

THE FINANCIAL DEPRESSION IN AUSTRALASIA.

BY VORTIGERN.

THE unparalleled and unprecedented wave of financial depression sweeping over Australia and wrecking its banks is not without its lesson. One can form no idea of the dire disasters this merciless storm is causing. It is pitiful to behold the abject poverty existing everywhere, especially in Melbourne. Families that could write out cheques for \$1,000,000 four years ago are now without a cent to their names, and in the majority of cases liable to be called upon to give up to satisfy angry creditors any money they might possibly earn. There are at least 50,000 empty houses in Melbourne. Thousands of desperate and disappointed people would gladly leave Australia were it not for the great distance that separates them from the rest of the world, and for their inability to obtain the necessary money.

The continent of Australia is divided into five colonies :

	<i>Capital.</i>
Western Australia.....	Perth.
South Australia.....	Adelaide.
Queensland.....	Brisbane.
New South Wales.....	Sydney.
Victoria.....	Melbourne.

Adding the island colonies of New Zealand and Tasmania, we have also in Australasia :

	<i>Capital.</i>
New Zealand.....	Wellington.
Tasmania.....	Hobart.

Each has its own responsible government, consisting of an upper and a lower house, elected by the people ; and a governor appointed by the British Government. New Zealand, some few years ago, raised large loans in England, and plunged headlong into excessive expenses by building docks, railroads, bridges, large public buildings and other great enterprises that proved unremunerative. Reverses fol-

lowed, and the Bank of New Zealand suffered severely. Ten years ago the colony was at its worst ; but with the policy of retrenchment inaugurated, and an absolute stoppage of borrowing, combined with continued good harvests and a largely increased trade in frozen mutton with England, it is to-day in the most satisfactory financial condition of any of the colonies, its last budget showing a surplus of £200,000.

Western Australia is largely unexplored, and is quite a new colony ; so has had little or no chance to experiment much yet. South Australia is comparatively new, too, and although suffering in sympathy with the others, has not reached the sensational state they have. Queensland has been very heavily knocked by reckless plunging and the late gigantic floods that swept away over \$10,000,000 worth of property and left 20,000 people homeless.

Sydney, the capital of New South Wales, is over a hundred years old, and is in every respect a lovely city. The public buildings are very beautiful, but have been erected on capital borrowed in the "Old Country" in a most extravagant manner. Ugly rumours as to the colony's ability to repay these loans led to its inability to borrow freely. This brought about the lack of confidence and the comparative stagnation that has led to the failure in that city of a large number of small, though large-dividend-paying, financial concerns, founded on the most unsound principles.

Even in sleepy little Tasmania, which, to the visitor, would seem forever bathed in evening's twilight and tranquillity, failures followed each other quickly. The Bank of Van Diemen's Land, founded over fifty years ago, closed its doors in August, 1891, after