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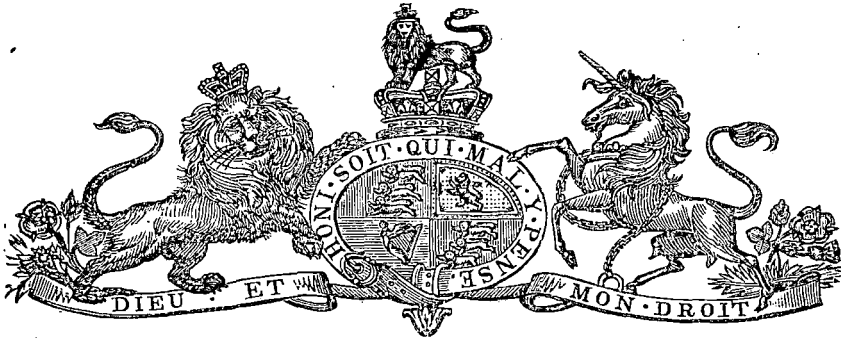
PARLIAMENT OF TASMANIA.

AGENT-GENERAL IN LONDON:

REPORT FOR THE YEAR 1900-1901.

Presented to both Houses of Parliament by His Excellency's command.

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REPORT OF AGENT-GENERAL FOR TASMANIA IN LONDON.

1ST JULY, 1900—30TH JUNE, 1901.

*Office of the Agent-General for Tasmania, Westminster Chambers,
5, Victoria-street, London, S.W., 16th August, 1901.*

SIR,

I HAVE the honour to submit the Report of this department for the year ending 30th June, 1901.

Since the date of the last Annual Report Sir Philip Fysh, who represented Tasmania since March, 1899, and who is hereinafter referred to as "my predecessor," vacated office on the 3rd January last, handing over the duties of Agent-General temporarily to Lieutenant General Sir Andrew Clarke, R.E., G.C.M.G., Agent-General for Victoria, who for the third time has acted as *locum tenens*, pending the arrival of a permanent representative. A few days after my arrival in this country, I made arrangements with Sir Andrew for the transfer of the department to my care, and I assumed office on the 15th April last.

In due course I called upon the Right Honourable Joseph Chamberlain, the Secretary of State for the Colonies. He received me very cordially, and in the course of our interview he spoke in grateful terms of the moral and practical support which he had received from the Australian States.

Federation of the Australian Colonies.—In many respects the year now being reported upon has been equally memorable, so far as the Australian States are concerned, as its predecessor. These years will always be remembered in history as those in which the Commonwealth Bill of Australia received its acceptance at the hands of the people, passing with the cordial support of all parties and sections in the Imperial Legislature, and receiving the assent of the Sovereign.

When the Royal Assent had been given considerable anxiety was felt in Colonial circles in London as to the person upon whom was to fall the great responsibility of being the first Governor-General of the Commonwealth, and it was with great satisfaction that it was known that the choice had fallen upon the Earl of Hopetoun, who had gained considerable experience in Colonial administration as Governor of Victoria. It is not necessary for me to refer to the hearty rejoicings in Australia consequent upon the landing of His Excellency and the issuing of the Royal Proclamation. In this Country the whole people were as one in their expression of goodwill and sympathy to their kinsmen.

The returns of the Federal Elections were anxiously awaited, the people and press keenly discussing the chances of the different parties and politicians; many of the candidates, as visitors to this country, either privately or officially, were well known.

When it was announced that H.R.H. the Duke of Cornwall and York would undertake the long journey to Australia and open the first Commonwealth Parliament under Commission from the Sovereign it was felt that this mark of the appreciation of the Throne of the loyalty of the Colonies would not only cement the existing good feeling between the Mother Country and the outlying portions of the Empire, but would be a fitting start to the labours of a Parliament which will, of necessity, have a difficult task before it. Great satisfaction was felt throughout the Empire when it was made known that His Royal Highness would be accompanied by H.R.H. the Duchess, and would extend the tour to New Zealand, South Africa, and Canada, being escorted throughout by representative ships of war.

You will be gratified to learn that very full accounts of the Royal Tour were cabled to the London Press, and people eagerly read from day to day the news of the doings of their Royal Highnesses.

Especially interesting were the cables from Hobart. The newspaper correspondents seemed to vie with one another in their praises of Tasmania, and they say that the Duke and Duchess during the tour had nowhere spent a more enjoyable time than in your State.

Death of Her Majesty Queen Victoria.—The Commonwealth rejoicings, both in Australia and Great Britain, were marred by the death of our beloved Sovereign, one of whose last and most important acts was to assent to the Bill for the Federation of the Australasian States. When it was known towards the early part of January that Her late Majesty was failing, there was a universal feeling of consternation, and when her demise was announced on the 22nd of that month, the mourning and sorrow throughout the Empire were heartfelt and genuine. During her reign of over sixty years, took place the most wonderful development of an empire the world has ever seen and the growth from an Infant to a Nation of a Federated Australia. Her late Majesty never lost an opportunity of showing her deep interest in her colonies, and it was only during the visit of the Australian Delegation to England last summer that she personally expressed her gratification for the aid given by her Colonial people in connection with the war in South Africa, and but a few weeks prior to her death she was receiving and reviewing her Colonial soldiers who had been invalided home.

In connection with the funeral, a wreath was obtained and handed to the proper quarter with all due formalities, on behalf of Tasmania. Lieutenant-General Sir Andrew Clarke represented the State at the funeral service at St. George's Chapel, Windsor.

Death of H.R.H. Duke of Saxe-Coburg Gotha.—My predecessor joined with the representatives of the other self-governing colonies in a letter of condolence to Queen Victoria on the death of her second son, His Royal Highness, the Duke of Saxe-Coburg Gotha and Duke of Edinburgh, who died at the end of July, 1900.

South African Campaign.—The campaign in South Africa is still being pursued, the guerilla tactics of the enemy necessitating the employment of large numbers of mounted men. The military authorities were constrained to enlist the services of further men from the various Colonies and States. These men were readily obtained, and their services have won the warm approval of the Imperial army officers who have been brought into contact with them. Some of the members of our contingents who arrived in this country were provided with fresh uniforms, and supplied with the necessary funds pending satisfactory arrangements for their maintenance. Every facility was accorded them that was possible to render their visit here enjoyable and instructive. Others, who were not enlisted at the expense of the State Government, and who, consequently, had no claim thereon, have nevertheless, as Tasmanians, received every possible assistance from this department, and representations were from time to time made to the proper quarter, which have been the means of saving them some trouble in dealing with the authorities. This department has, as you are aware, been from time to time in communication with the War Office with the object of obtaining certificates of the deaths of those who have unfortunately lost their lives whilst serving their country.

War Office Contracts.—Applications have been frequently made to the authorities for contracts on behalf of Tasmanian firms for the supply of jam, oats, and potatoes, &c., for the use of the troops in South Africa, and I am glad to be able to report that orders for jam to the extent of 724,000 lbs. have been obtained, while 1775 tons of oats were shipped by the transport *Chicago*. I am confident that other contracts for oats could have been obtained had it been possible for supplies to have been made at 21s. per quarter instead of the higher rate quoted; and I may here remark that had the merchants in Tasmania persisted in trying to supply the oats in 160-lb. bags instead of 80-lb. bags as specified by the War Office, the contract for the quantity shipped by the *Chicago* would most certainly have been lost. Some feeling has been aroused in Tasmania, owing to the impression that the manufacturers of jam there were not receiving the same share of contracts as those on the Mainland. I have been able to conclusively prove that such is not the case, so far as orders placed with the representatives of the other States are concerned. Orders have, undoubtedly, been placed with Australian firms, but, as my predecessor pointed out some considerable time back, orders for this class of stores were often placed, for convenience, with firms who supplied all manners of stores at one and the same time. This question of obtaining contracts is never lost sight of, and if the results are not always so satisfactory as might naturally be wished, it is through no lack of effort on the part of this department. The matter has, and shall in the future, always have, my best attention.

Donations to War Funds.—It is pleasant to be able to record the success of the different funds in this country, having for their object the relief of the sufferers consequent on this war, and my predecessors have received, during the current year, for payment to proper persons in charge of local distributing funds, the following sums:—

	£	s.	d.
Daily Telegraph Fund.....	20	0	0
National Bazaar Fund.....	30	10	0
British Empire League.....	60	0	0
Alhambra Matinee Fund.....	20	0	0

These sums have no doubt been distributed to the advantage of the recipients, and with due regard to the wishes of the donors.

Address and Casket for Major-General R. S. S. Baden-Powell.—An Address and Casket were received by this department from the Officers of the Southern Tasmanian Defence Force, for presentation to Major-General Baden-Powell in recognition of his heroic defence of Mafeking. As this officer was in South Africa, and his mother, Mrs. Baden-Powell, was about to visit him, arrangements were made with her for the Address and Casket to be retained at my office until later, when either the General or his mother should return to this country. Mrs. Baden-Powell returned to England a short time back, and after kindly giving the Press, at my request, an opportunity of seeing the Address and Casket, they were handed to her on behalf of her son. I understand that Major-General Baden-Powell has already sent his acknowledgments and thanks to Lieut.-Colonel W. V. Legge.

Vacant Chair of Law and Modern History, Hobart University.—Acting on instructions from you, my predecessor advertised for candidates for the vacant chair of Law and Modern History at the Hobart University. The applications were to be submitted, in the first instance, to W. Jethro Brown, Esq., LL.D., who had previously held that position. The response was by no means a large one, the inducements held out being apparently insufficient to tempt suitable men. The whole of the applications were forwarded to you for the decision of the Council of the University.

Freemantle as a Port of Call.—A notification was received from the Postmaster-General, London, that as the Mail Contractors had undertaken to make the change from Albany to Freemantle as a port of call, without any further modification of the existing time-table, he had decided to give effect to the wishes which it will be recollected were expressed by the Colonial Governments in 1896. The alteration has now been on trial for the stated time of twelve months, but as I have heard nothing as to the reversion to the old order of things, I presume the change has been found to work satisfactorily.

Reports of Chambers of Commerce.—Acting on the request of the Ulverston Chamber of Commerce, my predecessor collected information from the various Chambers of Commerce of this country as to their methods of procedure and their regulations. Full details were duly forwarded to the Ulverston Chamber.

Congresses.—My predecessor acted as the special Representative of the Chamber of Commerce of Hobart and Launceston at the Congress of Chambers of Commerce of the British Empire, and reported on the labours of the Congress to the two Chambers. A copy of this Report was forwarded under cover of his Despatch No. 65/430/00, dated 3rd August, 1900. Papers relative to the British Congress on Tuberculosis were forwarded to you, and the sending of a delegate invited. Dr. Crosby Walch, of Hobart, was subsequently appointed as delegate. I may add that I succeeded my predecessor as a Vice-President of the Congress.

Re Ballard.—My predecessor acted as Representative of the Supreme Court of Tasmania in connection with the case of H. H. Ballard, a lunatic residing in Tasmania, to obtain charge of certain stocks and shares which constituted his property. After some little difficulty an order of the Master in Lunacy was obtained for all the stock and share certificates to be handed over to the Supreme Court of Tasmania, to be administered for the benefit of the lunatic. These Certificates were received by my predecessor, who, acting under a Power of Attorney from the Judges' Associate, disposed of them as opportunity offered. The balance of the estate, after paying all expenses, was handed to the State Treasurer for payment to the proper authority.

Millers' Exhibition.—Samples of Wheat and Flour were received from Tasmania, and exhibited at the Exhibition of Foreign and Colonial Wheat, Flour, and Bread, held at the Royal Agricultural Hall last September. Of course the samples sent could not compare, as a display, with the representative courts of New South Wales and Queensland, but they created a considerable amount of interest, and compared favourably with those of the other countries among which they were placed.

Reduction of Cable Rates.—The agreement signed by my predecessor with the Eastern Extension Australasian and China Telegraph Company for the laying of a cable between Natal and Australia, and for the reduction of cable rates, which, it will be recollected, was also signed on behalf of the Governments of West Australia and South Australia, has lately been signed by the Agent-General for New South Wales on behalf of that Government.

Live Stock.—The Veterinary Inspector of Stock to the Government in this country, Mr. Thomas J. Wooff, M.R.C.V.S., has reported to the department from time to time, that he had inspected and passed altogether, 5 ewes, 7 rams, 1 horse, 1 shire stallion, 2 dogs, 1 bull, 4 Jersey cattle.

A quantity of stud poultry was also purchased and shipped to Tasmania for the Government Poultry Farm at Nubeena. It is to be regretted that a portion of this shipment, notwithstanding the extraordinary precautions taken, died on the voyage.

Destruction of Charloch.—In my predecessor's Despatch, No. 691, dated 14th December, 1900, a report of a system of destroying Charloch was forwarded to you, and this report has doubtless been brought under the notice of the Agricultural community.

Navigation Laws in Hawaii.—Your Agent-General was instructed by you to co-operate with his colleagues with a view to making representations to the United States Government in order that the restrictions imposed in connection with the shipping to Hawaii should be removed or modified, being, as they are, detrimental to the Australian shipping with those islands. The Agent-General for New South Wales was requested to open up negotiations with the United States Ambassador, who referred the matter to his Government, but that Government, unfortunately, was indisposed to re-open the question.

Signalling of Ships.—The Secretary of Lloyd's having approached this department with a view to the signalling of ships passing the lighthouses on the coast of Tasmania, and the telegraphing thereof through Lloyd's Agents, the matter was referred to you in my predecessor's Despatch No. 836, 1900. Your Government having sanctioned the necessary facilities to be given, the flags for signalling purposes were duly forwarded to you.

You were also approached on behalf of the same body with reference to a scheme for the connection of Swan Island with the Mainland by a system of ætheric signalling, but as, apparently, that was a matter more nearly concerning the Federal Government, this department was instructed that it was not deemed desirable to entertain the suggestion.

Commissions, Imperial Service.—I am glad to notice that Lieutenant Reynolds and Lieutenant Walch of the Tasmanian Defence Force have been granted Commissions in the South Staffordshire Regiment and Royal Field Artillery respectively. Mr. T. Eardley Wilmot has received a commission in the Royal Navy, and is appointed to *H.M.S. Royal Arthur*, and another young Tasmanian, Mr. Noel Hardy, has been appointed to one of His Majesty's ships.

Papers, &c., for other Governments.—During the year the following publications have been asked for, and supplied to other Governments of the British Empire, and Public Bodies, viz. :—

For the Government of Natal.....	} Acts relating to Real Estate. Registration of Firms Act.
For the Government of Lagos.....	
For the Association of Chambers of Commerce	Acts relating to Real Property. Registration of Firms Act.

An application for sample seed oats able to withstand rust was also forwarded on behalf of the Government of Natal.

Codlin Moth.—A paragraph having appeared in a popular journal here to the effect that a reward was being offered for the best means of destroying the Codlin Moth, several applications for particulars were received. As, however, I was unable to give any information on the point, the matter was referred to you, but up to the end of the year no information had been received. I now learn from your Despatch No. 212, 1st July, 1901, that no reward is at present offered. It will be of interest to the fruit-growing community of the State, to know that a gentleman named King Hedley, now staying in this country, and who has lived some years in Australia, has given the closest attention to the matter of the Codlin Moth, and claims to have found the best means of eradicating the pest by means of some new spray. At his earnest solicitation, I propose visiting the heart of the celebrated orchard country during this month in and around the district of Bewdley in Worcestershire, and I will take the opportunity of closely investigating the system employed and the result, and report to you accordingly.

Deceased Wife's Sister Bill.—This Bill, which is of so much importance to Australians, has again been introduced to the Imperial Legislature, but there seems to be no hope of it becoming law this session.

Van Diemen's Land Company's Charter.—*Circular Head Petition to Van Diemen's Land Company.*—Acting on your cabled instructions, I obtained and forwarded to you a copy of the Charter granted by George IV. to the Van Diemen's Land Company, together with a copy of Statute 6, Geo. IV. Cap. XXXIX., and it will not, perhaps, be out of place here to mention that my predecessor received from you and forwarded to the Directors of that company a copy of a Petition received from the inhabitants of the District of Circular Head, relative to the acquisition of seven acres of land for a proposed breakwater. A request was tendered, that favourable consideration of the prayer might be granted, but no advice has yet been received of any decision in the matter.

Coasting Steamers.—On behalf of the Tasmanian Tourist Association inquiries were made as to the cost of suitable steamers to ply between the Mainland and Tasmania of a kind to

attract tourists, who would be enabled to cross the Straits in comfort. After going carefully into the matter and ascertaining the cost of such a vessel, the Honourable Henry Dobson was advised of the result, but it is feared that the projected cost would be too great.

Reports and Publications.—During the year, among other reports and papers, there were sent to you—Army Lists, Navy Lists, Home Office Reports on Mines, Reports of the International Medical Congress on Venereal Diseases, and Consular Reports, &c.

Transcription of Records.—Under the supervision of Mr. James Bonwick, F.R.G.S., transcriptions are made of records relative to the early history of Tasmania. These papers are especially chosen for their points of interest, and the work carefully carried out by Miss M. J. Campbell, the transcriber engaged for the purpose. I may add, that this important work is controlled by Mr. Bonwick without cost to the Government, so far as his services are concerned.

Emigration.—Every possible advice and assistance is given to the large number of inquirers for information regarding the State. Publications are freely distributed, and each case judged, as far as possible, on its own merits. It is often very difficult to give adequate advice in a large number of these cases, and every precaution is taken that the person making the inquiry is not deceived as to his prospects, or any false hopes held out to him. At the same time there are sometimes cases in which a hard-working family who are willing to rough it, and to turn their hands to anything, such as farm labourers and domestic servants, are willing to emigrate, and I have no hesitation in encouraging such cases. The want of some central office or authority in Tasmania where emigrants can go on their arrival for reliable local advice as to where a respectable lodging can be obtained, and the prospects of employment ascertained, has long been felt, and lately, I have advised people who are leaving for Tasmania to call on the Government Immigration Agent at Hobart, who I am sure, will do all in his power to assist them, subject, of course, to your approval. In my Despatch No. 328, dated 31st May, 1901, I pointed out to you the advantages offered by the New Zealand Government to suitable emigrants who possess a certain amount of capital. I am sure that some people who now go to New Zealand would go to Tasmania, provided the equivalent reduction in their passage rates were available. I hope to have your views on this matter shortly.

I believe that the expenditure of the small amount necessary for the advertisements and working of the system would be reproductive. The shipping companies have not, of course, been yet approached on the subject, but I have little doubt that they will be ready to place Tasmania on the same level as New Zealand in this respect. I have been quite astonished at the number of people who write from all parts of the United Kingdom for information relative to Tasmania. It remains to be seen whether many of these will really emigrate.

Advertising.—Owing to there being no fund available for the purpose of advertising, but little is done in this direction. I may mention that the posters containing coloured pictures, received some time ago at this office from Tasmania, have not yet been exhibited at any railway station for want of funds. At the same time no chance is missed of keeping the resources and prospects of the State before the public, and the arrangement with Reuter for the publication of telegrams seems to work well. The messages are published in a variety of papers, and, consequently, brought under the notice of a large number of readers. Wherever it is possible, interviews are granted to Press representatives, which are published in their journals. The publications supplied to this office comprising Official Handbooks, Walch's Almanacs, Mining Acts, Regulations and Reports (Annual and Quarterly), Surveyor-General's Reports, Crown Lands Guides, Tourists' Guides, Survey Maps, &c., have not been so widely distributed as I could have wished, but I hope to be able to inform you, shortly, that this state of things has improved.

Owing to the supply of lantern slides not being delivered at this office when they were expected, it was not found possible to arrange for a series of lantern lectures in this country; but the splendid assortment which I have now here will be utilised freely during the coming season, and it is hoped a large number of lectures will be given. A very successful lecture was given at Worcester, by Mr. H. Ely, at the invitation of the Committee of the Technical Institution, in February last. There were about 300 people present, principally of the better artizan class, and it was evident that the lecture caused a very favourable impression.

My predecessor, last December, at the Imperial Institute, read a paper by Dr. Benjafield, of Hobart, on "Tasmania as a Sanatorium." Sir William Broadbent, the eminent physician, was in the chair. The subject aroused great interest, letters on the subject being received from all parts of the country. By arrangement with the proprietors of the Imperial and Colonial Magazine, the paper was printed, and copies, as occasion offers, are given where they are likely to be productive of good. Views of Tasmania were also inserted in the work, "Hopetoun Souvenir," which was published to celebrate the Commonwealth and the appointment of the Earl of Hopetoun as Governor-General of Australia. In order that Tasmania should not be the only State left out of the work, my predecessor authorised the necessary outlay, which subsequently received your approval.

Commercial Bureaux.—Sir Andrew Clarke, during his term of office, was approached by the Secretary of State for the Colonies for an expression of his views as to the formation (in connection

with His Majesty's Board of Trade) of a Commercial Bureau and Museum of Foreign Products and Manufactures sold in the Colonies, in order to facilitate and foster trade between the British manufacturers and the British colonies. After consulting with various gentlemen here interested in Tasmanian trade, a reply was forwarded by Sir Andrew Clarke, in which his conclusions were pointed out. My predecessor, whilst promising every assistance, and assuring the Secretary of State for the Colonies of his sympathy with the movement, pointed out certain difficulties in the way, and suggested that the Colonies should be more closely identified with the Committee of Management. A copy of this communication was forwarded under cover of Sir Andrew Clarke's Despatch, No. 52-162-01. From a later letter from the Colonial Office, copy of which was also sent to you, it will be recollected that it was decided to ask the Governor-General of Australia to appoint such a representative to act on the Committee.

I was personally much interested in Sell's system of disseminating commercial information of a character likely to benefit British and Australasian trade, which was explained to you in my Despatch, No. 82-309-01, dated 24th May last. Sell's Commercial Intelligence Bureau is the result of a laborious arrangement of information collected from all parts of the world, and receives much support from the commercial world in this country.

Timber.—I regret to have to report that but little is being done, so far as a trade with this country is concerned, with Tasmanian timber. I understand, however, that another consignment of blue-gum piles, for the National Harbour Works at Dover, will shortly arrive in this country, and that may again bring the matter prominently forward.

I am glad to say that Mr. Cole Kemsley, who for so long endeavoured to raise capital for the development of certain timber leases in the State, was successful in floating a company, with a capital of £50,000. I believe that operations are being actively pushed forward, so it is possible that in the near future shipments of Tasmanian hardwoods will again be made to this country.

Trustees' Investment in Colonial Funds.—The Bill to enable Trustees to invest in Colonial Stock having passed both Houses of the Imperial Parliament, and received the Royal Assent, a notification was received from the Treasury, through the Colonial Office, that the Lords Commissioners of the Treasury would be prepared to make such Colonial Stocks as may come within the provisions of "The Trustees Act" available for funds, on the following conditions being complied with:—

- "(1.) That provisions of Colonial Stock Acts have been complied with as regards every security to be included, or if not, that Colony will at once introduce legislation necessary to comply with said Acts, which will be amended to admit application to existing securities. (2.) That Colony will legislate for payment from local revenues of sums adjudicated by English Courts to be payable to stockholders, and that adequate provision will be made in this country, by guarantee of financial house of high standing or by other means, for payment of sums adjudged due. That Colonial Governments place on record definite opinion that any Colonial Act in opinion of Imperial Government altering provisions now required injuriously to stockholders, or otherwise altering original contract as regards inscribed stock, would be properly disallowed."

To assist in this the Secretary of State for the Colonies forwarded a copy of an Act passed by the New Zealand Parliament, enabling the conditions to be complied with, which he suggested should serve as a model to other Colonies and States who might desire to legislate on the subject.

I have always strongly advocated legislation upon this subject, and from inquiries recently made I learn that in the opinion of some financiers the fact that the stocks of a State are eligible as trust investments will probably make a difference of as much as one per cent in the price obtained by such State upon the flotation of a loan. I was, therefore, very glad to receive your cabled advice that the necessary Bill was being introduced into the Tasmanian Parliament. It is to be hoped that the model Bill has not been materially departed from, and that every care has been taken to legislate with sufficient scope to enable the full conditions of the Treasury minute to be complied with. I am given to understand that some of the other Australian States have not introduced effective legislation, and now, when it is desired to complete the necessary formalities, complications have arisen.

I understand that *South Australia* has not yet introduced the necessary enactment; and the constitution of *Cape Colony* being suspended, of course it has not been possible for that Government to take any steps to effect this.

There is no doubt, however, that ere long most of the Colonial or State Loans that are now, or hereafter may be, eligible under "The Trustees Act," will become absorbed by Trust Funds; and from Appendix A (annexed), it will be interesting to gather the price at which the various stocks stood at the end of June last, and the net return to the investor.

Finance.—During the twelve months under review the money market has been watched with the closest attention, and the comparative statements (tables B. and C. annexed) between our 3½ per cent. and 4 per cent. Stocks and those of New South Wales, will be of interest.

On the whole, when the position of Tasmania is compared with that of New South Wales, the above figures speak very favourably for the credit of our State, though, probably, her abstention as a recent borrower may be a strong factor in that direction.

Our 4 per cent. debentures have fluctuated between 100 and 106. The business done in these securities is comparatively slight, and, as you are doubtless aware, the highest prices are those quoted for the longest-dated bonds.

To meet liabilities on account of loans due on the 1st January, 1901, the deposits (given in tables D. and E. annexed) were arranged at the London and Westminster Bank, the interest earned being £1982 18s. 11d., including interest allowed on the Government Account. Special attention is paid to the above matter, and as far as possible, and having regard to the exigencies of the department, no money is allowed to lie idle. The Cash Accounts for the year 1st July, 1899, to 30th June, 1900, show the following transactions :—

On Loan Account.

Balance forward and Receipts.....	£547,572
Expenditure	£291,242

On Public Account.

Balance forward and Receipts.....	£65,956
Expenditure	£57,576

The Receipts for the Public Account consist of transfers from Government Account, Collections from War Office for payment of Contracts, &c.; collections on account of Postal Orders, payments from Promoters of Great Western Railway Company, and from His Majesty's Paymaster-General. The expenditure included on account of Pensions paid, £490; Defence Department, £10,125; Post and Telegraph Department, £912; Government Railway Department, £31,285; Drafts presented at office from State, £7348, &c.

Colonial Loans.—The following issues of Colonial Stock have taken place in London during the year :—

Queensland.....	£1,400,000	3 per cent., minimum	£94.
West Australia	£800,000	3½	£100.
Victoria	£3,000,000	3	£93 10s.
Natal	£1,555,000	3	£92 10s.

In each instance the issue was underwritten, and, in the case of the Queensland loan, it was stated that as much as 99 per cent. fell on the underwriters, the average price obtained being only £94 0s. 1d. Of course, the market was undoubtedly unfavourable, and the events at the time had a most marked influence; at the same time, Queensland has been a frequent borrower of late years. It will be noted in the case of the West Australian loan that the rate of interest is placed at 3½ per cent., being an increase of ½ per cent. on the rates for the last few loans of this Government. The Victorian loan was floated under more favourable circumstances, the money being simply required for purposes of redemption of loans bearing higher rates of interest, thereby decreasing instead of increasing, the annual charge on the Consolidated Revenue of that State.

In my Despatch, No. 74-423-01 dated 12th July, I have called special attention to the system of underwriting which seems to obtain as a matter of course as regards the flotation of all Colonial loans. It is much to be regretted that the system cannot be dispensed with, because each State has to pay on the full amount of any loan, the sum of 1¼ per cent., which goes into the pockets of brokers and underwriters. This is in addition to the ordinary charge of ¼ per cent. made by the bankers.

Tasmanian Issues.—There have been but few flotations connected with Tasmania, and they are as follows :—

Tasmanian Tinber Corporation.....	£50,000
Tasmanian Portland Cement Syndicate	£10,000

Imperial Government Borrowing.—The heaviest operator, of course, has been the Imperial Government, to meet the expenditure entailed by the war in South Africa and the operations in China. No less than £30,398,000 in Treasury Bills has been raised, the applications for which amounted to over £109,000,000 sterling, £24,000,000 in exchequer bonds borrowed, and £60,000,000 2¼ consols issued. Of this, £30,000,000 was taken up by certain financial houses before the loan was officially announced; the balance was issued publicly at £94 10s. There were no figures made known by the authorities in connection with this transaction, but it was generally estimated that the applications totalled £240,000,000 sterling.

The Money Market.—The Money Market this year has been but little better than the previous one. With the uncertainty of the China troubles, and the war in South Africa tediously dragging on, and with the knowledge that the Imperial Government was bound to come continually for money, there is little wonder that matters have been in such an unsettled state. Towards the spring there were signs of improvement, but a little later the boom and consequent disaster in American securities caused another deep depression, closely followed by the commercial crisis in Germany.

Bank Rates.—The Bank Rates throughout the year have been as follow :—

19th July, 1900, to 3rd January, 1901, 4^o/_o.
 3rd January to 7th February 4½^o/_o.
 7th February to 21st February, 4^o/_o.
 21st February to 8th June, 3½^o/_o.
 8th June to 13th June, 3^o/_o,

at which it stood on the 30th June last.

Bankers' and Discount Houses' rates have been from 1 per cent. to 1½ per cent. lower than Bank of England Rates.

Imperial Consols were, in the month of June last, quoted as low as 93.

Silver.—Silver has been fairly steady throughout the year. In July, 1900, the highest price attained was 28¾^d. per oz. Rising to 30³/₁₆ in October, it remained steady at from 29¹/₁₆ to 29¹¹/₁₆ in November, December, and January, and fell to 27⁵/₈, about which it remained at the end of June.

Tin.—Tin started this year under view very well at £140. Rising to £145 15s. in August, 1900, it fell gradually to £121 15s. in February last, and sharply to £116 in the following month. In May, however, it rose to £130 17s. 6d., the June sales closing about £127 15s.

Copper.—Copper has been steady throughout, with a gradual decline. In July, 1900, it was £74 12s. 6d. per ton, the closing sales of June being at £69 10s.

Wool.—This has been an exceedingly bad year for wool, so much so that one of the usual sales towards the close of the year had to be abandoned. The autumn sales showed a fall of 10 per cent. to 15 per cent on merinos, and 5 per cent. to 7½ per cent. on fine and medium kinds.

On the prices of the previous sales, the first series of the present year, however, showed an improvement of 5 per cent. to 7½ per cent. on crossbreds, and 5 per cent. on fine kinds. The second series showed a still further increase of 7¼ per cent. to 10 per cent. for greasy, and 5 per cent. for other kinds, but the third series showed a drop of 5 per cent. to 10 per cent. for fine, and 7½ for crossbreds. The stock in various parts of the world must be getting low, and should it become necessary for them to be replenished, prices should show some improvement in the near future.

Fruit Season, 1901.—The sales in connection with each shipment of fruit from Tasmania have been attended to by Mr. H. Ely, the Secretary to this department, who has furnished his usual careful and exhaustive report each week. These reports were forwarded to you. A report on the whole season from the above mentioned Officer will be forwarded to you under cover of a separate despatch, by this week's mail.

Great Western Railway.—A syndicate was formed called the "Tasmanian Exploration and General Development Company," to carry out the provisions of the Act of Parliament, and to employ 200 men constantly in surveying and preparing the country along the line of the route. I have, accordingly, received from the 1st October up to the end of June, from the syndicate, a total sum of £18,000 in regular monthly instalments, you being requested to pay a like sum to the representatives of the promoters out of the State Treasury.

In order to obtain an independent report, Mr. John Brunlees, a railway engineer of considerable experience, and well known in this country, was sent to examine the concession and report thereon to the Directors. I have not seen a copy of his report, but I am given to understand that Mr. Brunlees was very favourably impressed with the concession, and that he reported accordingly. On the return of Mr. Brunlees, the syndicate found themselves confronted with the possibility of the concession lapsing, owing to effluxion of time. This would have proved fatal to any attempt to float the company, the formation of which is necessary to build the line and develop the surrounding country.

Being assured that if the Government would pass a Bill for an extension of time, the chances of completing the flotation of the company were favourable, I had little hesitation in telegraphing to you recommending the passing of such a Bill.

That having been done, it is regretted that, owing to various causes, for which the promoters of the scheme cannot be held responsible, it has not been found practicable, at present, to float the company. At a time when the market appeared to be getting favourable there came the American crisis, and the commercial crisis, with its attendant disasters in Germany. When there appeared to be some sign of a slight improvement, the holiday season arrived, and it was useless to attempt any business of a large financial character.

It is to be hoped that the coming autumn and winter will show more favourable symptoms as regards the money market generally, though, if the Imperial Government come forward again as large borrowers, there may be a plethora of investments for trustees.

Consulting Engineer.—The assistance of the consulting engineer to this department, Mr. J. Meilbek, C.E., continues to be of much value and advantage to the State, in connection with Public Works and Railway orders.

Shipping Agents.—In Messrs F. Tallack and Son, this department has the advantage of most experienced shipping agents to superintend and take charge of the various shipments from this country.

General.—Constant attention is being given to matters of a varied and general character.

Inquiries personally and by letter concerning tariffs, taxation, land, mining laws, emigration matters, the statute law of Tasmania, and the purchasing of Government stores, &c., and the necessary correspondence and interviews on these and other matters, require considerable time and attention, more than justifying the existence of this department. Attention is also called to the large cash and money transactions, of which particulars are given.

It will not be inappropriate to advise you at this juncture, that the correspondence sent out from this department from the 1st July, 1900, to 30th June, 1901, inclusive, was as follows:—

Number of despatches to your Government..... 737
Number of inland letters..... 3713

These figures show a great increase over those of previous years.

Mr. R. B. Packer has vacated his position as clerk in this department, and such vacancy has been filled by Mr. G. W. Wright.

Mr. Wright, in addition to being an experienced clerk, is also a shorthand writer and typist, and his services generally, will, it is believed, be of great use to this department.

I have the honour to be,

Sir,

Your most obedient servant,

ALFRED DOBSON, *Agent-General.*

APPENDICES.

A.

Colony or State.	Percentage.	Amount.	Date of Maturity.	Quotation end of March, 1900.	Net Return.
		£			£ s. d.
Canada.....	3 per cent. Reg.	10,086,021	1938	100	3 0 0
ditto.....	2½ per cent. Ins.	2,000,000	1947	89	2 16 2
Cape of Good Hope.....	4 per cent. Reg.	2,100,452	1917-23	105½	3 15 10
ditto.....	4 per cent. Ins.	3,733,195	1923	110	3 12 9
ditto.....	3½ "	5,656,780	1929-49	103	3 7 11
ditto.....	3 "	4,357,400	1933-43	94¾	3 3 7
Natal.....	4 "	297,682	1927	110	3 12 9
ditto.....	4 "	3,026,444	1937	113	3 10 9
ditto.....	3 "	2,555,000	1929-49	92	3 5 3
New South Wales.....	4 "	9,636,300	1933	113	3 10 9
ditto.....	3½ "	16,500,000	1924	104	3 7 3
ditto.....	3½ "	12,826,200	1918	105	3 6 8
ditto.....	3 "	5,500,000	1935	99½	3 0 6
New Zealand.....	4 "	29,150,302	1929	113¾	3 10 7
ditto.....	3½ "	6,161,167	1940	108¾	3 4 7
ditto.....	3 "	3,634,005	1945	98¾	3 0 9
Queensland.....	3½ "	8,576,734	1921-4-30	101	3 9 1
ditto.....	3½ "	1,250,000	1945	105	3 6 8
ditto.....	3 "	2,900,000	1922-47	93	3 4 6
South Australia.....	3½ per cent. Reg.	2,517,800	1939	104	3 7 3
ditto.....	3 "				
ditto.....	3 "				
Victoria.....	4 "	6,000,000	1920	110¾	3 12 3
ditto.....	3½ "	12,000,000	1921-3-6	104	3 7 3
ditto.....	3 "	4,591,579	1929-49	95½	3 2 7
West Australia.....	4 "	975,830	1934	112	3 11 5
ditto.....	3½ "	880,000	1920-35	101½	3 8 11
ditto.....	3 "	1,000,000	1927	92½	3 4 10
Tasmania.....	4 "	1,000,000	1920-40	109	3 13 5
ditto.....	3½ "	3,456,500	1920-40	103½	3 7 7
Imperial Consols.....	2½ "	502,657,133	1923	93½	2 18 10
	1903, then 2½				

NOTE.—All the above Stocks, in accordance with the conditions of the Trustees Act, have a currency of more than 15 years, and they are not quoted at a premium exceeding 15 per cent.

E.

To meet Liabilities on account of Loans due on the 1st July, 1901, the following Deposits were arranged at the same Bank, the interest earned being £1,216 16s. 11d., including that on the balance of the Government Account.

Date.	Deposit.	Period.		Number of Days.	Rate.	Interest.	Total Amount of Interest on Deposit.
		From	To.				
1901.							
Jan.	25,000	January 8	June 24	167	per cent. 3½	£ s. d. 400 6 5	£ s. d. 400 6 5
March 11	25,000	March 11	June 24	105	3	215 15 0	215 15 0
June 11	100,000	June 11	June 24	13	Credited	Gov. account	
June 24	65,000	June 24	"	"	
Interest earned on Government Account							600 15 6
							<u>£1216 16 11</u>