Consolidated Revenue, but certain of these revenues have been hypothecated by various Acts of Parliament for specified purposes, and are payable into special accounts or funds kept at the State Treasury. These special accounts or funds comprise the Mallee Land Account, the Assurance Fund, the Licensing Fund, the Licensing Act Compensation Fund, the Police Superannuation Fund, the Country Roads Board Fund, and the Developmental Railways Account. In addition to these funds, there are the Loan Fund into which all borrowed moneys are paid, and various Trust Funds.

Subsequent to the elevation of Victoria into a self-governing Colony, in 1851, it was divided for the purposes of local government into Districts which were evolved later into the present system of municipalities. The municipalities have power to levy rates and are assisted with grants by the State Government. Particulars regarding municipal finance are dealt with in another section of the *Year-Book*. Allied to the municipalities are the Boards and Trusts which control water supply, irrigation, and sewerage, and have rating powers in connexion therewith. There are also the Metropolitan Fire Brigades Board and the Country Fire Brigades Board, which are concerned with fire extinction in the metropolis and urban districts, and derive their revenues from the State Government, the Municipalities, and Insurance Companies; and the Melbourne and Geelong Harbor Trusts, which are intrusted with the management of those respective ports, and derive their revenues in the main from wharfage rates.

The Lands Purchase and Management Board manages closer settlement on behalf of the State. Lands are purchased with loan moneys, and the revenues received by the Board from lessees, &c., are payable into the Closer Settlement Fund, from which the working expenses of the Board are met, interest on loans provided, and loans redeemed.

Upon the federation of the Australian Colonies in 1901, the Customs and Excise, Post and Telegraph, and Defence Departments were transferred to the Commonwealth Government, as a set off against which the Commonwealth paid to the State at least three-fourths of the net Customs and Excise revenue until 31st December, 1910, and subsequently an annual amount equal to 25s. per head of the population.

A summary of the transactions for the financial year 1916-17 in the Consolidated Revenue Fund and in the special funds referred to above gives the following result :—

REVENUE AND EXPENDITURE ACCOUNT OF VICTORIA,
1916-17.

| | £ |
|---|------------|
| Revenue | 11,813,879 |
| Expenditure | 11,795,295 |
| Surplus for the year | 18,584 |
| Revenue deficit at 30th June, 1916 | 1,642,091 |
| Revenue deficit at 30th June, 1917 | 1,623,507 |

The Revenue and Expenditure Account is a statement of cash transactions, the revenue representing actual receipts less refunds, and the expenditure actual payments made during the year. The accumulated revenue deficiency at 30th June, 1917, as shown above, was £1,623,507, being a decrease as compared with that for the previous year of £18,584. This deficiency had its beginning in the year 1890-91, when it amounted to £206,843, and in the course of the next five years it was added to year by year, until it reached its greatest magnitude (£2,711,436) on 30th June, 1896. After that date it was steadily reduced year by year, with one or two exceptions, to £251,652 on 30th June, 1914; but, during 1914-15, under conditions brought about by the war and a serious drought, it was increased to £1,429,603, and it was further increased in the following year to £1,642,091.

The differences between the amounts of revenue and expenditure shown above and those given in the Treasurer's Finance Statement arise from the use of a different method of classification for statistical purposes, the particulars of which are as follows :—

| | Revenue. | Expenditure. |
|--|------------|--------------|
| | £ | £ |
| Total according to Treasurer's Finance Statement ... | 11,500,345 | 11,500,345 |
| <i>Add—</i> | | |
| Mallee Land Account—appropriated to Loan Redemption purposes | 89,398 | 89,398 |
| Country Roads Board Fund | 71,807 | 71,807 |
| Licensing Fund | 144,732 | 144,732 |
| Police Superannuation Fund | 5,547 | 5,547 |
| Assurance Fund | 2,050 | 2,050 |
| <i>Deduct—</i> | | |
| Appropriation to reduction of deficit ... | ... | 18,584 |
| Total | 11,813,879 | 11,795,295 |

Compiled on the above basis, the revenue and expenditure of the State for the last ten years are shown in the next statement:—

STATE REVENUE AND EXPENDITURE: 1907-8 TO 1916-17.

| Year ended 30th June. | Revenue. | Expenditure. | Year ended 30th June. | Revenue. | Expenditure. |
|--------------------------|------------|--------------|--------------------------|------------|--------------|
| | £ | £ | | £ | £ |
| 1908 ... | 8,478,740 | 8,026,476 | 1913 ... | 10,508,945 | 10,479,741 |
| 1909 ... | 8,409,543 | 8,402,036 | 1914 ... | 10,958,037 | 10,944,718 |
| 1910 ... | 8,760,305 | 8,742,293 | 1915 ... | 10,529,017 | 11,706,968 |
| 1911 ... | 9,372,637 | 9,362,291 | 1916 ... | 11,470,875 | 11,683,363 |
| 1912 ... | 10,181,840 | 10,171,386 | 1917 ... | 11,813,879 | 11,795,295 |

The expenditure shown in this statement comprises considerable sums appropriated to pay off liabilities of former years, and to form sinking funds to meet outstanding loans. Such appropriations and the amount of revenue applied in reduction of the accumulated deficiency are detailed in the succeeding table.

**REVENUE DEVOTED TO PAYING OFF OLD LIABILITIES,
ETC., 1907-8 TO 1916-17.**

| Year ended 30th June. | ORDINARY REVENUE APPROPRIATED. | | | | Total. |
|--------------------------|---|---|---|---|-----------|
| | In reduction of the accumulated revenue de- ficiency of former years. | To Land Sales by Auction Fund. | In redemption of loan raised in anticipation of revenue (Act No. 1451). | Towards Redemption Funds to meet out- standing loans.* | |
| | £ | £ | £ | £ | £ |
| 1908 ... | 452,234 | 39,163 | 25,000 | 163,296 | 679,693 |
| 1909 ... | 7,507 | 45,216 | 25,000 | 145,716 | 223,439 |
| 1910 ... | 18,012 | 43,319 | 25,000 | 165,527 | 251,858 |
| 1911 ... | 10,346 | 41,643 | 25,000 | 166,864 | 243,853 |
| 1912 ... | 10,454 | 14,988 | 25,000 | 190,909 | 241,351 |
| 1913 ... | 29,204 | ... | 25,000 | 212,269 | 266,473 |
| 1914 ... | 13,319 | ... | ... | 204,745 | 218,064 |
| 1915 ... | 17,519 | ... | ... | 211,117 | 228,636 |
| 1916 ... | 20,327 | ... | ... | 266,599 | 286,926 |
| 1917 ... | 18,584 | ... | ... | 296,345 | 314,929 |
| Totals (10 years) | 597,506 | 184,329 | 150,000 | 2,023,387 | 2,955,222 |

* Full particulars of the Redemption Funds will be found further on in this "part."

In addition to the above appropriations there were in the financial years 1908-9 and 1911-12, large surpluses, which were applied specially to works or purposes of a public nature.

Heads of State Revenue. Details of the sources of the revenue for the last five financial years are given in the following statement:—

HEADS OF STATE REVENUE, 1912-13 TO 1916-17.

| Heads of Revenue. | 1912-13. | 1913-14. | 1914-15. | 1915-16. | 1916-17. |
|--|--------------------------|--------------------------|-------------------------|--------------------------|--------------------------|
| | £ | £ | £ | £ | £ |
| Federal Government ... | 1,691,833 | 1,733,280 | 1,757,894 | 1,743,467 | 1,722,409 |
| State Taxation— | | | | | |
| Probate and Succession Duties ... | 443,682 | 457,042 | 536,869 | 510,032 | 546,400 |
| Income Tax ... | 542,236 | 527,705 | 506,214 | 702,745 | 766,746 |
| Land Tax ... | 308,275 | 302,224 | 303,550 | 352,353 | 369,486 |
| Stamp Duties ... | 249,485 | 275,879 | 287,169 | 397,978 | 374,201 |
| Licences ... | 116,559 | 116,678 | 112,953 | 98,302 | 165,337 |
| Other ... | 12,449 | 13,848 | 15,286 | 13,429 | 14,846 |
| Public Works and Services— | | | | | |
| Railways ... | 5,250,599 | 5,568,039 | 5,170,020 | 5,727,275 | 5,882,968 |
| Water Supply ... | 304,679 | 324,143 | 284,979 | 355,083 | 352,071 |
| Harbor Trusts, Wharfage, &c. ... | 122,257 | 120,241 | 105,517 | 105,045 | 92,937 |
| State Coal Mine ... | 240,240 | 257,192 | 275,590 | 253,668 | 250,334 |
| Interest on properties transferred to Commonwealth ... | 105,701 | 87,068 | 82,803 | 82,764 | 82,763 |
| Other ... | 24,643 | 28,990 | 39,838 | 47,856 | 46,324 |
| Land— | | | | | |
| Sales ... | 238,290 | 164,124 | 139,122 | 162,239 | 172,766 |
| Rents ... | 144,841 | 142,738 | 144,466 | 129,191 | 129,265 |
| Interest, &c. ... | 138,696 | 168,173 | 172,064 | 193,188 | 180,445 |
| Other Sources ... | 574,480 | 670,713 | 594,683 | 596,260 | 664,581 |
| Total ... | 10,508,945 | 10,958,037 | 10,529,017 | 11,470,875 | 11,813,879 |
| Per Head of Population | £ s. d. 7 12 3 | £ s. d. 7 15 2 | £ s. d. 7 7 2 | £ s. d. 8 1 10 | £ s. d. 8 8 10 |

The revenue for 1916-17 represents an increase of £343,004 on that for the previous year, and of this amount £155,693 is shown against Railways. The payments to the State by the Federal Government in the last seven years are computed on the basis of a fixed payment of 25s. per head of population in the State, whereas in preceding years the Federal Government paid over to the State at least three-fourths of the net revenue from Customs and Excise duties. The reduction during the last four years in the revenue from sale of Crown lands is chiefly due to the fact that revenue from lands sold by auction is now payable into the Developmental Railways Account.

FEDERAL AND STATE FINANCE.

Federal
and State
Finance.

A statement of the financial relations existing between the Commonwealth and the several States appears in the *Year-Book* for 1916-17, page 148.

INCOME TAX.

State
Income Tax.

An income tax was first imposed in Victoria in 1895, and, although originally fixed for a period of three years, it has, with certain amendments and alterations, been retained and continued from year to year until the present time. Incomes assessed for tax in any year are those earned, derived, or received in Victoria in the preceding year, and are divided into two classes, viz. :— (1) those derived from personal exertion, and (2) those derived from property. The former consist of salaries, wages, stipends, fees, commissions, bonuses, pensions, superannuation or retiring allowances earned in or derived from Victoria, and all incomes arising or accruing from any profession, trade, or business carried on in Victoria; whilst the latter comprise incomes from all other sources. In computing the taxable income certain deductions are allowed from the gross income, the principal of which are outgoings and losses incurred in the production of the income, life assurance premiums not exceeding £50, and calls or contributions actually paid into any mining company or company in liquidation.

In the years 1913 to 1915, as shown in the succeeding tables, incomes up to £200 were exempt from taxation except in the cases of companies and absentees, and those between £201 and £500 were allowed an exemption of £150 except in the cases of companies and absentees. The rates of tax in those years on incomes from personal exertion were 3d. on every £1 of the taxable amount up to £500; thence up to £1,000, 4d.; thence up to £1,500, 5d.; and over £1,500, 6d. in the £1. The rates on incomes from property were respectively double the rates on incomes from personal exertion. In the case of life insurance companies the tax was 8d. in the £1 on 30 per cent. of the premium income from ordinary business and on 15 per cent. of that from industrial business. In the case of mining companies the tax was 7d. in the £1 on the total amount of dividends declared and debenture interest paid. In the case of other companies liable to tax the rate was 7d. in the £1 on the net income.

For the year 1915-16 and for the three subsequent years, while the exemptions and rates for incomes up to £500 have not been altered, the rate on incomes over £500 from personal exertion has been increased to 4d. for every £1 of the taxable amount thereof up to £500, to 5d. for every £1 between £500 and £1,000, to 6d. for every £1 between £1,000 and £1,500, and to 7d. for every £1 over £1,500. The rates on income from property are respectively double those on incomes from personal exertion, and the rate for companies is 12d. for every £1 of the taxable amount.

In the following table are shown the rates of taxation, also the number of assessments, the amount of taxable incomes, and the tax payable in the respective groups for which different rates of taxation are charged :—

INCOME TAX ASSESSMENTS, 1916-17—BASED ON INCOMES OF 1915-16.

| Income. | Rate of Tax in £1 of Taxable Income. | | | Number of Assessments. | | | |
|--------------------|--------------------------------------|-----------|------------|------------------------|-----------|--|------------|
| | Personal Exertion. | Property. | Companies. | Personal Exertion. | Property. | Combined Personal Exertion and Property. | Companies. |
| | <i>d.</i> | <i>d.</i> | <i>d.</i> | | | | |
| Up to £500 .. | 3 | 6 | } 12 } | 30,900 | 3,705 | 885 | 632 |
| £501 to £1,000 | 4 | 8 | | 2,585 | 1,052 | 2,787 | 196 |
| £1,001 to £1,500 | 5 | 10 | | 490 | 250 | 752 | 136 |
| £1,501 to £2,000 | 6 | 12 | | 200 | 102 | 376 | 108 |
| £2,001 and upwards | 7 | 14 | | 235 | 140 | 625 | 474 |
| Total .. | .. | .. | | 34,410 | 5,249 | 5,425 | 1,546 |

| Income. | Taxable Incomes. | | | | Tax Payable. | | | |
|--------------------|--------------------|-----------|--|------------|--------------------|-----------|--|------------|
| | Personal Exertion. | Property. | Combined Personal Exertion and Property. | Companies. | Personal Exertion. | Property. | Combined Personal Exertion and Property. | Companies. |
| | £ | £ | £ | £ | £ | £ | £ | £ |
| Up to £500 .. | 4,134,871 | 589,530 | 187,879 | 102,485 | 51,683 | 14,747 | 3,258 | 5,109 |
| £501 to £1,000 | 1,719,640 | 716,024 | 1,908,832 | 140,975 | 30,332 | 25,452 | 39,259 | 7,049 |
| £1,001 to £1,500 | 588,879 | 305,587 | 919,812 | 166,442 | 11,605 | 12,154 | 20,410 | 8,322 |
| £1,501 to £2,000 | 342,849 | 174,930 | 645,959 | 187,326 | 7,396 | 7,649 | 15,557 | 9,366 |
| £2,001 and upwards | 867,721 | 555,444 | 2,911,256 | 6,594,439 | 22,279 | 23,901 | 86,740 | 329,723 |
| Total .. | 7,653,960 | 2,341,515 | 6,573,788 | 7,191,667 | 123,345 | 83,903 | 165,224 | 359,569 |

On account of rebates of income tax allowed under section 18 of the *Income Tax Act* 1915 the tax payable does not coincide with the rates of tax when applied to the taxable incomes shown in the above statement.

In the succeeding statement particulars of the assessments, incomes and tax for the last five years are set forth :—

INCOME TAX : 1913 TO 1916-17.

| — | 1913. | 1914. | 1915. | 1915-16. | 1916-17. |
|---|--------------------------|--------------------------|--------------------------|---------------------------|---------------------------|
| Number of Assessments: | | | | | |
| Individuals .. | 42,065 | 44,172 | 44,863 | 40,581 | 45,084 |
| Companies .. | 1,449 | 1,500 | 1,632 | 1,473 | 1,546 |
| Total, Distinct Taxpayers .. | 43,514 | 45,672 | 46,495 | 42,054 | 46,630 |
| Taxable Incomes of previous year: | | | | | |
| Individuals .. | £ 17,221,140 | £ 17,306,324 | £ 16,869,357 | £ 14,730,654 | £ 16,569,263 |
| Companies .. | 5,711,829 | 6,064,835 | 6,546,342 | 6,653,015 | 7,191,667 |
| Total .. | 22,932,969 | 23,371,159 | 23,415,699 | 21,383,669 | 23,760,930 |
| Tax payable: | | | | | |
| Individuals .. | 326,506 | 327,293 | 320,166 | 338,413 | 377,472 |
| Companies .. | 166,595 | 178,522 | 192,679 | 333,148 | 359,569 |
| Total .. | 493,101 | 505,815 | 512,845 | 671,561 | 737,041 |
| Per taxpayer .. | £ s. d. 11 6 8 | £ s. d. 11 1 6 | £ s. d. 11 0 7 | £ s. d. 15 19 4 | £ s. d. 15 16 1 |
| Average tax payable in the £1 on taxable incomes by— | | | | | |
| Individuals .. | d. 4·55 | d. 4·54 | d. 4·55 | d. 5·51 | d. 5·47 |
| Companies .. | 7·00 | 7·06 | 7·06 | 12·00 | 12·00 |

In a comparison of the particulars contained in this table it should be noted that the figures for the years since 1913 have not

been revised. They are subject to a slight adjustment for corrections and payments made in a year subsequent to that to which they relate. It is unlikely, however, that any such adjustment will materially affect the figures.

The next table deals with the sources of the incomes of taxpayers for all the principal occupations under the heads of personal exertion and property.

SOURCES OF INCOMES AND OCCUPATIONS OF TAXPAYERS
1916-17.

| Occupations. | Number of Taxpayers. | | | | Amount of Tax. | | | |
|---------------------------|----------------------|-----------|--|--------|--------------------|-----------|--------|---------------------------|
| | Personal Exertion. | Property. | Personal Exertion and Property combined. | Total. | Personal Exertion. | Property. | Total. | Average to each Taxpayer. |
| 1. Professional. | | | | | £ | £ | £ | £ s. d. |
| Civil Servants | 1,610 | 1 | 97 | 1,708 | 5,330 | 332 | 5,662 | 3 6 4 |
| Clergymen ... | 659 | 3 | 36 | 698 | 1,639 | 172 | 1,811 | 2 11 11 |
| Legal Practitioners ... | 525 | 7 | 194 | 726 | 7,631 | 3,339 | 10,970 | 15 2 2 |
| Medical Practitioners ... | 337 | 8 | 229 | 574 | 8,614 | 2,982 | 11,596 | 20 4 0 |
| Police ... | 626 | ... | 19 | 645 | 846 | 22 | 868 | 1 6 11 |
| Teachers ... | 1,529 | 1 | 65 | 1,595 | 3,610 | 319 | 3,929 | 2 9 3 |
| Various ... | 2,626 | 25 | 362 | 3,013 | 14,202 | 4,194 | 18,396 | 6 2 1 |
| | 7,912 | 45 | 1,002 | 8,959 | 41,872 | 11,360 | 53,232 | 5 18 10 |
| 2. Domestic. | | | | | | | | |
| Hotelkeepers... | 703 | 12 | 220 | 935 | 6,612 | 1,932 | 8,544 | 9 2 9 |
| Various ... | 319 | 7 | 41 | 367 | 1,380 | 395 | 1,775 | 4 16 9 |
| | 1,022 | 19 | 261 | 1,302 | 7,992 | 2,327 | 10,319 | 7 18 6 |

SOURCES OF INCOMES AND OCCUPATIONS OF TAXPAYERS, 1916-17—
continued.

| Occupations. | Number of Taxpayers. | | | | Amount of Tax. | | | |
|---------------------------|----------------------|-----------|--|--------|--------------------|-----------|---------|---------------------------|
| | Personal Exertion. | Property. | Personal Exertion and Property combined. | Total. | Personal Exertion. | Property. | Total. | Average to each Taxpayer. |
| | | | | | £ | £ | £ | £ s. d. |
| 3. Commercial. | | | | | | | | |
| Agents ... | 705 | 14 | 207 | 926 | 5,624 | 1,991 | 7,615 | 8 4 6 |
| Brokers ... | 132 | ... | 55 | 187 | 5,086 | 415 | 5,501 | 29 8 4 |
| Butchers ... | 294 | 8 | 53 | 355 | 1,772 | 1,180 | 2,952 | 8 6 4 |
| Clerks ... | 5,134 | 11 | 401 | 5,549 | 22,207 | 2,768 | 24,975 | 4 10 0 |
| Drapers ... | 370 | 3 | 96 | 469 | 6,628 | 935 | 7,563 | 16 2 6 |
| Grocers ... | 362 | 1 | 72 | 435 | 2,582 | 501 | 3,083 | 7 1 9 |
| Merchants ... | 788 | 11 | 409 | 1,208 | 31,369 | 5,904 | 37,273 | 30 17 1 |
| Salesmen ... | 2,952 | 8 | 294 | 3,254 | 12,793 | 1,819 | 14,612 | 4 9 10 |
| Storekeepers ... | 379 | ... | 96 | 475 | 2,931 | 520 | 3,451 | 7 5 4 |
| Various ... | 1,513 | 35 | 352 | 1,900 | 12,804 | 4,068 | 16,872 | 8 17 7 |
| | 12,629 | 91 | 2,038 | 14,758 | 103,796 | 20,101 | 123,897 | 8 7 11 |
| 4. Transport. | | | | | | | | |
| Carriers ... | 313 | 4 | 55 | 372 | 1,541 | 271 | 1,812 | 4 17 5 |
| Engaged in Postal Service | 594 | ... | 14 | 608 | 994 | 29 | 1,023 | 1 13 8 |
| Engaged in Railways | 1,742 | 1 | 41 | 1,784 | 3,008 | 86 | 3,094 | 1 14 8 |
| Engaged in Shipping | 331 | ... | 43 | 374 | 2,509 | 306 | 2,815 | 7 10 6 |
| | 2,980 | 5 | 153 | 3,138 | 8,052 | 692 | 8,744 | 2 15 9 |
| 5. Industrial. | | | | | | | | |
| Carpenters ... | 502 | 24 | 116 | 642 | 2,722 | 1,229 | 3,951 | 6 3 1 |
| Engine-drivers | 203 | ... | 3 | 206 | 202 | 3 | 205 | 0 19 11 |
| Engineers ... | 824 | 2 | 57 | 883 | 3,042 | 319 | 3,361 | 3 16 2 |
| Managers ... | 732 | 3 | 86 | 821 | 4,214 | 1,312 | 5,526 | 6 14 7 |
| Manufacturers | 696 | 6 | 252 | 954 | 19,890 | 2,389 | 22,279 | 23 7 1 |
| Printers ... | 696 | ... | 31 | 730 | 2,446 | 497 | 2,943 | 4 0 8 |
| Various ... | 4,232 | 11 | 357 | 4,600 | 14,722 | 1,643 | 16,365 | 3 11 2 |
| | 7,885 | 46 | 905 | 8,636 | 47,238 | 7,392 | 54,630 | 6 3 8 |

SOURCES OF INCOMES AND OCCUPATIONS OF TAXPAYERS, 1916-17—
continued.

| Occupations. | Number of Taxpayers. | | | | Amount of Tax. | | | |
|------------------------------|----------------------|-----------|--|--------|-------------------|-----------|---------|---------------------------|
| | Personal Exertion. | Property. | Personal Exertion and Property combined. | Total. | Personal Exertion | Property. | Total. | Average to each Taxpayer. |
| | | | | | £ | £ | £ | £ s. d. |
| 6. Primary Producers. | | | | | | | | |
| Engaged in Agriculture, &c.— | | | | | | | | |
| Dairy Farmers | 67 | 4 | 13 | 84 | 492 | 109 | 601 | 7 3 1 |
| Farmers ... | 478 | 81 | 277 | 836 | 6,720 | 3,626 | 10,346 | 12 7 6 |
| Graziers ... | 202 | 80 | 294 | 576 | 12,206 | 8,532 | 20,738 | 36 0 1 |
| Various ... | 360 | 20 | 55 | 435 | 1,374 | 653 | 2,027 | 4 13 2 |
| | 1,107 | 185 | 639 | 1,931 | 20,792 | 12,920 | 33,712 | 17 9 2 |
| Engaged in Mining— | | | | | | | | |
| Legal Managers | 24 | ... | 5 | 29 | 253 | 45 | 298 | 10 5 6 |
| Miners ... | 37 | ... | 2 | 39 | 68 | 16 | 84 | 2 3 1 |
| Mining Managers ... | 89 | ... | 5 | 94 | 271 | 10 | 281 | 2 19 9 |
| Various ... | 129 | 1 | 8 | 138 | 594 | 96 | 690 | 5 0 0 |
| | 279 | 1 | 20 | 300 | 1,186 | 167 | 1,353 | 4 10 2 |
| | 1,386 | 186 | 659 | 2,231 | 21,978 | 13,087 | 35,065 | 15 14 4 |
| 7. Indefinite. | 596 | 4,857 | 407 | 5,860 | 3,256 | 88,329 | 91,585 | 15 12 7 |
| 8. Companies. | | | | | | | | |
| Life Assurance | 23 | ... | ... | 23 | 23,468 | ... | 23,468 | 1,020 6 11 |
| Mining ... | 26 | ... | ... | 26 | 5,380 | ... | 5,380 | 206 18 6 |
| Other ... | 1,497 | ... | ... | 1,497 | 330,721 | ... | 330,721 | 220 18 5 |
| | 1,546 | ... | ... | 1,546 | 359,569 | ... | 359,569 | 232 11 7 |
| Total ... | 35,956 | 5,249 | 5,425 | 46,630 | 593,753 | 143,288 | 737,041 | 15 16 1 |

Of the total taxpayers, 77 per cent. gained their incomes from personal exertion, 11 per cent. from property, and about 12 per cent. from personal exertion combined with property. The proportion of taxpayers of definite occupations deriving incomes from personal exertion ranged from 57 per cent. in the case of primary producers engaged in agriculture to 95 per cent. in the case of those engaged in transport. Personal exertion combined with property was the source of income in a proportion ranging from 5 per cent. of those

engaged in transport to 33 per cent. of primary producers engaged in agriculture. The incomes of the indefinite class, which comprises persons of independent means and of no occupation and pensioners, are gained by about 10 per cent. of their number from personal exertion, by about 83 per cent. from property, and by about 7 per cent. from personal exertion combined with property. The tax on incomes obtained from personal exertion furnished 80½ per cent. of the total, the percentage being as low as 3½ for indefinite occupations, and for the other classes ranging from 61½ for primary producers engaged in agriculture to 92 in the case of persons engaged in transport.

The taxable incomes of taxpayers in conjunction with occupations are shown in the following statement:—

**TAXABLE INCOMES AND OCCUPATIONS OF TAXPAYERS,
1916-17.**

| Occupations. | Number of Taxpayers. | | | | Amount of Tax. | | | |
|-------------------------|-------------------------------|------------------|------------------|---------------|-----------------------------|------------------|------------------|----------------|
| | With taxable incomes between— | | | Total. | On taxable incomes between— | | | Total. |
| | £51 and £500. | £501 and £1,000. | £1,001 and over. | | £51 and £500. | £501 and £1,000. | £1,001 and over. | |
| 1. Professional. | | | | | £ | £ | £ | £ |
| Civil Servants ... | 1,488 | 207 | 13 | 1,708 | 2,752 | 2,524 | 386 | 5,662 |
| Clergymen ... | 651 | 42 | 5 | 698 | 1,132 | 516 | 163 | 1,811 |
| Legal Practitioners ... | 396 | 192 | 138 | 726 | 850 | 2,706 | 7,414 | 10,970 |
| Medical Practitioners | 178 | 212 | 184 | 574 | 479 | 2,986 | 8,131 | 11,596 |
| Police ... | 632 | 13 | ... | 645 | 732 | 136 | ... | 868 |
| Teachers ... | 1,494 | 84 | 17 | 1,595 | 2,378 | 1,054 | 497 | 3,929 |
| Various ... | 2,328 | 552 | 133 | 3,013 | 4,486 | 6,977 | 6,933 | 18,396 |
| | 7,167 | 1,302 | 490 | 8,959 | 12,809 | 16,899 | 23,524 | 53,232 |
| 2. Domestic. | | | | | | | | |
| Hotelkeepers ... | 599 | 250 | 86 | 935 | 1,354 | 3,290 | 3,900 | 8,544 |
| Various ... | 308 | 46 | 13 | 367 | 554 | 619 | 602 | 1,775 |
| | 907 | 296 | 99 | 1,302 | 1,908 | 3,909 | 4,502 | 10,319 |
| 3. Commercial. | | | | | | | | |
| Agents ... | 673 | 178 | 75 | 926 | 1,426 | 2,546 | 3,643 | 7,615 |
| Brokers ... | 78 | 55 | 54 | 187 | 197 | 740 | 4,564 | 5,501 |
| Butchers ... | 282 | 57 | 16 | 355 | 576 | 749 | 1,627 | 2,952 |
| Clerks ... | 4,754 | 554 | 241 | 5,549 | 8,099 | 6,986 | 9,890 | 24,975 |
| Drapers ... | 334 | 76 | 59 | 469 | 653 | 973 | 5,937 | 7,563 |
| Grocers ... | 342 | 71 | 22 | 435 | 648 | 911 | 1,524 | 3,083 |
| Merchants ... | 523 | 289 | 396 | 1,208 | 1,147 | 3,897 | 32,229 | 37,273 |
| Salesmen ... | 2,771 | 366 | 117 | 3,254 | 4,911 | 4,515 | 5,186 | 14,612 |
| Storekeepers ... | 318 | 122 | 35 | 475 | 659 | 1,498 | 1,294 | 3,451 |
| Various ... | 1,414 | 334 | 152 | 1,900 | 2,719 | 4,583 | 9,570 | 16,872 |
| | 11,489 | 2,102 | 1,167 | 14,758 | 21,035 | 27,398 | 75,464 | 123,897 |

TAXABLE INCOMES AND OCCUPATIONS OF TAXPAYERS, 1916-17—
continued.

| Occupations. | Number of Taxpayers. | | | | Amount of Tax. | | | |
|-------------------------------|-------------------------------|------------------|------------------|---------------|-----------------------------|------------------|------------------|----------------|
| | With taxable incomes between— | | | Total. | On taxable incomes between— | | | Total. |
| | £51 and £500. | £501 and £1,000. | £1,001 and over. | | £51 and £500. | £501 and £1,000. | £1,001 and over. | |
| | £ | £ | £ | £ | £ | £ | £ | |
| 4. Transport. | | | | | | | | |
| Carriers ... | 304 | 52 | 16 | 372 | 512 | 676 | 624 | 1,812 |
| Engaged in Postal Service ... | 591 | 16 | 1 | 608 | 809 | 190 | 24 | 1,023 |
| Engaged in Railways | 1,729 | 52 | 3 | 1,784 | 2,352 | 608 | 134 | 3,094 |
| Engaged in Shipping | 288 | 64 | 22 | 374 | 456 | 894 | 1,465 | 2,815 |
| | 2,912 | 184 | 42 | 3,138 | 4,129 | 2,368 | 2,247 | 8,744 |
| 5. Industrial. | | | | | | | | |
| Carpenters ... | 531 | 78 | 33 | 642 | 867 | 1,150 | 1,934 | 3,951 |
| Engine-drivers ... | 206 | ... | ... | 206 | 205 | ... | ... | 205 |
| Engineers ... | 791 | 62 | 30 | 883 | 1,181 | 785 | 1,395 | 3,361 |
| Managers ... | 655 | 133 | 33 | 821 | 1,261 | 1,661 | 2,604 | 5,526 |
| Manufacturers ... | 512 | 228 | 214 | 954 | 1,094 | 3,004 | 18,181 | 22,279 |
| Printers ... | 673 | 38 | 19 | 730 | 1,036 | 529 | 1,408 | 2,943 |
| Various ... | 4,161 | 327 | 112 | 4,600 | 5,973 | 4,234 | 6,158 | 16,365 |
| | 7,529 | 866 | 441 | 8,836 | 11,587 | 11,363 | 31,680 | 54,630 |
| 6. Primary Producers. | | | | | | | | |
| Engaged in Agriculture, &c.— | | | | | | | | |
| Dairy Farmers ... | 53 | 27 | 4 | 84 | 98 | 328 | 175 | 601 |
| Farmers ... | 420 | 284 | 132 | 836 | 1,032 | 3,416 | 5,898 | 10,346 |
| Graziers ... | 180 | 152 | 244 | 576 | 527 | 2,326 | 17,885 | 20,738 |
| Various ... | 365 | 55 | 15 | 435 | 700 | 787 | 540 | 2,027 |
| | 1,018 | 518 | 395 | 1,931 | 2,357 | 6,857 | 24,498 | 33,712 |
| Engaged in Mining— | | | | | | | | |
| Legal Managers ... | 17 | 9 | 3 | 29 | 35 | 115 | 148 | 298 |
| Miners ... | 37 | 2 | ... | 39 | 48 | 36 | ... | 84 |
| Mining Managers ... | 82 | 10 | 2 | 94 | 134 | 107 | 40 | 281 |
| Various ... | 117 | 15 | 6 | 138 | 201 | 188 | 301 | 690 |
| | 253 | 36 | 11 | 300 | 418 | 446 | 489 | 1,353 |
| | 1,271 | 554 | 406 | 2,231 | 2,775 | 7,303 | 24,987 | 35,065 |
| | 4,215 | 1,120 | 525 | 5,860 | 15,445 | 25,853 | 50,287 | 91,585 |
| 7. Indefinite. | | | | | | | | |
| 8. Companies. | | | | | | | | |
| Life Assurance ... | 5 | ... | 18 | 23 | 56 | ... | 23,412 | 23,468 |
| Mining ... | 5 | 3 | 18 | 26 | 60 | 118 | 5,202 | 5,380 |
| Other ... | 622 | 193 | 682 | 1,497 | 4,993 | 6,931 | 318,797 | 330,721 |
| | 632 | 196 | 718 | 1,546 | 5,109 | 7,049 | 347,411 | 359,569 |
| Total ... | 36,122 | 6,620 | 3,888 | 46,630 | 74,797 | 102,142 | 560,102 | 737,041 |

Of the number of taxable incomes assessed, about 77½ per cent. were under £500, 14¼ per cent. were between £501 and £1,000, and 8½ per cent. were over £1,000; but the tax levied on these incomes formed 10·1, 13·9, and 76 per cent. respectively of the total. A perusal of the above table shows that the occupational group which contributes the largest amount of tax is that of merchants, 1,208 of whom were taxed £37,273, and that of these 396 had taxable incomes of over £1,000, and were called upon to pay £32,229. The group paying the next largest amount of tax is that of clerks, 5,549 of whom were taxed £24,975. Of these, 241 had taxable incomes of over £1,000, and were called upon to pay £9,890.

In addition to the State Income Tax there is a Commonwealth Income Tax, which was first imposed on incomes earned in the financial year 1914-15.

LAND TAX.

State Land Tax. The State Land Tax Act of 1915 provides for a tax on the unimproved value of land and for the assessment of land and other purposes. Unimproved value for the purposes of this Act means the sum which might be expected to be realized at the time of valuation if the land were offered for sale on such terms as a seller might in ordinary circumstances be expected to require, and assuming that the improvements (if any) had not been made. The nature of the taxation is a duty upon land for every pound sterling of the unimproved value thereof, as assessed under the Act at a rate declared for each year by Act of Parliament. The rate of tax for 1911 and the succeeding years was one halfpenny on every pound sterling of the unimproved value of all land having an unimproved value exceeding £250, and the same rate has been imposed for 1917. No tax is chargeable when the unimproved value does not exceed £250. Where the assessed unimproved value exceeds the amount of exemption (£250) the exemption diminishes at the rate of £1 for every £1 of such excess, so as to leave no exemption when the unimproved value amounts to, or exceeds £500. The present land tax is a complete departure from the principles of the former one, under which only the lands of estates over 640 acres in extent and over £2,500 in value were taxed, and such lands were valued on a purely pastoral basis, the valuation varying from £1 to £4 per acre according to their sheep-carrying capacity, irrespective of whatever value might have attached to them for dairying or agricultural purposes.

The Assessment Roll at 31st December of each of the last five years showed the following particulars:—

| Assessment. | Taxpayers. | Net Assessment of Tax. |
|-------------|---------------|------------------------|
| 1913 | 81,973 | £313,111 |
| 1914 | 83,087 | £317,695 |
| 1915 | 83,972 | £315,858 |
| 1916 | 85,902 | £311,514 |
| 1917 | 88,783 | £309,429 |

Common-wealth Land Tax Act.

In addition to the State Land Tax there is upon the lands in the State a Commonwealth Land Tax, which was assented to on 17th November, 1910. The following particulars of land tax assessment for Victoria for the financial year 1915-16 were furnished by the Federal Commissioner of Land Tax. The estates assessed numbered 5,081, of which 4,377 belonged to resident and 704 to absentee taxpayers. The unimproved value of these estates, as ascertained by the Department, was £49,642,704. The taxable value, after allowing for all statutory deductions from the unimproved value, was £34,155,415, on which the tax payable was £320,886. In addition there were 942 central office taxpayers who held an unimproved value of £8,546,477 representing their Victorian interests, on which the tax payable was £131,099.

RAILWAY REVENUE AND EXPENDITURE.

Victorian Railways, financial results.

A summary of the results of the working of the Victorian Railways during the last five years is given in the annexed statement. The figures have been taken from the Railway Report and represent the actual business done each year, not the receipts and payments brought to account by the Treasury within the year. They include particulars of the St. Kilda-Brighton Electric Street Railway.

RAILWAY BALANCES: 1912-13 TO 1916-17.

| | 1912-13. | 1913-14. | 1914-15. | 1915-16. | 1916-17. |
|----------------------------------|-----------|-----------|-----------|-----------|-----------|
| | £ | £ | £ | £ | £ |
| Gross Revenue ... | 5,222,271 | 5,581,474 | 5,183,687 | 5,730,743 | 5,980,638 |
| Working Expenses ... | 3,492,765 | 3,773,493 | 4,134,878 | 4,020,256 | 4,174,542 |
| Pensions, Gratuities, &c. | 112,236 | 112,855 | 123,438 | 121,332 | 131,416 |
| Net Receipts ... | 1,617,270 | 1,695,126 | 925,371 | 1,589,155 | 1,674,680 |
| Interest on Cost of Construction | 1,595,020 | 1,677,369 | 1,767,807 | 1,927,107 | 2,012,447 |
| Surplus ... | 22,250 | 17,757 | ... | ... | ... |
| Deficit ... | ... | ... | 842,436 | 337,952 | 337,767 |

The decrease in the surpluses of 1912-13 and 1913-14 as compared with the preceding year is due to concessions in freight charges, to the improved train facilities provided, to the higher cost of materials, &c., and to the improved scale of payment and better working conditions provided for the staff. In 1914-15 these factors again operated and expenditure was further increased by efforts to minimize unemployment, also there was a loss in revenue on account of adverse conditions occasioned by a drought. The result was that a deficit of £842,436, the first since 1907-8, was shown for that year, and, although there has been an improvement in each of the last two years, the transactions for 1916-17 showed a deficit of £337,767.

RAILWAY ACCIDENT AND FIRE INSURANCE FUND.

The establishment of a permanent fund to be kept at the Treasury, and called the Railway Accident and Fire Insurance Fund, was effected by provision in the *Railways Act 1907*. This provision requires the Railway Commissioners to pay into such fund the sum of 10s. for every £100 sterling of the revenue of the Victorian Railways until the fund amounts to £100,000, at which amount it is to be maintained. During the year ended 30th June, 1917, the receipts of the fund amounted to £39,903, which included a special payment of £10,000; whilst the payments made therefrom were £2,631 for compensation, damages, costs, &c., to persons other than employees injured, £12,925 as compensation on account of injuries to or deaths of employees; and £9,989 as compensation for goods or parcels lost, and for damages caused by fire, &c.

STATE EXPENDITURE.

The following table shows for the last five years the principal heads of State expenditure from Consolidated Revenue:—

SUMMARY OF STATE EXPENDITURE FROM CONSOLIDATED REVENUE: 1912-13 TO 1916-17.

| Heads of Expenditure. | 1912-13. | 1913-14. | 1914-15. | 1915-16. | 1916-17. |
|------------------------------------|----------|-----------|-----------|-----------|-----------|
| | £ | £ | £ | £ | £ |
| <i>General Government.</i> | | | | | |
| Governor | 9,877 | 10,755 | 7,756 | 7,816 | 8,341 |
| Parliament and Ministry | 74,740 | 74,354 | 83,238 | 73,867 | 71,055 |
| Civil Establishment ... | 300,687 | 327,632 | 333,663 | 320,930 | 302,345 |
| Pensions and Gratuities | 347,600 | 340,863 | 367,718 | 371,031 | 382,160 |
| <i>Law, Order, and Protection.</i> | | | | | |
| Judicial and Legal ... | 201,931 | 197,099 | 206,016 | 175,188 | 168,021 |
| Police | 357,396 | 363,692 | 370,381 | 343,546 | 334,010 |
| Penal Establishments and Gaols | 53,189 | 56,555 | 58,864 | 58,395 | 59,614 |
| <i>Education, &c.</i> | | | | | |
| State Schools, &c. ... | 987,212 | 1,033,256 | 1,081,461 | 1,052,506 | 1,045,203 |
| Technical Schools ... | 36,153 | 41,592 | 55,673 | 46,771 | 51,946 |
| University | 34,900 | 30,413 | 17,576 | 39,212 | 26,284 |
| Libraries, &c. ... | 39,531 | 40,839 | 36,069 | 28,119 | 27,289 |
| Art and Science ... | 11,220 | 12,630 | 11,969 | 9,739 | 9,506 |
| <i>Recreation and Health.</i> | | | | | |
| Parks, Gardens, and Public Resorts | 29,227 | 29,475 | 27,229 | 24,436 | 23,981 |
| Public Health ... | 47,582 | 53,632 | 49,192 | 39,718 | 85,870 |
| Charitable Institutions, &c. | 483,427 | 497,642 | 540,259 | 563,990 | 574,840 |

SUMMARY OF STATE EXPENDITURE FROM CONSOLIDATED REVENUE :
1912-13 TO 1916-17—continued.

| Heads of Expenditure. | 1912-13. | 1913-14. | 1914-15. | 1915-16. | 1916-17. |
|--|------------|------------|------------|------------|------------|
| | £ | £ | £ | £ | £ |
| <i>Crown Lands, &c.</i> | | | | | |
| Crown Lands ... | 210,866 | 176,917 | 180,400 | 151,659 | 151,588 |
| Agriculture and Stock | 176,074 | 188,826 | 189,784 | 286,081 | 185,831 |
| Mining ... | 290,242 | 317,632 | 360,044 | 334,761 | 322,799 |
| <i>Public Works.</i> | | | | | |
| Railways ... | 3,459,832 | 3,781,671 | 4,144,959 | 4,028,449 | 4,184,199 |
| Water Supply ... | 117,632 | 115,524 | 133,059 | 125,574 | 111,052 |
| Harbors, Rivers, and Lights | 113,694 | 164,814 | 155,530 | 111,217 | 75,932 |
| Roads and Bridges ... | 15,108 | 13,777 | 16,690 | 9,509 | 4,086 |
| Country Roads Board Fund | 45,303 | 49,276 | 54,785 | 62,270 | 71,807 |
| Municipal Endowment, &c. | 137,608 | 124,915 | 127,828 | 73,797 | 61,611 |
| Works and Buildings, n.e.i. | 65,130 | 51,997 | 48,064 | 45,349 | 37,242 |
| Interest and Expenses of Public Debt | 2,178,055 | 2,298,005 | 2,439,180 | 2,706,313 | 2,869,511 |
| Interest on Advances from Savings Banks | 21,395 | 16,293 | 7,887 | 7,689 | 7,879 |
| Redemption Funds, &c. | 237,269 | 204,745 | 211,117 | 266,599 | 296,345 |
| <i>Other Expenditure.</i> | | | | | |
| Mint Subsidy ... | 20,000 | 20,000 | 20,000 | 20,000 | 20,000 |
| Fire Brigades ... | 26,688 | 27,753 | 29,656 | 31,822 | 32,820 |
| Immigration ... | 122,901 | 67,848 | 75,600 | 19,315 | 13,286 |
| Licensing Fund ... | 110,149 | 108,912 | 107,752 | 95,606 | 144,732 |
| Licensing Act Compen- sation Fund | 58,948 | 60,139 | 63,624 | 60,396 | ... |
| Expeditionary Forces — Allowance to Railway Depart- ment for carriage | ... | ... | 32,232 | 45,997 | 738 |
| Assurance Fund ... | 2,625 | 3,052 | 2,564 | 2,127 | 2,050 |
| Miscellaneous ... | 55,550 | 42,193 | 59,149 | 43,569 | 31,322 |
| Total ... | 10,479,741 | 10,944,718 | 11,706,968 | 11,683,363 | 11,795,295 |
| | £ s. d. | £ s. d. | £ s. d. | £ s. d. | £ s. d. |
| Per Head of Population | 7 11 10 | 7 15 0 | 8 3 8 | 8 4 10 | 8 8 6 |

Compared with the previous year the ordinary expenditure of the State for 1916-17 shows an increase of £111,932. The heads of expenditure showing the largest increases are—Interest and Expenses of Public Debt, £163,198; Railways, £155,750; Licensing Fund,

£49,126; and Public Health, £46,152. The most important decreases are—Agriculture and Stock, £100,250; and Harbors, Rivers, and Lights, £35,285.

PENSIONS AND GRATUITIES.

The bestowal of pensions or superannuation allowances was abolished on the 24th December, 1881, in the case of persons, except Supreme Court Judges and police, entering the Public Service after that date.

During the year 1916-17, 3,146 pensions, amounting to £336,242, were paid to ex-public servants not including police, viz., 2,973 under special appropriations, amounting to £326,925; and 173 from annual votes, amounting to £9,317. Forty-eight compensations and gratuities were also paid, the amount being £18,371. The following statement summarizes the numbers and amounts of payments made in the last financial year:—

PENSIONS, SUPERANNUATION ALLOWANCES, AND GRATUITIES, ETC., PAID: 1916-17.

| Division of Service. | Special Appropriations. | | Annual Votes. | | Total. | |
|---|-------------------------|----------------|---------------|---------------|--------------|----------------|
| | Number. | Amount. | Number. | Amount. | Number. | Amount. |
| | | £ | | £ | | £ |
| Education Department ... | 1,069 | 109,402 | 15 | 709 | 1,084 | 110,111 |
| Railways ... | 1,221 | 108,526 | 139 | 7,893 | 1,360 | 116,419 |
| Defence... .. | 6 | 464 | ... | ... | 6 | 464 |
| Lunacy... .. | 38 | 3,514 | ... | ... | 38 | 3,514 |
| Under Constitution Act ... | 1 | 1,500 | ... | ... | 1 | 1,500 |
| Commissioners of Audit ... | 1 | 667 | ... | ... | 1 | 667 |
| Officers of Parliament ... | 1 | 509 | ... | ... | 1 | 509 |
| County Court Judges ... | 1 | 250 | ... | ... | 1 | 250 |
| Under Act 1988 ... | 1 | 283 | ... | ... | 1 | 283 |
| Under Civil Service Act 160 | 286 | 54,898 | ... | ... | 286 | 54,898 |
| „ Public Service Act 773 | 139 | 23,944 | ... | ... | 139 | 23,944 |
| Commonwealth Service— Officers of transferred Departments | 209 | 22,968 | ... | ... | 209 | 22,968 |
| Various allowances ... | ... | ... | 19 | 715 | 19 | 715 |
| Total Pensions and Superannuation Al- lowances | 2,973 | 326,925 | 173 | 9,317 | 3,146 | 336,242 |
| Compensations and Gra- tuities | 11 | 2,345 | 37 | 16,026 | 48 | 18,371 |
| Subsidy to Police Super- annuation Fund | ... | 7,547 | ... | 20,000 | ... | 27,547 |
| Total amount paid ... | ... | 336,817 | ... | 45,343 | ... | 382,160 |

In 1916-17 the payments out of the Police Superannuation Fund were as follows:—376 pensions, amounting to £51,256, and 13 gratuities, amounting to £6,957. The Police Superannuation Fund is maintained by an annual subsidy of £2,000 from the consolidated revenue; by a moiety of the fines inflicted by the Courts of Petty Sessions; by a deduction, not exceeding $2\frac{1}{2}$ per cent., from the pay of the members of the force entitled to pensions; by transfers from the Licensing Fund under the provisions of Act No. 2068; and, should the foregoing sources prove insufficient, by a further grant in aid from the consolidated revenue.

Pensions are payable only to those members of the police force who joined prior to the 25th November, 1902.

In the year 1916-17, 29 pensions amounting to £3,344 were paid out of the Port Phillip Pilot Sick and Superannuation Fund, towards which, however, the Government does not contribute, the fund being maintained by deductions from pilots' earnings and the annual income from investments belonging to the fund.

South Africa
Contingent
pensions.

Pensions to members and relatives of members of the South African war contingents amounted to £706 in 1916-17.

EXPENDITURE ON EDUCATION.

During the year 1916-17 the State expended on education generally the sum of £1,367,392. This amount includes the interest payable on loan moneys expended on buildings and expenditure in connexion with pensions and gratuities. The expenditure for the five years 1912-13 to 1916-17 is as follows:—

STATE EXPENDITURE ON EDUCATION: 1912-13 TO 1916-17.

| Expenditure on— | 1912-13. | 1913-14. | 1914-15. | 1915-16. | 1916-17. |
|---------------------------------|-----------|-----------|-----------|-----------|-----------|
| | £ | £ | £ | £ | £ |
| Education—Primary .. | 762,692 | 763,351 | 787,834 | 783,540 | 782,869 |
| Intermediate .. | 55,747 | 64,257 | 72,690 | 73,339 | 75,059 |
| and secondary .. | | | | | |
| Special Subjects .. | 20,536 | 23,951 | 25,581 | 26,436 | 25,633 |
| Training of Teachers .. | 21,372 | 22,106 | 20,928 | 19,796 | 19,130 |
| Administration | 45,915 | 47,180 | 49,265 | 49,243 | 49,193 |
| Buildings | 158,028 | 198,377 | 315,869 | 220,042 | 116,010 |
| Technical Schools (including .. | 49,139 | 73,654 | 78,902 | 94,093 | 98,661 |
| Building Grants) | | | | | |
| University (including Build- .. | 38,460 | 34,777 | 33,126 | 31,330 | 31,345 |
| ing Grants) | | | | | |
| Interest on Loan Money ex- .. | 39,784 | 39,784 | 53,086 | 56,499 | 57,873 |
| pended on Buildings | | | | | |
| Miscellaneous | 99,362 | 104,617 | 107,551 | 107,907 | 111,619 |
| Total | 1,291,035 | 1,372,054 | 1,544,832 | 1,462,230 | 1,367,392 |

The foregoing statement deals with the expenditure by the State on education generally, and includes expenditure connected with the University and technical schools, but the statement which follows

relates to that portion of the expenditure which has been incurred in connexion with the State schools of Victoria, primary and secondary, for each of the last five years:—

**EXPENDITURE ON STATE EDUCATION SYSTEM: 1912-13
TO 1916-17.**

| Items. | 1912-13. | 1913-14. | 1914-15. | 1915-16. | 1916-17. |
|--|-----------|-----------|-----------|-----------|-----------|
| | £ | £ | £ | £ | £ |
| Education: | | | | | |
| Primary— | | | | | |
| Day Schools | 760,966 | 760,330 | 784,148 | 779,612 | 778,649 |
| Night Schools | 67 | 64 | 64 | 65 | 67 |
| Schools for Deaf Mutes, Blind, and Feeble-minded Children | 659 | 1,957 | 2,622 | 2,863 | 3,153 |
| | 761,692 | 762,351 | 786,834 | 782,540 | 781,869 |
| Intermediate— | | | | | |
| Higher Elementary Schools .. | 10,420 | 10,631 | 7,679 | 6,773 | 5,613 |
| Evening Continuation Classes.. | 903 | 697 | 1,053 | 875 | 532 |
| Secondary— | | | | | |
| High Schools | 22,024 | 26,714 | 33,481 | 36,894 | 40,474 |
| Agricultural High Schools .. | 18,698 | 21,116 | 22,840 | 20,872 | 20,648 |
| | 52,045 | 59,158 | 65,053 | 65,414 | 67,267 |
| Special Subjects— | | | | | |
| Cookery | 6,582 | 8,779 | 9,826 | 11,018 | 12,146 |
| Manual Training | 11,542 | 12,267 | 12,184 | 11,608 | 10,519 |
| Physical Training | 764 | 951 | 800 | 874 | 769 |
| Medical Inspection | 1,648 | 1,738 | 2,328 | 2,468 | 1,673 |
| Dressmaking and Needlework.. | .. | 216 | 222 | 244 | 246 |
| School Gardening | .. | .. | 221 | 234 | 280 |
| | 20,536 | 23,951 | 25,581 | 26,436 | 25,633 |
| Training of Teachers— | | | | | |
| Training College | 9,149 | 10,897 | 11,180 | 9,994 | 9,923 |
| University Practising School .. | 2,626 | 2,670 | 2,586 | 2,636 | 2,640 |
| Miscellaneous | 9,597 | 8,639 | 7,162 | 7,116 | 6,567 |
| | 21,372 | 22,106 | 20,928 | 19,796 | 19,130 |
| Administration | 45,915 | 47,180 | 49,265 | 49,243 | 49,193 |
| Buildings— | | | | | |
| Primary Schools | 119,301 | 152,275 | 270,156 | 189,399 | 94,664 |
| Primary Schools (expended by School Committees) | 12,693 | 14,794 | 13,144 | 9,709 | 6,147 |
| Rent | 5,098 | 7,097 | 8,711 | 6,442 | 4,481 |
| Higher Elementary Schools .. | 13,075 | 5,994 | 8,776 | 3,033 | 400 |
| High Schools | 1,097 | 16,048 | 13,686 | 8,017 | 3,596 |
| Agricultural High Schools .. | 6,764 | 2,169 | 1,396 | 3,442 | 6,722 |
| | 158,028 | 198,377 | 315,869 | 220,042 | 116,010 |
| Interest on Loan Money expended on Buildings.. .. . | 39,700 | 39,700 | 53,002 | 56,415 | 57,789 |
| Miscellaneous— | | | | | |
| Pensions and Gratuities | 97,361 | 101,567 | 105,810 | 107,220 | 110,823 |
| Grant to State Schools Decoration and Equipment Society | 2,000 | 2,000 | 1,000 | .. | .. |
| Grant to State Schools Horti- cultural Society | .. | 300 | 300 | 300 | 300 |
| Subsidies, sparsely populated districts | .. | .. | 83 | 233 | 343 |
| Total | 1,198,649 | 1,256,690 | 1,423,725 | 1,327,639 | 1,228,357 |

The following return summarizes the expenditure and revenue connected with the State educational system, and shows the cost per scholar for the last ten years :—

**COST OF INSTRUCTION IN VICTORIAN STATE SCHOOLS :
1907-8 TO 1916-17.**

| Year. | Expenditure by the State. | Revenue of the Education Department. | Net Expenditure. | Number of Scholars—Average Attendance. | Cost per Scholar to the State.. |
|------------|---------------------------|--------------------------------------|------------------|--|---------------------------------|
| | £ | £ | £ | | £ s. d. |
| 1907-8 .. | 850,646 | 17,003 | 833,643 | 143,551 | 5 16 2 |
| 1908-9 .. | 941,029 | 17,849 | 923,180 | 146,106 | 6 6 4 |
| 1909-10 .. | 959,160 | 19,138 | 940,022 | 145,968 | 6 8 10 |
| 1910-11 .. | 1,002,415 | 20,707 | 981,708 | 146,464 | 6 14 1 |
| 1911-12 .. | 1,118,240 | 24,540 | 1,093,700 | 154,807 | 7 1 4 |
| 1912-13 .. | 1,198,649 | 28,646 | 1,170,003 | 156,965 | 7 9 1 |
| 1913-14 .. | 1,256,690 | 26,175 | 1,230,515 | 163,200 | 7 10 10 |
| 1914-15 .. | 1,423,725 | 28,607 | 1,395,118 | 166,407 | 8 7 8 |
| 1915-16 .. | 1,327,639 | 26,399 | 1,301,240 | 167,989 | 7 14 11 |
| 1916-17 .. | 1,228,357 | 28,477 | 1,199,880 | 167,588 | 7 3 2 |

This table includes the amount payable each year as interest on loan moneys expended on school buildings.

COMMONWEALTH FINANCE IN VICTORIA.

Commonwealth
Finance.

A statement of the Commonwealth revenue and expenditure in Victoria for the last five years is given below:—

**COMMONWEALTH REVENUE AND EXPENDITURE IN THE
STATE OF VICTORIA (ESTIMATED) : 1912-13 to 1916-17.**

| Heads of Revenue and Expenditure. | 1912-13. | 1913-14. | 1914-15. | 1915-16. | 1916-17. |
|-----------------------------------|------------------|------------------|------------------|------------------|------------------|
| | £ | £ | £ | £ | £ |
| REVENUE. | | | | | |
| Customs Duties... .. | 4,091,761 | 3,783,064 | 3,539,654 | 4,214,997 | 3,845,131 |
| Excise Duties | 655,558 | 645,345 | 817,175 | 927,701 | 887,895 |
| Post, Telegraph, &c. ... | 1,119,417 | 1,191,191 | 1,220,578 | 1,350,922 | 1,473,667 |
| Income Tax | ... | ... | ... | 1,028,000 | 1,856,000 |
| Land Tax | 393,664 | 422,127 | 483,826 | 469,821 | 471,056 |
| Probate Duty | ... | ... | 8,588 | 198,043 | 275,774 |
| Entertainments Tax ... | ... | ... | ... | ... | 32,947 |
| Miscellaneous | 121,600 | 149,273 | 190,179 | 498,516 | 1,051,530 |
| Total | 6,332,000 | 6,191,000 | 6,260,000 | 8,688,000 | 9,599,000 |

COMMONWEALTH REVENUE AND EXPENDITURE IN THE STATE OF
VICTORIA (ESTIMATED): 1912-13 TO 1916-17—continued.

| Hheads of Revenue and Expenditure. | 1912-13. | 1913-14. | 1914-15. | 1915-16 | 1916-17. |
|-------------------------------------|------------------|------------------|-------------------|------------------|------------------|
| EXPENDITURE. | £ | £ | £ | £ | £ |
| Trade and Customs ... | 83,179 | 82,062 | 80,991 | 84,978 | 89,139 |
| Post, Telegraph, &c. ... | 1,384,295 | 1,497,170 | 1,488,969 | 1,448,041 | 1,320,832 |
| Defence ... | ... | ... | ... | ... | ... |
| New Expenditure ... | 2,946,693 | 2,684,488 | 7,048,146 | 5,116,514 | 6,098,620 |
| Miscellaneous ... | ... | ... | ... | ... | ... |
| Payment to the State Government ... | 1,691,833 | 1,733,280 | 1,757,894 | 1,743,467 | 1,722,409 |
| Total ... | 6,106,000 | 5,997,000 | 10,376,000 | 8,393,000 | 9,231,000 |

**COMMONWEALTH AND STATE REVENUE AND
EXPENDITURE.**

Common-
wealth
and State
Finance.

The total Government revenue and expenditure within the State of Victoria is shown by combining State and Commonwealth receipts and expenditure. The figures relating to the principal items are given in the following table:—

**REVENUE AND EXPENDITURE OF COMMONWEALTH AND
STATE COMBINED: 1912-13 TO 1916-17.**

| Hheads of Revenue and Expenditure. | 1912-13. | 1913-14. | 1914-15. | 1915-16. | 1916-17. |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|
| REVENUE. | | | | | |
| | £ | £ | £ | £ | £ |
| Customs and Excise ... | 4,747,319 | 4,428,409 | 4,356,829 | 5,142,698 | 4,733,026 |
| Post, Telegraph, &c. ... | 1,119,417 | 1,191,191 | 1,220,578 | 1,350,922 | 1,478,667 |
| Railways ... | 5,250,599 | 5,568,039 | 5,170,020 | 5,727,275 | 5,882,968 |
| State Taxation ... | 1,672,686 | 1,693,336 | 1,762,041 | 2,074,839 | 2,237,016 |
| Other sources ... | 2,409,091 | 2,534,782 | 2,521,655 | 4,119,674 | 5,658,793 |
| Total Revenue ... | 15,199,112 | 15,415,757 | 15,031,123 | 18,415,408 | 19,990,470 |
| EXPENDITURE. | | | | | |
| Customs and Excise ... | 83,179 | 82,062 | 80,991 | 84,978 | 89,139 |
| Post, Telegraph, &c. ... | 1,384,295 | 1,497,170 | 1,488,969 | 1,448,041 | 1,320,832 |
| Railways ... | 3,459,832 | 3,781,671 | 4,144,959 | 4,028,449 | 4,184,199 |
| Public Instruction* ... | 1,058,265 | 1,105,261 | 1,154,710 | 1,138,489 | 1,123,433 |
| Public Debt (Victoria)— Interest and Expenses | 2,178,055 | 2,298,005 | 2,439,180 | 2,706,313 | 2,869,511 |
| Redemption ... | 237,269 | 204,745 | 211,117 | 266,599 | 296,345 |
| Other Expenditure ... | 6,493,013 | 6,239,524 | 10,805,148 | 8,660,027 | 9,420,427 |
| Total Expenditure | 14,893,908 | 15,208,438 | 20,325,074 | 18,332,896 | 19,303,886 |

* Primary and Technical Schools, and University.

COMMONWEALTH, STATE, AND LOCAL REVENUE AND EXPENDITURE.

Commonwealth, State, and Local Finance.

A statement of the ordinary revenue and expenditure and of the loan expenditure of the Federal Government in Victoria, also of the State Government and of the municipal and local bodies, during the last five years, will be found in the next table. From the totals of revenue and expenditure the amounts received by one body from another have been deducted:—

COMMONWEALTH, STATE, AND LOCAL REVENUE AND EXPENDITURE: 1913 TO 1917.

| | Financial Year ended in— | | | | |
|--|--------------------------|------------|------------|------------|------------|
| | 1913. | 1914. | 1915. | 1916. | 1917. |
| <i>Revenue.</i> | | | | | |
| | £ | £ | £ | £ | £ |
| Government— | | | | | |
| Federal .. | 6,382,000 | 6,191,000 | 6,260,000 | 8,688,000 | 9,899,000 |
| State .. | 8,752,242 | 9,162,474 | 8,711,427 | 9,667,712 | 10,031,774 |
| Municipal .. | 1,858,322 | 1,952,534 | 1,988,189 | 2,107,727 | 2,222,890 |
| Harbor Trusts .. | 315,104 | 328,011 | 281,333 | 290,355 | 291,291 |
| Melbourne and Metropolitan Board of Works .. | 652,229 | 716,772 | 797,930 | 769,542 | 725,846 |
| Fire Brigades Boards | 36,994 | 37,447 | 48,631 | 47,296 | 38,024 |
| Total .. | 17,996,891 | 18,388,238 | 18,087,510 | 21,570,632 | 23,208,825 |
| <i>Ordinary Expenditure.</i> | | | | | |
| Government— | | | | | |
| Federal .. | 6,106,000 | 5,997,000 | 10,376,000 | 8,393,000 | 9,231,000 |
| State .. | 8,723,038 | 9,149,155 | 9,889,378 | 9,880,200 | 10,013,190 |
| Municipal .. | 1,850,737 | 1,984,486 | 2,020,380 | 2,141,467 | 2,198,535 |
| Harbor Trusts .. | 491,735* | 515,229* | 209,436 | 269,581 | 285,811 |
| Melbourne and Metropolitan Board of Works .. | 594,425 | 636,892 | 648,734 | 738,246 | 687,533 |
| Fire Brigades Boards | 32,111 | 38,623 | 44,428 | 42,071 | 41,700 |
| Total .. | 17,798,046 | 18,321,385 | 23,188,356 | 21,464,565 | 22,457,769 |

* Including expenditure from loans.

COMMONWEALTH, STATE, AND LOCAL REVENUE AND EXPENDITURE:
1913 TO 1917—continued.

| | Financial Year ended in— | | | | |
|--|--------------------------|-------------------|---------------------|-------------------|---------------------|
| | 1913. | 1914. | 1915. | 1916. | 1917. |
| <i>Loan Expenditure.</i> | £ | £ | £ | £ | £ |
| Government— | | | | | |
| Federal .. | 346,507 | 624,681 | 623,824 | 11,580,148 | 15,240,144 |
| State .. | 2,693,844 | 3,276,994 | 5,351,830 | 4,473,569 | 2,440,966 |
| Municipal .. | 407,477 | 344,811 | 439,973 | 549,714 | 290,824 |
| Harbor Trusts .. | .. | .. | 321,262 | 327,147 | 191,882 |
| Melbourne and Metro- politan Board of Works .. | 647,441 | 441,285 | 454,680 | 376,768 | 214,655 |
| Fire Brigades Boards | 14,796 | 19,373 | 28,808 | 14,711 | 5,209 |
| Total .. | 4,110,065 | 4,707,144 | 7,220,377 | 17,322,057 | 18,383,680 |
| <i>Expenditure—Grand Total ..</i> | 21,908,111 | 23,028,529 | 30,408,733 | 38,786,622 | 40,841,449 |
| Per Head of Popula- tion— | | | | | |
| Revenue .. | £ s. d. 13 0 9 | £ s. d. 13 0 5 | £ s. d. 12 12 10 | £ s. d. 15 4 3 | £ s. d. 16 11 10 |
| Ordinary Expen- diture .. | 12 17 10 | 12 19 6 | 16 4 2 | 15 2 10 | 16 1 1 |
| Loan Expenditure | 2 19 6 | 3 6 8 | 5 0 11 | 12 4 4 | 13 2 10 |

The loan expenditure of the Federal Government for 1916-17, exclusive of loans to the States, amounted to £53,114,237; the proportion shown in the table above as being chargeable to Victoria has been calculated on a population basis.

The total revenues in Victoria of the Federal and State Governments, the municipalities, and other corporations in the financial year 1917 amounted to more than 23 millions sterling, which was £1,638,193 more than the revenues of the previous year. The total expenditure in 1917 exceeded that of 1916 by £2,054,827, or about 5 per cent.

PUBLIC DEBT.

The following statement shows the result of loan transactions including Treasury Bonds in aid of revenue to 30th June, 1917, with the exception of Melbourne and Hobson's Bay Railway Debentures taken over, which are not treated in the Treasury accounts as a loan raised by the State:—

**CASH RECEIPTS AND LOANS RAISED AND REDEEMED TO
30TH JUNE, 1917.**

| | £ | s. | d. |
|---|-------------|----|-----|
| Cash received | 127,134,207 | 6 | 11 |
| Discount and expenses after deducting pre- miums received | 2,362,698 | 15 | 7 |
| <hr/> | | | |
| Securities issued | 129,496,906 | 2 | 6 |
| Securities redeemed | 51,372,510 | 19 | 8 |
| <hr/> | | | |
| Loans outstanding | 78,124,395 | 2 | 10* |
| <hr/> | | | |

It will be seen that upon the transactions to date, for cash amounting to £127,134,207, securities representing £129,496,906 were issued, which is equivalent to the State receiving £98 3s. 6d. in cash for every £100 bond given.

Excluding London debentures for £388,100 taken over with the Melbourne and Hobson's Bay Railway and since paid off, the total amount of the loans which have been raised in London at varying rates of interest is £80,076,376 after allowing for conversion operations. The amount which has been paid off by means of new loans is £34,921,730 and by means of appropriations from revenue, &c., £1,822,775, while £424,785 has been transferred to the Melbourne register, leaving a balance due in London on 30th June, 1917, of £42,907,086, consisting of debentures amounting to £3,255,400, and inscribed stock £39,651,686. The following table gives particulars respecting the various loans which have been raised in London since 1859, together with the average prices obtained

* There are, in addition to this amount, the overdue debentures for £1,000, which are referred to further on.

after deducting flotation expenses as well as accrued interest, and the rates of interest to which such prices are equivalent:—

LOANS FLOATED IN LONDON: 1859 TO 1917.

| When Raised. | Debentures or Stock. | | | | Average Price Obtained per £100 Debenture Stock or Bond. | | | Actual Rate of Interest per £100 net. | | |
|-----------------------------------|----------------------|---------------|-----------------------|-------------------|--|----|---|---------------------------------------|----|-----|
| | Currency. | | Amount Sold. | Rate of Interest. | Ex Accrued Interest. | | Ex Interest and Expenses. (Net Proceeds.) | | | |
| | When Due. | No. of Years. | | | £ | s. | | | d. | |
| | | | £ | Per cent. | £ | s. | d. | £ | s. | d. |
| 1859 | 1883 | 24 | 1,000,000 | 6 | 105 | 1 | 11½ | 103 | 18 | 11½ |
| 1860 | " | 23 | 750,000 | 6 | 107 | 17 | 7½ | 106 | 14 | 7½ |
| 1861 | 1884 | 23 | 1,337,500 | 6 | 104 | 17 | 10½ | 103 | 14 | 10½ |
| 1862 | 1885 | 24 | 812,500 | 6 | 103 | 1 | 6½ | 101 | 18 | 6½ |
| 1866 | 1891 | 25 | 1,000,000 | 6 | 102 | 19 | 7 | 101 | 16 | 7 |
| 1869 | 1894 | " | 1,600,000 | 6 | 100 | 8 | 11½ | 99 | 5 | 11½ |
| 1870 | " | 24 | 850,000 | 5 | 98 | 4 | 2½ | 97 | 1 | 2½ |
| 1874 | 1899 | 25 | 1,518,400 | 5 | 100 | 17 | 6½ | 99 | 14 | 6½ |
| 1876 | 1901 | " | 1,500,000 | 4 | 90 | 2 | 7 | 88 | 19 | 7 |
| 1878 | 1904 | 26 | 500,000 | 4 | 94 | 16 | 10½ | 93 | 18 | 11½ |
| 1879 | " | 25 | 2,500,000 | 4 | | | | | | |
| 1880 | " | 24 | 457,000 | 4½ | 97 | 17 | 5½ | 96 | 19 | 2½ |
| 1881 | 1920-25 | 5-10 | 3,000,000 | 4½ | 103 | 3 | 8½ | 102 | 5 | 11 |
| 1882 | 1920-22 | 4-6 | 2,000,000 | 4½ | 100 | 0 | 0 | 98 | 2 | 9 |
| 1883 | 1920-22 | 4-6 | 784,700 | 5½ | 97 | 9 | 4½ | 97 | 9 | 4½ |
| 1884 | 1913-22 | 34 | 550,000 | 5½ | 97 | 9 | 4½ | 97 | 9 | 4½ |
| 1885 | 1919 | 34 | 100,000 | 5½ | 95 | 3 | 9 | 95 | 3 | 9 |
| 1886 | 1920 | " | 629,481 | 5½ | 95 | 3 | 9 | 95 | 3 | 9 |
| 1887 | " | 33 | 128,510 | 5½ | 95 | 3 | 9 | 95 | 3 | 9 |
| 1888 | " | 32 | 1,500,000 | 4 | | | | | | |
| 1889 | 1923 | 34 | 4,000,000 | 3½ | 98 | 16 | 8½ | 97 | 13 | 7½ |
| 1890 | " | 33 | 2,000,000 | 4 | 97 | 14 | 1½ | 96 | 10 | 11½ |
| 1891 | 1921-6 | 30-35 | 1,957,500 | 4 | 98 | 5 | 7 | 97 | 2 | 8½ |
| 1892 | " | 29-34 | 2,042,500 | 4 | | | | | | |
| 1893 | 1911-26 | 17-32 | 3,180,620 | 4 | 98 | 18 | 6½ | 97 | 15 | 9½ |
| 1894 | 1920-49 | 30-50 | 819,380 | 4 | 105 | 12 | 3½ | 104 | 9 | 0 |
| 1901 | " | 28-48 | 1,500,000 | 4 | 102 | 5 | 6½ | 101 | 2 | 9 |
| 1902 | " | 27-47 | 3,000,000 | 4 | 108 | 1 | 1½ | 106 | 18 | 0½ |
| 1903 | " | 26-46 | 1,500,000 | 4 | 102 | 14 | 10 | 101 | 11 | 11½ |
| 1906 | " | 23-43 | 3,000,000 | 3½ | 100 | 2 | 4 | 98 | 19 | 6 |
| 1907 | " | 22-42 | 4,000,000 | 3½ | | | | | | |
| 1909 | " | 20-40 | 850,000 | 3½ | 96 | 3 | 7 | 95 | 0 | 10 |
| 1910 | " | 19-39 | 2,150,000 | 3½ | 91 | 13 | 7 | 90 | 10 | 8 |
| 1913 | 1918-22 | 5-9 | 2,000,000 | 4 | 94 | 7 | 5 | 93 | 4 | 8 |
| " | 1940-60 | 27-47 | 2,107,000 | 4 | 94 | 7 | 1 | 93 | 4 | 2 |
| 1915 | 1920-25 | 5-10 | 1,600,000 | 3 | 92 | 2 | 1 | 89 | 14 | 5 |
| 1892 | " | 29-34 | 3,000,000 | 3 | 95 | 16 | 6½ | 93 | 8 | 3½ |
| 1893 | " | 17-32 | 1,000,000 | 3 | 91 | 14 | 9½ | 89 | 0 | 8 |
| 1894 | " | 28-48 | 3,148,176 | 3 | 100 | 2 | 4 | 98 | 19 | 6 |
| 1902 | " | 27-47 | 587,808 | 3½ | | | | | | |
| 1903 | " | 26-46 | 702,140 | 3½ | 100 | 0 | 0 | 98 | 19 | 1 |
| 1906 | " | 23-43 | 1,500,000 | 3½ | 97 | 3 | 11½ | 94 | 15 | 8½ |
| 1907 | " | 22-42 | 538,352 | 3½ | 99 | 2 | 6 | 97 | 10 | 0 |
| 1909 | " | 20-40 | 3,000,000 | 4 | 98 | 0 | 0 | 96 | 4 | 7 |
| 1910 | " | 19-39 | 1,000,000 | 4 | 97 | 15 | 0 | 95 | 7 | 5 |
| 1913 | 1918-22 | 5-9 | 3,000,000 | 4 | 96 | 18 | 9 | 94 | 9 | 10 |
| " | 1940-60 | 27-47 | 2,000,000 | 4 | 100 | 0 | 0 | 98 | 4 | 3½ |
| 1915 | 1920-25 | 5-10 | 1,465,300 | 4½ | | | | | | |
| | | | <i>Treasury-bonds</i> | | | | | | | |
| 1892 | 1893 | 1 | 1,000,000 | 4½ | 99 | 3 | 11 | 99 | 1 | 5 |
| 1893 | 1900 | 2 | 500,000 | 3½ | 100 | 0 | 0 | 100 | 0 | 0 |
| 1903 | 1906 | 3 | 2,254,800 | 4 | 99 | 10 | 8½ | 96 | 18 | 10 |
| Total | .. | .. | 79,510,276 | | | | | | | |
| Paid off | .. | .. | 36,178,405 | | | | | | | |
| Transferred to Melbourne register | .. | .. | 424,785 | | | | | | | |
| Outstanding | .. | .. | 42,907,086 | | | | | | | |

The figures in the last column represent the rates of interest payable by the State for the actual amount of money which was obtained after deduction of all expenses that had been incurred in connexion with the flotation, and with allowance for redemption at par on maturity.

The nominal rate of interest has varied from 6 per cent. for earlier loans to 3 per cent. for those of later date, and the actual rate paid by the Government has varied from 6 per cent. in 1866 and 1917 to $3\frac{3}{8}$ per cent. in 1899 and 1902. The first six loans raised were obtained at about $5\frac{1}{2}$ per cent., but money was secured in 1870 at 5 per cent. In 1883 it was obtained at about $4\frac{1}{8}$ per cent., in 1885 at $4\frac{1}{8}$, in 1888 at $3\frac{5}{8}$, and in 1889 at less than $3\frac{1}{2}$ per cent. In 1891 there was a reaction, when the money obtained cost $3\frac{3}{4}$ per cent., and the rate was further increased to over $4\frac{1}{2}$ per cent. in 1893, while 5 per cent. was paid on short-dated Treasury bonds issued in 1892. Some later loans show a marked improvement, as in 1899 the actual rate of interest was less than $3\frac{3}{8}$ per cent., being the lowest rate at which loans were raised in London, while for loans floated in 1901 and 1907 the money was obtained at slightly over $3\frac{1}{2}$ per cent.; for a loan in 1902 the rate was $3\frac{3}{8}$ per cent., for one in 1909 it was $3\frac{3}{8}$ per cent., and in 1910 portion of a loan falling due was converted at $3\frac{3}{8}$ per cent. On the other hand, the interest on loans raised in 1903 was as high as $5\frac{1}{8}$ per cent. on short-dated Treasury bonds, and $4\frac{1}{8}$ per cent. on stock sold. As regards recent loans, the average rate was $4\frac{3}{8}$ per cent. in 1913, nearly 5 per cent. in 1915, $5\frac{1}{4}$ per cent. in 1916, and over 6 per cent. in 1917.

**Loans
Floated in
Melbourne.**

Excluding Treasury bonds in aid of revenue and Victorian debentures for £63,000 taken over with the Melbourne and Hobson's Bay Railway, of which £62,000 have since been paid off, the total amount of the loans which have been floated in Melbourne exclusive of conversion operations is £43,427,633. Of this amount £6,370,843 has been redeemed by loans, and £3,567,551 by revenue, &c., leaving due a balance of £33,489,239 on 30th June, 1917, consisting of debentures, £20,702,522, inscribed stock, £9,319,857, and Treasury bonds, £3,466,860. In addition, outstanding inscribed stock for £424,285 and debentures for £500 have been transferred from the London to the Melbourne register, so that of the debt outstanding the total amount payable in Melbourne is £33,914,024. The outstanding balance of loans payable in Melbourne amounted to £2,994,088 on 30th June, 1898, but during the following nineteen years the local debt was increased by nearly 31 millions sterling. This increase was brought about principally by the replacing of certain London loans as they fell due by local issues and by the raising of local loans to acquire estates for Closer Settlement purposes, &c.

The following is a statement of these loans, showing the amounts originally raised, the amounts converted or paid off, and the amounts outstanding on 30th June, 1917:—

LOANS FLOATED IN MELBOURNE TO 30TH JUNE, 1917.

| Authorization. | | Loans. | | | Amounts. | | Loans Outstanding on 30th June, 1917. |
|----------------|-------|-------------------|-----------|-----------|-------------------------------------|-----------|---------------------------------------|
| Act No. | Year. | Rate of Interest. | When due. | Amount. | Converted into Stock or Debentures. | Paid off. | |
| | | Per cent. | | £ | £ | £ | £ |
| | | | | | <i>Debentures.</i> | | |
| 13 & 23 | 1854 | 6 | 1855-75 | 735,000 | ... | 735,000 | ... |
| 40 | 1855 | 6 | 1857-72 | 299,100 | ... | 299,100 | ... |
| 15 | 1856 | 6 | 1872-4 | 2,900 | ... | 2,900 | ... |
| 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 | ... | ... |
| 1296 | 1893 | 4 | 1913-23 | 746,795 | ... | 40 | 746,755 |
| 1440 | 1896 | 3 | 1913-22 | 63,000 | ... | ... | 63,000 |
| 1659 | 1900 | 3 | 1921-30 | 1,000,000 | 16,962 | 13,188 | 969,850 |
| 1753 | 1901 | 3 | 1923-32 | 500,000 | 3,948 | 152,952 | 343,100 |
| 1816 | 1903 | 3½ | 1907-8 | 93,869 | ... | 93,869 | ... |
| 1901 | 1904 | 3 | 1934-54 | 457,000 | ... | 333,126 | 123,874 |
| | | 3½ | 1913 | 18,000 | ... | 18,000 | ... |
| | | 3½ | 1914-23 | 50,000 | ... | 20,000 | 30,000 |
| | | 3½ | 1918 | 18,000 | ... | ... | 18,000 |
| | | 4½ | " | 12,000 | ... | ... | 12,000 |
| | | 5 | 1919-20 | 50,000 | ... | ... | 50,000 |
| | | 4½ | 1920 | 1,400 | ... | ... | 1,400 |
| | | 3½ | 1921 | 447,980 | ... | ... | 447,980 |
| | | 3½ | 1922 | 366,660 | ... | ... | 366,660 |
| | | 3½ | 1923 | 70,000 | ... | ... | 70,000 |
| | | 3½ | " | 4,700 | ... | ... | 4,700 |
| 2629 | | 3½ | 1924 | 1,600 | ... | ... | 1,600 |
| 1962 | 1904 | 4 | " | 2,000 | ... | ... | 2,000 |
| | | 4 | 1925 | 8,200 | ... | ... | 8,200 |
| | | 3½ | 1926-42 | 186,300 | 800 | 20,300 | 165,200 |
| | | 3½ | 1925-40 | 60,000 | ... | ... | 60,000 |
| | | 3½ | 1926-40 | 160,000 | ... | ... | 160,000 |
| | | 3½ | 1927-32 | 72,100 | ... | ... | 72,100 |
| | | 3½ | 1927 | 150,000 | ... | ... | 150,000 |
| | | 3½ | 1928 | 77,000 | ... | ... | 77,000 |
| | | 3½ | 1929 | 162,650 | ... | ... | 162,650 |
| | | 3½ | 1930 | 182,000 | ... | ... | 182,000 |
| | | 3½ | 1931 | 1,000,000 | ... | ... | 1,000,000 |
| | | 3½ | 1931-46 | 15,400 | ... | ... | 15,400 |
| | | 4 | 1936 | 300,000 | 300,000 | ... | ... |
| | | 3½ | 1926-41 | 285,880 | 2,400 | ... | 283,480 |
| | | 3½ | 1926 | 100,000 | ... | ... | 100,000 |
| 1990 | 1905 | 3½ | 1927-42 | 500 | ... | ... | 500 |
| | | 3½ | 1927 | 52,000 | ... | ... | 52,000 |
| | | 5 | 1917 | 9,040 | ... | 9,040 | ... |
| | | 5 | 1918 | 473,000 | ... | ... | 473,000 |
| | | 5 | 1919 | 16,400 | ... | ... | 16,400 |
| 2026 | 1906 | 4 | " | 40,000 | ... | ... | 40,000 |
| | | 5 | 1920 | 10,000 | ... | ... | 10,000 |
| | | 5 | 1921 | 1,500,000 | ... | ... | 1,500,000 |
| | | 4 | 1924 | 10,000 | ... | ... | 10,000 |

LOANS FLOATED IN MELBOURNE TO 30TH JUNE, 1917—continued.

| Authorization. | | Loans. | | | Amounts. | | Loans Outstanding on 30th June, 1917. | | |
|------------------------------|---------|-------------------|-----------|-----------|-------------------------------------|-----------|---------------------------------------|-----|--------|
| Act No. | Year. | Rate of Interest. | When due. | Amount. | Converted into Stock or Debentures. | Paid off. | | | |
| | | Per cent. | | £ | £ | £ | £ | | |
| <i>Debentures—continued.</i> | | | | | | | | | |
| 2026 | 1906 | 4½ | 1925 | 500,000 | ... | ... | 500,000 | | |
| | | 3½ | 1926-41 | 9,000 | ... | ... | 9,000 | | |
| | | 3½ | 1927-42 | 380,000 | ... | ... | 380,000 | | |
| | | 4 | 1927 | 185,400 | ... | ... | 185,400 | | |
| | | 3½ | 1928 | 400,000 | ... | ... | 400,000 | | |
| | | 3½ | 1930 | 500,000 | ... | ... | 500,000 | | |
| | | 3½ | 1931 | 61,648 | ... | ... | 61,648 | | |
| | | 3½ | 1931-46 | 150,500 | ... | ... | 150,500 | | |
| | | 3½ | 1932-46 | 51,500 | ... | ... | 51,500 | | |
| | | 4 | 1934-49 | 5,300 | ... | ... | 5,300 | | |
| | | 4 | 1916 | 400 | ... | ... | 400 | | |
| | | 4½ | 1918 | 12,700 | ... | ... | 12,700 | | |
| | | 4 | 1919 | 40,000 | ... | ... | 40,000 | | |
| | | 2041 | 1906 | 4½ | " | 11,000 | ... | ... | 11,000 |
| 4 | 1921 | | | 7,500 | ... | ... | 7,500 | | |
| 4 | 1923 | | | 600 | ... | ... | 600 | | |
| 4 | 1924 | | | 15,600 | ... | ... | 15,600 | | |
| 3½ | 1928-43 | | | 3,600 | ... | ... | 3,600 | | |
| 3½ | 1929 | | | 16,000 | ... | ... | 16,000 | | |
| 4 | " | | | 210,000 | ... | ... | 210,000 | | |
| 3½ | 1930 | | | 100,000 | ... | ... | 100,000 | | |
| 2053 | 1906 | | | 3½ | { 1928 | 75,500 | ... | ... | 75,500 |
| | | | | 3½ | { 1929 | 40,000 | ... | ... | 40,000 |
| 2116 | 1907 | 3½ | { 1928 | 345,000 | ... | ... | 345,000 | | |
| | | 3½ | { 1929 | 154,000 | ... | ... | 154,000 | | |
| 2163 | 1909 | 3½ | 1910-20 | 250,000 | ... | 175,000 | 75,000 | | |
| | | 3½ | 1919 | 130,650 | ... | ... | 130,650 | | |
| | | 5 | 1920-21 | 34,100 | ... | ... | 34,100 | | |
| | | 3½ | 1929 | 4,850 | ... | ... | 4,850 | | |
| 2286 | 1911 | 3½ | 1929-44 | 400 | ... | ... | 400 | | |
| | | 3½ | 1921 | 1,788,220 | ... | ... | 1,788,220 | | |
| 2323 | 1911 | 3½ | { 1922 | 1,307,100 | ... | ... | 1,307,100 | | |
| | | 3½ | { 1932 | 507,850 | ... | ... | 507,850 | | |
| 2635 | 1912 | 4½ | 1918 | 350,000 | ... | ... | 350,000 | | |
| | | 4½ | 1918-19 | 25,000 | ... | ... | 25,000 | | |
| | | 5 | 1919-20 | 75,000 | ... | ... | 75,000 | | |
| | | 4 | 1920 | 14,400 | ... | ... | 14,400 | | |
| | | 5 | " | 170,000 | ... | ... | 170,000 | | |
| 2415 | 1912 | 4½ | 1921-3 | 1,000 | ... | ... | 1,000 | | |
| | | 4½ | 1927 | 60,000 | ... | ... | 60,000 | | |
| | | 4 | 1930 | 40,000 | ... | ... | 40,000 | | |
| | | 4 | 1919 | 170,000 | ... | ... | 170,000 | | |
| | | 4 | 1920 | 4,000 | ... | ... | 4,000 | | |
| | | 3½ | 1922 | 59,590 | ... | ... | 59,590 | | |
| | | 3½ | 1923 | 56,250 | ... | ... | 56,250 | | |
| | | 4 | " | 500 | ... | ... | 500 | | |
| | | 4 | 1925 | 3,400 | ... | ... | 3,400 | | |
| | | 4 | 1927 | 800 | ... | ... | 800 | | |
| 2429 | 1912 | 4 | 1929 | 20,000 | ... | ... | 20,000 | | |

LOANS FLOATED IN MELBOURNE TO 30TH JUNE, 1917—*continued.*

| Authorization. | | Loans. | | | Amounts. | | Loans Outstanding on 30th June, 1917. |
|------------------------------|-------|--------------------------|-----------|-----------|-------------------------------------|-----------|---------------------------------------|
| Act No. | Year. | Rate of Interest. | When due. | Amount. | Converted into Stock or Debentures. | Paid off. | |
| | | Per cent. | | £ | £ | £ | £ |
| <i>Debentures—continued.</i> | | | | | | | |
| 2481 | 1914 | 4 4½ 4 4 4 | 1915 | 249,000 | ... | 249,000 | ... |
| | | | 1917 | 575,000 | ... | ... | 575,000 |
| | | | 1924 | 8,400 | ... | ... | 8,400 |
| | | | 1925 | 500 | ... | ... | 500 |
| | | | 1929 | 140,000 | ... | ... | 140,000 |
| 2531 | 1914 | 4½ 4½ | 1917 | 100,000 | ... | ... | 100,000 |
| | | | 1918 | 2,575,000 | ... | ... | 2,575,000 |
| 2568 | 1914 | 4½ 4½ | 1918 | 200,000 | ... | ... | 200,000 |
| | | | 1919 | 150,000 | ... | ... | 150,000 |
| 2591 | 1915 | 4½ 4½ 4½ | 1919 | 45,000 | ... | ... | 45,000 |
| | | | 1920 | 179,530 | ... | ... | 179,530 |
| | | | " | 55,000 | ... | ... | 55,000 |
| 2772 | 1915 | 5 5 5 5 | 1918-19 | 1,000 | ... | ... | 1,000 |
| | | | 1919 | 3,500 | ... | ... | 3,500 |
| | | | 1919-20 | 3,200 | ... | ... | 3,200 |
| | | | 1919-21 | 1,100 | ... | ... | 1,100 |
| 2794 | 1915 | 4½ 5 4½ 5 4¾ | 1918 | 100,000 | ... | ... | 100,000 |
| | | | 1919-20 | 125,000 | ... | ... | 125,000 |
| | | | 1920 | 20,000 | ... | ... | 20,000 |
| | | | " | 350,000 | ... | ... | 350,000 |
| | | | " | 12,000 | ... | ... | 12,000 |
| 2871 | 1916 | 4½ 4½ | 1919 | 2,000 | ... | ... | 2,000 |
| | | | 1921 | 11,000 | ... | ... | 11,000 |
| <i>Inscribed Stock.</i> | | | | | | | |
| 428 | 1872 | 4 | 1897 | 1,113,000 | } 2,659,618 | ... | ... |
| 439 | 1872 | 4 | " | 86,780 | | | |
| | | | " | 13,102 | | | |
| 741 | 1882 | 4 | " | 167,600 | | | |
| 963 | 1887 | 4 | " | 130,000 | | | |
| 1015 | 1889 | 4 | " | 750,000 | | | |
| 1341 | 1893 | 4 | " | 150,000 | | | |
| 1369 | 1895 | 4 | " | 249,131 | | | |
| 1468 | 1896 | 3 | 1917* | 2,290,482 | | | |
| 1552 | 1898 | 3 | " | 217,042 | | | |
| 1564 | 1898 | 3 | " | 500,000 | ... | 1,169,268 | 2,338,256 |
| 1623 | 1899 | 3 | " | 500,000 | | | |

* Or at any time thereafter, at option of the Government, upon twelve months' notice.

LOANS FLOATED IN MELBOURNE TO 30TH JUNE, 1917—continued.

| Authorization. | | Loans. | | | Amounts. | | Loans Outstanding on 30th June, 1917. |
|-----------------------------------|-------|-------------------|-----------|---------|-------------------------------------|-----------|---------------------------------------|
| Act No. | Year. | Rate of Interest. | When due. | Amount. | Converted into Stock or Debentures. | Paid off. | |
| | | Per cent | | £ | £ | £ | £ |
| <i>Inscribed Stock—continued.</i> | | | | | | | |
| 1602 1749) | 1898 | 3 | 1917* | 211,135 | ... | 24,947 | 186,188 |
| 1659 | 1900 | 3 | { 1917* | 14,162 | ... | ... | 14,162 |
| | | | { 1921-30 | 2,800 | ... | ... | 2,800 |
| 1753 | 1901 | 3 | 1917* | 3,948 | ... | ... | 3,948 |
| | | 3½ | 1917* | 341,975 | ... | ... | 341,975 |
| | | 4 | " | 16,032 | ... | ... | 16,032 |
| | | 4½ | " | 1,500 | ... | ... | 1,500 |
| | | 3½ | 1919 | 351,697 | ... | ... | 351,697 |
| | | 4½ | " | 30,000 | ... | ... | 30,000 |
| | | 4 | 1920 | 1,706 | ... | ... | 1,706 |
| | | 3½ | 1921 | 32,525 | ... | ... | 32,525 |
| | | 4½ | " | 1,000 | ... | ... | 1,000 |
| 2629 | 1904 | 4½ | 1922 | 98,500 | ... | 7,000 | 91,500 |
| 1962 | | 4½ | " | 20,000 | ... | ... | 20,000 |
| | | 3½ | 1923 | 268,000 | ... | ... | 268,000 |
| | | 3¾ | " | 3,383 | ... | ... | 3,383 |
| | | 4 | " | 1,905 | ... | ... | 1,905 |
| | | 3½ | 1924 | 85,859 | ... | ... | 85,859 |
| | | 4½ | 1926 | 6,000 | ... | ... | 6,000 |
| | | 3½ | 1927-42 | 800 | ... | ... | 800 |
| | | 4 | 1927 | 1,000 | ... | ... | 1,000 |
| | | 4 | 1936 | 300,000 | ... | ... | 300,000 |
| 1990 | 1905 | 3½ | { 1917* | 113,735 | ... | 5,000 | 108,735 |
| | | | { 1926-41 | 2,400 | ... | ... | 2,400 |
| | | 4½ | 1916 | 25,000 | ... | 25,000 | ... |
| | | 3 | 1917* | 35,257 | ... | ... | 35,257 |
| | | 3½ | " | 779,885 | ... | 100,000 | 679,885 |
| | | 4½ | " | 20,000 | ... | 20,000 | ... |
| | | 4 | " | 33,128 | ... | ... | 33,128 |
| | | 5 | 1918 | 44,418 | ... | ... | 44,418 |
| | | 4¾ | " | 25,000 | ... | ... | 25,000 |
| | | 5 | 1918-19 | 35,000 | ... | ... | 35,000 |
| 2026 | 1906 | 4½ | 1919 | 42,200 | ... | ... | 42,200 |
| | | 4¾ | " | 20,000 | ... | ... | 20,000 |
| | | 5 | " | 114,185 | ... | ... | 114,185 |
| | | 5 | 1919-20 | 500 | ... | ... | 500 |
| | | 5 | 1921 | 64,000 | ... | ... | 64,000 |
| | | 4 | " | 75,000 | ... | ... | 75,000 |
| | | 4 | 1923 | 700 | ... | ... | 700 |
| | | 4 | 1924 | 4,750 | ... | ... | 4,750 |
| | | 4 | 1927 | 241,300 | ... | ... | 241,300 |

* Or at any time thereafter, at option of the Government, upon twelve months' notice.

LOANS FLOATED IN MELBOURNE TO 30TH JUNE, 1917—continued.

| Authorization. | | Loans. | | | Amounts. | | Loans Outstanding on 30th June, 1917. |
|-----------------------------------|-------|-------------------|-----------|---------|-------------------------------------|-----------|---------------------------------------|
| Act No. | Year. | Rate of Interest. | When due. | Amount. | Converted into Stock or Debentures. | Paid off. | |
| | | Per cent | | £ | £ | £ | £ |
| <i>Inscribed Stock—continued.</i> | | | | | | | |
| 2041 | 1906 | 3½ | 1917* | 163,916 | ... | 5,850 | 158,066 |
| | | 4 | " | 400 | ... | ... | 400 |
| | | 5 | 1918 | 26,100 | ... | ... | 26,100 |
| | | 5 | 1919 | 11,000 | ... | ... | 11,000 |
| | | 4½ | " | 8,000 | ... | ... | 8,000 |
| | | 4 | " | 14,240 | ... | ... | 14,240 |
| | | 4 | 1920 | 2,400 | ... | ... | 2,400 |
| | | 4½ | 1922 | 12,000 | ... | ... | 12,000 |
| | | 3½ | 1923 | 151,515 | ... | ... | 151,515 |
| | | 4 | " | 19,045 | ... | ... | 19,045 |
| | | 4 | 1924 | 36,500 | ... | ... | 36,500 |
| | | 3½ | " | 1,737 | ... | ... | 1,737 |
| 4 | 1927 | 750 | ... | ... | 750 | | |
| 4 | 1930 | 20,000 | ... | ... | 20,000 | | |
| 2053 | 1906 | 3½ | 1917* | 46,026 | ... | ... | 46,026 |
| 2116 | 1907 | 3½ | " | 1,000 | ... | ... | 1,000 |
| 2161 | 1909 | 3 | " | 500,000 | ... | 350 | 499,650 |
| 2163 | 1909 | 3½ | " | 80,000 | ... | 30,409 | 49,591 |
| 2218 | 1910 | 3½ | " | 29,750 | ... | ... | 29,750 |
| 2240 | 1910 | 3½ | " | 150,000 | ... | 7,050 | 142,950 |
| 2286 | 1911 | 3½ | 1917* | 11,800 | ... | ... | 11,800 |
| | | | 1919 | 70,707 | ... | ... | 70,707 |
| | | | 1922 | 30,000 | ... | ... | 30,000 |
| | | | 1923 | 75,758 | ... | ... | 75,758 |
| | | | 1924 | 23,515 | ... | ... | 23,515 |
| 2308 | 1911 | 4 | 1931† | 376,954 | ... | 2,400 | 374,554 |
| 2323 | 1911 | 4 | 1916 | 1,500 | ... | 1,500 | ... |
| | | 4 | 1917* | 6,000 | ... | 4,200 | 1,800 |
| | | 3½ | " | 28,550 | ... | ... | 28,550 |
| | | 4 | 1918 | 2,500 | ... | ... | 2,500 |
| | | 3½ | 1919 | 77,778 | ... | ... | 77,778 |
| | | 4 | " | 700 | ... | 200 | 500 |
| | | 4 | 1920 | 400 | ... | ... | 400 |
| | | 4 | 1922 | 10,000 | ... | ... | 10,000 |
| 3½ | 1932 | 6,500 | ... | ... | 6,500 | | |

* Or at any time thereafter, at option of the Government, upon twelve months' notice.

† Or at any time thereafter, at option of either party, upon twelve months' notice.

LOANS FLOATED IN MELBOURNE TO 30TH JUNE, 1917—continued.

| Authorization. | | Loans. | | | Amounts. | | Loans Outstand- ing on 30th June, 1917. | | |
|-----------------------------------|-------|----------------------|-----------|-----------------|---|-----------|---|-----|---------|
| Act No. | Year. | Rate of Interest. | When due. | Amount. | Converted into Stock or Debentures. | Paid off. | | | |
| | | Per cent. | | £ | £ | £ | | | |
| <i>Inscribed Stock—continued.</i> | | | | | | | | | |
| 2635 2415 | 1912 | 5 | 1919 | 14,680 | ... | ... | 14,680 | | |
| | | 4 $\frac{1}{2}$ | " | 25,000 | ... | ... | 25,000 | | |
| | | 4 | " | 6,000 | ... | ... | 6,000 | | |
| | | 5 | 1919-20 | 1,000 | ... | ... | 1,000 | | |
| | | 5 | 1919-21 | 1,000 | ... | ... | 1,000 | | |
| | | 4 $\frac{1}{2}$ | 1920 | 25,000 | ... | ... | 25,000 | | |
| | | 5 | 1921 | 25,000 | ... | ... | 25,000 | | |
| | | 3 $\frac{1}{2}$ | " | 75,717 | ... | ... | 75,717 | | |
| | | 4 $\frac{1}{2}$ | 1922 | 6,000 | ... | ... | 6,000 | | |
| | | 3 $\frac{1}{2}$ | 1923 | 26,818 | ... | ... | 26,818 | | |
| | | 4 | 1925 | 8,500 | ... | ... | 8,500 | | |
| | | 4 | 1914-15 | 7,750 | ... | 7,750 | ... | | |
| | | 3 $\frac{1}{2}$ | 1915-18 | 20,000 | ... | ... | 20,000 | | |
| | | 3 | 1917* | 5,400 | ... | ... | 5,400 | | |
| | | 2429 | 1912 | 3 $\frac{1}{2}$ | " | 46,940 | ... | ... | 46,940 |
| 4 | " | | | 8,000 | ... | ... | 8,000 | | |
| 4 $\frac{1}{2}$ | 1918 | | | 80,850 | ... | ... | 80,850 | | |
| 4 | " | | | 5,300 | ... | ... | 5,300 | | |
| 3 $\frac{1}{2}$ | 1919 | | | 249,818 | ... | ... | 249,818 | | |
| 4 | 1921 | | | 1,000 | ... | ... | 1,000 | | |
| 4 $\frac{1}{2}$ | 1922 | | | 30,000 | ... | ... | 30,000 | | |
| 3 $\frac{1}{2}$ | " | | | 35,000 | ... | ... | 35,000 | | |
| 3 $\frac{1}{2}$ | 1923 | | | 87,909 | ... | ... | 87,909 | | |
| 4 | " | | | 70,000 | ... | ... | 70,000 | | |
| 3 $\frac{1}{2}$ | 1924 | | | 30,303 | ... | ... | 30,303 | | |
| 4 | " | | | 6,750 | ... | ... | 6,750 | | |
| 4 | 1925 | | | 440 | ... | ... | 440 | | |
| 4 | 1916 | | | 1,100 | ... | 1,100 | ... | | |
| 2481 | 1914 | | | 4 | 1915-17 | 200 | ... | ... | 200 |
| | | 4 | 1917* | 173,516 | ... | 50,645 | 122,871 | | |
| | | 4 | 1918 | 1,200 | ... | 190 | 1,010 | | |
| | | 4 | 1919 | 54,400 | ... | 50,800 | 3,600 | | |
| | | 4 | 1920 | 2,200 | ... | ... | 2,200 | | |
| | | 3 $\frac{1}{2}$ | 1921 | 16,758 | ... | ... | 16,758 | | |
| | | 4 | " | 14,300 | ... | ... | 14,300 | | |
| | | 4 $\frac{1}{2}$ | 1921-22 | 34,500 | ... | ... | 34,500 | | |
| | | 3 $\frac{1}{2}$ | 1924 | 201,717 | ... | ... | 201,717 | | |
| | | 4 | " | 27,009 | ... | ... | 27,009 | | |
| | | 4 | 1927 | 200 | ... | ... | 200 | | |
| | | 2531 | 1914 | 3 | 1917* | 34,764 | ... | ... | 34,764 |
| | | | | 4 $\frac{1}{2}$ | 1921-22 | 90,000 | ... | ... | 90,000 |
| | | 2568 | 1914 | 4 | 1917* | 1,814 | ... | ... | 1,814 |
| | | | | 4 $\frac{1}{2}$ | 1920 | 100,000 | ... | ... | 100,000 |

* Or at any time thereafter, at option of the Government, upon twelve months' notice.

LOANS FLOATED IN MELBOURNE TO 30TH JUNE, 1917—continued.

| Authorization. | | Loans. | | | Amounts. | | Loans Outstanding on 30th June, 1917. |
|-----------------------------------|-------|-------------------|-----------|------------|-------------------------------------|-----------|---------------------------------------|
| Act No. | Year. | Rate of Interest. | When Due. | Amount. | Converted into Stock or Debentures. | Paid off. | |
| | | Per cent. | | £ | £ | £ | £ |
| <i>Inscribed Stock—continued.</i> | | | | | | | |
| 2591 | 1915 | 3 | 1917* | 15,554 | ... | ... | 15,554 |
| | | 4 | " | 15,266 | ... | ... | 15,266 |
| | | 4½ | 1918 | 20,000 | ... | ... | 20,000 |
| | | 4½ | 1919 | 5,500 | ... | ... | 5,500 |
| | | 4½ | " | 3,000 | ... | ... | 3,000 |
| | | 4½ | 1920 | 6,600 | ... | ... | 6,600 |
| | | 4 | 1922 | 7,500 | ... | ... | 7,500 |
| | | 4 | 1925 | 1,200 | ... | ... | 1,200 |
| | | 4 | 1917* | 7,729 | ... | ... | 7,729 |
| | | 3½ | " | 559 | ... | ... | 559 |
| 2772 | 1915 | 4½ | 1917-19 | 150 | ... | ... | 150 |
| | | 5 | 1918 | 9,082 | ... | ... | 9,082 |
| | | 4½ | " | 200 | ... | ... | 200 |
| | | 5 | 1918-19 | 24,000 | ... | ... | 24,000 |
| | | 5 | 1919 | 4,540 | ... | ... | 4,540 |
| | | 5 | 1919-20 | 2,600 | ... | ... | 2,600 |
| 2794 | 1915 | 3 | 1917* | 59,843 | ... | ... | 59,843 |
| | | 4 | " | 10,760 | ... | ... | 10,760 |
| | | 5 | 1918-19 | 5,000 | ... | ... | 5,000 |
| | | 5 | 1919 | 5,630 | ... | ... | 5,630 |
| <i>Treasury Bonds.</i> | | | | | | | |
| 1574 | 1898 | 3½ | 1901 | 500,000 | ... | 500,000 | ... |
| 1800 | 1902 | 3½ | 1907 | 1,000,000 | ... | 1,000,000 | ... |
| | | | 1915 | 500,000 | ... | 500,000 | ... |
| 1982 | 1905 | 3½ | 1916 | 2,767,000 | ... | 2,767,000 | ... |
| | | | 1917 | 3,014,860 | ... | ... | 3,014,860 |
| | | | 1921 | 352,000 | ... | ... | 352,000 |
| | | | 1922 | 100,000 | ... | ... | 100,000 |
| Overdue debentures | ... | ... | ... | 1,000 | ... | ... | 1,000 |
| Total, floated in Melbourne | | | | 46,886,136 | 3,457,503 | 9,938,394 | 33,490,239 |
| Transferred from London Register | | | | ... | ... | ... | 424,785 |
| Total, payable in Melbourne | | | | ... | ... | ... | 33,915,024 |

* Or at any time thereafter, at option of the Government, upon twelve months' notice.

Of the Victorian loans (exclusive of Treasury bonds in aid of revenue and of Melbourne and Hobson's Bay Railway debentures) £2,337,000, *i.e.*, the total of those authorized prior to 1863, was at 6 per cent.; £4,018,560 was at 5 per cent.; and the balance (£40,529,576) was at rates varying from 3 to 4½ per cent. Of the amount outstanding on 30th June, 1917, £3,283,120 is bearing interest at 5 per cent., £20,000 at 4½ per cent., £105,000 at 4¼ per cent., £452,850 at 4½ per cent., £279,530 at 4¾ per cent., £660,250 at 4¼ per cent., £3,900,000 at 4½ per cent., £3,509,226 at 4 per cent., £267,683 at 3¾ per cent., £16,489,336 at 3½ per cent., and £4,947,029 at 3 per cent.

The amount of the loans raised to 30th June, 1917, exclusive of temporary Treasury bonds in aid of revenue, but inclusive of Melbourne and Hobson's Bay Railway Debentures taken over, was £123,955,109, and of this sum a total of £47,132,999 (exclusive of conversion loans) had been repaid, *viz.*, £5,390,326 out of the general revenue, and £41,742,673 out of the proceeds of redemption loans. The balance outstanding on 30th June, 1917, was £76,822,110. The purposes for which the amount outstanding was borrowed and the annual interest payable thereon are as follows :—

PURPOSES FOR WHICH LOANS WERE RAISED.

| Public Borrowings Contracted for— | Amount of Loans Outstanding on 30th June, 1917. | Annual Interest Payable. |
|--|---|--------------------------|
| | £ | £ |
| REVENUE-YIELDING WORKS. | | |
| Railways and Tramways | 54,923,980 | 2,076,346 |
| Waterworks—Melbourne | 1,559,786 | 55,885 |
| " Country | 8,412,697 | 301,746 |
| Harbors | 1,052,091 | 40,129 |
| Graving Dock | 287,759 | 9,922 |
| Agriculture and Advances to Farmers, &c. ... | 600,038 | 24,976 |
| Closer Settlement | 4,959,485 | 176,901 |
| Development of Mining | 312,538 | 11,035 |
| Total Revenue-yielding Works | 72,108,374 | 2,696,940 |

PURPOSES FOR WHICH LOANS WERE RAISED—*continued.*

| Public Borrowings Contracted for— | Amount of Loans Outstanding on 30th June, 1917. | Annual Interest Payable. |
|---|---|--------------------------|
| OTHER WORKS OF A PERMANENT CHARACTER. | £ | £ |
| Public Offices, Law Courts, and Parliament Houses | 510,018 | 17,884 |
| Defence Works | 114,747 | 3,942 |
| State Schools, Technical Schools, and University | 1,691,075 | 57,873 |
| Other | 2,397,896 | 95,139 |
| Total other Permanent Works | 4,713,736 | 174,838 |
| Net Borrowings | 76,822,110 | 2,871,778 |

Of the proceeds of these loans outstanding on 30th June, 1917, sums not yet expended amount in the aggregate to £292,883 of which £206,853 is for railways, £15,423 for State Schools, &c., and £70,607 for different other services. Of the amount of the loans outstanding, 94 per cent. has been allotted to revenue-yielding works, as detailed above.

The total amount of loans outstanding on 30th June, 1917, was £78,125,395. Of this sum £23,959,422 was in the form of debentures; £39,651,686 of inscribed stock (London Register); £9,744,142 of inscribed stock (Melbourne Register); and £4,770,145 of Treasury bonds, of which bonds for £1,303,285 were in aid of revenue. The dates on which the different loans are repayable in many instances cover a series of years during which the Government, by giving twelve months' notice, has the option of fixing the particular year of redemption. If it be assumed that loans at 4 per cent. and under will be redeemed at the latest date

of option, or that all optional loans will be redeemed at the latest dates, the following table shows the years in which the outstanding debt will be met :—

DUE DATES OF VICTORIAN LOANS ON 30TH JUNE, 1917.

(Including Treasury Bonds in aid of Revenue.)

| When Payable. | Amount Payable, assuming that— | |
|-----------------------|---|--|
| | Loans at 4 per cent. and under are redeemed at latest, and all others at earliest date of option. | All loans are redeemed at latest date of option. |
| | £ | £ |
| Overdue and Unclaimed | 1,000 | 1,000 |
| 1917 | 3,803,110 | 3,802,960 |
| 1918 | 4,370,160 | 4,280,160 |
| 1919 | 6,601,495 | 6,282,245 |
| 1920 | 10,172,136 | 7,479,436 |
| 1921 | 4,418,000 | 4,619,100 |
| 1922 | 5,267,850 | 5,917,850 |
| 1923 | 8,688,838 | 8,689,838 |
| 1924 | 455,740 | 455,740 |
| 1925 | 522,240 | 2,772,240 |
| 1926 | 5,109,000 | 5,109,000 |
| 1927 | 1,449,450 | 1,449,450 |
| 1928 | 897,500 | 897,500 |
| 1929 | 747,500 | 747,500 |
| 1930 | 1,814,650 | 1,814,650 |
| 1931 | 1,061,648 | 1,061,648 |
| 1932 | 929,550 | 929,550 |
| 1936 | 300,000 | 300,000 |
| 1940 | 248,900 | 248,900 |
| 1941 | 324,380 | 324,380 |
| 1942 | 485,100 | 485,100 |
| 1943 | 3,600 | 3,600 |
| 1944 | 400 | 400 |
| 1946 | 217,400 | 217,400 |
| 1949 | 11,699,471 | 11,699,471 |
| 1951 | 123,874 | 123,874 |
| 1960 | 2,979,700 | 2,979,700 |
| Indefinite | 5,432,703 | 5,432,703 |
| To end of 1925 | 44,300,569 | 44,300,569 |
| After 1925... .. | 33,824,826 | 33,824,826 |
| Total | 78,125,395 | 78,125,395 |

In connexion with the replacing of London loans, as they fall due, by local issues, and the practice which, except in a few instances, has been followed of late years, of borrowing money in the State instead of going to London for it, the following particulars are of interest:—

PUBLIC DEBT AND INTEREST PAYABLE THEREON IN LONDON AND MELBOURNE: 30TH JUNE, 1900, AND 1907 TO 1917.

(Including Treasury Bonds in aid of Revenue.)

| On 30th June. | Amount of Loans Payable in— | | Annual Interest Payable in— | |
|---------------|-----------------------------|------------|-----------------------------|------------|
| | London. | Melbourne. | London. | Melbourne. |
| | £ | £ | £ | £ |
| 1900 | 44,655,579 | 4,669,306 | 1,735,307 | 152,046 |
| 1907 | 39,629,869 | 13,475,120 | 1,450,950 | 450,952 |
| 1908 | 37,533,136 | 15,772,351 | 1,367,800 | 531,616 |
| 1909 | 38,592,431 | 16,074,766 | 1,404,875 | 543,219 |
| 1910 | 39,012,436 | 16,564,289 | 1,419,579 | 560,520 |
| 1911 | 37,417,128 | 20,566,636 | 1,353,208 | 701,154 |
| 1912 | 37,392,128 | 23,345,088 | 1,352,333 | 799,227 |
| 1913 | 37,281,578 | 25,495,146 | 1,348,306 | 875,621 |
| 1914 | 39,275,178 | 26,855,548 | 1,428,076 | 926,666 |
| 1915 | 41,333,738 | 31,750,189 | 1,520,762 | 1,131,811 |
| 1916 | 42,160,566 | 31,614,466 | 1,562,884 | 1,270,886 |
| 1917 | 42,907,086 | 35,218,309 | 1,604,171 | 1,327,518 |

An important point in relation to the London loans is that certain expenses occur each year in connexion with the payment of interest on them which are not common to local issues. In the last financial year the amount was £8,245, which was paid as commission; the corresponding totals in the immediately preceding years were:—£6,310 in 1909-10, £6,079 in 1910-11, £5,625 in 1911-12, £5,611 in 1912-13, £10,740 in 1913-14, £6,276 in 1914-15, and £6,265 in 1915-16.

The average rate of interest on the outstanding loans of the State, notwithstanding its increase since the commencement of the war, is still less than it was prior to Federation. The following table, comparing the figures for 1900 (the

Rates of Interest on Loans.

year before Federation) with those for each of the last four years, illustrates this fact:—

AMOUNT OF OUTSTANDING LOANS AT EACH RATE OF INTEREST: 1900 AND 1914 TO 1917.

(Including Treasury Bonds in aid of Revenue.)

| Rates of Interest per cent. | Nominal amount outstanding on 30th June— | | | | |
|-----------------------------|--|------------|------------|------------|------------|
| | 1900. | 1914. | 1915. | 1916. | 1917. |
| | £ | £ | £ | £ | £ |
| 5½ ... | ... | ... | ... | ... | 758,000 |
| 5¼ ... | ... | ... | ... | 650,000 | 650,000 |
| 5 ... | ... | ... | ... | 1,404,975 | 3,665,935 |
| 4¾ ... | ... | ... | ... | 20,000 | 20,000 |
| 4½ ... | ... | ... | ... | ... | 105,000 |
| 4¼ ... | 5,000,000 | ... | 2,974,760 | 3,265,100 | 3,202,850 |
| 4⅓ ... | ... | ... | 300,000 | 600,000 | 600,000 |
| 4½ ... | ... | ... | 150,000 | 630,500 | 760,250 |
| 4¼ ... | ... | ... | 2,300,000 | 3,900,000 | 3,900,000 |
| 4 ... | 27,060,795 | 18,207,001 | 19,500,706 | 19,554,892 | 19,397,714 |
| 3¾ ... | ... | 267,683 | 267,683 | 267,683 | 267,683 |
| 3½ ... | 12,250,000 | 37,354,586 | 37,314,973 | 36,182,175 | 34,639,103 |
| 3¼ ... | 300,000 | ... | ... | ... | ... |
| 3 ... | 4,714,090 | 10,300,456 | 10,274,805 | 10,298,707 | 10,157,860 |
| Overdue* | ... | 1,000 | 1,000 | 1,000 | 1,000 |
| Total | 49,324,885 | 66,130,726 | 73,083,927 | 76,775,032 | 78,125,395 |

* Not bearing interest.

The difference between the interest in 1900 and in 1917 represents a saving of £57,678 per annum on the debt of £78,125,395 at 30th June, 1917.

The next return shows the growth of the funded debt and interest since the date of the establishment of responsible government in 1855. The average rate of interest payable on the indebtedness has declined from 6 per cent. in 1855 to a little over 3½ per cent. in recent years. In relation to population, the annual interest per head substantially increased from 1855 to 1900, from that year to 1914 there was only a slight increase, but since 1914 there has again been a marked advance.

GROWTH OF FUNDED DEBT AND INTEREST: 1855 TO 1917.

| End of Financial Year in— | Loans Outstanding. | | | Amount per head of population. | |
|------------------------------------|--------------------|--------------------------|------------------------------|-----------------------------------|---------------------|
| | Amount. | Annual Interest Payable. | | Debt. | Annual Interest. |
| | | Total. | Average rate per cent. | | |
| | £ | £ | | £ s. d. | £ s. d. |
| 1855 | 480,000 | 20,800 | 6.00 | 1 6 4 | 0 1 7 |
| 1860 | 5,118,100 | 306,405 | 5.99 | 9 10 4 | 0 11 5 |
| 1870 | 11,524,800 | 688,740 | 5.78 | 16 8 3 | 0 19 0 |
| 1880 | 20,056,600 | 1,004,436 | 5.01 | 23 11 9 | 1 3 7 |
| 1890 | 41,377,693 | 1,649,465 | 3.99 | 36 19 11 | 1 9 6 |
| 1900 | 48,774,885 | 1,867,604 | 3.83 | 40 17 4 | 1 11 3 |
| 1910 | 55,501,725 | 1,977,662 | 3.56 | 42 14 6 | 1 10 5 |
| 1911 | 57,933,764 | 2,052,737 | 3.54 | 43 17 9 | 1 11 1 |
| 1912 | 60,712,216 | 2,150,748 | 3.54 | 44 17 7 | 1 11 10 |
| 1913 | 62,776,724 | 2,223,927 | 3.54 | 45 3 0 | 1 12 0 |
| 1914 | 66,130,726 | 2,354,742 | 3.56 | 46 10 1 | 1 13 1 |
| 1915 | 72,183,927 | 2,612,698 | 3.62 | 50 12 1 | 1 16 8 |
| 1916 | 75,504,562 | 2,776,062 | 3.68 | 53 14 1 | 1 19 5 |
| 1917 | 76,822,110 | 2,871,778 | 3.74 | 54 15 5 | 2 0 11 |

In addition to the ordinary expenditure from revenue, **Expenditure from Loans.** certain sums are disbursed annually for various purposes from amounts raised by means of loans. The following table shows the details of such expenditure in each of the last five years :—

LOAN EXPENDITURE: 1912-13 TO 1916-17.

(Excluding Loans in Aid of Revenue.)

| Works. | 1912-13. | 1913-14. | 1914-15. | 1915-16. | 1916-17. |
|--|------------------|------------------|------------------|------------------|------------------|
| | £ | £ | £ | £ | £ |
| Railways | 1,700,309 | 2,361,660 | 2,809,926 | 2,440,317 | 1,266,352 |
| Water Supply .. | 267,560 | 229,127 | 304,766 | 347,135 | 302,893 |
| Closer Settlement and Small Holdings .. | 576,610 | 303,935 | 173,752 | 86,938 | 103,647 |
| Wire Netting .. | 54,061 | 62,428 | 19,732 | 3,078 | 3,203 |
| State Coal Mine .. | 446 | 69,992 | 20,764 | .. | .. |
| State Schools .. | .. | 84,786 | 200,951 | 134,441 | 63,490 |
| Country Roads .. | .. | 18,424 | 274,362 | 495,062 | 252,836 |
| Other Public Works | 94,858 | 146,642 | 647,577 | 521,128 | 448,545 |
| Total .. | 2,693,844 | 3,276,994 | 4,451,830 | 4,028,099 | 2,440,966 |
| Per Head of Population .. | £ s. d. | £ s. d. | £ s. d. | £ s. d. | £ s. d. |
| | 1 19 0 | 2 6 5 | 3 2 5 | 2 16 10 | 1 14 10 |

The following statement shows the average annual amount expended in each decade since 1881, and in each of the last six years :—

AVERAGE AMOUNT OF LOAN EXPENDITURE PER ANNUM.

| | £ |
|--------------------------------------|-----------|
| 10 years ended 30th June, 1891 | 2,270,128 |
| 10 years ended 30th June, 1901 | 755,194 |
| 10 years ended 30th June, 1911 | 976,497 |
| Year ended 30th June, 1912 | 2,974,149 |
| Year ended 30th June, 1913 | 2,693,844 |
| Year ended 30th June, 1914 | 3,276,994 |
| Year ended 30th June, 1915 | 4,451,830 |
| Year ended 30th June, 1916 | 4,028,099 |
| Year ended 30th June, 1917 | 2,440,966 |

SINKING FUNDS.

Sinking Funds
of Australian
States and
the Common-
wealth.

On 30th June, 1917, the sinking funds in Australia were as follows:—

SINKING FUNDS IN AUSTRALIA: 30TH JUNE, 1917.

| Held in— | Sinking Funds in Connexion with— | |
|---------------------------|-------------------------------------|-----------------------------------|
| | Funded Debts. | Municipal and Other Debts.* |
| | £ | £ |
| Victoria | 1,981,903 | 1,110,604 |
| New South Wales | 463,629 | 674,634 |
| Queensland | 354,284 | .. |
| South Australia | 1,545,213 | 23,061 |
| Western Australia | 5,035,963 | 285,798 |
| Tasmania | 765,489 | 219,533 |
| The Commonwealth | 1,012,898 | .. |
| Total | 11,159,379 | 2,313,630 |

* Figures for 1916.

The following table shows for Victoria the various funds having balances to their credit on 30th June, 1917:—

| | Balance at Credit. |
|---|--------------------|
| Mallee Land Account | £101,490 |
| Closer Settlement Redemption Fund | 20,000 |
| Victorian Loans Redemption Fund | 523,470 |
| Victorian Government Consolidated Inscribed Stock Redemp- tion Fund | 1,336,943 |
| Total | £1,981,903 |

By Act No. 1428 of 1896 the moneys accruing from licensing, leasing, or selling of land in the Mallee country or Mallee border, are to be paid into the Treasury and placed to the credit of a separate account, to be called the "Mallee Land Account." The sums standing at credit of this account are available solely for the repurchase, redemption, or paying off of any Victorian stock or debentures. The amount in hand on 30th June, 1916, was £70,093, and during 1916-17 the receipts amounted to £89,397, and the expenditure to £58,000, so that the balance in the fund on 30th June, 1917, was £101,490.

Mallee Land
Account.

Closer Settlement Fund.

By Act No. 1749 of 1901, it was provided that all moneys received by the Board of Land and Works, from lessees or purchasers of farm allotments, or purchasers of any land acquired by the Board, pursuant to the general provisions of the Act, should be paid into the Treasury, and placed to the credit of a separate account to be called "The Farm Settlements Fund," which fund should be applied principally to the redemption of stock and debentures issued for Closer Settlement purposes, and the payment of interest thereon. Under the Closer Settlement Act of 1904 this fund was transferred to the Board appointed to administer that Act, and is called the "Closer Settlement Fund."

Consolidated Inscribed Stock Redemption Fund.

By Act No. 1561 of 1898, it was enacted that a "Victorian Government Consolidated Inscribed Stock Redemption Fund" should be kept in the Treasury, and should be applied to the purchase or repurchase, and ultimately to the redemption of consolidated stock—that is, stock on the London Register—and to the payment of expenses connected with such purchase or redemption. The fund is made up of money derived from special appropriations from revenue, from repayments by Water Trusts, and from the Mallee Land Account, &c. During 1916-17 there was no expenditure from this fund and receipts amounted to £160,791. Transactions to 30th June, 1917, were as follows:—

THE VICTORIAN GOVERNMENT CONSOLIDATED INSCRIBED STOCK REDEMPTION FUND: 30TH JUNE, 1917.

| Transactions, | To 30th June, 1917. |
|---|---------------------|
| RECEIPTS. | |
| Waterworks Trusts | £ 242,231 |
| Mallee Land Account | 690,000 |
| Revenue | 467,477 |
| Interest on Investments | 213,819 |
| Miscellaneous | 99,037 |
| Total receipts | 1,712,564 |
| EXPENDITURE. | |
| Purchase of Stock | 374,398 |
| Commission. &c. | 1,211 |
| Investment Expenses | 12 |
| Total expenditure | 375,621 |
| Balance in the Fund | 1,336,943 |
| Amount of stock repurchased and cancelled | 397,305 |

The miscellaneous receipts include £62,827, surplus after redemption of loans, Acts 531 and 608. Of the balance in the fund, £1,144,461 was invested in Victorian Government debentures and stock, and £192,482 held in cash.

Loans
Redemption
Fund.

By Act No. 1565 of 1898, it was enacted that a "Victorian Loans Redemption Fund" should be kept in the Treasury, and should be available for the purchase, re-purchase, or redemption of Victorian Government stock and debentures payable at Melbourne, and for the payment of expenses, costs, &c., incurred. This fund is derived from special appropriations from revenue, repayments on account of resumption of land in the Mallee district and of sundry loans made by the Government to municipalities, &c. During 1916-17 receipts amounted to £484,121, and £406,867 was expended in the purchase for cancellation of £408,158 stock and debentures, of which £315,163 bore interest at 3 per cent., £54,200 at 3½ per cent., £29,755 at 4 per cent., and £9,040 at 5 per cent. Transactions in this fund to 30th June, 1917, are shown in the following statement:—

THE VICTORIAN LOANS REDEMPTION FUND :
30TH JUNE, 1917.

| Transactions. | To 30th June, 1917. |
|---|---------------------|
| RECEIPTS. | |
| | £ |
| From Revenue | 1,465,887 |
| Resumption of land in Mallee Districts and valuation of improvements | 24,652 |
| Payments by Municipalities | 44,871 |
| Geelong Municipal Waterworks Trust | 265,000 |
| Interest on Investments | 90,490 |
| Repayment of Loans— | |
| Bush fires relief | 22,328 |
| Floods relief | 1,453 |
| Seed advances | 421,520 |
| New pilot steamer | 10,116 |
| Yarrowee Channel | 13,107 |
| Wire Netting | 207,886 |
| Cool stores | 1,599 |
| Municipalities | 912 |
| Cattle advances | 37,227 |
| Excess of face value of securities over amount invested | 409 |
| Total receipts | 2,607,457 |
| EXPENDITURE. | |
| Purchase of stock and debentures | 2,083,987 |
| Balance in the fund | 523,470 |
| Amount of stock and debentures repurchased and cancelled | 2,101,010 |

The balance in the fund was represented by the face value of Victorian Government debentures and stock amounting to £463,219, and £60,251 held in cash.

DEBTS IN AUSTRALIA AND NEW ZEALAND.

The following is a summary of the funded debts of the Australian States, the Commonwealth, and New Zealand on 30th June, 1917, showing the amounts, the amounts per head of population, the total interest payable, the average rate per cent., and the rate *per capita*. The amounts are exclusive of Treasury bonds or bills issued for revenue purposes:—

FUNDED DEBTS OF THE AUSTRALIAN STATES, THE COMMONWEALTH, AND NEW ZEALAND: 30TH JUNE, 1917.

| | Funded Debt. | | Interest Payable. | | |
|--------------------------|--------------|-------------------------|-------------------|-------------------------|------------------------|
| | Amount. | Per Head of Population. | Amount. | Per Head of Population. | Average Rate per cent. |
| | £ | £ s. d. | £ | £ s. d. | |
| Victoria .. | 76,822,110 | 54 14 0 | 2,871,778 | 2 0 11 | 3·74 |
| New South Wales .. | 138,138,347 | 73 16 6 | 5,256,993 | 2 16 2 | 3·81 |
| Queensland .. | 58,828,196 | 86 6 11 | 2,309,134 | 3 7 9 | 3·93 |
| South Australia .. | 39,364,280 | 91 18 9 | 1,545,186 | 3 12 2 | 3·93 |
| Western Australia .. | 40,224,826 | 130 7 6 | 1,505,071 | 4 17 7 | 3·74 |
| Tasmania .. | 14,671,640 | 74 7 0 | 575,008 | 2 18 3 | 3·92 |
| The Commonwealth | 141,609,079 | 28 18 6 | 6,453,189 | 1 6 4 | 4·56 |
| Total .. | 509,658,478 | 104 2 0 | 20,516,409 | 4 3 10 | 4·03 |
| New Zealand (31.3.17) | 129,836,105 | 117 19 0 | 5,168,318 | 4 13 11 | 3·98 |

In the next statement will be found the indebtedness per head of the various States of Australia and New Zealand at the close of each of the last five financial years:—

GOVERNMENT FUNDED DEBTS PER HEAD OF POPULATION IN AUSTRALIAN STATES AND NEW ZEALAND: 1913 TO 1917.

| | At 30th June— | | | | |
|-----------------------------|---------------|----------|-----------|---------|----------|
| | 1913. | 1914. | 1915. | 1916. | 1917. |
| | £ s. d. | £ s. d. | £ s. d. | £ s. d. | £ s. d. |
| Victoria .. | 45 3 0 | 46 10 1 | 50 12 1 | 53 14 0 | 54 14 0 |
| New South Wales .. | 58 14 10 | 62 17 9 | 68 7 2 | 70 6 0 | 73 16 6 |
| Queensland .. | 76 15 10 | 76 16 10 | 78 17 5 | 81 2 11 | 86 6 11 |
| South Australia .. | 69 10 4 | 76 12 0 | 80 1 2 | 87 1 1 | 91 18 9 |
| Western Australia .. | 96 8 10 | 106 5 0 | 114 15 10 | 124 7 6 | 130 7 6 |
| Tasmania .. | 58 14 4 | 62 6 1 | 66 3 9 | 70 8 0 | 74 7 0 |
| New Zealand (31st March) | 84 16 6 | 91 10 2 | 90 18 4 | 99 12 8 | 117 19 0 |

The following is a statement of the total indebtedness of the Australian States and the Commonwealth in 1917:—

FUNDED AND UNFUNDED DEBTS OF AUSTRALIA : 1917.

| | State and Federal Debts. | | Municipal and Corporation Debts (exclusive of Loans from Government). | Grand Total. | |
|--------------------|--------------------------|-------------------|---|--------------------|-------------------------|
| | Funded. | Unfunded. | | Amount. | Per Head of Population. |
| | £ | £ | £ | £ | £ s. d. |
| Victoria.. .. | 76,822,110 | 1,623,507 | 18,807,249 | 97,252,866 | 69 5 0 |
| New South Wales | 138,138,317 | 4,803,031 | 8,775,003 | 151,716,381 | 81 1 8 |
| Queensland* | 58,828,196 | 1,378,843 | 1,420,676 | 61,627,715 | 90 9 1 |
| South Australia .. | 39,364,280 | 1,170,707 | 355,784 | 40,890,771 | 95 10 1 |
| Western Australia | 40,224,826 | 2,060,722 | 1,985,505 | 44,271,053 | 143 9 10 |
| Tasmania .. | 14,671,640 | 259,383 | 1,339,731 | 16,270,754 | 82 9 0 |
| The Commonwealth | 141,609,079 | 13,811,520 | .. | 155,420,599 | 31 14 11 |
| Total .. | 509,658,478 | 25,107,713 | 32,683,948 | 567,450,139 | 115 18 1 |

* Excluding Government Savings Bank Stock and Debentures, £1,349,590

The figures in the table show the full public indebtedness of the Commonwealth, including Federal, State, municipal, and corporation debts, to the latest date at which comparison can be made. Of the States Victoria has the smallest amount of debt *per capita*, Tasmania has the next smallest, and Western Australia the largest. There are, of course, private debts to a considerable extent and private investments by British and other capitalists; but there is no reliable information as to the amount of this class of indebtedness.

The State debts are those for the year ended in 1917, while the municipal and corporation debts are for the year ended in 1916, figures for 1917 for other States than Victoria not being available. The complete figures for Victoria for 1917 appear in the succeeding statement:—

STATE AND LOCAL DEBTS : 1917.

| | | |
|---|-------------------|---|
| State Debts (Funded)— | £ | £ |
| London Register | 42,907,086 | |
| Melbourne Register | 33,914,024 | |
| State Debts (Unfunded) | 1,623,507 | |
| Overdue Debentures, late Melbourne and Hobson's Bay Railway—unpresented | 1,000 | |
| Total State Debts | 78,445,617 | |
| Municipal | 5,389,110 | |
| Harbor Trusts | 2,740,000 | |
| Metropolitan Fire Brigades Board | 200,000 | |
| Melbourne and Metropolitan Board of Works | 10,755,160 | |
| Total Debts of Municipalities and Corporations | 19,084,270 | |
| Total Debts.. .. . | 97,529,887 | |

This sum (£97,529,887) is equal to a debt of £69 10s. 8d. per head of the population on 30th June, 1917.*

COMMONWEALTH, STATE, AND LOCAL TAXATION.

The subjoined table shows for the last five financial years the amount of revenue collected under the various heads of taxation by the Commonwealth, the State, and local bodies in Victoria :—

COMMONWEALTH, STATE, AND LOCAL TAXATION : 1912-13 TO 1916-17.

| Heads of Taxation. | Amount Received. | | | | |
|---------------------------------|------------------|------------------|------------------|-------------------|-------------------|
| | 1912-13. | 1913-14. | 1914-15. | 1915-16. | 1916-17. |
| | £ | £ | £ | £ | £ |
| Federal— | | | | | |
| Customs Duties... .. | 4,091,761 | 3,783,064 | 3,539,654 | 1,214,997 | 3,845,131 |
| Excise Duties | 655,558 | 645,345 | 817,175 | 927,701 | 887,895 |
| Income Tax | ... | ... | ... | 1,028,000 | 1,856,000 |
| Land Tax | 393,664 | 422,127 | 483,826 | 469,821 | 471,056 |
| Probate Duty | ... | ... | 8,588 | 198,043 | 275,774 |
| Entertainments Tax ... | ... | ... | ... | ... | 32,947 |
| Total Federal Taxation | 5,140,983 | 4,850,536 | 4,849,243 | 6,838,562 | 7,368,803 |
| State— | | | | | |
| Licences | 116,559 | 116,678 | 112,953 | 98,302 | 165,337 |
| Probate & Succession Duties | 443,682 | 457,042 | 536,869 | 510,032 | 546,400 |
| Duties on Bank Notes ... | 2,922 | 2,401 | 2,215 | 2,078 | 1,995 |
| Stamp Duties | 249,485 | 275,839 | 287,169 | 397,978 | 374,201 |
| Land Tax | 308,275 | 302,224 | 503,550 | 352,353 | 369,486 |
| Income Tax | 542,236 | 527,705 | 506,214 | 702,745 | 766,746 |
| Race Clubs' percentage ... | 9,527 | 11,447 | 13,071 | 11,351 | 12,851 |
| Total State Taxation ... | 1,672,686 | 1,693,336 | 1,762,041 | 2,074,839 | 2,237,016 |
| Municipal Taxation ... | 1,244,507 | 1,303,448 | 1,325,117 | 1,400,611 | 1,453,145 |
| Total Taxation ... | 8,058,176 | 7,847,320 | 7,936,401 | 10,314,012 | 11,058,964 |

The relative pressure of taxation in successive years evidently depends, not on its amount or on its amount per head of population, but on the ability of the community to meet it. The figures in the above table should be read in conjunction with those relating to the incomes of the people as shown in the Income Tax Returns and the value of properties as given in Municipal Statistics.

The taxation in Victoria per head of population by the Commonwealth, the State, and local bodies is as follows:—

COMMONWEALTH, STATE, AND LOCAL TAXATION PER HEAD OF POPULATION: 1912-13 TO 1916-17.

| Division. | Taxation per Head of Population in— | | | | |
|----------------|-------------------------------------|----------|----------|----------|----------|
| | 1912-13. | 1913-14. | 1914-15. | 1915-16. | 1916-17. |
| | £ s. d. | £ s. d. | £ s. d. | £ s. d. | £ s. d. |
| Federal | 3 14 6 | 3 8 8 | 3 7 10 | 4 16 6 | 5 5 4 |
| State | 1 4 3 | 1 4 0 | 1 4 7 | 1 9 3 | 1 12 0 |
| Local | 0 18 0 | 0 18 6 | 0 18 5 | 0 19 9 | 1 0 9 |
| Total | 5 16 9 | 5 11 2 | 5 10 10 | 7 5 6 | 7 18 1 |

In the return following will be found, for the purpose of comparison, particulars of taxation by Government and local bodies throughout the States of Australia:—

TAXATION BY GOVERNMENT AND LOCAL BODIES IN THE STATES OF AUSTRALIA.

| | Amount of Taxation. | Rate per Head of Population. |
|--------------------------------|---------------------|------------------------------|
| | £ | £ s. d. |
| Victoria | 11,006,430 | 7 17 4 |
| New South Wales | 17,401,291 | 9 7 0 |
| Queensland | 5,006,926 | 7 9 7 |
| South Australia | 2,802,058 | 6 6 8 |
| The Northern Territory | | |
| Western Australia.. .. . | 2,145,811 | 6 19 0 |
| Tasmania | 1,055,677 | 5 5 7 |
| Total | 39,418,193 | 8 1 8 |

In this return the Commonwealth and the State taxation have been taken for the year 1916-17, and the local taxation for the year 1915-16, and it is shown that the total taxation for Australia is £39,418,193 or an average of £8 1s. 8d. per head per annum. The lowest rate, £5 5s 7d. per head, prevails in Tasmania; South Australia (combined with The Northern Territory owing to difficulty in separating some of the Federal items) and West Australia are next

in order, the former with £6 6s. 8d., and the latter with £6 19s. per head; then follow Queensland, Victoria, and New South Wales, with £7 9s. 7d., £7 17s. 4d., and £9 7s. per head respectively. From information published in the *Statesman's Year Book* it has been computed that in the United Kingdom the taxation for the year ended 31st March, 1917, amounted to about £608,750,000 (including £139,920,000 collected as Excess Profits Tax), or an average of £13 1s. 10d. per head per annum. No adjustments on account of Inter-State transfers of dutiable goods have been made in the Customs figures used in this table, and consequently the taxation given for a State such as Victoria, which has a considerable trade in the export to other States of imported goods, is an exaggeration, whilst in the case of a State such as Tasmania, which receives large quantities of dutiable goods through Victoria, the taxation as shown above is without doubt less than the real amount. No other figures are available, however, and, although those given are correct for Australia as a whole, yet they should be regarded as being only fairly accurate for the individual States.

Additional Taxation. Additional taxation for the financial year 1916-17 comprised a Federal Entertainments Tax, an increase in the Federal Income Tax by a super-tax of 25 per cent., and the imposition of certain stamp duties in the State. The Federal Entertainments Tax was imposed by an Act passed on 21st December, 1916, and is levied upon payments for admission to entertainments. The rate is fixed at 1d. when the payment for admission exceeds 6d. and does not exceed 1s. When the payment exceeds 1s. the rate is 1d. for the first shilling and $\frac{1}{2}$ d. for every 6d. or part of 6d. by which it exceeds 1s.

On the 23rd October, 1916, the State Legislature passed an Act imposing certain Stamp Duties on Bookmakers' Licences or Permits and on Betting Tickets. The Stamp Duty on the Betting Tickets is as follows:—

Any betting ticket issued by a bookmaker on any race-course within twenty miles of the General Post Office, Melbourne—

In the grand-stand enclosure 3d.

Elsewhere in the race-course grounds 1d.

Any betting ticket issued by a bookmaker on any other race-course 1d.

LICENCES.

Licences. The following is a statement showing, as far as practicable, the number of licences issued for various purposes in 1917, and the amount of fees, under each head, collected during the year. Municipal licences for slaughtering, dairies, noxious trades, the carriage of passengers and goods, &c., are not shown.

LICENCES—NUMBER AND REVENUE: 1917.

| Description of Licence. | Number of Licences Granted. | Amount of Fees Collected. |
|--|-----------------------------|---------------------------|
| <i>Excise.</i> | | |
| Distilling— | | £ s. d. |
| General Distillers | 4 | 200 0 0 |
| Wine Distillers | 6 | 150 0 0 |
| Vignerons | 17 | 85 0 0 |
| Test Stills | 29 | 3 9 0 |
| Brewers | 17 | 425 0 0 |
| Manufacturing Tobacco, Cigars, Cigarettes, and Snuff | 32 | 1,094 3 4 |
| <i>Licensing.</i> | | |
| Victuallers* | 3,276 | 114,131 15 5 |
| Railway Refreshment Rooms | 33 | 929 5 1 |
| Australian Wine | 262 | 1,326 1 1 |
| Clubs | 119 | 473 8 10 |
| Packet (passenger boat) | 12 | 240 0 0 |
| Grocers (single bottle) | 272 | 7,424 1 2 |
| Wine and Spirit Merchants (two gallon) | 352 | 11,116 2 6 |
| Brewers | 21 | 50 10 9 |
| Vignerons | 23 | 115 0 0 |
| Billiard Tables | 224 | 2,092 5 0 |
| <i>Customs.</i> | | |
| Carriage | 1,007 | 249 10 0 |
| Lighter and Boat | 31 | 7 15 0 |
| Custom House Agents | 74 | 275 10 0 |
| Bond | 55 | 3,809 0 0 |
| <i>Explosives.</i> | | |
| Importation | 62 | 357 0 0 |
| Manufacture of Rackarock and Lithyte | 9 | 2 5 0 |
| Manufacture of other Explosives | 9 | 13 10 0 |
| Magazine | 241 | 156 10 0 |
| Fireworks, Sale of | 576 | 28 16 0 |
| Other than Fireworks, Sale of | 1,418 | 354 10 0 |
| Explosives—Examination Certificates | 26 | 193 16 0 |
| <i>Miscellaneous.</i> | | |
| Auctioneers—General† | 858 | 15,022 19 11 |
| Gold-buyers and Assayers | 513 | 281 2 6 |

* Including temporary licences, which numbered 844, on which the fees collected amounted to £1,647.

† Including 217 temporary licences, on which the fees collected were £217.

In addition to the preceding there are other licences, particulars of which cannot be obtained for the calendar year 1917; the fees collected in respect of these during the financial year 1916-17 were as follows:—

| Description of Licence. | Amount of Fees collected. |
|------------------------------|---------------------------|
| | £ s. d. |
| Insurance | 48,031 14 6 |
| Sale of Tobacco, &c. | 2,038 0 0 |
| Pawnbrokers | 920 0 0 |
| Hawkers | 907 15 3 |
| Carriers | 49 18 0 |
| Stage Carriage | 124 10 0 |
| Marine Store | 177 12 0 |
| Forwarding Agents | 100 0 0 |
| Bookmakers | 10,795 0 0 |
| Race Clubs | 529 0 0 |