



INTERCHANGE.

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

Customs and
Excise
trans-
ferred to
Common-
wealth

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

The total value of imports and exports and their value per head of the population for each of the five years 1898 to 1902 are shown in the following table, the imports being

Imports and
exports.

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

<i>Imports.</i>					1898.	1899.	1900.	1901.	1902.
					£	£	£	£	£
Value of Articles at Ad Valorem Rates of Duty					1,913,271	2,212,665	2,587,079	3,170,147	5,123,101
" " Fixed					2,094,654	3,722,261	4,175,245	4,318,682	3,333,945
" " Composite					..	..	..	..	75,655
" " Warehoused (rate not stated)					1,892,327	..	..	..	..
" " Free	..	..	..	..	10,868,652	12,017,968	11,539,487	11,438,511	9,737,481
Total Value	..	..	..	..	16,768,904	17,922,894	18,301,811	18,927,340	18,270,245
Value per Head of Population	..	..	..	..	£ s. d. 14 3 6	£ s. d. 15 2 8	£ s. d. 15 6 9	£ s. d. 15 14 8	£ s. d. 15 2 8
<i>Exports.</i>					1898.	1899.	1900.	1901.	1902.
					£	£	£	£	£
Total Value	..	..	..	..	15,872,246	18,567,780	17,422,552	18,646,097	18,210,523
Value per Head of Population	..	..	..	..	£ s. d. 13 8 4	£ s. d. 15 13 0	£ s. d. 14 12 0	£ s. d. 15 10 0	£ s. d. 15 1 8

The value of imports in 1902 was less by over £600,000 than that of the preceding year, but was greater by a million and a half sterling than in 1898. The impending new Federal tariff was doubtless responsible for the heavy imports of 1901. The change from the State to the Federal tariff has put a much greater portion of the imports on the duty list, the value of goods subject to duty in 1902 being greater by a million sterling than in 1901. The value per head of population increased from £14 3s. 6d. in 1898 to £15 14s. 8d. in 1901, but dropped to £15 2s. 8d. per head in 1902.

The value of exports in 1902 was less by £400,000 than in 1901, but was greater than in 1898 by two millions and a third sterling. The value per head of the population in the five years under review was highest in 1899, that for 1902 being equal to £15 1s. 8d. per head. The greatest differences between the values per head in the imports and exports occurred in 1898 and 1900, when the exports were respectively 15s. 2d. and 14s. 9d. less per head than the imports. In 1899 the exports were 10s. 4d. more per head, and in 1901 and 1902 respectively 4s. 8d. and 1s. less per head than the imports.

Imports and exports to principal countries.

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

Country.	1898.	1899.	1900.	1901.	1902.
	Imports.				
From—	£	£	£	£	£
Other Australian States	7,258,952	8,050,519	6,364,167	6,240,460	5,412,520
New Zealand ...	361,377	356,311	404,356	619,894	1,151,179
United Kingdom ...	6,195,134	5,990,027	7,055,028	7,221,801	6,935,040
Other British Possessions	786,147	769,483	935,136	1,040,342	1,129,034
Foreign Countries ...	2,167,294	2,786,554	3,543,124	3,804,843	3,642,472
Total ..	16,768,904	17,952,894	18,301,811	18,927,340	18,270,245
	Exports.				
To—	£	£	£	£	£
Other Australian States	6,370,100	4,838,185	5,257,188	5,570,838	7,841,188
New Zealand ...	262,567	345,087	437,322	465,704	638,735
United Kingdom ...	6,740,420	5,648,15	6,363,685	5,425,772	3,443,310
South Africa ...	137,029	1,324,082	1,926,433	3,891,057	2,823,677
Other British Possessions	618,732	2,701,961	1,377,275	958,410	1,438,833
Foreign Countries ...	1,743,398	3,710,315	2,060,649	2,334,316	2,034,780
Total ...	15,872,246	18,567,780	17,422,552	18,646,097	18,210,523

This shows that Victoria's imports from the other Australian States amounted to £7,258,952, or 43 per cent. of the total imports in 1898; and £8,050,519, or 45 per cent. in 1899; but that they fell away during the next three years to £5,412,520, or only 30 per cent. of the whole in 1902.

The imports from the United Kingdom, which were valued at £6,195,134 in 1898, forming 37 per cent. of the total, fell to £5,990,027, or 33 per cent. in 1899; but increased to 38 per cent. of the total imports in each of the next three years. Imports from New Zealand rose from the value of £361,377, or only 2 per cent. of the whole in 1898, to the value of £1,151,179, or 6 per cent., in 1902. Other British possessions contributed 5 per cent. of the imports in 1898, and 6 per cent. in 1902. The imports from Foreign countries were valued at £2,167,294, or 13 per cent. of the whole in 1898, but increased considerably in the four following years, forming 20 per cent. of the whole in 1902. On the whole, these figures disclose that while the import trade from Great Britain only increased by 1 per cent. in the five years, the imports from Foreign countries increased by 7 per cent. in the same period. Victorian exports to the other States of the Commonwealth were valued at £6,370,100 in 1898, forming 40 per cent. of the total

exports, but fell off to £4,838,185, or only 26 per cent. in 1899, rose to 30 per cent. in 1900 and 1901, and amounted to £7,841,188, or 43 per cent. of the total, in 1902. The exports to the United Kingdom amounted to £6,740,420, or 42 per cent. of the whole, in 1898, but formed only 30 per cent. in 1899, 36 per cent. in 1900, 29 per cent. in 1901, and 19 per cent. in 1902; the value in 1902 being only half of that in 1898. The exports to South Africa in 1898 were valued at £137,029, or less than 1 per cent. of the whole; during the next three years they rose rapidly to the value of £3,891,057, or 21 per cent., of the total; in 1902 they were valued at £2,823,677, representing over 15 per cent. of the exports. Exports to New Zealand formed about 1½ per cent. of the whole in 1898, and gradually increased in value and proportion to 3½ per cent. in 1902. Other British possessions took about 4 per cent. of the exports in 1898, 14 per cent. in 1899, but less than 8 per cent. in 1902. Exports to Foreign countries amounted to 11 per cent. of the whole in 1898, 20 per cent. in 1899, 12 per cent. in the next two years, and 11 per cent. in 1902. The exports to the other Australian States, New Zealand, South Africa, and other British possessions show a decided improvement, but those to Great Britain a considerable falling off. Those to Foreign countries remained practically the same during the five years under review.

Imports and
exports to
Australian
States.

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

State.	1898.	1899.	1900.	1901.	1902.
Imports.					
From—	£	£	£	£	£
New South Wales ...	3,461,900	3,990,626	4,136,297	4,597,861	3,669,446
Queensland ...	935,724	1,066,206	588,413	517,696	499,595
South Australia ...	402,129	521,995	513,049	492,654	524,952
Western Australia ...	2,224,579	2,119,618	780,291	276,832	291,004
Tasmania ...	234,620	352,074	346,117	355,417	427,523
Total Inter-State	7,258,952	8,050,519	6,364,167	6,240,460	5,412,520
Exports.					
To—					
New South Wales ...	4,263,247	2,436,216	2,953,510	2,992,342	3,747,504
Queensland ...	335,881	423,811	312,498	366,783	1,024,894
South Australia ...	357,758	526,477	462,966	523,978	702,157
Western Australia ...	870,275	795,425	852,167	988,481	1,122,500
Tasmania ...	542,939	656,256	676,047	699,254	1,244,133
Total Inter-State	6,370,100	4,838,185	5,257,188	5,570,838	7,841,188

The imports into Victoria from the sister States as a whole have fallen considerably, the difference in values between 1898 and 1902 being £1,846,432. Queensland and Western Australia are responsible for this large diminution, the imports from the first-named State, on account of the drought there, falling off to the extent of £436,129, chiefly in wool and sugar, and those from Western Australia, being £1,933,575 less in 1902 than in 1898, as that State now mints her own gold instead of sending it to Victoria. New South Wales supplies the great bulk of these imports, contributing 48 per cent. in 1898, 50 per cent. in 1899, 65 per cent. in 1900, 74 per cent. in 1901, and 68 per cent. in 1902. The chief items imported from New South Wales are wool, valued at £1,342,456 in 1898, £1,669,891 in 1899, £1,533,086 in 1900, £1,540,161 in 1901, £864,214 in 1902, the bulk of which is only forwarded to Victoria for shipment abroad; cattle, horses, and sheep, valued at £661,598 in 1898, £699,475 in 1899, £764,157 in 1900, £967,404 in 1901, and £1,094,805 in 1902; coal, valued at £257,644 in 1898, £275,694 in 1899, £403,613 in 1900, £446,053 in 1901, and £427,149 in 1902. Hides and skins, wheat, gold, and frozen mutton are also largely received from New South Wales. The imports from South Australia increased from £402,129, or 5½ per cent., in 1898, to £524,952, or nearly 10 per cent., in 1902. Imports from Tasmania also increased, rising from £234,620, or a little over 3 per cent., in 1898, to £427,523, or 8 per cent., in 1902. Victorian exports to the other Australian States were of greater value in 1898 than in any previous year. There was a decline in 1899, but an improvement in the next two years, and in 1902 they reached the value of £7,841,188. The exports to New South Wales have averaged 55 per cent. of Victoria's exports to Australian States for the past five years; in 1898 they were valued at £4,263,247, but have not reached anything like that value since, amounting to only £2,436,216 in 1899, less than three millions in 1900 and 1901, and nearly three millions and three-quarters sterling in 1902. The chief articles of export to New South Wales are gold, valued at £2,654,000 in 1898, £424,288 in 1899, £1,132,940 in 1900, £893,686 in 1901, and £630,476 in 1902; cattle, horses, and sheep, valued at £139,006 in 1898, £172,680 in 1899, £311,716 in 1900, £312,797 in 1901, and £183,333 in 1902; machinery and agricultural implements, valued at £144,106 in 1898, £164,191 in 1899, £164,767 in 1900, £169,960 in 1901, and £115,737 in 1902; hay, chaff, and straw, valued at £113,231 in 1898, £210,463 in 1899, £62,983 in 1900, £22,753 in 1901, and £830,359 in 1902; grain and sugar, apparel and slops, boots and shoes are also important articles of export to New South Wales. The exports to Western Australia, which were valued at £870,275 in 1898, were valued at £1,122,500 in 1902; the exports to Tasmania were worth only

£542,939 in 1898, but gradually increased in value during the next three years, and in 1902 were valued at £1,244,133, or £700,000 more than in 1898; the exports to South Australia were valued at £357,758 in 1898, but at nearly double that amount in 1902; the exports to Queensland were valued at £335,881 in 1898, and at more than three times that amount in 1902.

Exports of
home
produce.

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

Principal Articles.	1898.	1899.	1900.	1901.	1902.
	£	£	£	£	£
Wool	2,228,476	3,350,351	2,289,341	2,511,019	2,331,657
Grain and Pulse—					
Wheat	155,768	1,213,747	700,814	1,064,649	500,436
Other	108,735	65,154	292,705	317,010	340,734
Butter and Cheese	740,608	1,419,294	1,509,383	1,246,739	796,789
Hay and Chaff	124,705	257,496	316,352	407,433	1,242,186
Flour	116,637	229,901	196,899	199,506	179,293
Sugar (refined) and Molasses	132,940	142,117	103,302	133,666	127,975
Leather	286,279	292,474	311,240	300,905	237,442
Tallow	88,686	138,727	172,397	92,482	82,478
Skins and Hides	276,335	260,275	165,604	252,682	365,659
Horses, Cattle, and Sheep ...	149,492	232,629	455,245	514,870	444,293
Other Articles	1,469,966	1,831,185	2,149,850	2,542,667	3,598,780
Total Merchandise ...	5,878,627	9,433,350	8,663,132	9,583,628	10,247,722
Gold (Bullion and Specie)	3,296,782	1,555,989	2,663,220	3,104,911	2,945,511
Total	9,175,409	10,989,339	11,326,352	12,688,539	13,193,233
	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.
Per Head of Population	7 15 2	9 5 3	9 9 10	10 10 9	10 18 7
Percentage of Total Exports	57·808	59·185	65·010	68·049	72·448

These figures afford some indication of the condition of external trade in local products. Owing to the value of Victorian wool and gold, as given by the exporters, being defective, the value of the net exports (i.e., excess of exports over imports) has been substituted therefor in this statement. The exports of home produce as a whole show considerable improvement during the past five years: in 1898 they were valued at a little over 9 millions; in 1899, just under 11 millions; in 1900, 11 1-3 millions; in 1901, 12 2-3 millions; and in 1902 over 13 1-5 millions. The average value of these exports for the five years under review amounts to £11,474,000, that for the previous five years being £8,638,000. The value per head of the population rose from £7 15s. 2d. in 1898 to £10 18s. 7d. in 1902, and the proportion to the total exports from 58 per cent. in 1898 to 72½ per cent. in 1902.

Hay shows a larger growth in value than any other article, in the five years dealt with, 1900, 1901, and 1902 being each successively a record year, and the value in 1902 three times as much as that of 1901. After a good year in 1898, gold fell off considerably in 1899, in 1900 was well up to the average of the five years, and in 1901 and 1902 considerably above it. Except for a large rise of over a million sterling in 1899, wool has been fairly uniform throughout the period under notice. Wheat has had considerable fluctuations, being very low in 1898, but 1899 was the best year since 1884. The butter and cheese figures for 1898 are lower than those for any year since 1893, but the figures for 1899 and 1900 eclipse those of all previous years. The value of horses, &c., in 1901, is the highest since 1885. The chief articles of home produce or manufacture, comprised under the item "Other Articles," for the year 1902 are:—Apparel and slops, £249,000; biscuits, £120,000; boots and shoes, £186,000; manufactured fodder, £90,000; fruits (fresh and preserved), £136,000; bran, oatmeal, and pollard, £95,000; jam, £111,000; machinery and agricultural implements, £195,000; bacon and hams, £130,000; frozen mutton and beef, £196,000; frozen rabbits, £160,000; sugar and molasses, £128,000; tobacco, cigars, &c., £142,000; onions, £75,000; potatoes, £130,000; and wine, spirits, and beer, £128,000. The value of all domestic exports in 1902, as compared with 1898, increased 4 millions, the articles showing the largest increases being—hay and chaff, £1,117,000; wheat, £345,000; horses, cattle, and sheep, £295,000; grain other than wheat, £232,000; wool, £103,000; skins and hides, £89,000; flour, £63,000; butter and cheese, £56,000; but gold diminished £351,000 and leather £49,000. As compared with 1899, gold shows an improved value of £1,389,000; hay and chaff, £985,000; grain other than wheat, £276,000; horses, &c., £212,000; skins and hides, £105,000; but wool diminished £1,019,000; wheat, £713,000; butter, &c., £622,000; tallow, £56,000; leather, £55,000; flour, £51,000; the net increase being 2 1-5 millions. As compared with 1900, hay and chaff were of greater value by £926,000; gold, £282,000; skins, &c., £200,000; grain other than wheat, £48,000; wool, £42,000; and sugar, £25,000; but butter and cheese were of lesser value by £713,000; wheat, £200,000; tallow, £90,000; leather, £74,000; the net increase being £1,867,000. As compared with 1901, hay, &c., was of greater value by £835,000; skins, &c., £113,000; grain other than wheat, £24,000; but wheat was £564,000 less; butter, &c., £450,000; wool, £179,000; gold, £159,000; horses, &c., £71,000; leather, £63,000; and flour, £20,000 less; the net increase being £505,000.

Net revenue
of Customs
Depart-
ment.

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

Articles.	1898.	1899.	1900.	1901.	1902.
Import duty—	£	£	£	£	£
Alcoholic Liquors ...	448,430	471,113	494,377	669,625	431,219
Narcotics ...	242,394	244,810	246,314	309,506	188,685
Sugar and Molasses	272,527	273,255	275,787	281,557	249,183
Rice ...	20,755	17,948	18,184	21,797	
Dried and Preserved Fruit and Vegetables	51,709	58,133	38,066	34,632	
All Other Articles at Fixed Rates	472,033	434,177	419,643	377,078	
Articles at Ad Valo- rem Rates	400,203	404,669	488,008	539,187	
Total Import Duties	1,908,051	1,904,105	1,980,379	2,233,382	2,013,241
Excise Duty—					
Spirits ...	86,516	89,427	87,236	132,180	64,838
Beer ...	167,647	169,913	176,787	185,019	184,890
Tobacco, etc. ...	55,357	61,777	76,655	112,200	109,915
Sugar ...	...	...	...	9,870	31,524
Starch ...	...	...	...	...	9,054
Total Excise Duties	309,520	321,117	340,678	439,269	400,221
Miscellaneous ...	75,766	80,559	92,632	49,494	44,375
Grand Total...	2,293,337	2,305,781	2,413,689	2,722,145	2,457,837

The net revenue collected by the Department of Trade and Customs in Victoria from all sources, after deducting drawbacks, refunds, and rebates, amounted to £2,457,837 in 1902, being £19,000 above the average of the five years shown above; £164,000 more than in 1898; £152,000 more than in 1899; £44,000 more than in 1900; but £264,000 less than in 1901. The revenue from Customs duties in 1902 was £5,000 above the average of the five years; £105,000 more than in 1898; £109,000 more than in 1899; £33,000 more than in 1900; but £220,000 less than in 1901. The revenue from Excise duties in 1902 was £38,000 above the average of the five years; £91,000 more than in 1898; £79,000 more than in 1899; £59,000 more than in 1900; but £39,000 less than in 1901. The imports of alcoholic liquors and narcotics were very heavy in 1901, probably on account of the impending change in the new Federal tariff, and it is these items that are mainly responsible for the decline in the revenue in the following year.

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

Year.	Value of Goods Exported for Drawback.	Amount Paid as Drawback.
	£	£
1898	492,125	86,678
1899	508,560	97,962
1900	568,456	92,404
1901	577,928	115,283
1902 ... ..	...	45,022

From 1872, when the system of allowing drawbacks was first introduced, to the end of 1902, the total amount of duty repaid as drawback was £2,850,698. The withdrawals were heavy in 1901, but very light in 1902, the difference in the amount paid as drawback being £70,261.

Victorian shipping has considerably increased during the last five years; the number of vessels (excluding those engaged in the Victorian coastal trade) entered and cleared at Victorian ports, their gross tonnage, and the number of men forming their crews in each of the years 1898 to 1902 being:—

Vessels entered and cleared.

	1898.	1899.	1900.	1901.	1902.
Vessels Entered—					
Number	2,008	2,024	2,101	2,418	2,278
Tons	2,472,745	2,662,792	2,929,389	3,392,226	3,366,485
Men	91,208	92,397	97,770	107,120	110,134
Vessels Cleared—					
Number	2,043	2,031	2,134	2,347	2,286
Tons	2,483,992	2,678,663	2,944,192	3,323,265	3,372,555
Men	91,546	93,196	97,885	105,798	110,293
Total Vessels Entered and Cleared—					
Number	4,051	4,055	4,235	4,765	4,564
Tons	4,956,737	5,341,455	5,873,581	6,715,491	6,739,040

The number of vessels entered and cleared in 1902 has increased 12 per cent. as compared with 1898, their tonnage 36 per cent., and the number of men forming their crews 20 per cent.

Nationality
of vessels.

The nationality of vessels entered and cleared at Victorian ports in each of the years 1898 to 1902 was as shown hereunder:—

Year.	Total.	British.	Colonial.	Foreign.
Entered.				
1898	2,008	378	1,498	132
1899	2,024	416	1,453	155
1900	2,101	748	1,189	164
1901	2,418	580	1,640	198
1902	2,278	497	1,613	168
Cleared.				
1898	2,043	382	1,531	130
1899	2,031	420	1,459	152
1900	2,134	807	1,159	168
1901	2,347	561	1,598	188
1902	2,286	517	1,602	167

Fifteen per cent. of the Victorian shipping has wavered from Colonial to British ownership and back again between the years 1898 and 1902. Colonial vessels formed 75 per cent. of the total inwards and outwards in 1898, 72 in 1899, 55 in 1900, 68 in 1901, and 71 per cent. in 1902. British vessels amounted to 19 per cent. in 1898, 21 in 1899, 37 in 1900, 24 in 1901, and 22 per cent. in 1902. Foreign vessels were 6 per cent. of the total in 1898, 7 in 1899, 8 in 1900 and 1901, and 7 per cent. in 1902.

Vessels on
Victorian
register.

The vessels on the Victorian register were as follow on the 31st December, 1902, the ports of their registration and their net tonnage being distinguished:—

Port.	Steamers.		Sailing Vessels.		Total.	
	Number.	Tons.	Number.	Tons.	Number.	Tons.
Melbourne	153	72,805	219	37,187	372	109,992
Geelong ... ..	...	...	4	358	4	358
Port Fairy	2	602	...	...	2	602
Total	155	73,407	223	37,545	378	110,952

Vessels on
registers of
Austral-
asian
States.

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

State.	Steamers.		Sailing Vessels.		Total.	
	Number.	Tons.	Number.	Tons.	Number.	Tons.
Victoria ...	154	80,009	228	37,824	382	117,833
New South Wales ...	531	66,938	549	57,509	1,080	124,447
Queensland ...	101	15,006	167	10,218	278	25,224
South Australia ...	112	31,535	266	20,469	378	52,004
Western Australia ...	29	5,366	233	7,273	262	12,639
Tasmania ...	54	9,952	152	9,350	206	19,302
Total Australia ...	981	208,806	1,595	142,643	2,576	351,449
New Zealand ...	222	59,163	224	40,147	446	99,310
Total ...	1,203	267,969	1,819	182,790	3,022	450,759

In 1902 the Melbourne Harbor Trust possessed seven Dredges. dredges, having an aggregate lifting capacity of 3,560 tons per hour under ordinary circumstances, but varying according to the character of the material dredged, whether silt, sand, clay, rotten rock, &c. Of the above dredges two are end-cutting, two are central-ladder, one is side-cutting ladder, and two are grab dredges or silt cranes.

The total quantity of dredgings actually raised in 1902 Silt raised. amounted to 1,080,375 cubic yards, viz., 197,625 cubic yards from the bay, and 882,750 cubic yards from the river. Since the establishment of the Trust, the river dredgings have amounted to 19,558,804 cubic yards, and the bay dredgings to 11,666,424 cubic yards, making a total of 31,225,228 cubic yards. Of the dredgings, 21,548,323 cubic yards were deposited at sea, and 9,676,905 cubic yards were landed for roads and reclamation work. The average cost of dredging in 1902 was 2·40d. per cubic yard.

The postal returns for Victoria are incomplete, as Inter-state and International letters, newspapers, and packets posted at suburban and country post offices are not included. The figures for the past five years are as follow:— Postal re- turns.

	1898.	1899.	1900.	1901.	1902.
Number of Post Offices	1,581	1,593	1,615	1,637	1,645
Posted and Received—					
Letters and Post Cards	55,220,845	78,977,930	74,291,204	83,973,499	98,342,507
Newspapers ...	26,390,126	23,614,234	25,466,342	27,125,251	33,638,532
Packets ...	10,477,080	10,674,436	11,904,221	13,172,858	16,966,644
Parcels ...	273,732	283,426	298,352	309,118	365,898
Total ...	92,361,783	113,550,026	111,960,119	124,580,726	149,313,581

The volume of business done by the post office has grown considerably in the five years under review, that for 1902 being 62 per cent. more than that for 1898. The number of letters for 1902 is 78 per cent. higher than the number for 1898. International newspapers received are included with packets in 1902.

Money orders and postal notes.

Money order offices are established at 475 places in connexion with the post office. Money orders are payable throughout the Commonwealth, New Zealand, Great Britain, and Ireland, and most of the principal British and Foreign countries. The maximum amount for which orders payable in most countries outside the Commonwealth are issued is £10, for orders payable within the Commonwealth and certain other countries £20. The maximum charge is 6d. in the pound. Postal notes, ranging from 1s. to £1 in value, are issued and paid throughout the Commonwealth, the poundage ranging from $\frac{1}{2}$ d. to 3d. The following is a comparative statement of the business done since 1898:—

	1898.	1899.	1900.	1901.	1902.
Money Orders Issued—					
Number	216,165	223,335	223,566	228,931	217,634
Amount	£678,616	£681,962	£675,982	£700,618	£706,791
Money Orders Paid—					
Number	304,783	280,139	287,219	298,860	306,510
Amount	£1,064,180	£943,672	£961,270	£1,004,725	£1,053,313
Postal Notes—					
Victorian — Paid in Victoria	£437,369	£454,135	£474,907	£504,039	£498,174
Victorian — Paid in Other States	£16,512	£17,550	£18,270	£19,171	£30,207
Of Other States— Paid in Victoria	£23,745	£26,080	£27,583	£28,205	£46,805

The issue of money orders has varied both in number and amount during the past five years, from 216,165 for £678,616 in 1898 to 228,931 for £700,618 in 1901, and 217,634 for £706,791 in 1902. Money orders paid fell away from 304,783 for £1,064,180 in 1898 to 280,139 for £943,672 in 1899, but steadily increased during the next three years, attaining to 306,510 for £1,053,313 in 1902. The business in postal notes has increased considerably, the amount of Victorian notes paid within the State being £60,000 more than in 1898. The business with the other States, after a gradual improvement year by year up to 1901, shows a big rise in 1902, attributable to the removal of Interstate restrictions which existed prior to the Federation of the States.

Telegraphs and telegrams.

Telegraphic communication exists between 875 stations within the State. Victorian lines are connected with those of New South Wales, and by means of them with Queensland and the submarine cable to New Zealand, also with the lines

in South Australia, and through them with those of Western Australia, the Eastern Archipelago, Asia, Europe, and America; also with the submarine cable to Tasmania; the length of lines and wire open, and the number of telegrams sent from Victorian stations in the last five years being:—

	1898.	1899.	1900.	1901.	1902.
Number of Stations... ..	782	830	824	843	875
Miles open—					
Line (poles)	6,431	6,579	6,445	6,468	6,589
Wire	14,536	14,922	15,198	15,356	15,611
Number of Telegrams sent—					
Paid—Inland	1,376,158	1,416,489	1,522,642	1,513,217	1,524,236
Interstate	332,274	376,195	360,789	410,970	434,807
International	19,055	21,328	23,075	22,725	41,822
Unpaid—O.H.M.S.	78,697	75,477	86,503	110,768	93,892
Total	1,806,184	1,889,488	1,993,009	2,057,680	2,094,757

In 1902 there were nearly 100 telegraph stations, and over 1,000 miles of telegraph wire more than in 1898. The total number of telegrams sent was greater in 1902 than in 1898 by 288,573, the greatest increase between any two years being that of 103,521 between 1899 and 1900. Between 1901 and 1902 the increase was only 37,077, the O.H.M.S. telegrams falling off to the extent of 16,876. New Zealand telegrams for 1902 are included with International, for previous years they are included with Interstate.

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

	1898.	1899.	1900.	1901.	1902.
Miles Open—					
Lines (Poles and under-ground Cables)	822	889	1,109	1,224	1,275
Wire	11,425	13,794	16,748	17,763	21,308
Exchanges—					
Number	13	14	17	20	20
Subscribers	3,630	4,407	5,136	6,049	6,847
Bureaux	40	64	64	70	74
Private Lines	219	281	311	383	388

The length of lines and wire include lines used exclusively by the Railway Department, which are not available for public use. The length of wire has increased 86 per cent., and the number of subscribers 89 per cent. since 1898.

Railways,
length
and cost

The railways of Victoria are owned by the State. The length of lines constructed on the 30th June, 1902, was 3,303 miles, including $1\frac{1}{4}$ miles constructed on disputed territory on the South Australian border, $16\frac{1}{4}$ miles dismantled in 1898, and $8\frac{3}{4}$ miles closed to traffic, but excluding the Dookie to Katamatite tramway, 17 miles in length, taken over from the Yarrawonga Shire Council in 1898, and upon which the Railway Department has expended £5,351 for improvements. The following table shows the length of double and single lines, the cost of construction, and average cost per mile for the last five years:—

	1898.	1899.	1900.	1901.	1902.
Length of Lines on 30th June—					
Double Lines ...	294	294	294	294	297 $\frac{1}{4}$
Single Lines ...	2,819 $\frac{1}{4}$	2,849 $\frac{1}{2}$	2,924 $\frac{1}{2}$	2,944 $\frac{1}{4}$	3,005 $\frac{3}{4}$
Total ...	3,113 $\frac{1}{4}$	3,143 $\frac{1}{2}$	3,218 $\frac{1}{2}$	3,238 $\frac{1}{4}$	3,303
	£	£	£	£	£
Cost of Construction ...	30,510,985	30,713,587	31,044,239	31,232,023	31,716,408
Average Cost per mile	9,800	9,770	9,645	9,645	9,602

NOTE.—The Woomelang to Mildura line has since been opened.

Owing to the care taken in keeping down the cost of construction of new lines, the average cost per mile of railways as a whole has been gradually reduced during the past five years, that for 1902 being £200 less than that for 1898. The only line in progress on the 30th June, 1902, was the Woome-lang to Mildura line, $127\frac{1}{2}$ miles in length, on which £43,249 had been expended up to that time.

Railway
traffic

Since 1898, $189\frac{3}{4}$ miles of new lines have been opened for traffic, and the length of lines closed to traffic reduced by 23 miles. The following statement shows the number of train miles run, and the passenger and goods traffic during the past five years:—

	1898.	1899.	1900.	1901.	1902.
Miles Constructed ...	3,113 $\frac{1}{4}$	3,143 $\frac{1}{2}$	3,218 $\frac{1}{2}$	3,238 $\frac{1}{4}$	3,303
„ Dismantled ...	16 $\frac{1}{4}$	16 $\frac{1}{4}$	16 $\frac{1}{4}$	16 $\frac{1}{4}$	16 $\frac{1}{4}$
„ Closed to Traffic	31 $\frac{3}{4}$	39 $\frac{3}{4}$	8 $\frac{3}{4}$	8 $\frac{3}{4}$	8 $\frac{3}{4}$
„ Open for Traffic (30th June)	3,065 $\frac{1}{4}$	3,087 $\frac{1}{2}$	3,193 $\frac{1}{2}$	3,213 $\frac{1}{4}$	3,278
Train Mileage ...	9,239,657	9,714,298	10,107,549	11,066,016	11,284,944
Passengers carried ...	43,090,749	45,805,043	49,332,899	54,704,062	57,465,077
Goods and Live Stock Carried (Tons)	2,408,665	2,779,748	2,998,303	3,381,860	3,433,627

There has been a steady rise since 1898 in the number of train miles run, and it is satisfactory to note that the passengers, goods, and live stock carried have also progressed steadily year by year. The train mileage of 1902 was 22 per cent. higher than that of 1898, whilst the number of passengers carried was 33 per cent., and the tonnage of goods and live stock 42 per cent.

The receipts and working expenses of the railways during the financial years 1897-8 to 1901-2 were as follow:—

Railway receipts and expenditure.

	Year ended June.				
	1898.	1899.	1900.	1901.	1902.
Receipts—	£	£	£	£	£
Passenger Fares ...	1,089,952	1,127,870	1,214,348	1,368,311	1,378,746
Freight on Goods and Live Stock	1,283,834	1,501,729	1,555,252	1,711,894	1,719,462
Sundries ...	235,110	244,130	255,562	257,592	269,635
Total ...	2,608,896	2,873,729	3,025,162	3,337,797	3,367,843
Working Expenses—					
Maintenance ...	408,837	480,792	498,459	518,488	501,938
Locomotive Charges	459,993	502,763	537,340	646,192	710,105
Carriages and Wag- gons	111,113	130,659	142,639	147,153	145,359
Traffic Charges ...	526,958	546,754	564,908	609,000	640,442
Compensation ...	7,892	3,611	6,862	7,945	31,145
General Charges ...	135,001	133,147	152,332	146,461	137,129
Total ...	1,649,794	1,797,726	1,902,540	2,075,239	2,166,118
Net Receipts ...	959,102	1,076,003	1,122,622	1,262,558	1,201,725
Proportion of Expenses to Receipts	63·24	62·56	62·89	62·17½	64·32

The receipts, both from passenger fares and freights, have grown considerably during the past five years, the total increase being over three-quarters of a million sterling. The working expenses have increased during the same period by a little more than half a million, the increase being chiefly under the heads of locomotive power, general maintenance, and traffic charges. The net receipts for 1901-2, although £61,000 less than in 1900-1, were nearly a quarter of a million higher than in 1897-8. The proportion of expenses to receipts was higher in 1901-2 than in any of the other years under review.

The earnings, expenses, and net profits per mile of railway open, for the years 1898 to 1902, were as follow:—

	1898.	1899.	1900.	1901.	1902.
Average Number of Miles Open ...	3,124 $\frac{3}{4}$	3,123 $\frac{1}{4}$	3,187 $\frac{1}{4}$	3,229 $\frac{3}{4}$	3,266 $\frac{1}{2}$
	£	£	£	£	£
Gross Earnings per Mile ...	835	920	949	1,033	1,031
Expenses per Mile ...	528	576	597	642	663
Net Profits per Mile ...	307	344	352	391	368

The receipts per mile open have increased since 1898 by £196, and the expenses by £135, the net profits for 1901-2 being £61 more per mile than for 1897-8, but £23 less than for 1900-1. It must be understood, however, that this result excludes all consideration of interest payable on railway loans, and expenses of paying same, which amounted to £1,492,695 in 1901-2, equal to a charge of £457 per mile open. The average number of miles open given above includes the Dookie to Katamatite tramway (17 miles), and 1 $\frac{1}{4}$ miles constructed on disputed territory on the South Australian border.

This coal is now largely used by the Railway Department for steaming purposes. In 1900, 76,233 tons were consumed; in 1901, 95,273 tons; and in the year ended 31st December, 1902, 120,854 tons. The quantity carried for use by the general public was 140,740 tons in 1900, 109,801 tons in 1901, and 98,781 tons in 1902; the rate of the carriage being $\frac{3}{4}$ d. per ton per mile, of which $\frac{1}{4}$ d. per ton per mile was paid by the Government.

By the "Melbourne Tramway and Omnibus Company's Act 1883" (47 Vict. No. 765), passed on the 12th October, 1883, the company was authorized to construct tramways in the streets of Melbourne and suburbs, unless the twelve municipalities interested, viz., the cities of Melbourne, Prahran, Richmond, Fitzroy, Collingwood, South Melbourne, Hawthorn, and St. Kilda; the towns of North Melbourne, Brunswick, and Port Melbourne; and the borough of Kew; who had the prior right, elected to do so. All the municipalities, however, decided to exercise the powers conferred upon them, and, the necessary notice to the company having been given, a Tramways Trust was formed, as provided by the Act. This body, which consists of seven delegates from the Melbourne City Council, and one from each of the other eleven municipalities, received full power to construct tramways, and to borrow money for

that purpose, secured on the municipal properties and revenues and on the tramways themselves. The Trust was required by the above-mentioned Act, as modified by the amending Acts (51 Vict. No. 952 and 56 Vict. No. 1278), to complete the tramways by the 31st December, 1893, and to grant a 32 years' lease of the tramways to the company, dating from the 1st July, 1884 (when the liability for interest commenced), and expiring on the 1st July, 1916. The company, on its part, is required to find all the rolling-stock, to keep the tramways and adjoining road, a total width of 17 feet, in complete repair; to hand back the lines in good working condition to the Trust at the expiration of the lease, and to pay to the Trust the annual interest on the moneys borrowed; also to contribute annually a certain varying percentage on the sums borrowed, so as to form a sinking fund towards the ultimate extinction of the loans. The expenses of the Trust to the 31st December, 1893, were defrayed out of the loan; after that period by the company to an amount not exceeding £1,000 per annum, and the remainder by the municipalities; and the liability on account of loans is by Act 48 Vict. No. 788 made a joint and several charge on the properties and revenues of the several municipalities. The total amount the Trust is empowered to borrow is £1,650,000, which has been raised in London by means of debentures bearing interest at 4½ per cent. The premiums received amounted to £55,794, making a total of £1,705,794. The whole of this was expended by the 31st December, 1893, when all outlay from loan moneys ceased in accordance with Act No. 1278. The sinking fund on the 1st July, 1903, amounted to £691,000. The following particulars have been kindly furnished by Mr. T. Hamilton, secretary to the Tramways Trust:—

The total length of tramways authorized and constructed amounts to 47 miles 4 furlongs, of which 43 miles 6 furlongs are worked by cables and stationary steam-engines, and the remaining 3 miles 6 furlongs by horses.

The cable lines form one of the largest systems of this description of tramway in the world, and the method of construction adopted combined all the best features and latest improvements of lines constructed both in America and Europe.

A uniform fare of 3d. is authorized to be charged on the tramway lines, except on the section between the Spencer-street and Prince's-bridge Railway Stations, *via* Flinders-street, on which the fare is 1d. But the company is required to run, upon all lines open for traffic, every morning between the hours of 6 and 7, and every evening between the hours of 5.30 and 6.30 (Sundays and public holidays excepted), two or more carriages for workmen at a fare of 1½d. per journey. All fares will be, by Act No. 765, section 26, subject to revision by Parliament after the lapse of ten years from the date of the first 20 miles of tramway being opened for traffic, *viz.*, on the 31st December, 1897.

The lengths of the several lines and the dates on which they were opened for traffic were given in previous issues of this work.

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

Year ended 30th June.	Length of Lines Open.	Tram Mileage.	Passengers Carried.	Traffic Receipts.
1898	48	7,983,852	36,245,280	£ 370,477
1899	48	8,364,707	38,875,210	389,427
1900	48	8,411,159	41,661,580	415,023
1901	48	8,964,734	47,195,647	465,427
1902	48	9,226,883	47,261,572	454,683

The tram mileage shows a steady increase during the past five years, that for 1902 being the greatest since the opening of the first tram line in 1885. The number of passengers carried has grown considerably; the passengers for 1902 being second only to the number carried in 1891, when they were nearly 800,000 more. The traffic receipts reached £562,541 in 1891, but in the next few years there was a fall to £346,582 in 1896; since then, however, there has been a steady recovery year by year, until in 1901 they amounted to £465,427. On account of the reduction in fares the receipts for 1902 were less by £10,744 than for 1901.

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

BEAUMARIS TRAMWAY.

	Miles run.	Receipts.	Working expenses.
		£	£
1897-8	34,618	1,164	1,036
1898-9	35,622	1,270	1,207
1899-00	37,327	1,241	1,339
1900-01	38,723	1,323	1,281
1901-2	39,500	1,528	1,622

The number of vehicles licensed for the conveyance of passengers in Melbourne, and for a distance of 8 miles beyond the corporate limits, in 1902, was 1,620, of which 716 were tramcars and dummies; whilst the number of drivers licensed

for the conveyance of goods was 1,339. The following are the particulars for the last five years:—

	Number in—				
	1898.	1899.	1900.	1901.	1902.
<i>For Passenger Traffic.</i>					
Cabs (4 wheels)	679	682	663	657	637
Hansoms	212	218	208	199	210
Omnibuses	18	18	19	22	57
Tram cars	358	361	376	372	372
„ dummies	320	327	340	359	344
Total	1,587	1,606	1,606	1,609	1,620
<i>For Conveyance of Goods.</i>					
Drivers licensed	1,332	1,388	1,388	1,265	1,339