

made by Coghlan, and indicates very clearly the slower rate of the second period. Comparing the decades 1871-81 and 1881-91, the acreage under crop in Australia increased by 107 per cent. in the first, but by only 27 per cent. in the second; flocks and herds grew by 70 per cent. in the first period, but the rate declined to 37 per cent. in the second; population rose by 43 per cent. in the first decade, but the rate had fallen away to 34 per cent. for the second, despite the fact that capital was being spread ever more thickly on the land.

As a justification of expanding debt, however, the real test lies not so much in acres occupied, nor in stock and people supported thereon, as in the increasing value of production. The following table, therefore, reviews the production of the continent from the standpoint of value available for export. The figures are corrected for the movements of interstate trade; and the most remarkable feature is the poor showing made by Victoria during the period of greatest capital importation.

TABLE XII
Exports from Australian Colonies

	1879. £ m.	1890. £ m.	Increase. £	Per cent.
New South Wales . . .	9.97	16.96	6.99	70
Victoria	7.28	7.91	0.63	9
Queensland	3.04	8.41	5.37	176
S. Australia	3.81	4.49	0.68	18
W. Australia	0.45	0.66	0.21	46
Tasmania	1.29	1.43	0.14	11
TOTALS	25.64	39.86	14.22	55

It must be noted that this is scarcely a fair representation of the *volume* of production. The fall in prices¹ of Australian products between 1880 and 1890 meant a loss of £32 millions for the year 1890 alone, since the volume of production had increased by nearly 50 per cent. during the ten years. On the basis of production, therefore, the year 1881 yielded £25 per head, whilst 1890 gave £23 per head during a period when interest indebtedness increased by £2 per head. In other words,

¹ On the fall in prices as it affected Australia's finances see the paper by David Murray before the Adelaide Chamber of Commerce, 1893, *The Appreciation of Gold*; and also the Commonwealth Labour Report, No. 1, p. 51.