

## CHAPTER VIII.

## FINANCE.

## A. COMMONWEALTH FINANCE.

## § 1. General.

1. **Financial Provisions of the Constitution.**—The main provisions of the Constitution relating to the initiation and development of the financial system of the Commonwealth are contained in Chapter IV., "Finance and Trade," being sections 81 to 105 of the Constitution Act. Two other sections which have a most important bearing on questions of Commonwealth finance are sections 69 and 51.

Section 69 provides for the transfer to the Commonwealth from the States of certain specified departments, while section 51, in outlining the powers of the Federal Parliament, implies the transfer or creation of various other departments. Section 87 deals with the financial relations between the Commonwealth and the States. These matters have been treated in some detail in previous issues of the Official Year Book up to and including No. 12, and further reference to them will not be made here.

The Commonwealth Treasury issues annually a document entitled "The Treasurer's Statement of Receipts and Expenditure during the year ended 30th June," with which is incorporated the report of the Commonwealth Auditor-General for the year. This series of annual statements is the principal authority for the majority of the tables given herein.

2. **Accounts of Commonwealth Government.**—The Commonwealth Government like the States Governments, bases its accounts mainly upon three funds, the Consolidated Revenue Fund, the Trust Fund, and the Loan Fund. The last mentioned fund came into existence in the financial year 1911-12, but on the outbreak of war it became so important that it was treated in two parts—a General Loan Fund mainly for purposes of Public Works, and a War Loan Fund for purely military purposes. The accounts of these funds are now so interwoven that a complete view of Commonwealth Finance can hardly be obtained by separate analyses of each. Two tables are therefore appended, showing receipts and disbursements from all sources for the last five years. The different funds will then be treated in detail in the subsequent paragraphs.

## COMMONWEALTH RECEIPTS, 1924-25 TO 1928-29.

Heading.	1924-25.	1925-26.	1926-27.	1927-28.	1928-29.
	£	£	£	£	£
Consolidated Revenue .. ..	67,697,124	70,201,049	75,541,761	73,808,227	74,894,908
Interest on States' Debts payable by States .. ..	1,157,685	2,084,757	2,626,474	2,861,995	4,080,643
Trust Funds in aid of Revenue ..	2,591,153	3,109,529	285,897	2,821,494	.. ..
Deficit .. ..	.. ..	.. ..	.. ..	2,628,743	(a) 2,358,975
<b>Total .. ..</b>	<b>71,445,962</b>	<b>75,395,335</b>	<b>78,454,132</b>	<b>82,120,459</b>	<b>81,343,526</b>
<b>Loan Fund .. ..</b>	<b>16,565,704</b>	<b>32,814,796</b>	<b>7,755,173</b>	<b>32,603,133</b>	<b>15,659,389</b>
Unexpended Balance from pre- vious year .. ..	2,487,812	3,411,612	6,212,225	3,223,369	4,320,631
<b>Total .. ..</b>	<b>19,053,516</b>	<b>36,226,408</b>	<b>13,967,398</b>	<b>35,826,502</b>	<b>19,980,020</b>
<b>Grand Total .. ..</b>	<b>90,499,478</b>	<b>111,621,743</b>	<b>92,421,530</b>	<b>117,946,961</b>	<b>101,323,546</b>

(a) The accumulated deficit at 30th June, 1929, was £4,987,718.

## COMMONWEALTH EXPENDITURE, 1924-25 TO 1928-29.

Heading.	1924-25.	1925-26.	1926-27.	1927-28.	1928-29.
Expenditure from Consolidated Revenue .. .. .	£ 55,552,303	£ 60,903,425	£ 64,457,355	£ 67,353,784	£ 68,217,245
Balance paid into Special Trust Funds .. .. .	3,109,530	285,897	2,821,494	..	..
Expenditure from Special Trust Funds .. .. .	2,591,153	3,109,530	285,897	2,821,494	..
Payments to or for the States ..	7,535,291	7,951,727	8,262,912	9,083,186	9,036,638
Balance of Interest on States' Debts (Recoverable from States) .. .. .	1,157,685	2,084,757	2,026,474	2,861,995	4,089,643
Special Redemptions from Revenue .. .. .	1,500,000	1,000,000	..	..	..
<b>Total .. .. .</b>	<b>71,445,962</b>	<b>75,395,336</b>	<b>78,454,132</b>	<b>82,120,459</b>	<b>81,343,526</b>
<b>Loan Fund Expenditure—</b>					
New Works, etc. .. .. .	6,341,758	7,678,856	7,051,123	6,888,099	5,974,868
War and Repatriation .. .. .	975,612	324,224	697,289	723,842	1,660,479
Redemptions .. .. .	8,324,534	22,011,103	2,995,612	23,888,930	6,503,391
Unexpended Balance .. .. .	3,411,612	6,212,225	3,223,369	4,320,631	(a) 5,841,282
<b>Total .. .. .</b>	<b>19,053,516</b>	<b>36,226,408</b>	<b>13,967,398</b>	<b>35,826,502</b>	<b>19,980,020</b>
<b>Grand Total .. .. .</b>	<b>90,499,478</b>	<b>111,621,744</b>	<b>92,421,530</b>	<b>117,946,961</b>	<b>101,323,546</b>

(a) Of this amount £4,937,718 has been temporarily advanced to meet the Consolidated Revenue Fund deficit.

## § 2. Consolidated Revenue Fund.

### Division I.—Nature of Fund.

The provisions made for the formation of a Commonwealth Consolidated Revenue Fund, and the means to be adopted for operating on the fund, are contained in sections 81, 82, and 83 of the Constitution. Further particulars in this regard have been given in previous issues of this work.

### Division II.—Revenue.

Sources of Revenue.—(i) *General.* The following table furnishes details of the revenue from each source and the amount per head of population under each of the three main headings during the years 1924-25 to 1928-29 :—

## COMMONWEALTH CONSOLIDATED REVENUE—SOURCES, 1924-25 TO 1928-29.

Source.	1924-25.	1925-26.	1926-27.	1927-28.	1928-29.
	£	£	£	£	£
Taxation (a) .. .. .	52,835,890	54,373,003	58,994,809	56,637,858	56,303,489
Per head of population .. ..	£8 19 11	£9 1 6	£9 13 1	£9 1 9	£8 17 8
Public Works and Services (a) ..	10,331,523	11,121,524	12,084,553	12,907,304	13,404,412
Per head of population .. .. .	£1 15 2	£1 17 1	£1 19 7	£2 1 5	£2 2 4
Other Revenue—					
Interest on States' Debts, payable by States .. .. .	1,157,685	2,084,757	2,626,474	2,861,995	4,039,643
Other Interest, Discount, etc. ..	2,200,554	2,509,589	2,448,220	2,490,978	3,521,941
Coinage .. .. .	107,275	332,014	373,071	203,252	92,898
Defence .. .. .	139,078	130,662	152,494	132,877	117,614
Quarantine .. .. .	36,599	30,553	40,451	31,547	26,284
Territories (b) .. .. .	38,720	41,973	34,385	23,182	35,613
Patents, etc. .. .. .	39,026	42,017	41,594	44,258	44,917
Lighthouses .. .. .	205,170	198,353	202,143	212,490	210,162
Pension Contributions .. .. .	51,868	56,781	51,575	55,439	44,291
Defence Trust Account .. .. .	7,413				
Net Profit on Australian Note Issue	1,277,975	1,048,062	852,357	846,274	694,642
Miscellaneous .. .. .	426,233	316,516	266,109	222,768	398,645
Total .. .. .	6,687,596	6,791,277	7,088,873	7,125,060	9,276,650
Per head of population .. .. .	£0 19 5	£1 2 8	£1 3 2	£1 2 11	£1 9 3
Grand Total .. .. .	68,854,809	72,285,806	78,168,235	76,670,222	78,984,551
Per head of population .. .. .	£11 14 6	£12 1 3	£12 15 10	£12 6 1	£12 9 3

(a) For details, see succeeding pages.

(b) Exclusive of Railways and other items which appear elsewhere under their appropriate headings.

(ii) *Taxation.*—(a) *Customs Revenue.* Particulars for the five years 1924-25 to 1928-29 are furnished in the following table :—

## COMMONWEALTH CUSTOMS REVENUE, 1924-25 TO 1928-29.

Classes.	1924-25.	1925-26.	1926-27.	1927-28.	1928-29.
	£	£	£	£	£
Stimulants .. .. .	2,740,191	2,945,846	2,908,982	2,820,547	2,658,071
Narcotics .. .. .	1,889,604	2,075,940	2,201,550	2,374,659	2,412,859
Sugar .. .. .	10,414	20,438	20,112	16,797	11,654
Agricultural products	1,118,219	1,287,944	1,547,711	1,403,054	1,262,065
Apparel and textiles	5,524,439	5,179,366	6,233,206	5,802,848	5,362,694
Metals and machinery	4,433,374	4,895,918	5,654,629	5,284,993	4,949,249
Oils, paints, etc. ..	792,994	950,991	2,173,367	2,594,879	3,092,522
Earthenware, etc. ..	654,120	688,321	735,699	704,207	710,052
Drugs and chemicals	465,174	525,649	561,530	520,424	545,958
Wood, wicker and cane	1,152,269	1,349,687	1,384,469	1,594,825	1,583,145
Jewellery, etc. ..	875,365	866,799	951,691	845,099	870,130
Leather, etc. ..	1,576,032	1,770,373	1,577,765	1,124,091	743,948
Paper and stationery	724,370	682,745	751,254	760,448	762,357
Vehicles .. .. .	3,038,209	3,064,427	3,340,556	2,534,738	3,193,211
Musical instruments	504,419	466,054	526,482	364,326	267,824
Miscellaneous articles	845,993	1,007,789	1,192,059	1,040,080	998,785
Other receipts	59,975	61,602	77,538	62,364	78,231
Total Customs .. .. .	26,405,161	27,839,889	31,832,600	29,848,379	29,502,755

(b) *Excise Revenue.* Particulars concerning the amount of Excise collected under each head during each of the years ending 30th June, 1925 to 1929, are given hereunder :—

## COMMONWEALTH EXCISE REVENUE, 1924-25 TO 1928-29.

Particulars.	1924-25.	1925-26.	1926-27.	1927-28.	1928-29.
	£	£	£	£	£
Beer .. ..	5,642,646	5,847,974	6,103,004	6,155,661	6,190,725
Spirits .. ..	1,766,526	2,026,415	2,061,573	1,881,040	1,756,957
Tobacco .. ..	3,349,095	3,457,052	3,533,984	3,544,602	3,597,061
Starch .. ..	17,368	15,539	9,647	4,737	134
Licences .. ..	11,985	12,009	11,670	12,311	10,939
<b>Total Excise ..</b>	<b>10,787,620</b>	<b>11,358,989</b>	<b>11,719,878</b>	<b>11,598,351</b>	<b>11,555,816</b>

(c) *Land Tax.* Details in regard to rates of tax, etc., will be found in Official Year Book No. 14 at the end of Section XX. The following table shows the collections during the past five years.

## COMMONWEALTH LAND TAX COLLECTIONS, 1924-25 TO 1928-29.

State.	1924-25.	1925-26.	1926-27.	1927-28.	1928-29.
	£	£	£	£	£
New South Wales .. ..	1,172,317	1,079,414	1,070,670	1,223,308	1,289,158
Victoria (a) .. ..	944,997	1,074,265	1,094,050	1,292,966	1,225,185
Queensland .. ..	114,874	46,138	79,445	84,756	84,723
South Australia .. ..	182,191	198,630	258,521	314,523	256,885
Western Australia .. ..	62,503	78,778	71,379	77,380	96,356
Tasmania .. ..	42,829	44,685	41,835	37,273	36,578
<b>Total .. ..</b>	<b>2,519,711</b>	<b>2,521,910</b>	<b>2,615,900</b>	<b>3,027,206</b>	<b>2,988,885</b>

(a) Including Central Office.

(d) *Estate Duty.* Collections from this source for the five years 1925 to 1929, are given hereunder :—

## COMMONWEALTH ESTATE DUTY COLLECTIONS, 1924-25 TO 1928-29.

Year.	N.S.W.	Vic. (b)	Q'land.	S. Aust.(a)	W. Aust.	Tas.	Total.
	£	£	£	£	£	£	£
1924-25 ..	604,358	496,723	87,820	116,950	58,380	16,820	1,381,051
1925-26 ..	547,712	515,570	95,827	180,991	41,993	29,243	1,411,336
1926-27 ..	479,011	544,600	128,096	159,405	26,051	25,188	1,362,351
1927-28 ..	666,588	634,999	126,316	181,160	99,056	43,999	1,752,118
1928-29 ..	627,103	1,068,138	151,448	125,776	65,572	42,112	2,080,149

(a) Including Northern Territory.

(b) Including Central Office.

(e) *Income Tax.* The first Commonwealth Income Tax was levied during the financial year 1915-16. The legislation on the subject comprises the Income Tax Assessment Act No. 34 of 1915, and subsequent amending Acts. Full details as to the original Acts are to be found in Commonwealth Official Year Book No. 9. The result of the last five years' collections was as follows :—

## COMMONWEALTH INCOME TAX COLLECTIONS, 1924-25 TO 1928-29.

State in which Collected.	1924-25.	1925-26.	1926-27.	1927-28.	1928-29.
	£	£	£	£	£
New South Wales (a) ..	3,579,546	3,640,219	4,365,567	3,606,463	3,704,763
Victoria (b) ..	5,159,331	4,703,200	4,564,995	4,691,068	4,225,958
Queensland ..	679,745	980,852	914,269	745,184	769,631
South Australia ..	1,110,015	844,076	803,730	669,904	667,077
Western Australia ..	327,607	501,982	367,565	336,657	343,849
Tasmania ..	277,226	185,024	108,130	114,165	127,997
Northern Territory ..	2,874	2,693	2,022	1,734	2,221
Total ..	11,136,344	10,858,046	11,126,278	10,165,175	9,841,496

(a) Includes Federal Capital Territory.

(b) Including Central Office.

Agreements between the Commonwealth and all the States except Western Australia made in 1923 provide that the Commonwealth Tax and the State Tax shall be collected by an officer acting for the Commonwealth and State, the Commonwealth appointing the State Commissioner as Deputy Commissioner for the State under the Income Tax Assessment Act of the Commonwealth. Provisions are included relating to the transfer of officers, the accounting of receipts, and the division of expenses. A joint form of Income Tax return is to be used in cases where the income is derived in one State only. The respective agreements are to remain in operation for a period of five years, and thereafter until the expiration of not less than six calendar months, upon notice in writing by either party to the agreement.

In Western Australia an arrangement was made previously by which the Commonwealth undertakes the collection of the State Income Tax.

(f) *Entertainments Tax.* The rate of Entertainments Tax, according to Amending Act No. 15 of 1922 which came into force on the 2nd October, 1922, is as follows :—For tickets of 1s., 1d. ; exceeding 1s., 1d. for the first shilling, and  $\frac{1}{4}$ d. for every subsequent sixpence or part of sixpence. By an Amending Act (No. 23 of 1925) the rate is now two-pence halfpenny for a payment of two shillings and sixpence, and one halfpenny for every subsequent sixpence or part thereof. The collections for the last five years are given hereunder.

The decrease in the collections during the past two years is due to the remission of taxation on tickets for less than two shillings and sixpence.

## COMMONWEALTH ENTERTAINMENTS TAX COLLECTIONS, 1924-25 TO 1928-29.

State.	1924-25.	1925-26.	1926-27.	1927-28.	1928-29.
	£	£	£	£	£
New South Wales (a) ..	274,791	183,856	160,393	159,944	158,273
Victoria ..	223,555	161,010	123,797	119,115	121,522
Queensland ..	76,533	48,745	36,048	30,922	34,083
South Australia ..	52,588	35,327	25,233	22,621	16,123
Western Australia ..	37,797	23,934	17,291	22,068	25,280
Tasmania ..	15,214	7,382	3,370	4,167	3,364
Northern Territory ..	108	72	27	28	52
Total ..	680,586	460,326	366,159	358,865	358,697

(a) Includes Federal Capital Territory.

(g) *War-Time Profits Tax.* Particulars relating to the levying of this tax, which came into force on the 22nd September, 1917, are given in previous issues of the Year Book. The result of the collections during the past five years are as shown hereunder. Amendments of earlier assessments entailed the payment of refunds in each of the last five years.

## COMMONWEALTH WAR-TIME PROFITS TAX COLLECTIONS, 1924-25 TO 1928-29.

State in which Collected.	1924-25.	1925-26.	1926-27.	1927-28.	1928-29.
	£	£	£	£	£
New South Wales .. .. .	Dr. 78,079	9,642	56,698	Dr. 47,499	Dr. 27,013
Victoria (a) .. .. .	5,428	Dr. 18,547	Dr. 18,788	Dr. 32,503	10,626
Queensland .. .. .	Dr. 6,683	Dr. 35,553	Dr. 31,624	Dr. 6,784	8,814
South Australia .. .. .	Dr. 386	Dr. 32,337	Dr. 11,615	Dr. 17,835	Dr. 16,416
Western Australia .. .. .	316	51	Dr. 16,258	Dr. 4,022	..
Tasmania .. .. .	4,621	Dr. 747	Dr. 6,770	Dr. 3,593	Dr. 320
Total .. .. .	Dr. 74,783	Dr. 77,491	Dr. 28,357	Dr. 112,236	Dr. 24,309

(a) Including Central Office.

(iii) *Public Works and Services.*—(a) *Postal Revenue.* Particulars concerning this branch of revenue for each of the financial years from 1924-25 to 1928-29 are contained in the following table:—

## COMMONWEALTH POSTAL REVENUE, 1924-25 TO 1928-29.

Particulars.	1924-25.	1925-26.	1926-27.	1927-28.	1928-29.
	£	£	£	£	£
Private boxes and bags .. .. .	52,301	55,813	59,184	61,346	79,101
Commission—					
Money orders and postal notes .. .. .	192,809	201,445	229,453	240,392	244,976
Telegraphs .. .. .	1,481,784	1,490,480	1,488,156	1,422,179	1,447,256
Telephones .. .. .	3,599,864	4,044,414	4,576,863	5,034,051	5,459,559
Postage .. .. .	4,333,461	4,580,354	4,847,317	5,006,019	5,177,177
Radio receipts .. .. .	18,291	21,178	35,815	45,030	22,177
Miscellaneous .. .. .	365,976	378,072	370,031	495,125	383,150
Total .. .. .	10,044,486	10,771,756	11,606,819	12,304,142	12,813,396

The installation of additional telephones was responsible for the large annual increases under the item "Telephones" during each of the past four years.

(b) *Railway Revenue.* The Commonwealth Government is responsible for four lines—the Kalgoorlie-Port Augusta, the Port Augusta-Oodnadatta, the Darwin-Birdum and the Federal Capital Territory line. The appended table shows the amounts paid into the credit of the Consolidated Revenue Fund on account of each of these railways for the past five years.

## COMMONWEALTH RAILWAY REVENUE, 1924-25 TO 1928-29.

Railway.	1924-25.	1925-26.	1926-27.	1927-28.	1928-29.
	£	£	£	£	£
Kalgoorlie-Port Augusta ..	254,291	276,278	290,295	333,000	344,948
Port Augusta-Oodnadatta ..	(a)	27,035	105,988	191,115	185,811
Darwin-Birdum .. ..	29,105	38,879	62,202	68,844	50,259
Federal Capital Territory ..	3,641	7,576	10,249	10,203	9,998
Total .. ..	287,037	349,768	477,734	603,162	591,016

(a) Operated by South Australian Railways; loss on working paid by Commonwealth Government.

Further detailed particulars are stated in Chapter VII., part B, Railways.

(iv) *Other Sources of Revenue.*—(a) *Interest, Discount, etc.* The most important investments of the Commonwealth Government from which interest is derived are—Loans to States, General Trust Funds, Loans placed in London, Fixed Deposits with the Commonwealth and other Banks, and certain advances and overdrafts. In 1928-29 they included interest on Loans and Advances to States, payable by States, £4,089,643; Interest on General Trust Fund Investments, £264,475; and Interest, Nauru Island Agreement, £85,960.

(b) *Other.* During 1928-29 the following contributions to Consolidated Revenue were made in respect of Coinage, £92,898; Defence, £117,614; Patents and Trade Marks, etc., £44,917; Marine, £210,162; net profit on Australian Note Issue, £694,642; and Miscellaneous, £504,833.

### Division III.—Expenditure.

1. *Nature of Commonwealth Expenditure.*—The disbursements by the Commonwealth Government of the revenue collected by it fell naturally, under the "book-keeping" system, into three classes, viz. :—

- (a) Expenditure on transferred services.
- (b) Expenditure on new services.
- (c) Payment to States of surplus revenue.

Of these three, only the first two were actual expenditure, the last being merely a transfer, the actual expenditure being incurred by the States. In accordance with the provisions of the Constitution, the expenditure on transferred services was, under the "book-keeping" system, debited to the several States in respect of which such expenditure was incurred, while the expenditure on new services was distributed *per capita*. Surplus Commonwealth revenue was paid to the States monthly. Until the end of the year 1903-4, new works, etc., for transferred departments were treated as transferred expenditure, and were charged to the States on whose behalf the expenditure had been incurred. In subsequent years all such expenditure was regarded as expenditure on new services, and distributed amongst the States *per capita*. Under the arrangement, which superseded the "book-keeping" system, a specific subsidy of 25s. per head of population was made annually by the Commonwealth to the States, and there was no further debiting of expenditure to the several States. The States Grants Act (No. 4 of 1927) provides for the abolition of the *per capita* payments as from 30th June, 1927. From 1st July, 1928, the provisions of the temporary Agreement between the Commonwealth and the several States under the *Financial Agreement Act* 1928 were operative. Particulars of this agreement were given in some detail in the previous issue of this work.

\* For an exposition of the "book-keeping system" see Commonwealth Year Book No. 6, page 780.

2. Details of Expenditure from Consolidated Revenue.—(i) *General*. The following table gives details of the expenditure from Consolidated Revenue during the last five years. Particulars for each individual Department are stated hereinafter.

**COMMONWEALTH EXPENDITURE—CONSOLIDATED REVENUE,  
1924-25 TO 1928-29.**

Heads of Expenditure.	1924-25.	1925-26.	1926-27.	1927-28.	1928-29.
	£	£	£	£	£
Cost of Departments .. .. .	27,828,750	30,091,322	32,215,254	34,720,026	34,897,185
Miscellaneous—					
New Works .. .. .	343,916	317,037	224,807	229,626	274,730
War Services .. .. .	28,482,781	29,171,850	29,309,083	29,006,212	30,097,751
Payments to or for the States .. .. .	7,535,291	7,951,727	8,262,912	9,085,789	9,036,638
Interest—State Loans Act .. .. .	1,157,575	2,084,757	2,623,353	2,861,995	4,089,643
Special Defence Provision .. .. .	988,139	3,742,745	996,729	4,215,911	947,579
Federal Aid Roads .. .. .	500,000	750,000	2,000,000	2,000,000	2,000,000
Special Debt Redemptions .. .. .	1,500,000	1,000,000	..	..	..
<b>Total .. .. .</b>	<b>68,336,432</b>	<b>75,109,438</b>	<b>75,632,638</b>	<b>82,120,459</b>	<b>81,343,526</b>
Per head of population .. .. .	£11 12 9	£12 10 8	£12 7 7	£13 3 6	£12 16 9

The items included under the above general heads are referred to in some detail in the succeeding sub-sections.

(ii) *Cost of Departments*.—(a) *Governor-General*. Section 30 of the Constitution enacts that, until the Commonwealth Parliament otherwise provides, there shall be payable out of the Consolidated Revenue Fund for the salary of the Governor-General an annual sum of ten thousand pounds, and a proviso is made that the salary of the Governor-General shall not be altered during his continuance in office. The total expenditure in connexion with the Governor-General and establishment for the five years 1924-25 to 1928-29 is as follows :—

**EXPENDITURE.—GOVERNOR-GENERAL AND ESTABLISHMENT,  
1924-25 TO 1928-29.**

Details.	1924-25.	1925-26.	1926-27.	1927-28.	1928-29.
	£	£	£	£	£
Salary .. .. .	10,000	10,000	10,000	10,000	10,000
Governor-General's Establishment .. .. .	9,924	12,761	13,950	10,152	21,576
Contingencies (a) .. .. .	6,061	6,314	6,469	6,361	7,118
Interest on Commonwealth Treasury Bills .. .. .	792	853	853	853	853
<b>Total .. .. .</b>	<b>26,777</b>	<b>29,928</b>	<b>31,272</b>	<b>27,366</b>	<b>39,547</b>

(a) Represents official services outside the Governor-General's personal interests, and carried out mainly at the instance of the Government.

(b) *Parliament*. Under this head have been grouped all the items of expenditure connected with the Parliamentary government of the Commonwealth for the last five years.

## EXPENDITURE.—COMMONWEALTH PARLIAMENT, 1924-25 TO 1928-29.

Details.	1924-25.	1925-26.	1926-27.	1927-28.	1928-29
	£	£	£	£	£
Salaries of Ministers .. ..	14,408	15,300	15,300	15,300	15,300
Allowances to Senators .. ..	35,135	34,769	35,635	35,251	35,541
Allowances to Members of House of Representatives .. ..	74,628	66,055	74,190	74,278	73,719
Officers, staff, contingencies, etc.	60,353	64,089	71,837	81,941	73,940
Repairs, maintenance, etc. ..	2,284	2,281	1,832	4,459	6,179
Printing .. ..	24,323	28,182	24,623	37,888	24,938
Travelling expenses of Members and others .. ..	19,898	20,144	20,897	28,074	26,725
Insurance .. ..	342	342	45		
Electoral Office .. ..	81,791	83,285	87,007	88,226	86,410
Election expenses .. ..	2,951	106,704	107,051	875	118,831
Administration of Electoral Act	32,437	41,568	43,702	31,260	41,019
Miscellaneous .. ..	6,707	6,700	55,515	22,378	54,643
<b>Total .. ..</b>	<b>355,257</b>	<b>469,419</b>	<b>537,634</b>	<b>419,930</b>	<b>557,245</b>

In section 66 of the Constitution, provision is made for payment out of the Consolidated Revenue Fund of the Commonwealth, for the salaries of Ministers of State, of an annual sum which, until Parliament otherwise provides, shall not exceed £12,000. This was modified in 1915-16, when the Minister of the Navy was given separate Cabinet rank. Allowances to Senators and Members of the House of Representatives are also provided for in the Constitution, section 48 of which specifies that until Parliament otherwise provides, each such allowance shall consist of £400 a year reckoned from the day on which the member takes his seat. During the second session of the Parliament in 1907 an Act was passed raising the annual allowance from £400 to £600, such increase to date from 1st July, 1907. In 1920, the salaries of members of both Houses were further increased to £1,000 per annum.

(c) *Prime Minister's Department.* This Department was created during the financial year 1911-12. In addition to the services indicated below this Department administers the external Territories of New Guinea, Papua, Nauru, and Norfolk Island. For convenience particulars of expenditure on account of these Territories are stated hereinafter under that heading. The expenditure for the last five years is shown in the following table:—

## EXPENDITURE.—PRIME MINISTER'S DEPARTMENT (a), 1924-25 TO 1928-29.

Details.	1924-25	1925-26.	1926-27.	1927-28.	1928-29.
	£	£	£	£	£
Salaries, contingencies, etc. ..	41,521	41,483	47,475	57,749	62,940
Audit Office .. ..	36,738	33,459	36,511	34,877	36,816
Rent, repairs, etc. .. ..	10,094	8,454	8,351	32,142	21,789
Public Service Board's Office ..	51,059	50,485	52,628	55,946	54,864
High Commissioner's Office ..	60,691	63,744	63,220	80,820	66,133
Commissioner for Australia in United States of America ..	14,894	12,270	12,966	13,808	10,134
Interest and Sinking Fund ..	707,240	726,813	772,003	860,876	994,629
Mail service, Pacific Islands ..	52,834	50,418	53,092	52,051	49,750
Secretariat, League of Nations ..	25,500	24,893	24,975	23,994	25,759
Immigration .. ..	63,058	93,588	108,746	..	..
Development and Migration Com- mission .. ..	..	..	..	124,092	117,487
Scientific and Industrial Research	24,796	382,564	11,803	269,629	19,451
Miscellaneous .. ..	174,669	83,548	193,005	70,131	65,955
<b>Total .. ..</b>	<b>1,263,094</b>	<b>1,571,719</b>	<b>1,384,775</b>	<b>1,676,115</b>	<b>1,515,707</b>

(a) Excluding Territories, see page 255.

(d) *Attorney-General's Department.* The extra expenditure connected with this Department of late years has been caused in a large measure by the extension of the Federal Arbitration Court, the creation of the Bankruptcy Administration, and increases in the items "Patents, Trade Marks, etc." and "Rent, Repairs, etc." Details for the five years 1924-25 to 1928-29 are furnished hereunder :—

## EXPENDITURE.—ATTORNEY-GENERAL'S DEPARTMENT, 1924-25 TO 1928-29.

Details.	1924-25.	1925-26.	1926-27.	1927-28.	1928-29.
	£	£	£	£	£
Attorney-General's Office .. ..	19,555	21,596	26,801	17,337	24,389
Crown Solicitor's Office .. ..	21,997	22,690	24,465	28,626	29,392
Salaries of Justices of High Court .. ..	21,500	21,500	21,500	21,500	21,328
High Court expenses .. ..	13,269	14,000	14,994	13,511	15,218
Court of Conciliation and Arbitration .. ..	11,995	12,958	23,162	26,775	26,641
Public Service Arbitrator's Office .. ..	4,027	3,953	4,220	4,368	4,465
Rent, repairs, etc. .. ..	11,472	12,571	12,039	20,004	24,110
Patents, Trade Marks, etc. .. ..	45,598	48,691	48,119	52,671	51,477
Investigation Branch .. ..	9,184	9,970	10,189	10,769	10,951
Bankruptcy .. ..	..	..	..	3,102	17,831
Miscellaneous .. ..	10,418	17,498	13,021	33,034	20,941
<b>Total .. ..</b>	<b>169,015</b>	<b>185,427</b>	<b>198,510</b>	<b>231,697</b>	<b>246,743</b>

(e) *Treasurer's Department.* The sub-departments under the control of the Commonwealth Treasurer are the Treasury, the Pensions Department, the Taxation Office, the Supply and Tender Board, and Superannuation Fund Management Board. Details of the expenditure of this Department for the last five years are given below.

## EXPENDITURE.—TREASURER'S DEPARTMENT, 1924-25 TO 1928-29.

Details.	1924-25.	1925-26.	1926-27.	1927-28.	1928-29.
	£	£	£	£	£
Treasury .. ..	54,413	51,808	52,585	53,418	54,548
Taxation Office .. ..	463,176	426,425	416,889	452,738	428,873
Pensions Office .. ..	92,999	97,761	114,446	117,071	83,891
Maternity Allowance Office .. ..	16,117	15,384	16,067	15,297	16,464
Coinage .. ..	23,836	54,905	45,968	43,008	19,540
Rent, repairs, etc. .. ..	12,993	15,302	10,209	16,371	15,672
Miscellaneous .. ..	54,306	45,583	42,398	79,180	97,662
<b>Departmental Expenditure</b>	<b>717,840</b>	<b>707,168</b>	<b>698,562</b>	<b>777,083</b>	<b>716,650</b>
Invalid and Old-age Pen- sions (a) .. ..	6,896,401	8,146,636	9,034,938	9,681,837	9,991,299
Maternity Allowance .. ..	688,205	680,855	660,280	678,920	661,520
Maintenance of persons in charitable institutions .. ..	96,504	105,751	109,651	108,509	132,940
<b>Total .. ..</b>	<b>8,398,950</b>	<b>9,640,410</b>	<b>10,503,431</b>	<b>11,246,349</b>	<b>11,502,409</b>

(a) Including the following amounts spent from Trust Funds :—In 1924-25, £1,723,162; 1925-26, £1,884,530; 1926-27, £285,897; and in 1927-28, £1,421,498.

(f) *Trade and Customs.* Under this head have been included the expenditure of all the sub-departments under the control of the Minister of Trade and Customs, as well as the amounts payable as sugar and other bounties, and the expenses in connexion therewith. Particulars for the five years 1924-25 to 1928-29 are given in the following table:—

## EXPENDITURE.—TRADE AND CUSTOMS DEPARTMENT, 1924-25 TO 1928-29.

Details.	1924-25.	1925-26.	1926-27.	1927-28.	1928-29.
	£	£	£	£	£
Chief Office .. ..	578,492	62,540	60,423	69,029	70,814
Customs (ordinary) .. ..		513,190	534,201	563,055	569,168
Marine—					
Navigation .. ..	44,484	44,726	44,872	280,225	270,950
Lighthouses .. ..	184,298	199,057	230,439		
Audit (proportion) .. ..	1,552	11,030	12,487	10,045	9,421
Pensions and retiring allowances	33,283	34,091	35,145	36,618	39,468
Rent, repairs, etc. .. ..	23,322	21,950	19,102	24,251	21,834
Bounties .. ..	287,217	498,582	781,347	890,574	532,564
Interest on transferred properties	47,217	46,986	46,924	66,985	66,985
Interest on Commonwealth securities .. ..	13,667	21,224	22,507	23,033	24,519
Miscellaneous .. ..	3,099	19,959	24,304	38,330	28,392
<b>Total .. ..</b>	<b>1,225,631</b>	<b>1,473,335</b>	<b>1,811,751</b>	<b>2,002,145</b>	<b>1,634,115</b>

(g) *Defence.* The expenditure in connexion with Defence for the last five years is as follows:—

## EXPENDITURE.—DEFENCE, 1924-25 TO 1928-29.

Details.	1924-25.	1925-26.	1926-27.	1927-28.	1928-29.
	£	£	£	£	£
Chief Office .. ..	103,438	103,913	109,475	107,805	109,078
Military .. ..	1,269,799	1,307,815	1,299,454	1,284,886	1,270,443
Naval .. ..	1,842,937	1,943,011	2,003,639	1,930,861	1,808,247
Air Services .. ..	205,002	254,882	381,982	377,176	407,033
Audit (proportion) .. ..	9,474	8,625	9,433	8,737	9,148
Pensions and retiring allowances .. ..	7,566	13,884	15,221	19,095	22,805
Rents, repairs, etc. .. ..	98,168	108,258	94,977	83,179	92,051
Interest on transferred properties .. ..	95,706	94,121	95,154	135,882	135,882
Interest on Commonwealth securities .. ..	100,162	123,028	142,705	152,623	166,915
Miscellaneous .. ..	52,163	46,390	88,791	85,575	82,906
<b>Total .. ..</b>	<b>3,784,415</b>	<b>4,004,827</b>	<b>4,240,831</b>	<b>4,185,819</b>	<b>4,104,508</b>

(h) *Postmaster-General's Department.* Details of the expenditure of this Department for the last five years are given in the table hereunder:—

## EXPENDITURE.—POSTAL DEPARTMENT, 1924-25 TO 1928-29.

Details.	1924-25.	1925-26.	1926-27.	1927-28.	1928-29.
	£	£	£	£	£
Chief Office.. ..	48,643	51,660	66,504	77,469	80,440
Postal Department (ordinary)	8,950,694	8,705,960	9,115,787	9,811,847	9,831,131
Audit (proportion) .. ..	10,630	10,009	10,359	11,149	11,593
Pensions and retiring allowances	95,928	102,518	110,429	102,173	110,605
Superannuation .. ..	45,687	59,136	75,563	93,431	112,546
Rents, repairs, etc. .. ..	142,831	146,859	137,096	151,109	127,855
Interest on transferred properties	198,923	(a)315,398	203,978	290,262	290,262
Interest on Commonwealth Securities .. ..	494,054	855,507	1,084,431	1,194,453	1,403,069
Sinking Fund on Commonwealth Securities .. ..	269,469	355,891	416,161	475,009	518,060
Miscellaneous .. ..	31,579	48,987	65,591	186,074	195,164
<b>Total .. ..</b>	<b>10,288,438</b>	<b>10,651,925</b>	<b>11,285,899</b>	<b>12,392,976</b>	<b>12,680,725</b>

(a) Includes £110,734 arrears of interest on value of Overland Telegraph Line, Adelaide to Darwin.

(i) *Home Affairs.* In addition to the undermentioned services this Department, created in the financial year 1916-17, controls the Territories of North and Central Australia, and the Federal Capital Territory. Expenditure in respect of these Territories is included in sub-section (ii) (m) following. The Electoral Office which is administered by this Department is for the purposes of this Chapter shown under Sub-section (ii) (b) ante.

## EXPENDITURE.—HOME AFFAIRS DEPARTMENT(a) 1924-25 TO 1928-29.

Details.	1924-25.	1925-26.	1926-27.	1927-28.	1928-29.
	£	£	£	£	£
Chief Office .. ..	27,891	37,158	48,328	51,228	50,998
Census and Statistics .. ..	23,394	26,240	27,620	29,170	30,697
Meteorological Office .. ..	34,656	34,561	36,616	36,103	35,935
Interest—					
On Commonwealth Securities ..	1,520	2,992	2,055	2,063	2,052
On Transferred Properties ..	1,984	891	470	672	672
Sinking Fund .. ..	491	574	455	455	455
Rent, repairs, etc. .. ..	15,281	12,065	12,293	16,579	24,436
Miscellaneous .. ..	40,569	180,468	203,631	92,648	31,471
<b>Total .. ..</b>	<b>145,786</b>	<b>294,949</b>	<b>331,468</b>	<b>228,918</b>	<b>176,716</b>

(a) Excluding Territories, see page 255.

(j) *Works Department.* The extension of Commonwealth Works and Railways led, in 1916-17, to the separation of these branches from the former Home Affairs Department and the constitution of a separate Works and Railways Department. To this Department was entrusted the administration of the railways originally under

the control of the old External Affairs Department and the Lands and Survey branch, which was transferred to it from the Department of Home and Territories in 1925-26. During 1927-28 the administration of the Commonwealth Railways was transferred to the Markets and Transport branch. The expenditure for the last five years was as follows:—

EXPENDITURE.—WORKS DEPARTMENT, 1924-25 TO 1928-29.

Details.	1924-25.	1925-26.	1926-27.	1927-28.	1928-29.
	£	£	£	£	£
Chief Office .. .. }	48,530	56,924	32,752	24,809	26,363
Lands and Survey .. .. }					
Interest—					
On Commonwealth Securities..	40,479	58,108	68,112	76,718	91,716
On Transferred Properties ..	..	1,654	2,067	4,171	4,171
Sinking Fund .. ..	4,358	5,522	6,735	8,158	8,990
Miscellaneous .. ..	14,643	10,669	13,274	9,034	8,899
<b>Total .. ..</b>	<b>108,010</b>	<b>132,877</b>	<b>122,940</b>	<b>122,890</b>	<b>140,139</b>

(k) *Health Department.* This department came into existence in the financial year 1921-22. Details of expenditure are as follow:—

EXPENDITURE.—HEALTH DEPARTMENT, 1924-25 TO 1928-29.

Details.	1924-25.	1925-26.	1926-27.	1927-28.	1928-29.
	£	£	£	£	£
Central Administration ..	12,432	13,543	18,488	23,769	22,791
Salaries, Contingencies, etc. ..	79,392	83,396	85,146	91,746	93,203
Interest on C'wealth Securities ..	2,083	3,128	3,359	3,460	4,070
Interest on Transferred Properties	7,674	7,668	8,356	9,324	9,324
Rent and repairs .. ..	11,000	17,746	22,553	23,914	21,126
Miscellaneous .. ..	75,218	58,688	71,232	222,124	140,599
<b>Total .. ..</b>	<b>187,799</b>	<b>184,169</b>	<b>209,194</b>	<b>374,337</b>	<b>291,113</b>

During 1927-28, £100,000 expended on the purchase of radium is shown under "Miscellaneous."

(l) *Markets and Transport Department.* The Department of Markets, which was formed in the financial year 1924-25, took over various functions previously performed by other departments. In 1927-28 the Commonwealth Railways administration

was placed under this department, the name being altered to "Markets and Transport." Expenditure on Railways services is shown under a separate heading for the purposes of this Chapter. See sub-section (ii) (n) *post*. Details of expenditure are as follow :—

EXPENDITURE.—MARKETS AND TRANSPORT DEPARTMENT, 1924-25  
TO 1928-29.

Details.	1924-25.	1925-26.	1926-27.	1927-28.	1928-29.
	£	£	£	£	£
Salaries and contingencies ..	38,278	44,833	51,140	59,744	59,456
Administration of Commerce Act ..	35,864	33,685	27,403	29,961	30,581
Dried Fruits Export Control ..	19,072	29,229	30,791	27,623	42,753
Dairy Produce Export Control ..	..	26,728	20,664	21,294	22,374
Fruit Pool Losses ..	154,000	..	..	..	..
Assistance to Primary Production ..	500,000	..	..	..	50,000
Interest—					
Grafton-South Brisbane Rail- way .. .. .	..	39,113	85,067	128,211	173,651
Other .. .. .	..	..	11,558	13,908	26,201
Sinking Fund .. .. .	..	4,499	11,718	18,998	22,014
Miscellaneous .. .. .	74,744	41,103	47,567	19,803	22,142
Total .. .. .	821,958	219,190	285,908	319,542	449,172

(m) *Territories.* The following table shows the expenditure on account of Territorial services for the past five years. The Internal Territories are administered by the Department of Home Affairs, while the Prime Minister's Department controls the External Territories. The expenditure has been grouped in one table for convenience of reference.

EXPENDITURE, TERRITORIES, 1924-25 TO 1928-29.

Details.	1924-25.	1925-26.	1926-27.	1927-28.	1928-29.
	£	£	£	£	£
Internal—					
North and Central Australia ..	145,685	147,120	150,646	132,758	145,381
Federal Capital Territory ..	80,840	93,772	141,176	286,879	251,348
External—					
Papua .. .. .	71,239	96,745	72,470	58,947	57,411
New Guinea .. .. .	10,064	10,214	11,785	13,490	13,346
Norfolk Island .. .. .	3,500	3,945	4,339	4,000	4,000
Total .. .. .	311,328	351,796	380,416	496,074	471,486

(n) *Railways.* During 1928–29 the Commonwealth Railways were transferred from the Department of Works and Railways to the Department of Markets and Transport. The following table of expenditure for the past five years is shown separately from the expenditure of the other services controlled by the latter Department.

## COMMONWEALTH RAILWAYS EXPENDITURE, 1924–25 TO 1928–29.

Details.	1924–25.	1925–26.	1926–27.	1927–28.	1928–29.
	£	£	£	£	£
Trans-Australian .. ..	285,912	285,876	271,398	286,175	301,621
North Australia .. ..	136,267	138,645	57,580	67,967	54,697
Central Australia .. ..	..	70,703	130,122	165,306	198,213
Federal Capital Territory ..	1,839	4,999	6,818	9,588	10,504
Interest .. ..	259,686	328,516	366,073	407,646	462,728
Sinking Fund .. ..	33,355	35,262	40,502	47,411	50,519
Miscellaneous .. ..	25,233	17,349	18,842	12,675	9,278
<b>Total .. ..</b>	<b>742,292</b>	<b>881,350</b>	<b>891,335</b>	<b>996,768</b>	<b>1,087,560</b>

(iii) *Miscellaneous.* (a) *New Works.* Particulars of the expenditure on new works, etc., during the last five years are given in the following table :—

## EXPENDITURE ON NEW WORKS, 1924–25 TO 1928–29.

Department.	1924–25.	1925–26.	1926–27.	1927–28.	1928–29.
	£	£	£	£	£
Parliament .. ..	..	..	..	..	..
Prime Minister .. ..	1,653	5,844	42	237	195
Treasury .. ..	..	..	..	..	72
Attorney-General .. ..	..	3,251	..	..	600
Trade and Customs .. ..	6,234	714	837	12,081	15,772
Defence .. ..	309,277	247,398	177,992	170,219	128,728
Postmaster-General .. ..	..	..	..	874	9,347
Home Affairs .. ..	..	..	253	890	30,113
Works .. ..	..	603	330	..	..
Health .. ..	10,139	8,018	3,078	9,013	20,961
Markets and Transport .. ..	..	410	..	..	..
Territories .. ..	16,613	33,725	30,804	36,312	68,942
Railways .. ..	..	17,074	11,471	..	..
<b>Total .. ..</b>	<b>343,916</b>	<b>317,037</b>	<b>224,807</b>	<b>229,626</b>	<b>274,730</b>

(b) *War Services.* Full details concerning the expenditure from Consolidated Revenue upon War and Repatriation will be found in a later sub-section.

(c) *Interest—State Loans Act.* The amount of £4,089,643 is the interest on moneys borrowed by the Commonwealth and advanced to the States. (See page 244.)

## Division IV.—Subsidy Paid to States.

Particulars of the amounts paid to each State under the *Surplus Revenue Act* 1910, and various State Grants Acts, are contained in previous issues. The appended table shows for the past two years the payments to or for the States. Details of the provisions of the *Financial Agreement Act* 1928, relating to payments to the States, were given in Official Year Book No. 22.

## PAYMENTS TO OR FOR THE STATES, 1927-28 AND 1928-29.

Particulars.	New South Wales.	Victoria.	Queensland.	South Australia.	Western Australia.	Tasmania.	Total.
	£	£	£	£	£	£	£
1927-28.							
Contributions towards Interest on State Debts..	2,917,411	2,127,159	1,096,235	703,816	473,432	266,859	7,584,912
Sinking Fund on State Debts .. ..	296,286	178,429	131,784	107,143	78,035	28,597	820,274
Special Grants .. ..	..	..	..	..	300,000	378,000	678,000
Total .. ..	3,213,697	2,305,588	1,228,019	810,959	851,467	673,456	9,083,186
1928-29.							
Contributions towards Interest on State Debts..	2,917,411	2,127,159	1,096,235	703,816	473,432	266,859	7,584,912
Sinking Fund on State Debts .. ..	340,889	203,642	144,207	121,812	91,471	29,705	931,726
Special Grants .. ..	..	..	..	..	300,000	220,000	520,000
Total .. ..	3,258,300	2,330,801	1,240,442	825,628	864,903	516,564	9,036,638

In addition to the foregoing, the Commonwealth contributed £2,000,000 during each year in respect of Federal Aid Roads.

## Division V.—Surplus Revenue.

Until the end of 1906-7, the balance of the Consolidated Revenue Fund was paid to the States. From 1907-8, until the abolition of the book-keeping provisions of the Constitution, the States received only three-fourths of the net Customs and Excise Revenue, and the balance of the Consolidated Revenue Fund was transferred to the Invalid and Old-age Pensions Trust Account and the Naval Defence Trust Account to provide for expenditure in subsequent years. A statement of surpluses and deficiencies for the past five years is appended hereto.

## COMMONWEALTH SURPLUS REVENUE, 1924-25 TO 1928-29.

Year.	Surplus.	Deficiency.	Accumulated Surplus at end of Year.	Accumulated Deficit at end of Year.
	£	£	£	£
1924-25 .. ..	518,376	..	3,109,529	..
1925-26 .. ..	..	2,823,632	285,897	..
1926-27 .. ..	2,535,597	..	2,821,494	..
1927-28 .. ..	..	5,450,237	..	2,628,743
1928-29 .. ..	..	2,358,975	..	4,987,718

The following payments totalling £2,820,000 were made out of the surplus of £2,821,494 available at 30th June, 1927, and brought to account as expenditure during 1927-28 :—Naval Construction and Defence Reserve, £2,250,000; Science and Industry Investigations, £250,000; Civil Aviation, £200,000; Purchase of Radium, £100,000; and Geophysical Survey of Australia, £20,000. The result of the ordinary transactions of the year 1927-28, omitting these special appropriations, was therefore a deficit of £2,630,237.

### § 3. Trust Funds.

The Trust Fund balances on 30th June, 1929, totalled £11,957,383 as compared with £13,699,231 for the corresponding date in the year 1928. Details concerning the most important trust accounts are contained in Finance Bulletin No. 20 issued by this Bureau.

### § 4. Commonwealth Loan Funds and Public Debt.

1. **General.**—Although it was not until 1915 that the Federal Government came into the loan market as a borrower, there had previously existed a Commonwealth Public Debt which included several items, such as the balance of the debt taken over from South Australia and the money owing to the States for transferred properties. The debt still includes the items mentioned, in addition to the General Loan Fund, the loans for military purposes, etc. In view of the large expansion of the Public Debt, and its present importance in Commonwealth public finance, the different items are treated seriatim in the following sub-sections :—

2. **Loans taken over from South Australia.**—The first portions of the debt were contracted at the beginning of 1911, when the Commonwealth assumed responsibility for the payment of interest on transferred properties (further dealt with in sub-section 4) and for the administration and the liabilities of the Northern Territory and the Port Augusta-Oodnadatta Railway. At 30th June, 1911, the debt on account of the former was £3,657,836, and on account of the latter, £2,274,486—a total of £5,932,322. As the securities fall in they are redeemed by the Commonwealth Government, the money required being taken from the Loan Fund. The item is thus constantly diminishing, and on 30th June, 1929, stood at £2,034,020, of which £1,112,974 was on account of the Northern Territory, and £921,046 on account of the railway.

3. **Loan Fund for Public Works Redemptions, etc.**—Up to the year 1911 the Commonwealth Government had met its Public Works expenditure out of revenue. In that year, however, in view of the heavy prospective cost of the Transcontinental Railway and the Federal Capital Territory, it was decided to institute a Loan Fund similar to those of the States. The initiation of this Fund was greatly assisted by the fact that the Treasury at that time held a large quantity of gold, principally on behalf of the Australian Notes Account. Up to 30th June, 1914, the money required for loan expenditure was obtained mainly from this source at 3½ per cent., and inscribed stock of an equivalent value was created. Since the outbreak of war, the money required for the Loan Fund has been mainly obtained by the issue of Treasury Bills and other securities issued in London

and New York as well as in Australia. The details of the expenditure for the last five years and the total expenditure to 30th June, 1929, are given in the following table:—

## COMMONWEALTH LOAN EXPENDITURE FOR WORKS, 1925 TO 1929, AND TOTAL.

Particulars.	1924-25.	1925-26.	1926-27.	1927-28.	1928-29.	Total to 30th June, 1929.
	£	£	£	£	£	£
Immigration (a) .. .. .	181,193	262,589	248,104	261,353	132,815	1,623,130
Shipbuilding Yards and Docks						408,422
Ship Construction .. .. .	162,953	..	..	Cr.163,216	Cr. 36,784	733,710
Subscriptions to Capital of Commonwealth Oil Refinery ..	93,750	..	..	..	..	8,724,060
Federal Capital Territory Works, Services, and Acquisition of Land .. .. .	294,857	Cr. 164	..	..	638,500	343,751
Drill Halls, Stores, Barracks, etc.	20,350	19,767	18,158	26,984	33,014	2,653,107
Rifles and Ammunition Reserve						408,422
Other Military Services .. .. .	4,300	2,957	12,978	9,831	231	315,300
Naval Bases, Depots, etc. .. ..	24,798	Cr. 14,810	127,016	62,303	36,907	100,959
Fleet Construction .. .. .						1,367,098
Other Naval Services .. .. .	4	24,000	24,000	..	..	355,397
Air Services—						71,300
R.A.A.F. .. .. .	2,860	126,315	140,364	103,227	40,530	431,503
Civil Aviation .. .. .	3,225	6,798	5,516	3,916	..	40,178
Buildings and Works, Munitions Production .. .. .	219,397	116,694	93,098	101,303	92,513	1,664,258
Other Munitions Supply Services .. .. .	1,125	23	2	..	..	1,150
Lighthouses and Lighthouse Services .. .. .	168,332	67,359	24,927	23,475	17,673	585,880
River Murray Waters Act .. ..	192,500	205,000	209,500	250,000	250,000	1,783,625
Telegraph and Telephone Construction .. .. .	3,979,596	5,065,798	3,627,619	3,357,432	2,775,991	26,239,281
Post Office Buildings and Land	553,286	472,835	317,708	296,931	227,397	3,136,006
Wireless .. .. .	66,610	79,560	50,462	50,584	482	344,845
Serum and Health Laboratories	3,470	16,500	4,785	4,753	10,032	71,472
Wire and Wire-netting .. .. .			250,000	80,000	230,838	560,838
Railways—						
Trans-Australian .. .. .	52,113	69,565	88,199	54,896	48,415	6,567,296
North Australian .. .. .	50,535	195,123	398,784	425,875	79,092	1,576,552
Central Australian .. .. .	211,074	91,490	899,885	731,388	747,894	2,276,757
Federal Capital Territory .. ..	1,205	..	20,500	4,424	3,291	28,215
Grafton—South Brisbane .. ..		840,000	1,000,000	1,202,000	675,000	3,717,000
Other Expenditure .. .. .						200,000
Acquisition of Properties not elsewhere included .. .. .	43,792	14,199	833	655	987	123,121
London Offices .. .. .	1,583	500	..	..	..	880,190
Miscellaneous .. .. .	8,830	16,758	Cr. 11,288	..	20,000	411,951
<b>Total .. .. .</b>	<b>6,341,758</b>	<b>7,678,856</b>	<b>7,051,128</b>	<b>6,888,099</b>	<b>5,974,868</b>	<b>66,684,434</b>

(a) Exclusive of Loans to States for Immigration Purposes.

4. Properties Transferred from States.—At the time of Federation, when the Commonwealth took over the control of a great many departments previously administered by the States, a large amount of property was handed over to the Commonwealth Government. A valuation was made, with results set out in detail in Official Year Book No. 14, page 694, and the Commonwealth paid interest at the rate of 3½ per cent. to the States on account of all the transferred properties.

The terms of the Financial Agreement between the Commonwealth Government and the Governments of the several States provided, *inter alia*, that, as a temporary measure, the Commonwealth Government would for a period of two years from 1st July, 1927, to 30th June, 1929, pay to each State interest at the rate of 5 per cent. per annum on the agreed value of transferred properties as follows:—New South Wales, £4,788,005; Victoria, £2,302,832; Queensland, £1,560,639; South Australia, £1,035,631; Western Australia, £736,432; and Tasmania, £500,754; a total of £10,924,323.

From 1st July, 1929, the Commonwealth Government will assume all liability for so much of the Public Debt of the States bearing interest at the rate of 5 per cent. per annum as is equivalent to the agreed value of the transferred properties shown above. The Commonwealth Government will receive the freehold or equivalent title to the transferred properties consisting of land or interests in land and all liability of the Commonwealth to the State in respect of transferred properties is extinguished from that date.

5. War Loan from the Imperial Government.—On the outbreak of the European war in 1914, the Commonwealth Government obtained a loan from the Imperial Government for the purpose of financing the prospective large military expenditure. At first, the arrangement was that the Imperial Government should advance the sum of £18,000,000. Subsequently further loans totalling £31,500,000 were negotiated. In addition to this capital indebtedness of £49,500,000, a further sum of £42,696,500 was due to the British Government for the maintenance of Australian troops.

Early in 1921 an arrangement was concluded with the Imperial Government, by means of which almost the entire debt (upwards of £92,000,000) was consolidated. The Commonwealth Government undertook to extinguish the debt in about 35 years by annual payments representing 6 per cent. on the original debt, providing for interest at £4 18s. 4d. per cent., and a sinking fund of £1 1s. 8d. per cent. The amount outstanding on 30th June, 1929, was £82,790,481.

6. Flotation of War Loans in Australia.—In addition to the advances from the Imperial Government, the Commonwealth Government raised large amounts of money in Australia. Full details of the seven War Loans are given in Official Year Book No. 14.

7. Flotation of Loans, 1928–29.—During the year 1928–29, the loans raised by the Commonwealth (including "Over the Counter" sales and conversions at State Treasuries) totalled £76,797,721, of which £32,093,714 was for Commonwealth purposes and £44,704,007 for the States.

## COMMONWEALTH LOANS FLOATED, 1928–29.

For whom Raised.	Amount Raised.			Rate of Interest.	Date of Maturity.	Price.
	London.	Australia.	Total.			
Conversion and Redemption..	£ ..	£ 18,685,850	£ 18,685,850	5½	15.9.35 15.9.42	98½
Commonwealth .. £5,287,674	..	3,723,860	3,723,860			
States .. .. £1,712,326	7,000,000	..	7,000,000	5	1.7.45–75	98
Commonwealth .. £3,000,000		..	..			
States .. .. £5,000,000	8,000,000	..	8,000,000	5	1.7.45–75	98
States .. .. .. ..		..	7,637,430			
Conversion .. .. ..	..	1,396,330	1,396,330	5½	15.7.39	100
States (a) .. .. ..	..	30,354,251	30,354,251			
Total .. .. ..	15,000,000	61,797,721	76,797,721	..	..	..

(a) "Over the Counter" Sales and Conversions at State Treasuries. (b) Various.

8. Commonwealth Public Debt.—(i) *Total Debt.* Separate consideration has already been given to the items composing the Public Debt. The table appended shows the debt of the Commonwealth (including loans raised for the States) at 30th June, 1929.

## COMMONWEALTH PUBLIC DEBT AT 30th JUNE, 1929.

Particulars.	Payable in London.	Payable in New York.	Payable in Australia.	Total.
	£	£	£	£
<b>War Debt (a)—</b>				
Stock, Bonds, etc. . . . .	11,020,160	..	229,605,172	240,625,332
Indebtedness to United Kingdom .. ..	82,790,481	..	..	82,790,481
<b>Total</b> .. .. .	<b>93,810,641</b>	<b>..</b>	<b>229,605,172</b>	<b>323,415,813</b>
Deduct advances to States for Soldier Land Settlement .. .. .	..	..	35,598,068	35,598,068
<b>Total War Debt</b> .. .. .	<b>93,810,641</b>	<b>..</b>	<b>194,007,104</b>	<b>287,817,745</b>
<b>Works and other Purposes—</b>				
Stock, Bonds, etc. . . . .	47,582,146	17,155,718	11,906,496	76,734,360
Balance of Loans taken over from South Australia—				
Northern Territory .. .. .	329,100	..	783,874	1,112,974
Port Augusta Railway .. .. .	903,686	..	12,360	921,046
Transferred Properties .. .. .	..	..	11,035,447	11,035,447
<b>Total Works and other Purposes</b> .. .. .	<b>48,819,932</b>	<b>17,155,718</b>	<b>23,828,177</b>	<b>89,803,827</b>
<b>Total Commonwealth Purposes</b> .. .. .	<b>142,630,573</b>	<b>17,155,718</b>	<b>217,835,281</b>	<b>377,621,572</b>
<b>On Account of States—</b>				
Advances for Soldier Land Settlement .. ..	..	..	35,598,068	35,598,068
Stock, Bonds, etc. .. .. .	42,773,694	16,143,573	69,849,204	128,766,471
<b>Total on Account of States</b> .. .. .	<b>42,773,694</b>	<b>16,143,573</b>	<b>105,447,272</b>	<b>164,364,539</b>
<b>Grand Total</b> .. .. .	<b>185,404,267</b>	<b>33,299,291</b>	<b>323,282,553</b>	<b>541,986,111</b>

## PER HEAD OF POPULATION.(b)

	£ s. d.	£ s. d.	£ s. d.	£ s. d.
War .. .. .	14 14 5	..	30 8 10	45 3 3
Works and other Purposes .. .. .	7 13 2	2 13 10	3 14 9	14 1 9
<b>Total Commonwealth Purposes</b> .. .. .	<b>22 7 7</b>	<b>2 13 10</b>	<b>34 3 7</b>	<b>59 5 0</b>
On Account of States .. .. .	6 14 6	2 10 9	16 11 7	25 16 10
<b>Grand Total</b> .. .. .	<b>29 1 10</b>	<b>5 4 6</b>	<b>50 14 6</b>	<b>85 0 10</b>

(a) Less Sinking Fund Contributions and Accumulations. (b) Based on population at 30th June, 1929. Debt on account of States has been calculated on the aggregate population of the six States at that date.

(ii) *Place of Flotation.* The loans taken over from South Australia, which constituted the first portion of the Federal Public Debt, included both London and Australian securities. The presence in the Treasury of a large holding of gold, and the moderate rate of interest

ruling on gilt-edged securities, made the conditions in 1911 and for some little time afterwards very favourable for the flotation of local loans. London securities were redeemed as they fell due, and replaced by the 3½ per cent. stock of the Loan Fund. Consequently, up to 1914 the amount of the securities repayable in London fell steadily, and the amount repayable in Australia rose rapidly. In 1915 the military loan from the Imperial Government caused a sharp rise in the amount of the securities repayable in London, which was maintained in the two following years. This was, however, more than offset by the flotation of the local war loans. In 1925–26 a loan of £15,411,487 was raised in New York. The appended table gives particulars of Commonwealth loans outstanding in each of the last five years which had been floated overseas and in Australia respectively. The value of transferred properties has been included under debt floated in Australia.

### COMMONWEALTH PUBLIC DEBT.—PLACE OF FLOTATION, 1925 TO 1929.

Place of Flotation, etc.	At 30th June—				
	1925.	1926.	1927.	1928.	1929.
	£	£	£	£	£
<b>Overseas (a)—</b>					
Commonwealth Purposes ..	128,329,562	146,471,933	142,552,950	153,507,123	159,786,291
On Account of States ..	17,787,461	24,823,053	25,665,839	52,554,613	58,917,267
<b>Total .. ..</b>	<b>146,117,023</b>	<b>171,294,986</b>	<b>168,218,789</b>	<b>206,061,736</b>	<b>218,703,558</b>
Percentage of Total Debt %	33.91	37.36	36.48	41.70	40.35
<b>Australia—</b>					
Commonwealth Purposes ..	233,743,205	228,466,781	224,058,555	219,276,966	217,835,281
On Account of States ..	51,087,834	58,681,584	68,790,398	68,790,398	105,447,272
<b>Total. .. ..</b>	<b>284,831,039</b>	<b>287,148,365</b>	<b>292,848,953</b>	<b>288,067,364</b>	<b>323,282,553</b>
Percentage of Total Debt %	66.09	62.64	63.52	58.30	59.65
<b>Total—</b>					
Commonwealth Purposes ..	362,072,767	374,938,714	366,611,505	372,784,089	377,621,572
On Account of States ..	68,875,295	83,504,637	94,456,237	121,345,011	164,364,539
<b>Grand Total .. ..</b>	<b>430,948,062</b>	<b>458,443,351</b>	<b>461,067,742</b>	<b>494,129,100</b>	<b>541,986,111</b>

(a) Including, for 1925–26, £15,411,487; for 1926–27, £15,365,663; for 1927–28, £33,563,762, and for 1928–29, £33,299,291, payable in New York.

(iii) *Amount of Debts at Various Rates of Interest.*—When the first debt was taken over from South Australia, it consisted mainly of securities bearing interest varying from 3 per cent. to 4 per cent., the average rate of interest for the first year being £3 12s. 4d. For the first three years the increase in the debt was due almost entirely to the expansion of the 3½ per cent. stock of the Loan Fund, consequently the average rate of interest fell steadily, until on 30th June, 1914, it stood at £3 11s. 10d. Then came the loans for military and repatriation purposes, and the fall in the average rate was ultimately converted into a rise which steadily maintained until at 30th June, 1929, the average rate stood at £5 5s. 0d.

The accompanying table gives particulars of rates of interest of the gross Commonwealth debt, including the debt on account of the States, and the debt for Commonwealth purposes for the four financial years ended 30th June, 1929:—

## COMMONWEALTH PUBLIC DEBT.—RATES OF INTEREST, 1926 TO 1929.

Rates of Interest.	At 30th June—				
	1926.	1927.	1928.	1929.	
				Gross Debt.	For C'wealth Purposes.
%	£	£	£	£	£
3 .. .. .	33,261	..	..	55,996	33,262
3½ .. .. .	14,998,518	3,933,389	4,044,513	4,416,799	4,416,799
£3/12/3 .. .. .	576,288	485,949	476,207	..	..
3¾ .. .. .	758,495	758,495	753,850	803,023	803,023
3⅞ .. .. .	..	..	..	..	..
4 .. .. .	4,484,361	5,785,118	4,453,778	4,458,778	4,453,778
4½ .. .. .	46,600,260	29,783,480	10,274,324	10,497,487	4,335,436
4¾ .. .. .	..	375,000	..	..	..
4⅞ .. .. .	6,000,000	6,000,000	6,000,000	6,150,000	6,000,000
£4/18/4 .. .. .	86,865,883	85,572,848	84,215,449	82,790,481	82,790,481
5 .. .. .	103,243,689	112,362,689	131,332,055	134,558,634	71,470,563
5½ .. .. .	..	..	..	470,000	..
5¾ .. .. .	8,614,820	49,386,660	86,136,870	135,645,594	91,573,959
5⅞ .. .. .	80,109,440	67,333,780	67,304,010	67,086,580	67,086,580
6 .. .. .	105,890,122	98,920,556	98,915,628	94,827,638	80,030,658
Overdue .. .. .	268,214	369,778	222,416	225,101	225,101
					(a)35,598,068
<b>Total .. .. .</b>	<b>458,443,351</b>	<b>461,067,742</b>	<b>494,129,100</b>	<b>541,986,111</b>	<b>377,621,572</b>
<b>Average rate of interest .. .. .</b>	<b>£5/3/11</b>	<b>£5/4/8</b>	<b>£5/5/2</b>	<b>£5/5/0</b>	<b>£5/3/9</b>

(a) Deduct Loans to States for Soldier Land Settlement.

(iv) *Amount of Interest Payable.* A table is appended showing the amounts payable as interest on the total Commonwealth Public Debt (including amounts raised on behalf of the several States) at 30th June in the years 1925 to 1929 inclusive. The rapid increase is due not only to the great expansion of the Loan Fund, but also to the high rate of interest on recent loans.

## COMMONWEALTH PUBLIC DEBT.—INTEREST PAYABLE OVERSEAS AND IN AUSTRALIA, AT 30th JUNE, 1925 TO 1929.

Particulars.	Year ended 30th June—				
	1925.	1926.	1927.	1928.	1929.
	£	£	£	£	£
<b>For Commonwealth Purposes—</b>					
Overseas .. .. .	6,424,962	7,350,154	7,145,771	7,681,795	8,018,486
Australia .. .. .	11,179,861	11,565,213	11,585,392	11,605,981	11,553,191
<b>Total .. .. .</b>	<b>17,604,823</b>	<b>18,915,367</b>	<b>18,731,163</b>	<b>19,287,776</b>	<b>19,571,677</b>
<b>On account of the States—</b>					
Overseas .. .. .	984,425	1,370,182	1,311,752	2,619,172	2,916,438
Australia .. .. .	3,144,104	3,542,023	4,072,616	4,072,613	5,964,496
<b>Total .. .. .</b>	<b>4,128,529</b>	<b>4,912,205</b>	<b>5,384,368</b>	<b>6,691,785</b>	<b>8,880,934</b>
<b>Grand Total—</b>					
Overseas .. .. .	7,409,387	8,720,336	8,457,523	10,300,967	10,934,924
Australia .. .. .	14,323,965	15,107,236	15,658,008	15,678,594	17,517,687
<b>Grand Total .. .. .</b>	<b>21,733,352</b>	<b>23,827,572</b>	<b>24,115,531</b>	<b>25,979,561</b>	<b>28,452,611</b>

(v) *Dates of Maturity.* The dates of maturity of the several portions of the Commonwealth debt are shown hereunder. The Commonwealth Government has refrained from issuing interminable stock, and in respect of only a small proportion of the debt no definite date of maturity had been assigned on 30th June, 1929. While the actual dates of maturity extend from 1929 to 1975, or a period of 46 years, the average period till maturity of the gross debt is only 14.10 years.

**COMMONWEALTH PUBLIC DEBT.—DUE DATES OF AMOUNTS OUTSTANDING ON 30th JUNE, 1929. (a)**

Year of Maturity.	Debt for Commonwealth purposes.	Debt on Account of States.	Gross Debt.
	£	£	£
1929 .. .. .	3,797,000	315,000	4,112,000
1930 .. .. .	61,791,400	11,803,124	73,594,524
1931 .. .. .	27,070,790	2,258,740	29,329,530
1933 .. .. .	40,556,668	10,748,000	51,304,668
1934 .. .. .	3,830,447	8,237,500	12,067,947
1935 .. .. .	19,569,151	11,515,370	31,084,521
1936 .. .. .	13,742,167	1,239,090	14,981,257
1937 .. .. .	814	..	814
1938 .. .. .	10,230,895	1,748,000	11,978,895
1939 .. .. .	1,558,255	10,302,824	11,861,079
1941 .. .. .	43,476,660	4,470,370	47,947,030
1942 .. .. .	4,039,940	2,622,190	6,662,130
1943 .. .. .	14,824,770	3,633,260	18,458,030
1945 .. .. .	17,354,817	5,029,183	22,384,000
1948 .. .. .	9,577,370	260,500	9,837,870
1953 .. .. .	..	178,500	178,500
1954 .. .. .	..	444,000	444,000
1955 .. .. .	10,230,186	4,968,006	15,198,192
1956 .. .. .	4,335,436	5,885,051	10,220,487
1957 .. .. .	2,590,095	5,290,517	7,880,612
1960 .. .. .	6,000,000	..	6,000,000
1972 .. .. .	3,764,716	..	3,764,716
1975 .. .. .	20,247,489	37,744,511	57,992,000
Indefinite .. .. .	27,216	..	27,216
Annual Repayments .. .. .	82,790,481	..	82,790,481
Transferred Properties .. .. .	11,035,447	..	11,035,447
Miscellaneous .. .. .	777,430	72,735	850,165
Loans to States for Soldier Land Settlement .. .. .	- 35,598,068	+ 35,598,068	..
<b>Total .. .. .</b>	<b>377,621,572</b>	<b>164,364,539</b>	<b>541,986,111</b>
<b>Average period to maturity —years .. .. .</b>	<b>11.29</b>	<b>21.04</b>	<b>14.10</b>

(a) Those loans in the case of which the Government has the option of redemption during a specified period have been in each case classified according to the latest date of maturity.

9. *Flotations on behalf of States.*—Act No. 17 of 1916 authorized the Treasurer to borrow £8,940,000 in the United Kingdom, and Act No. 16 of 1917 to raise £8,000,000, also to lend the amount to the several States, other than New South Wales, and, pending the borrowing of the money, to advance the amounts set forth in the Acts out of loans made by the Government of the United Kingdom to the Commonwealth. In pursuance of these Acts, £16,907,287 was distributed to the States up to 30th June, 1924. Other loans have since been floated in London, New York and Australia. The totals so raised have been distributed as shown in the following table:—

## COMMONWEALTH LOANS RAISED ON BEHALF OF STATES AT 30th JUNE, 1929.

State.	Amount Floated in—			Total.
	London.	New York.	Australia.	
	£	£	£	£
New South Wales .. ..	7,614,460	3,922,921	12,814,961	24,352,342
Victoria .. ..	5,833,571	4,658,461	27,194,215	37,686,247
Queensland .. ..	10,116,564	3,436,062	8,007,302	21,559,928
South Australia .. ..	8,522,717	1,789,768	16,933,330	27,245,815
Western Australia .. ..	9,387,603	2,100,052	4,259,956	15,697,611
Tasmania .. ..	1,348,779	236,309	1,299,740	2,884,828
Total .. ..	42,773,694	16,143,573	70,509,504	129,426,771

In addition to these amounts, the Commonwealth Government has made other advances to the States for various purposes. The total amounts, including the sums shown in the above table, are as follows, the figures representing sums outstanding at 30th June, 1929:—

## ADVANCES TO STATES OUTSTANDING ON 30th JUNE, 1929.

Advances for—	New South Wales.	Victoria.	Queensland.	South Australia.	Western Australia.	Tasmania.	Total.
	£	£	£	£	£	£	£
Settling returned soldiers	9,805,983	11,794,075	2,700,583	2,833,005	5,431,202	2,129,563	34,694,411
Providing employment	..	86,702	400,000	28,796	..	..	515,498
Public Works, Redemption, etc. .. ..	23,029,882	36,564,410	21,097,966	26,510,382	11,607,799	3,503,509	122,313,957
Grafton—South Brisbane Railway .. ..	1,172,140	..	459,888	..	..	..	1,632,028
Silos for wheat storage	250,000	..	..	..	..	..	250,000
Development and Migration .. ..	150,320	1,121,828	2,076	735,432	4,489,812	..	6,499,468
Other purposes .. ..	..	9,500	278,158	..	202,315	18,750	508,723
Total .. ..	34,408,325	49,576,524	24,938,671	30,107,615	21,731,128	5,651,822	166,414,085

10. Sinking Funds.—Particulars relating to the creation of Sinking Funds are included in previous issues.

The old Sinking Funds were merged in the National Debt Sinking Fund on 11th August, 1923. Particulars of receipts and expenditure of the Commonwealth Account from the year 1924–25 are as follows:—

COMMONWEALTH PUBLIC DEBT.—NATIONAL DEBT SINKING FUND,  
1924–25 TO 1928–29.

Items.	1924–25.	1925–26.	1926–27.	1927–28.	1928–29.
	£	£	£	£	£
Cr. Brought forward .. ..	2,059,372	4,152,992	3,192,538	1,324,897	955,726
From Consolidated Revenue .. ..	3,111,216	2,796,722	2,017,391	2,276,032	2,469,272
Repayments of Sundry Loans .. ..	16,482	33,157	18,171	9,931	260,028
Purchase Money and Repayments under War Service Homes Act .. ..	746,012	744,548	831,562	787,897	799,508
Half net Profit Commonwealth Bank .. ..	130,477	226,176	236,280	320,563	349,204
Reparation Moneys .. ..	257,692	302,922	1,340,573	651,779	876,404
Interest on Investments .. ..	94,271	83,950	89,754	54,246	30,312
Contributions by States .. ..	..	..	1,218	8,927	21,013
Total .. ..	6,415,522	8,340,467	7,727,487	5,434,332	5,761,467
Dr. Redemptions .. ..	2,262,530	5,147,929	6,402,590	4,478,606	5,014,730
Carried Forward .. ..	4,152,992	3,192,538	1,324,897	955,726	746,737
Total .. ..	6,415,522	8,340,467	7,727,487	5,434,332	5,761,467

The Imperial Government loan comes in a different category from the others, since it is being liquidated by the funding arrangement described on a previous page.

Information regarding the transactions of the States' Account of the National Debt Sinking Fund is published in Finance Bulletin No. 20 issued by this Bureau.

### § 5. Cost of War and Repatriation.

In view of the importance of the subject, a further reference is here made to the cost of the war. The general policy of the Commonwealth Government has been to pay from Consolidated Revenue all recurring charges for interest, sinking fund, pensions, and other charges consequent upon the war, and part of the expense of repatriation. On the other hand, the whole direct cost of the war and the larger proportion of the cost of repatriation have been paid from loans. The total cost from both sources to the 30th June, 1929, is set out in the following table:—

COST OF WAR SERVICES TO 30th JUNE, 1929.

Year.	From Consolidated Revenue (a).		From War Loan Fund (b).	Total.
	War and Repatriation Services, including War Pensions.	Interest and Sinking Fund.		
	£	£	£	£
1914-15 .. .. .	896,190	115,145	14,100,000	15,111,335
1915-16 .. .. .	1,718,887	2,059,491	37,423,568	41,201,946
1916-17 .. .. .	2,439,271	5,988,058	53,114,237	61,541,566
1917-18 .. .. .	4,049,955	7,813,296	55,028,180	66,891,431
1918-19 .. .. .	9,966,927	11,288,174	59,547,080	80,802,181
1919-20 .. .. .	10,792,793	13,958,938	43,294,764	68,046,495
1920-21 .. .. .	13,672,345	19,613,888	24,148,501	57,434,734
1921-22 .. .. .	10,261,471	21,075,693	7,576,977	38,914,141
1922-23 .. .. .	9,298,560	20,801,912	1,762,694	31,863,166
1923-24 .. .. .	8,161,230	20,608,876	691,247	29,461,353
1924-25 .. .. .	8,232,656	20,250,105	Cr. 32,051	28,450,710
1925-26 .. .. .	8,473,717	20,698,133	Cr. 7,613	29,164,237
1926-27 .. .. .	8,814,001	20,495,082	23,938	29,333,021
1927-28 .. .. .	8,788,037	20,218,175	Cr. 23,741	28,982,471
1928-29 .. .. .	9,026,749	21,071,002	Cr. 12,972	30,084,779
Discounts and Flotation Expenses on Loans .. .. .	..	..	5,812,368	5,812,368
Indebtedness to the Government of the United Kingdom for payments made, services rendered and goods supplied during the war .. .. .	..	..	43,398,098	43,398,098
War Gratuities paid in cash .. .. .	452,295	..	27,031,377	27,483,672
<b>Total to 30th June, 1929</b>	<b>115,045,084</b>	<b>226,055,968</b>	<b>372,876,652</b>	<b>713,977,704</b>
	<b>£341,101,052</b>			

(a) Including the amounts spent from Trust Fund War Pensions Account.

(b) Exclusive of Expenditure on War Service Homes.

### § 6. Old-age and Invalid Pensions.

1. General.—In previous issues of this work an account was given of the introduction of the old-age pension system in Australia, together with a detailed description of the Commonwealth Invalid and Old-age Pensions Act of 1908 which became operative on 1st July, 1909. (See Year Books, Nos. 3 to 8.) An amendment of this Act, assented to on 30th September, 1916, made a very important alteration. Section 24 originally enacted that the pension "shall not exceed the rate of twenty-six pounds per annum in

any event, nor shall it be at such a rate as will make the pensioner's income, together with pension, exceed fifty-two pounds per annum." It was amended (a) by omitting the words "twenty-six pounds," and inserting in their stead the words "thirty-two pounds ten shillings", and (b) by omitting the words "fifty-two pounds" and inserting in their stead the words "fifty-eight pounds ten shillings." Section 26 originally enacted that if an applicant for an old-age pension was in receipt of board or lodging, the actual or estimated value or cost thereof should be counted as income, to an extent not exceeding five shillings per week. This was amended by omitting the words "five shillings" and inserting in their stead the words "seven shillings and sixpence."

In regard to invalid pensions, the applicant must satisfy the Department that her or his disability was contracted in Australia and is both total and permanent.

In 1919 the Act was again amended, and the rate of pension raised to £39 per annum and the maximum amount allowable to £65 per annum. The estimated value of board and lodging was raised to 10s. per week, while a further amending Act in 1923 raised the rate of pension to £45 10s. per annum and the maximum allowable to £78 per annum.

In 1925 an amending Act increased the rate of pension to £52 per annum and the maximum amount allowable to £84 10s. per annum from 1st October, 1925.

In 1920 special provision was made for a permanently blind person, by which the amount of pension may be at such a rate (not exceeding £52) per annum, as will make his income, together with the pension, equal to an amount not exceeding £221 per annum or such other amount as is declared to be a basic wage.

2. *Old-age Pensions.*—(i) *Number in force.* At 30th June, 1928, there were 139,367 Old-age pensions in force. During 1928-29, 18,712 pension claims were granted and 12,686 pensions were cancelled, a net increase of 6,026 pensions for the year—bringing the total pensions in existence at 30th June, 1929, to 145,393.

(ii) *Sexes of Pensioners.* Of the 145,393 persons in receipt of pensions at 30th June, 1929, 60,337 (or 41 per cent.) were males, and 85,056 (or 59 per cent.) were females. Details for the several States are as follows :—

OLD-AGE PENSIONS.—SEXES OF PENSIONERS, 1929.

State.	Males.	Females.	Total.	(a) Masculinity.
New South Wales .. ..	23,401	31,183	54,584	-14.26
Victoria .. ..	16,713	26,082	42,795	-21.90
Queensland .. ..	8,626	10,659	19,295	-10.48
South Australia .. ..	4,894	8,222	13,116	-25.38
Western Australia .. ..	3,651	4,605	8,256	-11.56
Tasmania .. ..	3,042	4,305	7,347	-17.19
Total .. ..	60,337	85,056	145,393	-17.00

(a) Excess of males over females in each 100 of total pensioners.

(iii) *Ages and Conjugal Condition of Pensioners.* The recorded ages of the 18,712 persons, 9,455 males and 9,257 females, to whom pensions were granted during the year 1928-29 varied considerably, ranging from 2,902 at age 60 to 3 at age 97. The conjugal condition of these pensioners was as follows :—Males—single, 2,205; married, 5,438; and widowed, 1,812. Females—single, 1,062; married, 4,861; and widowed, 3,334.

3. *Invalid Pensions.*—(i) *Number in force, 1929.* During the year 1928-29, the number of invalid pensioners increased from 55,517 to 59,148, an increase of 3,631 pensions. Altogether 8,599 claims were allowed and 4,968 pensions were cancelled.

(ii) *Sexes of Pensioners.* Of the 59,148 persons in receipt of invalid pensions on 30th June, 1929, 26,184, or 44 per cent., were males, and 32,964, or 56 per cent., were females. Details for the several States are as follows:—

INVALID PENSIONS.—SEXES OF PENSIONERS, 1929.

State.	Males.	Females.	Total.	(a) Masculinity.
New South Wales .. ..	10,486	13,480	23,966	-12.49
Victoria .. ..	7,779	9,778	17,557	-11.39
Queensland .. ..	4,112	4,441	8,553	-3.85
South Australia .. ..	1,362	2,296	3,658	-25.54
Western Australia .. ..	1,418	1,611	3,029	-6.37
Tasmania .. ..	1,027	1,358	2,385	-13.88
Total .. ..	26,184	32,964	59,148	-11.46

(a) Excess of males over females in each 100 of total pensioners.

(iii) *Ages and Conjugal Condition of Pensioners, 1929.* The recorded ages of the 8,599 persons (4,390 males and 4,209 females) to whom invalid pensions were granted during the period under review varied from 16 to 85.

The conjugal condition of persons to whom invalid pensions were granted during the year was as follows:—Males—single, 1,931; married, 2,180; and widowed, 279. Females—single, 1,855; married, 1,265; and widowed, 1,089.

4. *Cost of Administration.*—Under the State régime the cost of administration differed considerably in the several States, and for 1908-9 represented in New South Wales 4.17 per cent. of the amount actually paid in pensions. In Victoria for the same year the corresponding percentage was 0.70. During the year 1928-29 the total cost to the Commonwealth of administering the Old-age and Invalid Pensions Department was £86,605, or about 0.85 per cent. of the amount actually paid in pensions.

The actual sum disbursed in Old-age and Invalid Pensions in the financial year 1928-29, apart from the cost of administration and inclusive of the amount paid to asylums for the maintenance of pensioners, was £10,124,239.

5. *Summary.*—The following table gives detailed statistical information concerning the working of the Act for the last five years:—

OLD-AGE AND INVALID PENSIONS.—SUMMARY, AUSTRALIA, 1925 TO 1929.

Year ended 30th June—	Number of Pensioners.				Amount Paid in Pensions.	Total Payment to Pensioners and to Asylums for Maintenance of Pensioners.	Cost of Administration.	Cost of Administration per £100 paid to Pensioners and Asylums.	Average Fortnightly Pension on last day of Financial Year.
	Old-age.		Invalid.	Total.					
	No.	Est. No. per 1,000 of persons eligible on age qualification. (a)							
			No.	No.	£	£	£	£ s. d.	s. d.
1925	117,516	339	44,840	162,356	6,896,401	6,992,905	94,486	1 7 0	33 8
1926	126,918	359	48,803	175,721	8,146,636	8,252,387	99,620	1 4 2	38 7
1927	133,234	369	52,399	185,633	9,334,938	9,144,589	116,008	1 5 4	38 6
1928	139,367	379	55,517	194,884	9,681,837	9,790,346	118,641	1 4 3	38 5
1929	145,393	390	59,148	204,541	9,991,299	10,124,239	86,605	0 17 1	38 5

(a) Estimated number of old-age pensioners per 1,000 of the aggregate of males aged 65 and over and females aged 60 and over.

### § 7. Maternity Allowance.

During the session of 1912 the Federal Parliament passed an Act (assented to on 10th October, 1912) providing for the payment of maternity allowances. The scope and main provisions of the Act are given in Year Book No. 14, p. 1047. The most important conditions are that the sum of five pounds is payable in the case of each confinement

resulting in the birth of a viable child whether such child was born alive or dead. The mother must be a native of the Commonwealth, or intend to settle permanently therein. No payment is made in the case of an aboriginal or an Asiatic.

The following table gives a summary in connexion with the working of the Maternity Allowance Act for the years 1925 to 1929 :—

MATERNITY ALLOWANCE.—SUMMARY, 1925 TO 1929.

Year.	Claims Paid.	Claims Rejected.	Amount Paid.	Cost of Administration.	Cost per £100 of allowance paid.
			£	£	£ s. d.
1924-25 ..	137,641	455	688,205	16,425	2 7 9
1925-26 ..	136,171	517	680,855	15,702	2 6 1
1926-27 ..	132,056	1,122	660,280	16,181	2 9 0
1927-28 ..	135,784	1,261	678,920	15,489	2 5 8
1928-29 ..	132,304	901	661,520	16,626	2 10 3
Aggregate—					
1912-13 to					
1928-29 ..	2,220,728	10,717	11,103,638	234,847	2 2 4

§ 8. War Pensions.

1. General.—An Act for the provision of war pensions was passed in 1914 and amended in 1915 and 1916. Its scope can be determined by the following extract from section 3. “ Upon the death or incapacity of any member of the forces whose death or incapacity results, or has resulted, from his employment in connexion with warlike operations in which His Majesty is, or has since the commencement of the present state of war been engaged, the Commonwealth shall, subject to this Act, be liable to pay to the member or his dependants, or both, as the case may be, pensions in accordance with this Act.”

2. Number of Pensioners and Expenditure on War Pensions.—The following table shows the number of pensioners and the places where payments were made at the 30th June, 1929 :—

WAR PENSIONS.—NUMBER OF PENSIONERS, 1929.

Where Paid.	Incapacitated Members of the Forces.	Dependents of—		Total.	Expenditure.
		Deceased Members.	Incapacitated Members.		
					£
New South Wales ..	25,153	9,797	52,567	87,517	2,701,384
Victoria ..	23,837	11,086	55,715	90,638	2,245,457
Queensland ..	7,935	3,222	16,816	27,973	839,007
South Australia ..	4,164	3,161	9,256	16,581	493,403
Western Australia ..	7,693	3,272	17,209	28,084	787,346
Tasmania ..	2,876	1,432	7,443	11,751	326,257
London ..	1,577	3,962	3,617	9,156	} 342,067
South Africa ..	50	34	69	153	
New Zealand ..	217	209	291	717	
Other Overseas ..	24	7	30	61	
Total ..	73,436	36,182	163,013	272,631	
Payments made in Australia in respect of other countries less amounts received from other countries ..	..	..	..	..	20,853
Grand Total, Expenditure	..	..	..	..	7,755,774

3. **Cost of Administration.**—The cost of administration in 1928–29 after allowing for the amount recoverable from the Government of the United Kingdom on account of administrative cost of British Pensions was £140,128, or 1.8 per cent. on the total amount paid in pensions.

### § 9. Commonwealth Public Service Superannuation Fund.

This Fund, which was inaugurated on the 20th November, 1922, is maintained by contributions of officers of Parliament, of employees of the Commonwealth Public Service and the Defence Department, and by payments from the Consolidated Revenue—the latter being made when the officers retire on pension. Full particulars as to the benefits, etc., will be found in Official Year Book No. 18, page 383.

The number of contributors to the fund at 30th June, 1929, was 31,279, viz., 27,982 males and 3,297 females, and the average pension contributed for was £117 11s. per annum.

During 1928–29, the receipts of the Fund amounted to £537,310, of which officers' contributions represented £420,468. The expenditure from the fund for the year totalled £539,130, of which £475,147 was invested, bringing the total funds invested to £2,412,741 (at cost). The average rate of interest earned on investments at 30th June, 1929, was 5.483 per cent.

Pensions in force on the 30th June, 1929, numbered 2,749 with an annual liability of £218,384, of which £178,888 represents the share payable from the Consolidated Revenue.

## B. STATE FINANCE

### § 1. General.

1. **Functions of State Governments.**—In comparing the financial returns of the States allowance must be made for the various functions discharged by the respective Governments, and for local conditions in each case. Direct comparisons of expenditure are difficult, owing to the fact that functions which in one State are assumed by the Central Government are in another relegated to local governing bodies, and that costly developmental work may, under certain conditions, be not only economically justifiable but may be essential to progress, while parsimonious expenditure may be an economic blunder. A large expenditure may, therefore, be an indication either of gross extravagance and bad economy on the one hand, or of healthy progress and good economy on the other. Similarly, as regards revenue, imposts which in some States are levied by the Central Government, are in others dealt with locally. Care, therefore, is needed in instituting comparisons, and the particulars contained in this chapter should be read in connexion with those contained in the chapter dealing with Local Government. In many respects moreover, the budgets of the Australian Governments differ materially from those of most European countries, owing to the inclusion therein of the revenue and expenditure of departments concerned in rendering public services, such for instance as railways, tramways, water supply, etc., which in other countries are often left to private enterprise.

2. **Accounts of State Governments.**—The various financial transactions of the States are in each case concerned with one or other of three Funds—the “Consolidated Revenue Funds,” the “Trust Funds,” and the “Loan Funds.” All revenue (except certain taxation items paid into special funds) collected by the State is placed to the credit of its Consolidated Revenue Fund, from which payments are made under the authority of an Annual Appropriation Act passed by the Legislature, or by a permanent appropriation under a special Act. From 1st July, 1923, the accounts of the Railway and Tramway services, Sydney Harbour Trust, and certain water supply services were separated from the Consolidated Revenue Fund of New South Wales. To preserve the comparability of the State Finance statistics, information in respect of the above services has been included in the tabular statements in this section. The Trust Funds comprise all moneys held in trust by the Government, and include such items as savings' banks funds, sinking funds, insurance companies' deposits, etc. The Loan Funds are debited with all loan moneys raised by the State, and credited with the expenditure therefrom on public works or other purposes.

3. *Inter-relation of Commonwealth and State Finance.*—In regard to the inter-relation of Commonwealth and State Finances, a statement in some detail, covering the period from the inception of Federation to the passing of the *Financial Agreement Act 1928*, was published in preceding issues.

## § 2. State Consolidated Revenue Funds.

### Division I.—Revenue.

1. *General.*—The principal sources of State revenue are :—

- (a) Taxation; (b) The public works and services controlled by the State Governments; (c) Sale of and rental from Crown lands; (d) The Commonwealth subsidy; and (e) Miscellaneous sources, comprising fines, fees, interest, etc.

In regard to item (b) attention is directed to the statement (see B. § 1 (2) *ante*) appertaining to the New South Wales accounts.

Of these sources, that yielding the largest revenue for the States as a whole is the group of Public Works and Services, the principal contributor being the Government Railways and Tramways. Next in magnitude comes Taxation, followed in order by the Commonwealth Subsidy and Land Revenue.

2. *Revenue Received.*—The following table furnishes particulars of the total amounts and the amounts per head of consolidated revenue received by the several States during the five years 1924–25 to 1928–29 :—

#### STATE CONSOLIDATED REVENUE, 1924–25 TO 1928–29.

Year.	N.S.W. (a)	Victoria. (a)	Q'land.	S. Aust.	W. Aust. (b)	Tasmania.	All States.
TOTAL COLLECTIONS.							
	£	£	£	£	£	£	£
1924–25	39,529,048	24,304,887	14,897,256	9,733,038	8,381,446	2,762,013	99,607,688
1925–26	41,569,166	25,269,756	15,599,718	10,474,094	8,808,166	2,726,482	104,447,382
1926–27	47,060,753	27,128,700	16,147,787	10,784,897	9,750,833	3,040,220	113,913,190
1927–28	47,997,372	27,357,917	16,718,070	11,346,903	9,807,949	2,962,687	116,190,898
1928–29	51,241,737	28,156,034	16,736,188	10,840,914	9,947,951	2,766,434	119,639,258
PER HEAD OF POPULATION.							
	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.
1924–25	17 10 8	14 13 4	17 16 10	18 1 6	23 0 4	12 13 5	16 19 7
1925–26	18 1 9	15 0 1	18 2 3	18 19 9	23 13 4	12 11 3	17 9 1
1926–27	20 0 11	15 16 11	18 6 1	19 0 10	25 14 11	14 3 2	18 13 5
1927–28	19 19 11	15 14 3	18 11 10	19 14 2	25 0 0	13 14 6	18 13 4
1928–29	20 19 1	15 19 9	18 5 2	18 14 3	24 10 2	12 15 6	18 18 6

(a) Includes certain moneys not paid into Consolidated Revenue Fund.

(b) Excludes Motor Taxation paid into a Special Fund.

During the four years from 30th June, 1925, to 30th June, 1929, the aggregate revenue of the States increased by no less a sum than £20,081,570, or about 20 per cent. Increases were in evidence in all the States, the largest being that of £11,712,689 in New South Wales.

There has been a marked increase in the collections per head in all the States. Western Australia throughout the period has occupied the premier position, and in 1928–29 the revenue per head in that State exceeded the average for Australia by about 27 per cent. In Tasmania, however, the revenue per head averaged about 68 per cent. only of the average for Australia.

3. Sources of Revenue.—(i) *General*.—Classifying the revenue of the several States in the manner indicated in 1 *ante*, particulars for the year 1928-29 are as follows:—

## STATE CONSOLIDATED REVENUE.—SOURCES, 1928-29.

Particulars.	N.S.W. (a)	Victoria. (a)	Q'land.	S. Aust.	W. Aust.	Tasmania.	All States.
<b>TOTAL REVENUE.</b>							
	£	£	£	£	£	£	£
Taxation (c) ..	18,378,734	7,154,131	4,671,652	3,191,997	1,370,039	1,111,533	30,878,086
Public works and services ..	30,584,219	15,584,900	8,142,578	5,724,368	5,528,283	954,737	66,519,085
Land ..	2,244,571	459,185	1,499,341	299,871	514,482	69,341	5,086,791
Commonwealth subsidy ..	2,856,479	2,101,703	1,060,234	686,363	b 763,578	b 486,351	7,954,708
Miscellaneous ..	2,177,734	2,856,115	1,362,383	938,315	1,771,569	144,472	9,250,588
Total ..	51,241,737	28,156,034	16,736,188	10,840,914	9,947,951	2,766,434	119,689,258

## PER HEAD OF POPULATION.

	£ s. d.	£ s. d.	£ s. d.				
Taxation (c) ..	5 9 5	4 1 3	5 1 11	5 10 2	3 7 6	5 2 8	4 17 8
Public works and services ..	12 10 2	8 17 0	8 17 8	9 17 8	13 12 5	4 8 2	10 10 4
Land ..	0 13 4	0 5 3	1 12 8	0 10 4	1 5 4	0 6 5	0 16 1
Commonwealth subsidy ..	1 3 4	1 3 10	1 3 2	1 3 8	b 1 17 7	b 2 4 11	1 5 2
Miscellaneous ..	0 17 10	1 12 5	1 9 9	1 12 5	4 7 4	0 13 4	1 9 3
Total ..	20 19 1	15 19 9	18 5 2	18 14 3	24 10 2	12 15 6	18 18 6

(a) Includes certain moneys not paid into Consolidated Revenue Fund. (b) Including special grant. (c) In some States certain Taxation collections are not paid into Consolidated Revenue Fund. For total collections see next page.

In connexion with the item Public Works and Services, it should be borne in mind that services performed by the Government in one State may, in another, be carried out by a Board or Trust. For instance, in New South Wales and Western Australia the tramway systems are controlled by the Government, while in the other States ownership is largely vested in Trusts or private companies. Harbour and river services and water supply and sewerage are also controlled in some cases by the State and in others by Trusts.

The magnitude of the revenue per head from public works and services in the case of Western Australia is mainly due to the fact that the number of miles of railway in that State is large compared with the population, while the revenue earning power of the railways is also high. In New South Wales and Western Australia the revenue from tramways is also included.

(ii) *Revenue from Taxation*.—(a) *General*. Owing to varying practices obtaining in the several States in regard to the method of treating Motor Taxation in the respective Treasurers' Statements of Accounts, particulars of State Taxation collections have not always been directly comparable. The following table shows for the year 1928-29 particulars of all state taxation collections irrespective of whether such moneys have been paid into the Consolidated Revenue Funds or not. For this reason, the particulars hereunder are inconsistent with those stated in the tables relating to the Consolidated Revenue Funds, but represent a comprehensive statement of all taxation collections in each State. In this and the succeeding statements of taxation, the collections have been grouped according to the nature of the tax rather than the method of collection. For example, stamp duties on betting tickets and bookmakers' licences have been included under "Racing Taxation" instead of under "Stamp duties" and "Licences," respectively.

## STATE REVENUE FROM TAXATION, 1928-29.

Taxation.	N.S.W.	Victoria.	Q'land.	S. Aust.	W. Aust.	Tas.	All States.
	£	£	£	£	£	£	£
Probate and succession duties	1,816,927	1,079,840	524,135	329,924	82,469	74,812	3,908,107
Other stamp duties ..	1,586,776	1,017,908	575,809	469,861	291,400	62,623	4,004,377
Land Tax .. .. .	2,870	560,765	569,551	452,994	196,301	99,384	1,881,865
Income Tax .. .. .	7,343,049	2,881,917	2,758,514	1,735,922	664,836	584,565	15,948,803
Liquor Licences .. ..	491,257	365,941	96,880	34,679	82,802	21,545	1,093,104
Other Licences .. ..	42,910	36,494	32,846	34,008	6,487	18,004	170,749
Racing Taxation .. ..	557,347	145,532	93,125	60,776	67,229	158,711	1,082,720
Motor Taxation .. ..	1,710,453	1,065,734	477,310	623,586	265,059	80,296	4,222,438
Other Taxation .. ..	..	..	..	26,243	83,250	11,593	123,086
<b>Total .. .. .</b>	<b>13,551,589</b>	<b>7,154,131</b>	<b>5,128,170</b>	<b>3,767,993</b>	<b>1,721,833</b>	<b>1,111,533</b>	<b>32,435,249</b>

(a) Includes Dividend Tax.

Prior to Federation, duties of Customs and Excise constituted the principal source of revenue from taxation. At present, the most productive State tax is the income tax, imposed in all the States, and representing for 1928-29, 49 per cent. of the total taxation revenue. For 1928-29, motor tax occupied second place. In addition to these, a State land tax and licence fees of various kinds are collected in all the States, while a dividend tax is levied in Western Australia.

The total amounts and the amounts per head raised from all sources of taxation by the several State Governments, including amounts not paid into the Consolidated Revenue Fund, during the five years 1924-25 to 1928-29 are given in the following table :—

## STATE REVENUE FROM TAXATION, 1924-25 TO 1928-29.

Year.	N.S.W.	Victoria.	Q'land.	S. Aust.	W. Aust.	Tas.	All States.
TOTAL.							
	£	£	£	£	£	£	£
1924-25	8,731,513	5,238,420	4,055,617	2,290,754	1,295,504	1,306,361	22,918,169
1925-26	9,848,072	5,821,034	4,294,156	2,714,185	1,589,898	1,239,967	25,507,312
1926-27	12,698,642	6,411,936	4,759,829	2,885,266	1,485,536	1,229,823	29,471,032
1927-28	12,204,243	7,177,999	5,362,964	3,736,263	1,587,920	1,134,528	31,203,917
1928-29	13,551,589	7,154,131	5,128,170	3,767,993	1,721,833	1,111,533	32,435,249

## PER HEAD OF POPULATION.

	£ s. d.						
1924-25	3 17 5	3 3 3	4 17 3	4 5 1	3 11 2	5 19 11	3 18 2
1925-26	4 5 8	3 9 2	4 19 9	4 18 5	4 5 5	5 14 3	4 5 3
1926-27	5 8 2	3 14 11	5 7 11	5 1 11	3 18 5	5 14 7	4 16 7
1927-28	5 1 8	4 2 5	5 19 3	6 9 9	4 0 11	5 5 1	5 0 3
1928-29	5 10 10	4 1 3	5 11 11	6 10 1	4 4 10	5 2 8	5 2 7

During the period between 30th June, 1925, and 30th June, 1929, State revenue from taxation increased by about 42 per cent., the increase varying considerably in the different States and in the different sources of taxation.

Taking the States as a whole, taxation increased by £1 4s. 5d. per head during the same period, the most marked increase, £2 5s. 0d., occurring in the case of South Australia. Increases were recorded in all States except Tasmania, where the decrease represented 17s. 3d. per head of population.

(b) *Probate and Succession Duties.* Probate duties have been levied for many years in all the States, but the provisions of the Acts governing the payment of duty differ widely both in regard to the ordinary rates and those which apply to special beneficiaries. A table showing the values of the estates in which probates and letters of administration were granted is given later. (See Section E. Private Finance § 8 hereinafter.)

The duties collected for the financial years 1924-25 to 1928-29 are as follows:—

**STATE PROBATE AND SUCCESSION DUTIES.—COLLECTIONS, 1924-25 TO 1928-29.**

State.	1924-25.	1925-26.	1926-27.	1927-28.	1928-29.
	£	£	£	£	£
New South Wales .. ..	1,248,336	1,171,364	1,223,979	1,596,804	1,816,927
Victoria .. ..	802,333	940,609	1,111,876	1,117,164	1,079,840
Queensland .. ..	334,801	356,758	402,173	556,456	524,135
South Australia .. ..	225,999	269,332	242,187	327,940	329,924
Western Australia .. ..	68,115	84,635	66,366	81,452	82,469
Tasmania .. ..	88,404	74,370	151,200	99,640	74,812
Total .. ..	2,767,988	2,897,068	3,197,781	3,779,456	3,908,107

(c) *Other Stamp Duties.* The revenue derived from stamp duties (exclusive of probate and succession duties) for the years 1924-25 to 1928-29 is shown in the accompanying table:—

**STATE STAMP DUTIES (a).—COLLECTIONS, 1924-25 TO 1928-29.**

State.	1924-25.	1925-26.	1926-27.	1927-28.	1928-29.
	£	£	£	£	£
New South Wales .. ..	1,359,248	1,443,739	1,626,318	1,552,117	1,586,776
Victoria .. ..	965,047	1,019,250	1,061,219	1,005,957	1,017,908
Queensland .. ..	416,539	443,702	558,063	558,970	575,809
South Australia .. ..	363,572	384,000	420,932	445,517	469,861
Western Australia .. ..	196,363	224,311	246,089	263,871	291,400
Tasmania .. ..	65,496	62,858	62,700	62,267	62,623
Total .. ..	3,366,265	3,577,860	3,975,321	3,888,699	4,004,377

(a) Excludes Stamp Duties on betting tickets.

(d) *Land Tax.* All the States impose a Land Tax, although Queensland, the last State to fall into line, collected its first levy in 1915-16. In the other States the impost is of long standing. In New South Wales the State Land Tax is levied on the unincorporated portion of the western division of the State only.

The following table shows the amount collected by means of such taxes during the financial years 1924-25 to 1928-29:—

**STATE LAND TAX.—COLLECTIONS, 1924-25 TO 1928-29.**

State.	1924-25.	1925-26.	1926-27.	1927-28.	1928-29.
	£	£	£	£	£
New South Wales .. ..	2,569	2,667	2,870	2,744	2,870
Victoria .. ..	421,662	457,441	517,229	560,013	560,765
Queensland .. ..	452,481	468,020	481,937	531,940	569,551
South Australia .. ..	185,681	244,132	367,318	458,222	452,994
Western Australia .. ..	113,866	145,830	147,415	162,906	196,301
Tasmania .. ..	124,114	126,251	114,322	97,494	99,384
Total .. ..	1,300,373	1,444,341	1,631,091	1,813,319	1,881,865

(e) *Income Tax.* A tax on the incomes of persons, whether derived from personal exertion or from property, is also imposed in all the States. As might be expected, the rates, exemptions, etc., are widely divergent, but the general principles of the several Acts are similar. The Dividend Duties Act of Western Australia supplied to a certain extent the place of an income tax in that State in former years, but, with the increasing demands upon the Treasury, the levying of a direct income tax was found necessary.

The following table shows the total amount collected in the several States during the years 1924-25 to 1928-29. In the case of Western Australia the amount of dividend duty collected is included.

## STATE INCOME AND DIVIDEND TAXES.—COLLECTIONS, 1924-25 TO 1928-29.

State.	1924-25.	1925-26.	1926-27.	1927-28.	1928-29.
	£	£	£	£	£
New South Wales ..	4,661,892	5,392,946	7,739,627	6,382,467	7,343,049
Victoria .. ..	2,076,656	2,238,429	2,382,991	3,035,014	2,881,917
Queensland .. ..	2,509,913	2,617,253	2,821,217	3,082,552	2,758,514
South Australia ..	1,268,898	1,422,993	1,359,437	1,803,829	1,735,922
Western Australia ..	716,109	832,239	619,140	648,537	644,836
Tasmania .. ..	781,194	721,231	599,550	574,902	584,565
Total .. ..	12,014,662	13,225,091	15,521,962	15,527,301	15,948,803

(f) *Motor Taxation.* Motor Taxation comprises tax and registration fees on motor vehicles; licences of motor dealers, motor drivers and motor cycle riders, and public vehicles except when controlled by local Government authorities. The following table shows the collections for the past five years :—

## MOTOR TAXATION.—COLLECTIONS, 1924-25 to 1928-29.

State.	1924-25.	1925-26.	1926-27.	1927-28.	1928-29.
	£	£	£	£	£
New South Wales ..	616,362	997,195	1,247,915	1,478,986	1,710,453
Victoria .. ..	418,840	641,765	804,903	922,437	1,065,734
Queensland .. ..	151,468	203,789	275,362	403,956	477,310
South Australia ..	135,606	a 272,974	a 368,211	a 539,521	a 623,586
Western Australia ..	71,474	152,201	221,107	215,567	265,059
Tasmania .. ..	41,339	49,681	58,729	68,916	80,296
Total .. ..	1,435,089	2,317,605	2,976,227	3,629,383	4,222,438

(a) Includes motor spirit tax.

(g) *Commonwealth and State Taxation.* In the table hereunder showing the combined Commonwealth and State taxation for each of the years 1924-25 to 1928-29, as well as the amount per head of population, certain taxation collections by the State Governments which are not paid into the Consolidated Revenue Fund have been included :—

## TOTAL COMMONWEALTH AND STATE TAXATION, 1924-25 TO 1928-29.

Particulars.	1924-25.	1925-26.	1926-27.	1927-28.	1928-29.
	£	£	£	£	£
Commonwealth—					
Customs and Excise ..	37,192,781	39,198,878	43,552,478	41,446,730	41,058,571
Other .. ..	15,642,909	15,174,127	16,442,331	15,191,128	15,244,918
Total .. ..	52,835,690	54,373,005	58,994,809	56,637,858	56,303,489
State .. ..	22,918,169	25,507,312	29,471,032	31,203,917	32,435,249
Grand Total ..	75,753,859	79,880,317	88,465,841	87,841,775	88,738,738
Taxation per head—					
Commonwealth—					
Customs and Excise ..	£6/6/8	£6/10/10	£7/2/6	£6/13/0	£6/9/7
Other .. ..	£2/13/3	£2/10/8	£2/10/7	£2/8/9	£2/8/1
Total .. ..	£8/19/11	£9/1/6	£9/13/1	£9/1/9	£8/17/8
State .. ..	£3/18/2	£4/5/3	£4/16/7	£5/0/3	£5/2/7
Grand Total ..	£12/18/0	£13/6/4	£14/9/0	£14/1/7	£14/0/1

Whilst Customs and Excise revenue expanded during the period by £3,865,790, and other Commonwealth taxation decreased by £397,991, resulting in a net increase in Commonwealth taxation of £3,467,799, the State taxation advanced by £12,984,879; the aggregate increase being £16,452,678. The amount *per capita* of total taxation has increased by about 17 per cent. in the period under review.

(iii) *Public Works and Services.* A very large proportion of State revenues is made up of receipts from public works and services under the control of the Governments. The principal of these are railways and tramways, harbour works, and water supply and sewerage, while, in addition, State batteries for the treatment of auriferous ores exist in Western Australia, and various minor revenue-producing services are rendered by the Governments of all States. For the year 1928-29 the revenue from these sources was £66,519,085, or 56 per cent. of the revenue from all sources. Details of revenue from public works and services for the year 1928-29 are as follows:—

#### STATE REVENUE FROM PUBLIC WORKS AND SERVICES, 1928-29.

Particulars.	N.S.W.	Victoria.	Q'land.	S. Aust.	W. Aust.	Tas.	All States.
	£	£	£	£	£	£	£
Railways and tramways	c24,873,508	a12,840,604	a7,567,281	a3,644,007	4,127,938	a 511,041	53,564,377
Harbour services ..	c1,103,598	214,080	87,083	566,919	305,931	..	2,277,611
Water supply and sewerage ..	c8,023,095	b 658,896	..	912,404	588,826	..	5,183,221
Other public services ..	1,584,020	1,871,320	488,214	601,038	505,588	443,696	5,493,876
<b>Total ..</b>	<b>30,584,219</b>	<b>15,584,000</b>	<b>8,142,578</b>	<b>5,724,368</b>	<b>5,528,283</b>	<b>954,737</b>	<b>66,519,085</b>

(a) Railways only.

(b) Water supply only.

(c) Not paid into Consolidated Revenue.

(iv) *Lands.* The revenue from the sale and rental of Crown lands has, with few exceptions, been treated from the earliest times as forming part of the Consolidated Revenue Funds, and has been applied to meet ordinary expenses. Where the rentals received are for lands held for pastoral or residential purposes such application of the revenue would appear justifiable. On the other hand, where the rentals are for mineral and timber lands, and in all cases of sales of lands, the proceeding is essentially a disposal of capital to defray current expenses, and is, therefore, open to criticism. The following table gives the revenue from sales and rentals of Crown lands for the year 1928-29:—

#### STATE LAND REVENUE, 1928-29.

Particulars.	N.S.W.	Victoria.	Q'land.	S. Aust.	W. Aust.	Tas.	All States.
	£	£	£	£	£	£	£
Sales ..	141,168	95,465	20	30,551	202,195	22,769	492,168
Rental ..	1,984,020	247,387	1,258,869	269,320	158,754	31,769	3,950,119
Forestry ..	119,383	116,333	240,452	..	153,533	14,803	644,504
<b>Total ..</b>	<b>2,244,571</b>	<b>459,185</b>	<b>1,499,341</b>	<b>299,871</b>	<b>514,482</b>	<b>69,341</b>	<b>5,086,791</b>

(v) *Commonwealth Payments.* The payments to the States (inclusive of special grants but excluding the contributions in respect of sinking fund on States' Debts and Federal Aid Roads grants) represent in each instance a considerable proportion of the States' revenue, and for the year 1928-29 aggregated £7,954,708, or 6.65 per cent. of the total revenue of the States.

(vi) *Miscellaneous.* In addition to the foregoing, there are in each State several miscellaneous sources of revenue, including such items as interest, fines, fees, etc., which for the year 1928-29 aggregated £9,250,588. Of this amount, interest was responsible for £5,196,187.

### Division II.—Expenditure.

1. *General.*—The principal heads of State expenditure from Consolidated Revenue Funds are :—

- (a) Interest and sinking funds in connexion with public debt; (b) Working expenses of railways and tramways; (c) Justice; (d) Police; (e) Penal establishments; (f) Education; (g) Medical and charitable expenditure; and (h) All other expenditure.

Of these, that of working expenses of railways and tramways was the most important, and for the year 1928-29 represented about 35 per cent. of the aggregate expenditure from the Consolidated Revenue Fund. Next in importance for that year was the item of interest and sinking fund in connexion with the public debt, then education, medical and charitable expenditure, and police, in the order named.

2. *Total Expenditure.*—The total expenditure from Consolidated Revenue Funds in the several States, and the expenditure per head of population during each of the years 1924-25 to 1928-29 are given in the table hereunder :—

#### STATE EXPENDITURE.—CONSOLIDATED REVENUE FUNDS, 1924-25 TO 1928-29.

Year.	N.S.W. (a)	Victoria. (a)	Q'land.	S. Aust.	W. Aust.	Tasmania.	All States.
TOTAL.							
	£	£	£	£	£	£	£
1924-25	40,336,803	24,170,483	14,880,288	9,680,037	8,439,844	2,675,618	100,183,073
1925-26	42,820,400	25,559,583	16,154,404	10,460,943	8,907,308	2,698,262	106,600,900
1926-27	45,481,416	27,744,903	16,490,954	11,834,947	9,722,588	2,855,077	114,129,885
1927-28	48,857,763	27,521,270	16,707,564	11,621,834	9,834,415	2,867,605	117,410,451
1928-29	51,066,805	28,104,947	16,902,145	11,771,772	10,223,919	2,855,977	120,925,565

#### PER HEAD OF POPULATION.

	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.
1924-25	17 17 10	14 11 9	17 16 5	17 19 6	23 3 7	12 5 8	17 1 6
1925-26	18 12 7	15 3 7	18 15 2	18 19 5	23 18 8	12 8 8	17 16 3
1926-27	19 7 5	16 4 2	18 13 10	20 17 11	25 13 5	13 5 11	18 14 1
1927-28	20 7 1	15 16 1	18 11 7	20 3 8	25 1 5	13 5 8	18 17 3
1928-29	20 17 8	15 19 2	18 8 9	20 6 5	25 3 10	13 3 9	19 2 5

(a) Expenditure from Public Revenue; includes certain moneys paid from Special Funds.

Details of the expenditure are given in the next table.

3. Details of Expenditure for 1928-29.—The following table shows the total expenditure and expenditure per head under each of the principal items :—

## STATE EXPENDITURE.—DETAILS, 1928-29.

Particulars.	N.S.W. (c)	Victoria. (c)	Q'land.	S. Aust.	W. Aust.	Tasmania.	All States.
TOTAL.							
Public debt (interest, sinking fund, etc.)..	£ 12,690,880	£ 7,941,211	£ 5,478,212	£ 4,623,395	£ 3,346,792	£ 1,068,987	£ 35,149,477
Railways and tramways (working expenses)	c19,613,694	a9,457,047	b6,200,801	b3,430,954	3,347,541	b583,126	42,633,163
Justice .. .. .	874,578	302,871	215,704	76,925	93,955	26,604	1,390,637
Police .. .. .	1,749,575	917,454	595,490	315,338	236,332	93,609	3,907,798
Penal establishments	382,499	113,253	40,132	49,140	28,204	11,675	624,903
Education .. .. .	5,000,666	2,918,442	1,663,071	1,009,864	717,019	328,088	11,637,150
Medical and charitable	3,795,500	1,454,507	926,015	586,095	453,323	200,749	7,416,194
All other expenditure	7,159,413	5,000,182	1,782,720	1,680,061	2,000,748	543,139	18,166,243
Total .. .. .	51,066,805	28,104,947	16,902,145	11,771,772	10,223,919	2,855,977	120,925,565
PER HEAD OF POPULATION.							
Public debt (interest, sinking fund, etc.)..	£ s. d. 5 3 10	£ s. d. 4 10 2	£ s. d. 5 19 6	£ s. d. 7 19 7	£ s. d. 8 4 11	£ s. d. 4 18 9	£ s. d. 5 11 2
Railways and tramways (working expenses)	8 0 5	a5 7 5	b6 15 4	b5 18 5	8 4 11	b2 13 10	6 14 10
Justice .. .. .	0 5 6	0 3 5	0 4 9	0 2 8	0 4 8	0 2 5	0 4 5
Police .. .. .	0 14 3	0 10 5	0 13 0	0 10 11	0 11 8	0 8 8	0 12 4
Penal establishments	0 3 2	0 1 3	0 0 10	0 1 8	0 1 5	0 1 1	0 2 0
Education .. .. .	2 0 11	1 13 2	1 16 3	1 14 11	1 15 4	1 10 4	1 16 10
Medical and charitable	1 11 1	0 16 6	1 0 2	1 0 3	1 2 4	0 18 6	1 3 5
All other expenditure	2 18 6	2 16 10	1 18 11	2 18 0	4 18 7	2 10 2	2 17 5
Total .. .. .	20 17 8	15 19 2	18 8 9	20 6 5	25 3 10	13 3 9	19 2 5

(a) Including 9.79 miles of electric tramways operated by the Victorian Railways. (b) Railways only.  
(c) Includes expenditure of certain moneys not paid into Consolidated Revenue.

## § 3. State Trust Funds.

1. Nature.—In addition to the moneys received as revenue and paid to the credit of their respective Consolidated Revenue Funds, considerable sums are held by the State Governments in trust for various purposes. In most of the States also, sinking funds for the redemption of public debt are provided, and the moneys accruing thereto are paid to the credit of the appropriate trust funds. A similar course is followed in the case of municipal sinking funds placed in the hands of the Governments. In all the States except New South Wales, life assurance companies operating are required to deposit a substantial sum in cash or approved securities with the Government, and these deposits help to swell the trust funds. Various other deposit accounts, superannuation funds, suspense accounts, etc., also find a place. The trust funds have at various times enabled the several State Treasurers to tide over awkward financial positions, but the propriety of allowing deficits to be liquidated in this manner is open to question.

2. Extent.—The amount of trust funds held on the 30th June, 1929, was as follows :—

## STATE TRUST FUNDS, 30th JUNE, 1929.

Particulars.	N.S.W.	Victoria.	Q'land.	S. Aust.	W. Aust.	Tas.	All States.
	£	£	£	£	£	£	£
Amount of trust funds	24,705,014	6,130,485	327,941	1,255,179	14,360,375	812,502	47,591,496

## § 4. State Loan Funds.

## Division I.—Loan Expenditure.

1. General.—So far back as the year 1842, revenue collections were supplemented with borrowed moneys, the earliest loan being by New South Wales for the purpose of assisting immigration, at rates of interest varying from 2½d. to 5½d. per £100 per diem, or approximately from 4½ per cent. to 8 per cent. per annum. Australian public borrowing, however, is mainly due to the fact that the State Governments, in addition to ordinary administrative duties, undertake functions which in other countries are usually entrusted to local authorities or left to private enterprise. Foremost amongst these are the construction and control of the railway systems, but loan moneys have largely been used for improvements to harbours and rivers, and the construction of water supply and sewerage works. The State loan expenditure and public debt thus differ very materially from those of most European countries, and from those of the Commonwealth, where such expenditure was very largely incurred for purposes of defence, or in the prosecution of war. As shown above, the State debts consist chiefly of moneys raised and expended with the object of assisting the development of the resources of the country, and are, to a very large extent, represented by tangible assets.

2. Loan Expenditure, 1928–29.—For the year ended 30th June, 1929, State net expenditure from loan funds (exclusive of revenue deficits charged to loan and Treasury Bills retired) was £31,776,517. Details for the year for each State are given in the following table:—

## STATE NET LOAN EXPENDITURE, 1928–29.

Heads of Expenditure.	N.S.W.	Victoria.	Q'land.	S. Aust.	W. Aust.	Tasmania.	All States.
	£	£	£	£	£	£	£
Railways .. ..	6,326,685	1,249,409	1,212,131	706,144	828,500	Cr. 11,684	10,309,185
Tramways .. ..	30,286	..	..	..	8,551	..	38,837
Water Supply ..	676,154	} 1,503,819	17,045	421,820	425,004	..	} 4,733,911
Sewerage .. ..	460,648		81,707	170,355	151,211	..	
Water Conservation, etc.	623,865		..	202,283	(a)	..	
Harbours, Rivers and Lighthouses ..	851,270	1,049	..	162,245	274,060	} 230,679	6,002,750
Roads and Bridges ..	3,120,075	802,307	165,524	10,856	384,685		
Public Buildings (other than State schools)	502,829	25,774	} 108,965	139,145	92,359	34,431	} 2,112,650
State Schools ..	745,881	275,437		63,296	..	34,489	
Immigration ..	11,055	..	..	2,714	11,887	..	25,656
Development of mines and mineral resources ..	..	..	..	..	79,752	..	79,752
Agricultural Bank ..	..	..	Cr. 76,140	650,000	704,445	..	1,278,305
Advances to settlers ..	..	123,716	43,299	511,739	976,714	42,448	1,697,916
Land purchased for settlement ..	..	1,243,196	..	Cr. 52,209	..	Cr. 12,855	1,178,132
Loans to local bodies ..	..	..	196,236	366,102	9,780	5,840	577,958
Rabbit-proof fencing ..	30,500	55,198	Cr. 16,361	4,292	..	..	73,629
Electricity supply ..	204,205	1,713,794	..	..	48,479	56,793	2,023,271
Other public works and purposes ..	665,629	134,524	319,247	177,640	378,848	Cr. 31,323	1,644,565
<b>Total .. ..</b>	<b>14,249,082</b>	<b>7,128,273</b>	<b>2,141,653</b>	<b>3,536,422</b>	<b>4,372,269</b>	<b>348,818</b>	<b>31,776,517</b>
Treasury Bills retired ..	..	..	} 1,328,188	Cr. 8,211	..	..	} 1,319,977
Revenue deficit ..	..	..		..	..	..	
<b>Grand Total ..</b>	<b>14,249,082</b>	<b>7,128,273</b>	<b>3,469,841</b>	<b>3,528,211</b>	<b>4,372,269</b>	<b>348,818</b>	<b>33,096,494</b>

(a) Included in water supply.

3. Loan Expenditure, 1924-25 to 1928-29.—The following table gives the loan expenditure during each of the years 1924-25 to 1928-29 :—

## STATE NET LOAN EXPENDITURE, 1924-25 TO 1928-29.

Year.	N.S.W.	Victoria.	Q'land.	S. Aust.	W. Aust.	Tasmania.	All States.
TOTAL.							
	£	£	£	£	£	£	£
1924-25	9,175,686	7,940,589	3,689,165	6,085,175	4,099,021	242,485	31,232,121
1925-26	11,180,482	8,001,375	3,905,863	6,430,014	4,078,686	540,152	34,136,672
1926-27	10,422,270	8,962,353	3,598,957	6,074,387	4,113,054	329,698	33,500,719
1927-28	14,407,619	8,478,238	3,198,508	3,882,268	4,680,260	377,777	35,024,688
1928-29	14,249,082	7,128,273	2,141,653	3,536,422	4,372,269	348,818	31,776,517
PER HEAD OF POPULATION.							
	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.
1924-25	4 1 5	4 15 10	4 8 4	11 6 0	11 5 2	1 2 3	5 6 6
1925-26	4 17 3	4 15 0	4 10 9	11 13 2	10 19 2	2 9 9	5 14 1
1926-27	4 8 9	5 4 9	4 1 7	10 14 6	10 17 2	1 10 8	5 9 10
1927-28	6 0 0	4 17 4	3 11 2	6 14 10	11 18 7	1 15 0	5 12 6
1928-29	5 16 7	4 1 0	2 6 9	6 2 1	10 15 5	1 12 3	5 0 6

The loan expenditure per head of population varies in the different States and in different years, reaching its highest point for the five years under review in Western Australia in 1927-28 with £11 18s. 7d. per head, and its lowest in Tasmania in 1924-25 with £1 2s. 3d. per head.

4. Total Loan Expenditure to 30th June, 1929.—The total loan expenditure of the States from the initiation of borrowing to the 30th June 1929, amounted to £739,199,881. The purposes for which this sum was expended are shown in the following table :—

## TOTAL STATE LOAN EXPENDITURE TO 30th JUNE, 1929.

Heads of Expenditure.	N.S.W.	Victoria.	Q'land.	S. Aust.	W. Aust.	Tasmania.	All States.
	£	£	£	£	£	£	£
Railways .. .. .	130,012,097	72,357,133	60,204,291	31,819,982	22,444,139	6,947,918	323,785,560
Tramways .. .. .	12,243,804	..	..	..	1,056,401	..	13,300,205
Telegraphs and telephones	1,762,035	..	996,587	991,772	332,293	142,410	4,225,157
Water supply .. .. .	22,516,768	..	..	12,433,856	7,132,425	..	..
Sewerage .. .. .	12,822,525	25,228,612	5,049,128	2,165,918	1,842,841	..	111,828,187
Water conservation ..	12,982,463	..	2,146,635	7,507,016	b	..	..
Harbours, rivers and lighthouses .. .. .	21,882,206	1,281,164	3,287,033	7,412,833	5,399,853	6,590,503	75,261,457
Roads and bridges .. ..	11,723,880	10,666,339	2,123,210	3,233,872	1,660,472	..	..
Defence .. .. .	1,457,536	149,323	363,085	291,615	..	128,224	2,389,783
Public buildings (excluding State schools) ..	11,070,325	931,840	3,786,161	1,153,426	1,511,197	1,088,167	26,576,379
State schools .. .. .	..	4,740,041	..	1,664,393	..	630,829	..
Immigration .. .. .	765,496	20,000	2,763,071	2,714	494,817	235,000	4,281,098
Development of mines and mineral resources ..	..	520,421	..	..	2,369,762	..	2,890,183
Agricultural Bank .. ..	..	..	2,513,794	2,095,001	3,734,445	..	8,343,240
Advances to settlers ..	1,075,389	1,956,806	..	9,796,994	17,737,801	529,006	..
Land purchased for settlement .. .. .	7,391,767	35,947,786	2,339,147	1,703,012	324,662	2,668,472	81,470,842
Loans to local bodies ..	..	1,129,414	4,839,411	3,461,074	89,309	1,526,395	11,045,603
Rabbit-proof fencing ..	386,581	595,657	368,298	253,451	328,703	..	1,982,890
Electricity supply .. ..	1,022,579	14,518,038	..	..	1,126,841	3,650,518	20,317,976
Other public works and purposes .. .. .	9,539,688	6,405,070	17,846,605	9,637,836	6,394,835	1,727,487	51,551,521
Total .. .. .	258,655,289	176,447,644	103,626,456	95,624,765	73,980,798	25,864,929	739,199,881

(a) Includes industrial undertakings, grain elevators, returned soldiers' aid, etc. (b) Included in Water supply. (c) Includes £3,662,410 expenditure on industrial undertakings, £1,646,643 on Central Sugar Mills, £4,437,838 Treasury Bills retired, and Funded Deficits and Deficits on Loans, £3,056,470. (d) Includes Revenue Deficits, £3,875,682. (e) Includes Revenue Deficits, £1,011,335. (f) Includes Treasury Bills retired and Revenue Deficits, £496,272 and Deficits on Loans, £345,905.

The figures in the table show the amounts actually spent, and differ from those given later in the statements relating to the public debt, which represent the amount of loans still unpaid. The statement above includes all expenditure, whether the loans have been repaid or are still in existence. In the public debt statement, however, loans repaid are not included, and in the case of loans still outstanding, each is shown according to the amount repayable at maturity, and not according to the amount originally available for expenditure.

### Division II.—State Public Debts.

1. General.—The first government loan raised in Australia was obtained by New South Wales in 1842. This and nine other loans prior to 1855 were all procured locally. In the last-mentioned year, Australia approached the London market, the occasion being the placing of the first instalment of the New South Wales 5 per cent. loan for £683,300. Victoria first appeared as a borrower in 1854, and made its first appearance on the London market in 1859. In the other States the first public loans were raised in the following years:—Queensland 1861, South Australia 1856, Western Australia 1845, and Tasmania 1867.

2. State Debts, 1925 to 1929.—The table hereunder shows the State public debts and the amounts owing per head of population at the 30th June in each year from 1925 to 1929 inclusive. The totals include sums advanced by the Commonwealth to the States for settling returned soldiers on the land, and for this reason they differ in some cases from those given in previous issues. On the transfer of the Queensland State Savings Bank business to the Commonwealth Bank in 1920, Queensland Government securities were handed to the latter for the Savings Bank current account credit balance and for amounts owing on account of Advances to Settlers and Workers' Dwellings. This transaction added a total of £5,936,916 to the Public Debt without involving any additional borrowing. Repayments reduced this amount at 30th June, 1929, to £3,524,110.

#### STATE PUBLIC DEBTS, 30th JUNE, 1925 TO 1929.

Date.	N.S.W.	Victoria.	Q'land.	S. Aust.	W. Aust.	Tasmania.	All States.
TOTAL.							
	£	£	£	£	£	£	£
30th June, 1925	215,331,110	128,445,565	96,389,067	72,510,738	64,493,261	23,894,416	601,064,157
" 1926	223,488,708	138,738,141	102,309,501	79,250,916	70,799,200	24,475,463	639,081,929
" 1927	240,725,935	146,353,763	105,711,107	88,112,110	71,455,083	24,512,321	676,869,719
" 1928	258,474,898	157,283,470	112,138,970	92,223,165	77,071,749	24,826,560	722,013,812
" 1929	269,975,883	155,989,652	113,355,041	94,256,162	70,132,660	22,697,092	726,406,490
PER HEAD OF POPULATION.							
	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.
30th June, 1925	94 16 0	76 17 6	112 14 2	133 10 2	175 4 10	112 15 2	101 10 5
" 1926	96 9 3	81 17 6	116 6 10	141 18 1	188 14 4	116 17 11	105 18 4
" 1927	101 10 11	84 15 5	118 3 9	154 6 9	185 11 6	117 14 11	109 19 2
" 1928	106 13 6	89 18 1	122 10 11	159 12 6	192 16 5	117 19 4	115 2 4
" 1929	109 12 9	88 5 0	122 5 5	162 13 6	170 6 8	106 16 1	114 4 0

The greatest increase in indebtedness was experienced in New South Wales, which added £54,644,773 during the period under review. The public debt of the whole of the States increased during the same period by £125,342,333, or at the rate of over £31,000,000 per annum.

Under the provisions of the "Financial Agreement Act 1928" the Commonwealth will on 1st July, 1929, take over:—

(a) the balance then unpaid of the gross public debt of each State existing on 30th June, 1927; and

(b) all other debts of each State existing on 1st July, 1929, for moneys borrowed by that State which by this agreement are deemed to be moneys borrowed by the Commonwealth for and on behalf of that State—

and will in respect of the debts so taken over assume as between the Commonwealth and the States the liabilities of the States to bondholders.

Particulars of the debts to be taken over were published in Official Year Book, No. 22. (See p. 1025).

3. Place of Flotation of Loans.—(i) *For each State.* As pointed out previously, the yearly loans, usually for comparatively small amounts, were raised locally, but, with the increasing demand for loan funds and the more favourable terms offering in the London market, the practice of raising loans in London came into vogue, and for many years local flotations, except for short terms or small amounts, were comparatively infrequent. In more recent years, however, the accumulating stocks of money in Australia seeking investment have led to the placing of various redemption and other loans locally, with very satisfactory results. Moreover, certain loans have been placed in New York on account of all States. The following table gives particulars of loans outstanding on the 30th June, 1929, which had been floated abroad and in Australia respectively :—

STATE PUBLIC DEBTS.—PLACE OF FLOTATION OF LOANS, 30th JUNE, 1929.

State.	Floated Abroad.			Floated in Australia.	Grand Total.
	London.	New York.	Total.		
	£	£	£	£	£
New South Wales	158,251,864	14,037,173	172,289,037	97,686,846	269,975,883
Victoria ..	59,834,565	4,658,060	64,493,025	91,496,627	155,989,652
Queensland ..	64,865,592	7,956,766	72,822,358	40,532,683	113,355,041
South Australia ..	41,514,017	1,789,767	43,303,784	50,952,378	94,256,162
Western Australia	43,609,018	2,100,052	45,709,070	24,423,590	70,132,660
Tasmania ..	13,643,029	236,309	13,879,338	8,817,754	22,697,092
Total ..	381,718,085	30,778,527	412,496,612	313,909,878	726,406,490

(ii) *Total, All States.* The next table shows particulars of the aggregate State indebtedness at the end of the years 1924–25 to 1928–29.

STATE PUBLIC DEBTS.—PLACE OF FLOTATION OF LOANS, 30th JUNE, 1925 TO 1929.

Year.	Floated Abroad.		Floated in Australia.		Total Public Debt.
	Amount.	Percentage on Total Debt.	Amount.	Percentage on Total Debt.	
	£	%	£	%	£
30th June, 1925 ..	335,472,149	55·81	265,592,008	44·19	601,064,157
„ 1926 ..	357,832,118	55·99	281,229,811	44·01	639,061,929
„ 1927 ..	373,360,219	55·16	303,509,500	44·84	676,869,719
„ 1928 ..	416,660,672	57·71	305,358,140	42·29	722,018,812
„ 1929 ..	412,496,612	56·79	313,909,878	43·21	726,406,490

4. Rates of Interest.—As mentioned previously, the highest rate of interest paid for the earliest State loans was fivepence farthing per £100 per diem, or, approximately, 8 per cent. per annum. At present the rates vary from  $7\frac{1}{4}$  per cent. to 3 per cent., no fewer than twenty-two separate rates being involved. It is probable, however, that the debt at the higher rates will largely increase in the future, since conversion can scarcely be effected at present at a lower rate of interest than 5 per cent. The average rate payable on the aggregate indebtedness is more than  $4\frac{3}{4}$  per cent. For the separate States the average varies considerably, being lowest in the case of Tasmania and

Queensland and highest in that of South Australia, the difference between these two average rates being about  $\frac{1}{4}$  per cent. The table hereunder gives particulars of the rates of interest payable at the 30th June, 1929:—

## STATE PUBLIC DEBTS.—RATES OF INTEREST PAYABLE, 30th JUNE, 1929.

Rates of Interest.	N.S.W.	Victoria.	Q'land.	S. Aust.	W. Aust.	Tasmania.	Total.
%	£	£	£	£	£	£	£
7 $\frac{1}{2}$ ..	2,311,068	565,814	769,222	513,564	1,380,000	268,649	5,808,317
7 ..	..	..	2,465,838	..	..	..	2,465,838
£6/15/2 ..	1,250,000	613,248	10,742	..	477,802	..	2,351,792
£6/14/- ..	..	..	67,026	..	500,000	19,280	586,306
8 $\frac{1}{2}$ ..	6,500,000	..	3,080,820	3,000,000	250,000	2,360,093	15,190,913
£6/7/- ..	4,535,099	5,480,743	1,580,780	1,730,158	1,939,883	900,000	16,166,683
£6/1/3 ..	..	..	386,000	..	..	..	386,000
6 ..	18,774,466	5,138,419	6,412,045	14,622,136	5,977,335	484,043	51,405,444
5 $\frac{1}{2}$ ..	18,075,999	..	..	..	1,051,993	..	19,127,992
5 $\frac{1}{4}$ ..	34,908,468	20,140,412	15,018,105	5,807,941	4,782,757	1,496,834	82,154,517
£5/6/11 ..	1,874,412	3,553,124	501,241	522,283	1,045,559	600,000	8,096,619
£5/5/3 ..	85,405	1,581,147	309,730	67,000	87,958	341,635	2,472,875
5 $\frac{1}{8}$ ..	51,327,106	26,781,952	9,241,810	21,709,210	3,327,191	3,101,498	115,488,767
5 ..	..	670,000	..	..	..	..	670,000
4 $\frac{1}{2}$ ..	61,655,854	60,000,550	30,914,032	27,033,365	23,490,879	3,559,019	206,853,699
4 $\frac{1}{4}$ ..	..	6,235,980	..	500,000	..	..	6,735,980
4 $\frac{1}{8}$ ..	15,580,422	1,005,484	7,834,403	321,660	5,764,980	334,839	30,841,788
4 ..	..	..	..	..	..	140,750	140,750
3 $\frac{1}{2}$ ..	20,737,989	4,192,251	12,538,808	6,548,780	8,507,801	4,157,717	56,683,348
3 $\frac{1}{4}$ ..	1,911,650	220,000	2,019,900	1,932,752	888,608	..	6,972,910
3 $\frac{1}{8}$ ..	13,833,856	10,802,013	14,715,156	4,933,727	7,827,410	4,482,735	56,094,897
3 ..	16,601,414	9,508,515	5,489,383	5,001,770	2,832,504	450,000	39,833,586
Overdue ..	12,675	..	..	11,816	..	..	24,491
<b>Total ..</b>	<b>269,975,883</b>	<b>155,989,852</b>	<b>113,355,041</b>	<b>94,256,162</b>	<b>70,132,660</b>	<b>22,697,092</b>	<b>726,406,490</b>
<b>Interest payable—(a)</b>							
London ..	7,614,862	2,785,711	3,008,391	1,963,759	1,958,646	601,771	17,933,140
New York ..	682,245	228,729	462,087	89,488	105,003	11,815	1,579,367
Australia ..	5,217,919	4,708,876	1,981,417	2,703,849	1,325,545	477,695	16,415,301
<b>Total ..</b>	<b>13,515,026</b>	<b>7,723,316</b>	<b>5,451,895</b>	<b>4,757,096</b>	<b>3,389,194</b>	<b>1,091,281</b>	<b>35,927,808</b>
<b>Amount per head of population</b>	<b>£5/8/2</b>	<b>£4/7/5</b>	<b>£5/17/7</b>	<b>£8/16/5</b>	<b>£8/4/8</b>	<b>£5/7/4</b>	<b>£5/12/11</b>
<b>Average rate</b>	<b>£5/0/1</b>	<b>£4/19/-</b>	<b>£4/16/2</b>	<b>£5/0/11</b>	<b>£4/16/7</b>	<b>£4/16/2</b>	<b>£4/18/11</b>

(a) Includes contributions payable by Commonwealth and British Governments towards interest on Migration Loans.

The average rate of interest payable has risen from £4 17s. 1d. per cent. in 1924–25 to £4 18s. 11d. in 1928–29.

5. Dates of Maturity.—Securities like the British Consols are interminable, but Australian debts have in most cases a fixed date for repayment, there being a few exceptions which are included in the following table under the headings “interminable,” “terminable at Government option,” and “date not fixed.” Those “terminable at Government option” include amounts which are payable by the respective Governments after giving a specified notice, and those “date not fixed” consist of certain amounts owing to the Commonwealth Government. In most cases at date of maturity renewal is effected in respect of the greater portion of the loan, as provision for redemption has been made in exceptional cases only. In order to avoid application to the market at an unfavourable time, several States adopted the practice of specifying a period prior to the date of maturity within which the Government, on giving twelve, or in some cases

six months' notice, has the option of redeeming the loan. The Government can, therefore, take advantage of opportunities that may offer during the period for favourable renewals. Particulars concerning the due dates of the State loans outstanding on the 30th June, 1929, are given in the following table.

Those loans in the case of which the Government has the option of redemption during a specified period have been in each instance classified according to the latest date of maturity.

While the latest dates of maturity of the various loans extend over the period 1929 to 1975, the average for the States as a whole is almost 16½ years.

**STATE PUBLIC DEBTS.—DUE DATE OF AMOUNT OUTSTANDING  
ON 30th JUNE, 1929.**

Year of Maturity.	N.S.W.	Victoria.	Q'land.	S. Aust.	W. Aust.	Tasmania.	Total.
	£	£	£	£	£	£	£
Overdue ..	12,675			11,816			24,491
1929 ..	450,140	9,067,600	12,741,415	2,961,727	473,125	410,785	27,013,742
1930 ..	15,452,469	15,257,153	6,419,568	7,824,850	2,326,771	1,932,443	48,713,254
1931 ..	4,594,089	4,737,529	713,220	2,050,974	3,068,704	379,430	16,443,946
1932 ..	15,747,795	5,355,736	29,000	2,400,250	1,224,857	183,224	24,940,862
1933 ..	10,081,343	12,882,620	1,198,000	5,722,351	1,847,337	916,993	41,649,144
1934 ..	14,347,823	13,735,225	3,004,340	6,850,237	2,167,347	138,519	40,243,491
1935 ..	26,298,865	3,358,315	897,270	7,361,963	6,373,603	840,875	44,630,891
1936 ..	1,390,897	4,334,869	4,103,070	5,116,651	1,935,832	11,330	17,392,649
1937 ..	569,970	40,000		1,370,401		2,287	1,982,658
1938 ..	117,055	483,000	2,773,697	1,230,831	1,939,350	61,567	6,605,500
1939 ..	5,004,210	1,837,057	1,434,000	4,078,394	110,806	492,551	12,957,018
1940 ..	16,491,000	4,248,900	2,000,000	6,004,861	3,803,253	7,810,022	40,358,036
1941 ..	7,882,768	1,996,050	3,880,293	1,846,703	292,680	36,647	15,935,141
1942 ..	13,687,889	14,522,240	14,800	8,051,107	61,697	1,303,927	37,641,680
1943 ..	1,536,319	1,097,400		1,178,200	1,346,700	27,245	7,464,852
1944 ..	252,900	400					253,300
1945 ..	11,006,000	1,856,943	7,435,749	798,812	5,664,890	200,000	26,962,894
1946 ..		15,400				250,000	265,400
1947 ..	3,200		6,553,558		1,703,600		8,260,358
1948 ..	6,500		290,500				297,000
1949 ..	2,900	11,699,271				42,000	11,744,171
1950 ..	12,079,300		6,946,600			2,800,000	21,825,900
1951 ..			999,300				999,600
1952 ..	3,100		125,400				128,500
1953 ..	6,500	239,500	2,137,609			34,000	2,417,609
1954 ..	2,900	311,874					314,774
1955 ..	21,716,500	1,912,600	761,430	762,560	4,877,459		30,030,309
1956 ..	3,922,922	838,734	1,123,395				5,885,051
1957 ..	22,985,468	1,907,367	1,551,233	1,027,207	568,396	2,363,309	28,275,985
1958 ..	5,059,283						5,059,283
1960 ..		3,970,700	20,228,800	2,989,617	888,608		33,077,725
1962 ..	10,500,000				4,964,083		15,464,083
1964 ..					1,566,000		1,566,000
1965 ..	14,448,000				2,673,062		17,121,062
1970 ..			2,000,000				2,000,000
1975 ..	7,614,460	16,931,216	8,788,795	15,231,905	13,922,798	1,748,779	64,237,958
Interminable ..	532,889			98,382			631,271
Terminable at Government option ..	7,361,770			5,001,770			12,363,540
Half-yearly Drawings ..			11,824,911			699,645	12,524,556
Date not fixed ..	9,805,984	16,952,193	2,700,583	3,683,805	5,431,202	2,129,564	40,703,331
<b>Total ..</b>	<b>269,975,883</b>	<b>155,989,652</b>	<b>113,355,041</b>	<b>94,256,162</b>	<b>70,132,660</b>	<b>22,697,092</b>	<b>726,406,490</b>
Average period to maturity, years	15.97	14.21	18.30	15.20	21.86	13.94	16.44

6. Sinking Funds.—The practice of providing sinking funds has been consistently adopted in the case of Western Australia only. This State has established, in connexion with each of its loans, sinking funds varying from 1 per cent. to 3 per cent. per annum of the nominal amount of the loan. The funds are placed with trustees in London, by whom they are invested in securities, and applied from time to time to the redemption of loans falling due. In the other States the sinking fund provision made is varied, consisting in certain instances of the revenues from specified sources, in others of the

Consolidated Revenue Fund surplus, and in others again of fixed annual amounts. The following table gives the sinking funds and net indebtedness of each State at the 30th June, 1929 :—

## STATE SINKING FUNDS AND NET INDEBTEDNESS, 30th JUNE, 1929.

State.	Gross Indebtedness.	Sinking Fund.	Net Indebtedness.	Net Indebtedness per Head.
	£	£	£	£ s. d.
New South Wales ..	269,975,883	428,232	269,547,651	109 9 3
Victoria ..	155,989,652	391,078	155,598,574	88 0 7
Queensland ..	113,355,041	859,585	112,495,456	121 6 10
South Australia ..	94,256,162	32,441	94,223,721	162 12 4
Western Australia ..	70,132,660	1,006,328	69,126,332	167 17 10
Tasmania ..	22,697,092	16,011	22,681,081	106 14 7
<b>Total ..</b>	<b>726,406,490</b>	<b>2,733,675</b>	<b>723,672,815</b>	<b>113 15 5</b>

## C. COMMONWEALTH AND STATE PUBLIC DEBTS.

The table hereunder shows the public debt of the Commonwealth and of the States at the 30th June in each of the years 1925 to 1929. In this table all moneys borrowed by the Commonwealth on behalf of the States have been included with State debts only, and similarly, the debts taken over by the Commonwealth from South Australia on account of the Northern Territory and of the Port Augusta-Oodnadatta Railway have now been included with the Commonwealth Debt.

## COMMONWEALTH AND STATE PUBLIC DEBTS, 1924-25 TO 1928-29.

Particulars.	Redeemable.	At 30th June—				
		1925.	1926.	1927.	1928.	1929.
		£	£	£	£	£
Commonwealth— War Debt ..	Overseas	98,097,605	96,865,883	95,572,848	96,822,659	93,810,641
	Australia	213,096,591	207,680,474	201,332,522	196,597,448	194,007,104
	<b>Total</b>	<b>311,194,196</b>	<b>304,546,357</b>	<b>296,905,370</b>	<b>293,420,107</b>	<b>287,817,745</b>
Works and Other Purposes ..	Overseas	30,231,957	49,606,050	46,980,102	56,684,465	65,976,650
	Australia	20,646,614	20,786,907	22,726,033	22,679,517	23,828,177
	<b>Total</b>	<b>50,878,571</b>	<b>70,392,957</b>	<b>69,706,135</b>	<b>79,363,982</b>	<b>89,804,827</b>
	Overseas	128,329,562	146,471,933	142,552,950	153,507,124	159,786,291
	Australia	233,743,205	228,466,781	224,058,555	219,276,965	217,835,281
	<b>Grand Total</b>	<b>362,072,767</b>	<b>374,938,714</b>	<b>366,611,505</b>	<b>372,784,089</b>	<b>377,621,572</b>
States ..	Overseas	335,472,149	357,752,782	374,360,219	416,660,672	412,496,612
	Australia	265,592,008	281,309,147	303,509,500	305,358,140	313,909,378
	<b>Total</b>	<b>601,064,157</b>	<b>639,061,929</b>	<b>677,869,719</b>	<b>722,018,812</b>	<b>726,406,490</b>
-Grand Total Public Debt Commonwealth and State	Overseas	463,801,711	504,224,715	515,913,169	570,167,796	572,282,903
	Australia	499,335,213	509,775,928	527,568,055	524,635,105	531,745,159
	<b>Grand Total</b>	<b>963,136,924</b>	<b>1,014,000,643</b>	<b>1,043,481,224</b>	<b>1,094,802,901</b>	<b>1,104,028,062</b>

## D. THE AUSTRALIAN LOAN COUNCIL.

The Australian Loan Council, consisting of the Treasurers of the Commonwealth and of the States, was created as the result of representations made by the Commonwealth Government, and has for its object the prevention of undue competition and clashing in the raising of loans.

Until July, 1925, the Council consisted of the Treasurers of the Commonwealth and of each of the States; in August of that year the Treasurer of New South Wales withdrew from the Council, but rejoined at the end of 1927.

At its first meeting, held on 1st February, 1924, the Loan Council recognized the necessity for co-operation in the raising of loans. The terms to be offered by the several governments for loans in Australia up to 30th June, 1924, were agreed to, and arrangements were made to prevent unnecessary clashing during the period required by the Commonwealth for the flotation of its War Gratuity Redemption and Conversion Loan.

Up to June, 1925, the Commonwealth and States issued their own loans in London and elsewhere outside Australia, but the amounts were limited to sums agreed upon at the Loan Council by the several Treasurers. About the middle of 1925, however, the Loan Council decided that there should be no competition for loans in the American market, and that borrowing in America, and borrowing simultaneously in America and London, on behalf of the Commonwealth and of the States, should be conducted solely by the Commonwealth. The successful flotation in July, 1925, of a loan of £20,000,000 in London and New York was regarded as proof of the soundness of the Council's new policy.

During the year 1928–29 the loan raisings amounted to £76,797,721, details of which flotations are given on page 260 *ante*.

## E. PRIVATE FINANCE.

## § 1. Coinage.

**Australian Mints.**—(i) *General.* Soon after the discovery of gold in Australia steps were taken for the establishment of a branch of the Royal Mint in Sydney. The formal opening took place on the 14th May, 1855. The Melbourne branch was opened on the 12th June, 1872, and the Perth branch on the 20th June, 1899. The States of New South Wales, Victoria, and Western Australia provide an annual endowment in return for which the mint receipts are paid into the respective State Treasuries, and it might be said until recently that, apart from expenditure on buildings, new machinery, etc., the accounts paid into the Treasuries fairly balanced the mint subsidies. Early in 1923, however, it was announced that owing to losses incurred in the operations of recent years, the New South Wales Government had decided to close the Sydney branch at the end of 1923. This decision was, however, not carried out at that time, but the mint was closed at the end of 1926.

(ii) *Gold Receipts and Issues.* (a) *Receipts.* The receipts of gold during 1929 and the aggregate at each mint to the end of 1929 were as follows :—

## AUSTRALIAN MINTS.—RECEIPTS OF GOLD, 1929, AND TOTAL.

Mint.	Deposits during 1929.	Total to end of 1929.		
		Quantity.		Value.
		Gross.	Fine.	
	Ozs. Gross.	Ozs.	Ozs.	£
Sydney .. ..	..	(a) 42,082,928	(a) 36,907,045	(a) 156,771,141
Melbourne .. ..	161,861	41,419,924	38,202,097	162,272,088
Perth .. ..	461,451	32,707,751	26,777,938	113,745,378
Total .. ..	623,312	116,210,603	101,887,080	432,788,607

(a) To end of 1926.

In cases of deposits containing over a certain minimum of silver, the excess is paid for at the rate fixed from time to time by the Deputy-Master of the branch mint concerned.

(b) *Issues.* The Australian mints, besides issuing gold coin in the shape of sovereigns and half-sovereigns, also issue gold bullion, partly for the use of local manufacturers (jewellers and dentists), and partly for export, India taking a considerable quantity of gold cast into 10-oz. bars. During recent years the export was subject to regulation by the Commonwealth Government, but the embargo was lifted in 1925. The issues during 1929, and aggregate to end of that year, are shown in the table below :—

**AUSTRALIAN MINTS.—ISSUES OF GOLD.**

Mint.	Coin.			Bullion.	Total.
	Sovereigns.	Half-sovereigns.	Total.		
1929—	£	£	£	£	£
Melbourne ..	436,719	..	436,719	131,261	567,980
Perth ..	1,606,625	..	1,606,625	2,904	1,609,529
Total, 1929	2,043,344	..	2,043,344	134,165	2,177,509
Aggregate—					
Sydney ..	144,435,550	4,781,000	149,216,550	7,574,408	156,790,958
Melbourne ..	147,147,805	946,780	148,094,585	14,177,976	162,272,561
Perth ..	103,295,277	367,338	103,662,615	10,062,729	113,725,344
Total to end of 1929 ..	394,878,632	6,095,118	400,973,750	31,815,113	432,788,863

(c) *Withdrawals of Worn Coin.* The mints receive light and worn coin for recoinage, The total withdrawals of worn gold coin were as follows :—Sydney (to 1926), £1,110,867 Melbourne, £882,205 (since and including 1890) ; and Perth, £1,401.

(iii) *Silver and Bronze Coinage.* (a) *Prices of Silver.* The value of silver has greatly decreased since its demonetization and restricted coinage in almost the whole of Europe. A noticeable increase, however, took place for some years after 1915, the price of silver following the general trend of world prices. Its average price in the London market in recent years is shown in the table in Chapter XXI. Mineral Industry.

(b) *Profits on Coinage of Silver.* As sixty-six shillings are coined out of one pound Troy of standard silver, the silver required to produce £3 6s. of coin cost, at the average 1929 London market price of 2s.  $\frac{1}{2}$ d. per ounce, approximately £1 4s. 6d. The difference nearly represents, therefore, the gross profit or seigniorage made on the coinage of every £3 6s. Negotiations for the coinage of silver and bronze coin in Australia took place for a number of years between the Imperial authorities and the Governments of New South Wales and Victoria, but no decision was arrived at. As section 51 of the Commonwealth Constitution makes legislation concerning "currency, coinage, and legal tender" a Federal matter, the question remained in abeyance until 1907, when the matter was discussed at the Colonial Conference, London, with the result that in the latter part of 1908 the Commonwealth Treasurer announced his intention of initiating the coinage. Since 1916 silver and bronze coins have been minted in Australia on behalf the Commonwealth Treasury.

(c) *Silver and Bronze Issues.* The total issues of silver and bronze coinage on account of the Commonwealth since 1910 as obtained from returns furnished by the Treasury, are set out in the following table:—

· AUSTRALIAN MINTS.—SILVER AND BRONZE ISSUES, 1910 TO 1929.

Year.	Silver.					Bronze.		
	2/-.	1/-.	6d.	3d.	Total.	1d.	½d.	Total.
	£	£	£	£	£	£	£	£
1910-1924 ..	2,368,800	1,471,000	538,400	546,400	4,924,600	257,593	81,290	338,883
1924-25 ..	101,800	33,600	36,400	35,950	207,750	4,820	4,360	9,180
1925-26 ..	379,000	96,300	96,000	59,575	630,875	12,830	5,760	18,590
1926-27 ..	381,000	99,400	87,900	74,575	642,875	11,810	8,865	20,675
1927-28 ..	123,400	50,600	64,400	66,800	305,200	18,460	3,620	22,080
1928-29 ..	71,000	12,400	20,000	24,600	128,000	13,030	5,510	18,540
Total ..	3,425,000	1,763,300	843,100	807,900	6,839,300	318,543	109,405	427,948

(d) *Withdrawals of Worn Silver Coin.* The value of worn silver coins received during 1929 was as follows:—Melbourne, £154,931; Perth, £7,200. The total withdrawals of worn silver coin were:—Melbourne, £1,711,661; Perth, £128,238; Sydney (to 1926), £1,248,672.

(iv) *Standard Weight and Fineness of Coinage.* The coinage of Australia, so far as the coins minted are concerned, is the same as that of the United Kingdom, and the same provisions as to legal tender apply, viz., gold coins are legal tender to any amount, silver for an amount not exceeding forty shillings, and bronze up to one shilling. The standard weights of the sovereign and half-sovereign are respectively 123.27447 grains and 61.63723 grains, but these coins will pass current if they do not fall below 122.5 grains and 61.125 grains respectively. Particulars of the standard weights and fineness of Australian coinage were published in previous issues.

## § 2. Cheque-Paying Banks.

1. Banking Legislation—(i) *Commonwealth Legislation.* Under Section 51 of the Commonwealth Constitution Act the Commonwealth Parliament has power to legislate with respect to "Banking, other than State banking, also State banking extending beyond the limits of the State concerned, the incorporation of banks, and the issue of paper money." Legislation under this authority comprises the following Acts: No. 27 of 1909, dealing with Bills of Exchange, Cheques, and Promissory Notes; No. 11 of 1910, dealing with Australian Notes; and No. 14 of 1910, a Bank Notes Tax Act. The Notes Act and the Bank Notes Tax Act were supplemented in the following year by the passing of Act No. 18 of 1911, "An Act to provide for a Commonwealth Bank," which passed both Houses and was assented to on 22nd December, 1911. Some account of the foundation of the Bank appeared in No. 6 to No. 10 issues of the Official Year Book.

As the initial expenses of the Bank were heavy, the early operations resulted in a small loss, but with the increasing prosperity of the institution the early deficit was gradually reduced, until on 30th June, 1915, it was entirely extinguished. The following table shows the aggregate net profits from the initiation of the Bank to the end of each of the last five financial years:—

COMMONWEALTH BANK.—AGGREGATE PROFITS, 1925 TO 1929.

Date.	Aggregate Net Profit to Date.			
	General Bank.	Savings Bank.	Rural Credits Departments.	Total.
	£	£	£	£
30th June, 1925 ..	4,098,392	890,838	..	4,989,230
„ 1926 ..	4,309,787	1,140,740	6,024	5,456,551
„ 1927 ..	4,585,181	1,446,333	26,000	6,057,514
„ 1928 ..	4,900,327	1,795,822	61,266	6,766,415
„ 1929 ..	5,367,950	2,037,057	109,928	7,514,935

In accordance with the provisions of section 30 of the Bank Act and section 9 (2) of the National Debt Sinking Fund Act, half of the net profits of the Bank have been placed to the credit of the Bank's Reserve Fund and half to the credit of the National Debt Sinking Fund. Up to 30th June, 1929, the latter fund has benefited to the extent of £1,500,510.

The Commonwealth Bank Act, 1924 was assented to on 20th August, 1924, and was brought into operation on 10th October, 1924. This Act was passed to broaden the scope of the Commonwealth Bank and to enable it to perform the functions for which it had been established. Five main amendments to the Bank Act 1911-20 are included, in accordance with which the following changes have been made:—(1.) A Board of Directors has been appointed to control not only the general business, but also that of the note issue. The Board consists of the Governor of the Bank, the Secretary to the Treasury, and six others who are or have been actively engaged in agriculture, commerce, finance or industry. In addition to the above Board there is a Board of Advice in London. (2.) The bank has been strengthened by the capitalization of £4,000,000 of the accumulated profits, and the Treasurer is authorized to raise by loans sums aggregating £6,000,000 and to lend the proceeds to the Commonwealth Bank as additional capital. The Ministry does not propose to interfere with the authority already included in the Commonwealth Bank Act to issue debentures up to £10,000,000. (3.) The Board is to fix and publish its discount rate. (4.) The associated banks settle their exchanges through the Commonwealth Bank. (5.) The associated banks supply to the Treasurer each quarter a statement of average weekly liabilities and assets in accordance with the schedule prescribed.

A further amending act—The Commonwealth Bank Act, 1927—provided for the separation of the Savings Bank Department from the General Bank and its establishment as a separate institution and the transfer to the “Commonwealth Savings Bank of Australia” of all assets and liabilities of the Savings Bank Department. The date on which this amending act became operative was fixed by proclamation as 9th June, 1928.

The amount of capital and reserves at the date of separation was allocated as follows: Commonwealth Bank of Australia, Capital, £4,000,000: Reserve Fund, £303,857. Commonwealth Savings Bank of Australia, Reserve Fund, £1,075,298.

Since the 1st July, 1927, the Bank has published a weekly statement of the accounts of the note issue and general banking departments of the Bank.

(ii) *State Legislation.* The Acts under which the various banks are incorporated differ somewhat. While most of the older banks were incorporated by special Act or Charter, e.g., the Bank of New South Wales, by Act of Council 1817; the Bank of Australasia, by Royal Charter; the Bank of Adelaide, by Act of the South Australian Parliament; and the Bank of New Zealand, by Act of the General Assembly of New Zealand, the newer banks are generally registered under a “Companies Act,” or some equivalent Act. This is also the case with those banks which, after the crisis of 1893, were reconstructed.

(iii) *Australian Note Issue.* In December, 1920, the Australian Note Issue was handed over to the control of the Commonwealth Bank, the notes, however, still remaining Treasury Notes. The Note Issue Department of the Bank is administered by the above-mentioned Board of Directors. The notes in circulation on 24th June, 1929, amounted to £42,258,226, of which approximately 42 per cent. was held by the Banks and 58 per cent. by the public. Against this there was a reserve of gold coin and bullion

amounting to £22,151,497, or 52.4 per cent. At 30th June the assets of the Australian Note Issue Department included investments totalling £19,982,460, the annual amount of interest in respect of which was £976,239.

Details of the investments of the Australian Notes Account are given in Finance Bulletin No. 20.

Several important amalgamations of banking interests have taken place during recent years, particulars of which were given in the last issue of this work.

2. Banks in Operation and Capital Resources.—The paid-up capital of the 21 cheque-paying banks, together with their reserve funds, the rate per cent., and the amount of their last dividends are shown in the table hereunder. The information relates to the balance-sheet last preceding the 30th June, 1929. In regard to the reserve funds it must be noted that in the case of some of the banks these are invested in Government securities, while in other cases they are used in the ordinary business of the banks, and in a few instances they are partly invested and partly used in business :—

**CHEQUE-PAYING BANKS.—CAPITAL RESOURCES, 30TH JUNE, 1929.**

Bank.	Paid-up Capital.	Rate per cent. per annum of last Dividend and Bonus.	Amount of last Half-yearly Dividend and Bonus.	Amount of Reserved Profits. (c)	Amount carried forward to next Balance Period.
	£	%	£	£	£
Commonwealth Bank of Australia	4,000,000	..	..	618,585	..
Joint Stock Banks—					
Bank of Australasia .. .. .	4,500,000	14	b 595,000	4,450,000	139,760
Union Bank of Australia Ltd. ..	4,000,000	15	300,000	4,850,000	99,404
English, Scottish and Australian Bank Ltd. .. .. .	3,000,000	12½	b 375,000	3,000,000	311,479
Bank of New South Wales .. ..	7,500,000	10	a 187,500	5,900,000	168,654
Commercial Banking Coy. of Sydney Ltd. .. .. .	4,739,013	10	236,951	4,075,000	65,215
Australian Bank of Commerce Ltd. .. .. .	2,208,000	8	88,320	1,073,645	26,765
Primary Producers' Bank of Australia Ltd. .. .. .	436,262	..	..	20,000	5,605
Rural (New South Wales Government) .. .. .	5,694,200d	..	..	..	..
National Bank of Australasia Ltd. ..	5,000,000	10	250,000	3,100,000	157,773
Commercial Bank of Australia Ltd. .. .. .	3,803,600	4 Pref., 15 Ord.	149,378	1,663,962	90,486
Ballarat Banking Coy. Ltd. .. ..	153,000	8	6,120	81,600	5,168
Queensland National Bank Ltd. ..	1,750,000	10	a 43,750	815,000	8,672
Queensland Deposit Bank Ltd. ..	55,087	5	b 2,754	40,000	22,188
Federal Deposit Bank Ltd. .. ..	318,714	12	17,251	78,000	1,290
Brisbane Permanent Building and Banking Co. .. .. .	400,000	10	19,909	112,000	2,624
Bank of Adelaide .. .. .	1,250,000	10	62,500	985,000	38,875
State Bank of South Australia ..	1,292,692	..	..	..	..
Total Australian Banks .. .. .	50,100,568	..	2,334,433	30,862,792	1,143,958
Bank of New Zealand .. .. .	6,858,114	10% "A" Pref., 13 2/11 % "B" Pref., 14 1/2 % Ord.	b 814,893	3,425,000	617,591
Comptoir National d'Escompte de Paris .. .. .	10,000,000	15	61,600,000	4,066,823	9,348
Yokohama Specie Bank Ltd. .. ..	10,000,000	10	500,000	10,550,000	934,662
Grand Total .. .. .	76,958,682	..	5,249,326	48,904,615	2,705,559

(a) Dividend for quarter. (b) For twelve months. (c) Exclusive of amounts carried forward to next balance period. (d) Stock and debentures issued.

3. Liabilities and Assets.—(i) *Liabilities, each State, Quarter ended 30th June, 1929.* Banks transacting business in any State are obliged under the existing State laws to furnish a quarterly statement of their assets and liabilities, which contains the averages of the weekly statement prepared by the bank for that purpose, and they have since the year 1908 furnished quarterly statements to the Commonwealth Statistician. As all other financial returns in this work generally refer to a period closing on the 30th June, the banking figures are given throughout for the June quarter of each year. The liabilities are those to the general public, and are exclusive of the bank's liabilities to

their shareholders, which are shown in the preceding table. It has been deemed desirable to keep the figures for the Commonwealth Bank separate from those of the Joint Stock Banks, and the figures set out in the tables which follow are, therefore, exclusive in every case of the Commonwealth Bank.

**JOINT STOCK BANKS—LIABILITIES, JUNE QUARTER, 1929.**

States and Territories.	Notes in Circulation not Bearing Interest.	Bills in Circulation not Bearing Interest.	Balances Due to Other Banks.	Deposits.			Total Liabilities.
				Not Bearing Interest.	Bearing Interest.	Total.	
	£	£	£	£	£	£	£
New South Wales	64,115	1,674,588	1,214,863	50,569,305	75,541,458	126,110,763	129,064,329
Victoria ..	86,290	756,993	734,426	31,321,139	67,136,651	98,457,790	100,035,499
Queensland ..	a	788,393	103,581	13,967,317	23,768,126	37,735,443	38,627,417
South Australia	21,918	141,468	388,994	6,040,088	15,251,335	21,291,423	21,843,803
Western Australia	25,236	205,566	46,985	5,622,999	5,907,400	11,530,399	11,808,186
Tasmania ..	2,287	83,108	85,007	2,551,088	4,292,775	6,843,863	7,014,265
Northern Territory	..	42	55,745	106,449	87,595	194,044	249,831
Federal Capital Territory ..	..	3,761	..	37,047	73,944	110,991	114,752
<b>Total ..</b>	<b>199,846</b>	<b>3,653,919</b>	<b>2,629,601</b>	<b>110,215,432</b>	<b>192,059,284</b>	<b>302,274,716</b>	<b>308,758,082</b>

(a) In Queensland, Treasury Notes were used instead of bank notes.

(ii) *Liabilities, all States, June Quarters, 1925 to 1929.* In the next table, which shows the average liabilities of the Joint Stock Banks for the quarters ended 30th June, 1925 to 1929 for Australia as a whole, the growth in liabilities is almost entirely due to an increase in the deposits bearing interest.

**JOINT STOCK BANKS.—LIABILITIES, JUNE QUARTER, 1925 TO 1929.**

Year.	Notes in Circulation not Bearing Interest.	Bills in Circulation not Bearing Interest.	Balances Due to Other Banks.	Deposits.			Total Liabilities.
				Not Bearing Interest.	Bearing Interest.	Total.	
	£	£	£	£	£	£	£
1925 ..	202,875	2,584,705	3,239,759	108,562,243	142,023,225	250,585,468	256,612,807
1926 ..	201,551	2,792,080	3,549,630	111,420,109	153,372,042	264,792,151	271,335,412
1927 ..	200,943	2,732,069	3,474,171	110,093,951	160,117,702	270,211,653	276,618,836
1928 ..	200,326	3,500,006	2,851,923	111,678,372	177,857,260	289,535,632	296,087,887
1929 ..	199,846	3,653,919	2,629,601	110,215,432	192,059,284	302,274,716	308,758,082

(iii) *Assets, each State, Quarter ended 30th June, 1929.* The average assets of the banks are shown in the following table:—

**JOINT STOCK BANKS.—ASSETS, JUNE QUARTER, 1929.**

States and Territories.	Coined Gold and Silver and other Metals.	Gold and Silver in Bullion or Bars.	Australian Notes and Cash with Commonwealth Bank.	Government and Municipal Securities.	Landed and House Property.	Balances Due from other Banks.	Notes and Bills of other Banks.	Discounts, Over-drafts, and all other Assets.	Total Assets.
	£	£	£	£	£	£	£	£	£
N.S.W.	11,791,811	5,746	9,979,384	12,005,592	2,944,229	3,018,336	703,990	113,797,228	154,246,316
Victoria	8,125,642	41,699	6,334,120	10,014,417	2,008,174	872,656	856,650	76,723,122	105,036,480
Q'land	1,860,513	677	2,484,599	1,898,836	1,189,389	715,703	316,907	33,093,449	41,560,073
S. Aust.	1,622,103	187,416	2,077,150	312,742	478,944	384,216	124,274	21,636,865	26,823,710
W. Aust.	1,108,890	107,152	1,537,959	160,177	485,214	99,478	112,505	17,693,739	21,310,114
Tasmania	599,480	20	673,565	..	161,727	28,470	20,512	4,753,570	6,237,344
Nor. Ter.	2,872	352	6,131	..	500	..	..	26,019	35,874
Fed. Cap. Ter.	1,311	..	15,727	..	29,993	544	559	102,639	150,773
<b>Total</b>	<b>25,112,622</b>	<b>343,062</b>	<b>23,108,635</b>	<b>24,391,764</b>	<b>7,358,170</b>	<b>5,119,403</b>	<b>2,135,397</b>	<b>267,831,631</b>	<b>355,400,684</b>

(iv) *Assets, all States, June Quarters, 1925 to 1929.* The average assets of the banks for the June quarters of each of the years 1925 to 1929 are given below.

**JOINT STOCK BANKS.—ASSETS, JUNE QUARTER, 1925 TO 1929.**

Year.	Gold and Silver and Other Metals, Coin, Bullion or Bars.	Australian Notes.	Government and Municipal Securities.	Landed and Other Property.	Balances Due from Other Banks.	Notes and Bills of Other Banks.	Discounts, Overdrafts, and all Other Assets.	Total Assets.
	£	£	£	£	£	£	£	£
1925	27,052,408	23,211,903a	13,128,027	6,257,546	3,919,978	2,126,888	197,450,902	273,147,652
1926	26,670,333	22,635,460a	17,232,471	6,532,006	3,879,783	2,321,218	213,252,020	292,523,291
1927	26,322,453	22,555,655a	15,119,232	6,699,599	3,712,835	2,161,994	236,136,717	312,708,485
1928	25,796,158	27,284,852a	23,918,520	6,975,330	5,554,746	2,129,041	240,677,743	332,336,395
1929	25,455,684	23,108,635a	24,391,764	7,358,170	5,119,403	2,135,397	267,831,631	355,400,684

(a) Including Cash with Commonwealth Bank.

**4. Percentage of Coin, Bullion, and Australian Notes on Liabilities at Call.—**

(i) *General.* Although it is not strictly correct to assume that the division of deposits into those bearing interest and not bearing interest would in every case coincide with a division into fixed deposits and current accounts, the division, in default of a better one, is adopted, and in the following table "liabilities at call" are therefore understood to include the note circulation of the banks and the deposits not bearing interest. Since 1912, however, the former item has steadily decreased, and is now almost negligible as compared with the latter.

**JOINT STOCK BANKS.—PERCENTAGE ON LIABILITIES OF COIN, BULLION, AND AUSTRALIAN NOTES, 1925 TO 1929.**

Year.	Liabilities at Call.	Coin, Bullion, and Australian Notes.	Percentage on Liabilities at Call.
	£	£	%
1925	108,765,118	50,264,311	46.21
1926	111,621,660	49,305,793	44.17
1927	110,294,894	48,878,108	44.32
1928	111,878,698	53,081,010	47.45
1929	110,415,278	48,564,319	43.98

The figures in the last column show that the banks generally consider it advisable to hold from 44 to 47 per cent. of the amount of liabilities at call in coin, bullion, and notes.

(ii) *Percentage in each State.* The proportion of coin, bullion, and Australian notes to liabilities at call varies considerably amongst the States, and sometimes in the same State from year to year. A table is appended showing the percentage for each State for the quarter ended 30th June in each of the years 1925 to 1929:—

**JOINT STOCK BANKS.—PERCENTAGE OF COIN, BULLION, AND AUSTRALIAN NOTES ON LIABILITIES AT CALL, 1925 TO 1929.**

Year.	N.S.W. (a)	Vic.	Q'land.	S. Aust.	W. Aust.	Tas.	N. Ter.	All States.
	%	%	%	%	%	%	%	%
1925	49.49	46.07	31.50	50.79	50.60	48.63	8.43	46.21
1926	44.73	45.53	30.52	49.71	59.24	46.69	6.95	44.17
1927	42.19	46.33	33.97	52.99	60.86	47.84	9.87	44.32
1928	42.62	55.40	32.16	58.84	64.12	49.81	9.13	47.45
1929	43.01	46.17	31.11	64.12	48.76	49.86	8.79	43.98

(a) Includes Federal Capital Territory.

(iii) *Queensland Treasury Notes.*—In Queensland, Treasury notes took the place of bank notes in 1893. These Treasury notes are disregarded in the quarterly statement of the banks; according to Treasury returns the amount outstanding on 30th June, 1929, was £22,475. Under the Australian Notes Act, previously referred to, the issue of notes by a State is now prohibited.

5. *Deposits and Advances.*—(i) *Deposits.* The amount and average per head of population of deposits held by the banks during each of the last five years are given hereunder.

JOINT STOCK BANKS.—DEPOSITS, 1925 TO 1929.

Year.	N.S.W. (a)	Victoria.	Q'land.	S. Aust.	W. Aust.	Tasmania.	N. Ter.	All States.
TOTAL.								
	£	£	£	£	£	£	£	£
1925	98,812,293	85,674,995	31,264,955	20,217,717	9,164,244	5,249,078	202,186	250,585,468
1926	104,872,446	90,067,719	33,068,028	21,362,996	9,565,222	5,540,665	215,075	264,792,151
1927	106,553,424	91,923,910	32,996,221	22,625,309	10,067,814	5,833,872	211,103	270,211,653
1928	120,617,512	91,916,458	36,193,107	22,695,419	11,293,652	6,599,601	219,888	289,535,632
1929	126,221,754	98,457,790	37,735,443	21,291,423	11,530,399	6,843,863	194,044	302,274,716

PER HEAD OF POPULATION.

Year.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.
1925	43 9 6	51 6 8	36 16 9	37 5 7	24 19 1	24 12 7	54 13 9	42 7 0	
1926	45 0 3	53 4 2	38 10 10	38 6 11	22 17 7	26 5 9	57 11 1	43 18 2	
1927	45 0 11	53 6 7	37 1 5	39 13 9	26 5 5	27 17 4	50 11 1	43 19 3	
1928	49 14 2	52 11 1	39 17 8	39 6 5	28 7 10	31 4 9	51 16 8	46 8 0	
1929	51 2 10	55 14 5	40 17 6	36 14 9	28 2 4	32 2 8	47 7 3	47 9 10	

(a) Includes Federal Capital Territory.

(ii) *Advances.* In the quarterly statements furnished by the banks, the column headed "all other debts due to the banks" is made up of such miscellaneous items as bills discounted, promissory notes discounted, overdrafts on personal security, overdrafts secured by deposits of deed or by mortgage, etc. The form prescribed for quarterly returns furnished to the Commonwealth Statistician in 1908 and 1909 provided for a division of the amounts under this heading into a number of sub-headings, but all the banks were not in a position to make the necessary division, and as it is impossible to separate these items the totals in the column must, therefore, be treated as advances. The following table shows the totals for each State during the years 1925 to 1929:—

JOINT STOCK BANKS.—ADVANCES, 1925 TO 1929.

Year.	N.S.W. (a)	Victoria.	Q'land.	S. Aust.	W. Aust.	Tasmania.	N. Ter.	All States.
	£	£	£	£	£	£	£	£
1925	77,993,259	63,181,481	26,738,792	13,623,369	11,216,634	4,688,567	8,800	197,460,902
1926	85,124,897	67,568,544	28,272,761	15,017,374	12,712,905	4,546,061	9,478	213,252,020
1927	91,213,825	75,668,559	31,929,661	18,447,113	14,047,168	4,819,660	10,731	236,136,717
1928	100,453,971	72,017,807	31,080,984	18,145,454	14,340,517	4,622,252	16,763	240,677,748
1929	113,899,867	76,723,122	33,093,449	21,636,365	17,698,739	4,753,570	26,019	267,831,631

(a) Includes Federal Capital Territory.

(iii) *Proportion of Advances to Deposits.* The percentage of advances on total deposits shows to what extent the needs of one State are supplied by the resources of another State, and, where the percentage for Australia as a whole exceeds 100 (as it did in the early years of the century), the banks must have supplied the deficiency from their own resources, or from deposits obtained outside Australia.

**JOINT STOCK BANKS.—PERCENTAGE OF ADVANCES ON DEPOSITS,  
1925 TO 1929.**

Year.	N.S.W. (a)	Vic.	Q'land.	S. Aust.	W. Aust.	Tas.	N. Ter.	All States.
	%	%	%	%	%	%	%	%
1925 ..	78.93	73.75	83.51	67.38	122.39	89.32	4.35	78.79
1926 ..	81.56	75.02	83.98	70.30	132.91	82.05	4.41	80.54
1927 ..	85.60	82.32	96.77	81.53	139.53	82.62	5.08	87.39
1928 ..	83.28	78.35	85.88	79.95	126.98	70.04	7.62	83.13
1929 ..	90.24	77.92	87.70	101.62	153.50	69.46	13.41	88.61

(a) Includes Federal Capital Territory.

6. Commonwealth Bank of Australia.—(i) *Liabilities, June Quarter, 1929.*—It has been considered desirable that particulars of the liabilities and assets of the Commonwealth Bank should be shown separately from other trading banks. In effecting comparisons with previous years, it should be noted that the Savings Bank Department functions as a separate entity, and such figures have been excluded for 1928–29.

**COMMONWEALTH BANK OF AUSTRALIA.—LIABILITIES, JUNE QUARTER, 1929.**

States and Territories.	Bills in Circulation.	Balances Due to Other Banks.	Deposits.			Total Liabilities.
			Not Bearing Interest.	Bearing Interest.	Total Deposits.	
	£	£	£	£	£	£
New South Wales .. ..	71,731	3,592,367	5,714,337	2,791,164	8,505,501	12,169,599
Victoria .. ..	70,471	2,637,202	3,231,023	2,165,601	5,396,624	8,104,297
Queensland .. ..	66,888	1,094,073	5,247,360	3,741,351	8,988,711	10,149,672
South Australia .. ..	18,314	907,925	1,509,387	221,700	1,731,087	2,657,326
Western Australia .. ..	21,677	662,804	1,192,507	1,088,858	2,281,365	2,965,846
Tasmania .. ..	9,366	330,749	392,397	362,698	755,095	1,095,210
Northern Territory .. ..	..	..	..	..	..	..
Federal Capital Territory .. ..	214	..	192,331	41,830	234,161	234,375
<b>Total .. ..</b>	<b>258,661</b>	<b>9,225,120</b>	<b>17,479,342</b>	<b>10,413,202</b>	<b>27,892,544</b>	<b>37,376,325</b>

(ii) *Liabilities, all States, June Quarters, 1925 to 1929.*—The average liabilities in the years specified are given in the table below.

**COMMONWEALTH BANK OF AUSTRALIA.—LIABILITIES, JUNE QUARTER,  
1925 TO 1929.**

Quarter ended 30th June—	Bills in Circulation.	Balances Due to Other Banks.	Deposits.				Total Liabilities.
			Not Bearing Interest.	Bearing Interest.	Savings Bank Deposits.	Total Deposits.	
	£	£	£	£	£	£	£
1925 .. ..	265,936	3,940,022	23,381,481	7,828,650	39,798,481	71,008,612	75,214,570
1926 .. ..	355,240	6,045,894	23,350,534	7,103,349	43,068,182	73,522,065	79,923,199
1927 .. ..	258,605	7,306,854	20,435,503	8,216,302	44,212,050	72,863,855	80,429,314
1928 .. ..	327,570	12,053,761	14,901,816	9,411,560	45,705,114	70,018,490	82,399,821
1929 .. ..	258,661	9,225,120	17,479,342	10,413,202	..	27,892,544	37,376,325

(iii) *Assets, June Quarter, 1929.* The assets for the June Quarter, 1929, are as follows:—

**COMMONWEALTH BANK OF AUSTRALIA.—ASSETS, JUNE QUARTER, 1929.**

States and Territories.	Coin.	Bullion.	Australian Notes.	Government and Municipal Securities.	Landed and House Property.	Balances Due from Other Banks.	Notes and Bills of Other Banks.	Discounts, Overdrafts, and all other Assets (not including Contingent Assets).	Total Assets.
	£	£	£	£	£	£	£	£	£
N.S.W. ..	186,563	..	1,067,081	12,242,680	243,353	64,565	1,084	5,777,069	19,582,395
Victoria ..	445,878	..	1,064,020	665,231	147,810	11,361	364	3,583,588	5,918,252
Queensland ..	112,408	..	819,181	481,974	77,807	906	932	3,172,956	4,666,184
S. Australia ..	98,609	..	432,987	306,001	32,312	973	161	1,134,268	2,005,311
W. Australia ..	153,973	1,663	510,825	..	13,972	2,404	375	692,372	1,375,584
Tasmania ..	46,272	..	294,221	..	2,944	102	96	128,829	472,464
Nor. Ter. ..	..	..	..	..	..	..	..	..	..
Fed.Cap.Ter.	1,214	..	27,787	..	1,313	..	30	232,192	262,536
<b>Total ..</b>	<b>1,044,917</b>	<b>1,663</b>	<b>4,216,102</b>	<b>13,695,886</b>	<b>519,511</b>	<b>80,311</b>	<b>3,042</b>	<b>14,721,274</b>	<b>34,282,706</b>

(iv) *Assets, all States, June Quarter, 1925 to 1929.*—Particulars of the assets for the last five years are given in the following table:—

**COMMONWEALTH BANK OF AUSTRALIA.—ASSETS, JUNE QUARTER, 1925 TO 1929.**

Quarter ended 30th June—	Coin.	Bullion.	Australian Notes.	Government and Municipal Securities.	Landed and House Property.	Balances Due from Other Banks.	Notes and Bills of Other Banks.	Discounts, Overdrafts, and all other Assets (not including Contingent Assets).	Total Assets.
	£	£	£	£	£	£	£	£	£
1925 ..	4,675,665	2,251	14,000,587	33,811,260	943,624	3,330,693	980,030	11,950,338	74,694,448
1926 ..	6,016,703	945	12,219,139	42,278,108	848,416	2,889,718	954,635	13,113,051	78,320,715
1927 ..	1,141,600	11,209	7,092,716	52,904,863	705,070	1,580,422	2,157,966	17,043,767	82,637,613
1928 ..	755,581	51,302	4,507,681	57,057,707	644,182	1,42,832	2,154,022	16,697,661	82,010,968
1929 ..	1,044,917	1,663	4,216,102	13,695,886	519,511	80,311	3,042	14,721,274	34,282,706

7. *Clearing Houses.*—The following particulars of Clearing House returns have been furnished by the Associated Banks, Melbourne. Figures showing the weekly average clearings in each capital city are supplied by the Commonwealth Bank and published in the Quarterly Summary of Australian Statistics issued by this Bureau.

**CHEQUE-PAYING BANKS.—CLEARING HOUSE RETURNS, 1925 TO 1929.**

Year.	Sydney.	Melbourne.	Brisbane.	Adelaide.	Perth.	Hobart.
	£	£	£	£	£	£
1925	909,114,000	803,083,000	192,968,000	171,092,000	101,085,000	25,557,000
1926	954,523,000	790,111,000	195,710,000	178,898,000	103,523,000	25,691,000
1927	1,034,894,000	825,676,000	192,274,000	186,752,000	111,454,000	26,805,000
1928	1,033,511,000	762,851,000	196,566,000	164,166,000	112,503,000	28,226,000
1929	1,043,324,000	814,668,000	195,549,000	156,685,000	114,589,000	27,364,000

### § 3. Savings Banks.

1. **General.**—In the following tables dealing with Savings Banks the figures for all the States except Tasmania refer to financial years ended 30th June. In the case of Tasmania, figures for the two trustee savings banks are made up to the last day of August, except for the year 1929, when the particulars relate to 30th June. The figures in each State are inclusive of the Savings Bank Department of the Commonwealth Bank.

2. **Accounts Open.**—The number of accounts open, not of individual depositors, and the number per 1,000 of the population, at 30th June in each of the last five years are shown in the following table:—

#### SAVINGS BANKS.—ACCOUNTS OPEN, 1925 TO 1929.

30th June	N.S.W.	Victoria.	Q'land.	S. Aust.	W. Aust.	Tas.	N. Ter.	Fed. Cap. Ter.	All States.
NUMBER.									
1925 ..	1,370,401	1,337,093	397,710	470,599	278,071	135,423	911	4,575	3,994,783
1926 ..	1,440,688	1,396,438	420,908	489,148	292,353	138,993	978	5,744	4,185,250
1927 ..	1,599,912	1,455,581	438,282	512,332	309,546	142,028	1,197	6,580	4,465,458
1928 ..	1,689,280	1,515,097	458,060	530,382	330,284	156,091	1,349	7,876	4,668,419
1929 ..	1,799,708	1,575,089	480,160	553,647	350,046	168,939	1,308	8,531	4,937,428

#### PER 1,000 OF POPULATION.

1925 ..	600	800	465	866	756	604	242	921	678
1926 ..	602	824	479	876	779	665	259	893	692
1927 ..	674	843	490	897	804	744	281	874	724
1928 ..	697	866	502	917	825	743	337	984	746
1929 ..	731	891	518	955	850	795	314	1,023	775

In connexion with the number of accounts open per 1,000 of the population, it must be borne in mind that savings bank accounts are not restricted to adults, since many accounts are opened in the names of children. The proportion, notwithstanding, is a very large one, amounting in the case of Australia to three-quarters and rising in Victoria to almost nine-tenths and in South Australia to 95 per cent. of the population. As it is possible in some States for the same person to have accounts in both Commonwealth and State Savings Banks, the figures given are somewhat in excess of the number of individual depositors. Allowance must also be made for the fact that the funds of various societies, small trust funds, etc., are sometimes deposited in Savings Banks.

3. **Deposits.**—The deposits in Australia reached in 1929 the large sum of £225,485,704, and would no doubt be even larger if the banks did not restrict interest-bearing deposits to certain limits. While not granting facilities to draw cheques, the Australian savings banks practically afford the small tradesman all the advantages of a current account, and in addition allow interest on the minimum monthly balance instead of charging a small fee for keeping the account, as is the practice of the ordinary banks. All the Savings Banks have a reciprocal arrangement, under which money deposited in one State may be drawn out in another State, even by telegraph.

The table below shows the amount at credit of depositors, the average per account open, and the average amount deposited per head of population at the end of each of the last five years :—

## SAVINGS BANKS.—DEPOSITS, 1925 TO 1929.

30th June-	N.S.W.	Victoria.	Q'land.	S. Aust.	W. Aust.	Tas.	N. Ter.	Fed. Cap. Ter.	All States.
TOTAL.									
	£	£	£	£	£	£	£	£	£
1925	69,016,630	59,551,895	21,339,901	20,152,175	8,303,933	4,509,842	32,961	132,803	183,040,140
1926	73,629,455	63,253,525	22,836,909	21,778,970	8,969,824	4,772,780	36,577	178,195	195,456,235
1927	78,145,643	65,352,619	22,452,749	23,600,897	9,694,396	5,079,274	48,025	206,090	204,579,698
1928	81,627,667	68,826,768	23,324,829	24,941,688	10,645,373	5,522,766	64,617	234,754	215,188,462
1929	85,727,513	72,706,991	24,075,504	25,228,402	11,603,190	5,811,453	47,291	279,355	225,485,704

## AVERAGE PER SAVINGS BANK ACCOUNT.

	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.
1925	50 7 3	44 10 9	53 13 2	42 16 5	29 17 3	33 6 0	36 3 8	29 0 6	45 16 3
1926	51 2 2	45 5 11	54 5 1	44 10 6	30 13 8	34 6 9	38 0 0	31 0 5	46 14 0
1927	48 16 10	44 17 11	51 4 7	46 1 4	31 6 4	35 15 3	40 2 5	31 6 5	45 16 3
1928	48 6 5	45 7 11	50 18 5	47 0 6	32 4 7	35 7 8	47 18 0	29 16 2	45 18 0
1929	47 12 8	46 3 3	50 2 10	45 11 4	33 3 4	34 8 0	36 3 1	32 14 11	45 13 4

## PER HEAD OF POPULATION.

	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.
1925	30 7 8	35 12 10	24 19 1	37 2 1	22 11 3	21 5 8	8 15 0	26 14 5	30 17 5
1926	31 15 7	37 6 7	25 19 5	38 19 11	23 18 2	22 15 11	9 13 10	27 13 5	32 6 9
1927	32 19 8	37 17 1	25 2 1	41 6 10	25 3 7	24 8 0	11 5 6	27 5 3	33 8 5
1928	33 13 9	39 6 10	25 11 8	43 3 5	26 12 8	26 4 10	15 4 4	29 6 1	34 4 10
1929	34 16 3	41 2 8	25 19 5	43 10 10	28 3 11	27 6 11	11 6 10	33 10 3	35 7 7

4. Rates of Interest.—The rates of interest allowed, and the limits of interest-bearing deposits, are as follows:—New South Wales Government Savings Bank, 4 per cent. up to £500 and 3½ per cent. on the excess up to £1,000; Victoria, 4 per cent. up to £1,000, also 4½ per cent. on deposit stock up to £1,000; South Australia, 4 per cent. on accounts closed during the year, and 4½ per cent. up to £500, thence 4½ per cent. to £1,000 on accounts remaining open; Western Australia, 3½ per cent. on current accounts to £1,000, thence 3 per cent. on to the interest bearing limit of £1,500 and 4½ per cent. on deposits for one year up to £1,000; Hobart Trustees' Savings Bank, 4½ per cent. up to £300; Launceston Trustees' Savings Bank, 4½ per cent. up to £300; and Commonwealth Savings Bank, in all States except Queensland where no State Savings Bank is in existence, 4 per cent. on the first £500, 3½ per cent. on the next £500, and 3 per cent. upon another £300. In Queensland, the rate is 4 per cent. for the first £500 and 3½ per cent. on the excess up to £2,000.

5. Annual Business.—The business transacted by the savings banks is very large when compared with the total amount of deposits. This is of course due to the fact that many accounts are used as convenient current accounts. Thus, during the last year of the period under review, the total amount deposited and withdrawn (exclusive of interest added) was almost double the total amount of deposits at the end of the previous year, while the amount at credit of depositors (inclusive of interest added) increased by more than 5 per cent. during the same year. The following table shows the business transacted during the year 1928–29:—

## SAVINGS BANKS.—TRANSACTIONS, 1928-29.

States and Territories.	Total Deposits at end of Year 1927-28.	Amounts Deposited during Year 1928-29.	Interest Added during Year 1928-29.	Total.	Amounts Withdrawn during Year 1928-29.	Total Deposits at end of Year 1928-29.
	£	£	£	£	£	£
New South Wales ..	81,627,667	81,581,622	3,042,085	166,251,374	80,523,861	85,727,513
Victoria ..	68,826,768	61,711,646	2,613,042	133,151,456	60,444,465	72,708,991
Queensland ..	23,324,829	24,620,363	844,971	48,790,663	24,715,159	24,075,504
South Australia ..	24,941,688	17,319,231	1,087,279	43,348,198	18,119,796	25,228,402
Western Australia ..	10,645,373	13,576,246	400,600	24,622,219	13,013,029	11,609,190
Tasmania ..	5,380,082	4,432,198	217,386	10,029,666	4,218,208	5,811,458
Northern Territory ..	64,617	52,875	1,793	119,285	71,994	47,291
Federal Cap. Territory	234,754	359,512	9,106	603,372	324,017	279,355
Total ..	215,045,778	203,954,193	8,216,262	426,916,233	201,430,629	225,485,704

6. Commonwealth Savings Bank.—The figures in the preceding tables include those relating to the Savings Bank Department of the Commonwealth Bank, which commenced operations in Victoria on the 15th July, 1912, in Queensland on the 16th September, 1912, in the Northern Territory on the 21st October, 1912, and in the States of New South Wales, South Australia, and Western Australia on the 13th January, 1913. Extensive use is made of the country post-offices as local agencies.

The Commonwealth Bank absorbed the Tasmanian State Savings Bank in January, 1913, on terms set out in Official Year Book No. 6. The transfer of the Queensland Savings Bank was effected in 1920.

The following table gives the number of accounts, and the amount at credit on 30th June, 1929, at the various branches of the Commonwealth Savings Bank :—

## COMMONWEALTH SAVINGS BANK, 30th JUNE, 1929.

Locality.	Number of Accounts.	Amount at Credit.
	£	£
New South Wales .. .. .	368,085	11,832,307
Victoria .. .. .	188,453	6,577,350
Queensland .. .. .	480,160	24,075,504
South Australia .. .. .	65,105	2,296,777
Western Australia .. .. .	95,890	3,214,231
Tasmania .. .. .	67,845	1,801,289
Northern Territory .. .. .	1,308	47,291
Federal Capital Territory .. .. .	7,444	213,882
Total, Australia .. .. .	1,274,290	50,058,631
Papua and New Guinea .. .. .	2,589	112,583
London .. .. .	4,159	434,141
Grand Total .. .. .	1,281,038	50,605,355

As mentioned in §2 (page 289), the Commonwealth Savings Bank Department was from 9th June, 1928, separated from the General Bank.

## § 4. Companies.

1. General.—Statistics available in regard to registered companies embrace (a) Returns relating to Trustees, Executors and Agency Companies; (b) Returns relating to Registered Building and Investment Societies; and (c) Returns relating to Registered Co-operative Societies.

2. Trustees, Executors and Agency Companies.—Returns are available for eight Victorian, two New South Wales, one Queensland, four South Australian, two Western Australian and three Tasmanian companies. The paid-up capital of these twenty companies amounted to £1,278,452; reserve funds and undivided profits to £938,846; other liabilities, £465,128; total liabilities, £2,682,426. Among the assets are included—Deposits with Governments, £217,530; other investments in public securities, fixed deposits, etc., £632,769; loans on mortgage, £435,499; property owned, £858,036; other assets, £538,542. Of the twenty companies, ten show the total amount of the estates, etc., under administration, the total for 1929 being approximately £114,858,500.

In respect of the twenty companies, net profits for the year totalled £211,380, of which £147,657 was paid in dividends.

3. Registered Building and Investment Societies.—(i) *General*. Returns have been received relating to 216 societies, but the information is not exhaustive, as particulars regarding unimportant organizations are not included.

**REGISTERED BUILDING AND INVESTMENT SOCIETIES.—SUMMARY, 1928.**

Particulars.	N.S.W. 1927-28.	Vic. 1928.	Q'land. 1927-28.	S. Aust. 1928.	W. Aust. 1927-28.	Tas. 1928.	Total.
Societies making returns—							
Permanent ..	7	} 26	10	{ 8	} 5	4	216
Terminating ..	133						
Number of shareholders ..	c 2,550	9,822	6,542	19,208	13,696	4,359	56,177
Number of shares ..	c 28,849	(a)	1,547,604	74,230	36,722	39,397	61,726,802
Number of borrowers ..	c 4,694	12,171	4,961	3,155	2,430	1,504	28,915
Income for year from interest ..	£ 198,898	390,574	73,805	39,680	44,658	43,879	791,494
Working expenses for year ..	£ 154,212	173,693	11,721	16,390	36,704	5,904	398,624
Amount of deposits during year ..	£ 488,758	1,881,671	193,545	33,483	261,854	34,874	2,894,185
Repayment of loans during year ..	£ 771,089	1,116,839	204,220	159,318	180,360	113,005	2,544,831
Loans granted during year ..	£ 850,940	849,197	266,579	175,209	267,672	128,374	2,537,971

(a) Not available.

(b) Exclusive of Victoria.

(c) Permanent societies only.

(ii) *Liabilities and Assets*. The balance-sheets of the companies in respect of which particulars of liabilities and assets are stated hereunder cover periods ended during the year 1928. The figures quoted for the States of New South Wales, South Australia and Tasmania refer to the calendar year 1928, while those for the remaining States are for the fiscal year 1927-28.

**REGISTERED BUILDING AND INVESTMENT SOCIETIES.—LIABILITIES, 1928.**

State.	Paid-up Capital or Subscriptions.	Reserve Funds.	Deposits.	Bank Overdrafts and other Liabilities.	Total Liabilities.
	£	£	£	£	£
New South Wales ..	2,969,952	654,708	588,366	73,037	4,286,063
Victoria ..	2,001,301	693,473	1,819,996	347,521	4,862,291
Queensland ..	1,051,496	41,526	6,524	88,921	1,188,467
South Australia ..	734,869	88,109	36,250	31,169	890,397
Western Australia ..	616,503	..	108,766	25,468	750,737
Tasmania ..	274,924	89,062	238,072	11,376	613,434
Total ..	7,649,045	1,566,878	2,797,974	577,492	12,591,389

**REGISTERED BUILDING AND INVESTMENT SOCIETIES.—ASSETS, 1928.**

State.	Advances on Mortgage.	Landed and House Prop- erty, Furni- ture, etc.	Cash in hand and on Deposit and other Assets.	Total Assets.
	£	£	£	£
New South Wales ..	3,632,313	82,018	571,732	4,286,063
Victoria ..	4,592,756	126,124	143,411	4,862,291
Queensland ..	1,109,875	47,642	30,950	1,188,467
South Australia ..	815,172	23,999	51,226	890,397
Western Australia ..	713,415	14,206	23,116	750,737
Tasmania ..	527,733	10,390	75,311	613,434
Total ..	11,391,264	304,379	895,746	12,591,389

4. Co-operative Societies.—(i) *General*. The returns relating to Co-operative Societies have been divided into two classes—(i) those engaged in the manufacture and marketing of primary products and trade requirements, and (ii) those engaged in retailing general household requirements. The former may be described briefly as Producers'

Co-operative and the latter as Consumers' Co-operative Societies. The following table shows the number of societies, the membership, and the financial results for the year 1928. The particulars given for New South Wales relate to societies registered under the Co-operation Acts 1923-1929, while in respect of Western Australia, particulars of four Producers' Societies which are also Consumers' Societies are included under the former heading only.

**CO-OPERATIVE SOCIETIES.—NUMBER, MEMBERSHIP AND TRADING RESULTS, 1928.**

Heading.	N.S.W. 1927-28.	Vic. 1927-28.	Qld. 1927-28.	S.A. 1928.	W.A. 1927-28.	Tas. 1927-28.	All States.
<b>Producers' Co-operative Societies—</b>							
Number of societies ..	81	62	58	29	7	12	249
Membership ..	23,487	40,571	35,979	6,324	8,776	5,249	120,388
Gross turnover (Sales) £	5,652,472	8,163,375	7,451,676	554,630	1,522,246	345,305	23,689,704
Total income ..	5,701,230	8,503,591	7,531,289	605,656	1,919,113	371,772	24,632,651
Total working expenses (a) £	5,685,439	8,389,754	6,127,548	632,598	1,898,849	361,876	18,241,064
Rebates and bonuses ..	5,658	5,658	414,356	9,340	21,451	..	450,805
Dividends on share capital £	11,058	25,752	17,636	10,536	19,165	2,420	86,576
Rate per cent. ..	2.9	2.8	3.4	5.9	8.1	3.0	4.2
<b>Consumers' Co-operative Societies—</b>							
Number of Societies ..	45	45	7	9	60	3	169
Membership ..	57,775	15,740	29,709	37,676	8,177	480	149,557
Gross turnover (Sales) £	3,840,014	1,362,977	57,172	1,478,875	924,668	88,149	7,751,855
Total income ..	3,911,086	1,336,458	292,685	1,486,221	985,856	88,650	8,150,956
Total working expenses (a) £	3,522,007	1,315,908	618,520	1,390,735	855,803	73,337	7,342,991
Rebates and bonuses ..	337,103	39,722	42,289	51,516	17,772	1,331	489,733
Dividends on share capital £	49,780	10,525	448	30,645	8,525	414	100,337
Rate per cent. ..	5.1	5.1	0.3	5.1	5.0	2.0	4.8

(a) Includes payments to suppliers.

(b) Exclusive of payments to suppliers.

(ii) *Liabilities and Assets.* The next table gives the liabilities and assets.

**CO-OPERATIVE SOCIETIES.—LIABILITIES AND ASSETS, 1928.**

Heading.	N.S.W. 1927-28.	Vic. 1927-28.	Q'land. 1927-28.	S.A. 1928.	W.A. 1927-28.	Tas. 1927-28.	All States.
<b>Producers' Co-operative Societies—</b>							
<b>Liabilities—</b>							
Paid-up capital ..	385,488	933,179	514,959	177,458	235,664	80,055	2,326,803
Loan capital ..	236,106	236,106	82,859	191,157	157,730	39,905	858,063
Overdraft ..	(a) 974,078	831,585	128,965	99,942	187,242	23,371	2,945,530
Reserves and undivided profits ..	302,954	396,715	362,804	115,409	176,569	24,277	1,378,728
Other liabilities ..	..	391,576	542,235	155,720	227,510	58,677	1,375,718
<b>Total liabilities ..</b>	<b>1,662,520</b>	<b>2,789,251</b>	<b>1,631,322</b>	<b>730,686</b>	<b>984,715</b>	<b>219,285</b>	<b>8,026,779</b>
<b>Assets—</b>							
Land, buildings, and plant ..	872,623	1,187,562	845,634	325,230	207,287	115,545	3,553,881
Stocks ..	299,404	614,142	315,977	256,830	203,997	35,203	1,730,553
Other assets ..	490,403	987,547	469,711	157,626	568,431	68,537	2,742,345
<b>Total assets ..</b>	<b>1,662,520</b>	<b>2,789,251</b>	<b>1,631,322</b>	<b>730,686</b>	<b>984,715</b>	<b>219,285</b>	<b>8,026,779</b>
<b>Consumers' Co-operative Societies—</b>							
<b>Liabilities—</b>							
Paid-up capital ..	977,627	207,113	129,448	597,974	168,873	20,555	2,101,590
Loan capital ..	67,806	67,806	15,497	173,897	12,537	2,585	358,628
Overdraft ..	365,696	128,299	2,531	30,994	55,779	2,388	858,009
Reserves and undivided profits ..	444,469	177,837	18,432	182,008	139,417	9,784	971,947
Other liabilities ..	..	138,405	349,277	38,520	130,470	15,204	671,876
<b>Total liabilities ..</b>	<b>1,787,792</b>	<b>719,460</b>	<b>515,185</b>	<b>1,023,393</b>	<b>507,076</b>	<b>50,516</b>	<b>4,603,422</b>
<b>Assets—</b>							
Land, buildings, and plant ..	804,211	258,952	145,842	336,194	113,763	16,916	1,675,578
Stocks ..	501,190	212,150	16,511	338,214	160,170	17,537	1,245,772
Other assets ..	482,391	248,358	352,832	348,985	233,143	16,063	1,681,772
<b>Total assets ..</b>	<b>1,787,792</b>	<b>719,460</b>	<b>515,185</b>	<b>1,023,393</b>	<b>507,076</b>	<b>50,516</b>	<b>4,603,422</b>

(a) Includes sundry creditors.

### § 5. Life Assurance.

[NOTE.—A Conspectus of Australian Life Assurance Legislation was published in Official Year Book No. 13, 1925, in Chap. XXVII. "Miscellaneous."] 

1. General.—Under section 51 of the Commonwealth Constitution Act, the Commonwealth Parliament is empowered to legislate in regard to "insurance, other than State insurance; also State insurance extending beyond the limits of the State concerned." With the exception of Act No. 12 of 1905, "An Act relating to assurance on the lives of children by life assurance companies or societies," no legislation relating to life assurance has been passed by the Commonwealth Parliament, and life assurance companies carry on their business under State laws where such laws are in existence, or otherwise under the provisions of various companies or special Acts.

Returns for the year 1928 have been collected from life assurance societies, with results which are in the main satisfactory. The figures below refer to Australian business only.

2. Companies Transacting Business.—(i) *General.* The number of companies transacting life assurance business in Australia during 1928 was 36, of which the full name and location of head office are set out in the Finance Bulletin, No. 20, for 1928–29.

Of the thirty-three Australian companies seven are purely mutual, and twenty-five are proprietary companies with a paid-up capital aggregating £2,165,386, part of which is, however, used in fire, marine, and accident insurance business. One office is a State government institution. Three overseas companies transacted business in Australia in 1928, one being mutual and two proprietary companies.

(ii) *Ordinary and Industrial Business.* Of the societies enumerated in the preceding paragraph, fifteen transacted both ordinary and industrial business and one society industrial business only. Ordinary and industrial business have, where possible, been kept separate, while figures relating to companies whose head offices are in New Zealand or in Europe or America have been restricted to the Australian business.

3. Australian Business, 1928.—(i) *Ordinary.* The subjoined table shows the ordinary life business in force for each of the last five years. While the total sum assured has increased by 52 million pounds (23 per cent.), the average per policy has increased from £273 to £311. The amount assured in 1928 represents an average of approximately £44 per head of population.

#### ORDINARY LIFE ASSURANCE.—AUSTRALIAN BUSINESS, 1924 TO 1928.

Year.	Policies in Force.	Amount.	Average per Policy.	Annual Premium Income.
	No.	£	£	£
1924 .. ..	820,138	224,129,981	273	7,434,514
1925 .. ..	834,936	235,687,567	282	7,835,501
1926 .. ..	848,427	248,549,883	293	8,248,511
1927 .. ..	866,710	262,276,366	303	8,532,723
1928 .. ..	889,521	276,391,009	311	9,154,560

(ii) *Industrial*. Information in regard to the industrial business of the sixteen societies transacting it is given in the following table.

The amount assured has increased by over 20 million pounds (46 per cent.) in the period under review. The average amount per policy in 1928 was £42, compared with an average of £37 in 1924.

**INDUSTRIAL LIFE INSURANCE.—AUSTRALIAN BUSINESS, 1924 TO 1928.**

Year.	Policies in Force.		Amount.	Average per Policy.	Annual Premium Income.
	No.	£	£	£	£
1924 .. ..	1,233,925	45,256,580	37	2,635,613	
1925 .. ..	1,310,642	49,907,533	38	2,871,799	
1926 .. ..	1,395,744	54,990,807	39	3,167,523	
1927 .. ..	1,481,044	60,732,865	41	3,524,919	
1928 .. ..	1,564,081	65,966,754	42	3,884,416	

4. *Income and Outgo.*—(i) *Ordinary Business*. The following table shows the aggregate Australian income for the last four years of all the societies doing business in Australia. In the latter year premiums—new and renewal—amounted to 57 per cent., and interest, dividends, and rent to nearly 33 per cent. of the Australian income.

**ORDINARY LIFE ASSURANCE.—AUSTRALIAN INCOME, 1925 TO 1928.**

Heading.	Amount.			
	1925.	1926.	1927.	1928.
	£	£	£	£
Premiums—New .. ..	1,049,159	1,047,965	1,027,378	1,133,529
Renewal .. ..	6,786,342	7,200,546	7,505,345	8,021,031
Consideration for annuities .. ..	57,378	81,083	62,766	83,941
Interest, dividends, and rents .. ..	4,818,124	5,217,666	5,611,813	6,070,259
Other receipts .. ..	875,609	307,558	244,769	686,337
Total income .. ..	13,586,612	13,854,818	14,452,071	15,995,097

In 1928 outgo amounted to £8,956,362, of which claims accounted for 56 per cent., surrenders nearly 12 per cent., expenses of management 11 per cent., and commission 8 per cent.

**ORDINARY LIFE ASSURANCE.—AUSTRALIAN OUTGO, 1925 TO 1928.**

Heading.	Amount.			
	1925.	1926.	1927.	1928.
	£	£	£	£
Claims .. ..	4,379,233	4,596,541	4,936,336	4,990,017
Surrenders .. ..	920,675	1,055,957	975,115	1,049,259
Annuities .. ..	99,662	102,280	103,990	101,752
Commission .. ..	718,346	720,780	691,972	752,344
Expenses of management .. ..	838,455	846,847	883,879	963,876
Licence fees and taxes .. ..	131,861	149,501	175,902	186,952
Shareholders' dividends .. ..	68,480	87,806	74,080	78,263
Cash bonuses paid to shareholders .. ..	362,041	380,461	444,322	483,033
All other expenses .. ..	250,642	241,598	190,755	350,866
Total outgo .. ..	7,769,395	8,181,771	8,476,351	8,956,362

The excess of income over outgo during the past four years was as follows :—1925, £5,817,217; 1926, £5,673,047; 1927, £5,975,720; and 1928, £7,038,735.

(ii) *Industrial Business*. The aggregate Australian income for the years 1925 to 1928 of societies transacting industrial business was as follows :—

## INDUSTRIAL LIFE ASSURANCE.—AUSTRALIAN INCOME, 1925 TO 1928.

Heading.	Amount.			
	1925.	1926.	1927.	1928.
	£	£	£	£
Premiums—New and renewal ..	2,871,799	3,167,523	3,524,919	3,884,416
Consideration for annuities ..	13	13	13	13
Interest, dividends, and rents ..	700,936	801,891	914,468	981,444
Other receipts ..	22,699	27,755	21,812	17,328
Total income ..	3,595,447	3,997,182	4,461,212	4,883,201

Outgo during 1928 totalled £3,029,204. Claims amounted to 42 per cent., commission 31 per cent., and expenses of management 15 per cent.

## INDUSTRIAL LIFE ASSURANCE.—AUSTRALIAN OUTGO, 1925 TO 1928.

Heading.	Amount.			
	1925.	1926.	1927.	1928.
	£	£	£	£
Claims .. .. .	731,480	926,399	1,170,393	1,278,853
Surrenders .. .. .	95,658	109,398	125,638	150,508
Annuities .. .. .	295	295	295	254
Commission .. .. .	699,452	779,472	847,891	944,909
Expenses of management .. .. .	379,905	402,211	456,872	464,057
Licence fees and taxes .. .. .	23,649	24,817	31,478	33,549
Shareholders' dividends .. .. .	60,742	64,676	67,762	70,034
Cash bonuses paid to shareholders .. .. .	..	..	4,049	..
All other expenses .. .. .	87,346	70,709	56,125	87,040
Total outgo .. .. .	2,078,527	2,377,977	2,760,503	3,029,204

The excess of income over outgo for each of the past four years was:—1925, £1,516,920; 1926, £1,619,205; 1927, £1,700,709; and 1928, £1,853,997.

5. Liabilities and Assets, 1928.—(i) *General.* The liabilities of the Australian societies consist mainly of their assurance funds; as already mentioned, however, some of the societies are proprietary, and in these cases there is a further liability on account of the shareholders' capital. The assets consist chiefly of loans on mortgage and policies, government, municipal, and similar securities, shares, freehold property, etc. Loans on personal security are granted by very few of the Australian societies.

(ii) *Ordinary and Industrial Business.*—For various reasons several societies do not attempt the division of liabilities and assets between the industrial and ordinary branches, and a few societies cannot state the amount of liabilities in Australia. In the following table, therefore, the figures relate to both branches.

## ORDINARY AND INDUSTRIAL LIFE ASSURANCE.—AUSTRALIAN LIABILITIES, 1925 TO 1928.

Heading.	Amount.			
	1925.	1926.	1927.	1928.
	£	£	£	£
Shareholders' capital, paid up ..	1,842,963	1,891,916	1,978,098	1,965,386
Assurance and annuity funds ..	66,119,414	72,307,626	78,419,126	85,295,617
Other funds .. .. .	6,018,968	6,609,019	7,409,078	8,330,742
Claims admitted but not paid ..	799,584	772,088	846,112	891,849
All other liabilities .. .. .	1,809,185	2,188,288	2,192,928	2,619,086
Total Australian liabilities (a) ..	76,590,114	83,768,937	90,845,342	99,102,680

(a) Excluding Mutual Life and Citizens, National Mutual, Western Australian, Liverpool and London and Globe, and Mutual Life of United States.

Assets for the years specified are set out in detail in the table hereunder:—

**ORDINARY AND INDUSTRIAL LIFE ASSURANCE.—AUSTRALIAN ASSETS,  
1925 TO 1928.**

Heading.	Amount.			
	1925.	1926.	1927.	1928.
	£	£	£	£
Government and municipal securities ..	55,512,895	60,354,135	62,202,524	65,206,148
Mortgages .. .. .	22,521,893	24,146,487	29,144,316	32,378,820
Loans on companies' policies .. .. .	9,812,751	10,543,370	11,576,592	12,644,271
Railway debentures and stock .. .. .	935,207	986,980	1,129,003	35,479
Landed and house property .. .. .	3,605,283	4,081,973	4,467,563	4,944,345
Life interests and reversions .. .. .	148,447	149,555	204,552	143,710
Other investments .. .. .	1,512,833	1,631,647	1,541,302	3,054,276
Outstanding premiums .. .. .	772,918	879,137	963,851	1,001,740
Outstanding interest, dividends, and rents	895,096	974,735	1,142,496	1,303,410
Cash .. .. .	2,138,263	2,131,936	2,570,576	2,724,952
Establishment and organization accounts	1,016,751	1,221,472	1,288,052	1,320,700
All other assets .. .. .	1,709,996	1,923,921	2,043,220	2,286,136
<b>Total Australian assets .. .. .</b>	<b>100,582,333</b>	<b>109,025,348</b>	<b>118,274,047</b>	<b>127,043,987</b>

(iii) *Total Assets.* It has been thought advisable to restrict the figures relating to life assurance to business in Australia. Several of the companies whose head offices are in Australia transact, however, a large amount of business elsewhere, viz., in New Zealand, in South Africa, and in the United Kingdom, while in the case of the foreign companies, the Australian business is insignificant compared with that done elsewhere. Particulars as to this foreign business of both Australian and foreign companies will be found in "Finance Bulletin No. 20."

The total assets of all life companies operating in Australia amounted to £380,387,435, in 1928, of which government and municipal securities (£115,845,776) and mortgages (£86,347,697) represented more than 50 per cent.

6. *New Policies issued in Australia, 1928.*—(i) *Ordinary Business.* During 1928 91,483 new policies were issued for £34,466,397. The average amount per policy was £377, which compares with an average of £311 per policy for all policies which were in existence in 1928.

(ii) *Industrial Business.* New policies to the number of 318,386 were issued during the year for a total of £16,123,313. The average per policy was almost £51, which is 21 per cent. more than the average for all industrial policies which were current in 1928.

7. *Policies Discontinued in Australia, 1926, 1927 and 1928.*—(i) *Ordinary Business.* The volume of business which from various causes becomes void in each year is always large. The number and amount of policies discontinued in the last three years, and the reasons for discontinuance are given in the following table:—

**ORDINARY LIFE ASSURANCE.—POLICIES DISCONTINUED IN AUSTRALIA,  
1926 TO 1928.**

Mode.	1926.		1927.		1928.	
	No. of Policies.	Amount.	No. of Policies.	Amount.	No. of Policies.	Amount.
		£		£		£
Death or maturity .. .. .	15,248	3,494,636	15,965	3,703,588	16,027	3,695,861
Surrender .. .. .	20,857	4,407,146	15,120	3,697,414	16,294	4,477,050
Forfeiture .. .. .	35,107	10,607,440	33,770	10,957,429	34,527	11,776,201
<b>Total .. .. .</b>	<b>71,212</b>	<b>18,509,222</b>	<b>64,855</b>	<b>18,358,431</b>	<b>66,848</b>	<b>19,949,112</b>

(ii) *Industrial Business.* The number of policies discontinued in this branch each year is also very large. Of the total amount of discontinuance during 1928 only 13 per cent. was due to death or maturity, while 83 per cent. was due to forfeiture.

INDUSTRIAL LIFE ASSURANCE.—POLICIES DISCONTINUED IN AUSTRALIA.  
1926 TO 1928.

Mode.	1926.		1927.		1928.	
	No. of Policies.	Amount.	No. of Policies.	Amount.	No. of Policies.	Amount.
		£		£		£
Death or maturity ..	41,778	935,690	52,021	1,182,281	53,624	1,282,137
Surrender .. ..	7,339	343,432	7,632	355,071	9,158	448,426
Forfeiture .. ..	144,802	7,166,472	150,580	7,612,505	169,921	8,978,480
Total .. ..	193,919	8,445,594	210,233	9,149,857	232,703	10,709,043

8. *Conspectus of Australian Life Assurance Legislation.*—A conspectus of Australian Life Assurance Legislation appeared in Official Year Book No. 18, pp. 1041 to 1059, but considerations of space preclude its insertion in the present issue.

## § 6. Fire, Marine, and General Insurance.

1. *Australasian Business.*—(i) *General.* Returns are available showing the revenue and expenditure, assets and liabilities, and investments of 42 insurance companies having their head offices either in Australia, New Zealand, or Fiji.

(ii) *Revenue and Expenditure.* The most important items of revenue and expenditure are given below. The trade surplus in 1928–29 was £515,692, or 6.20 per cent. of premium income.

FIRE, MARINE, AND GENERAL INSURANCE COMPANIES.—SUMMARY OF  
REVENUE AND EXPENDITURE, 1925 TO 1929.

Heading.	1924–25.	1925–26.	1926–27.	1927–28.	1928–29.
	£	£	£	£	£
Premiums, less re-insurances ..	6,558,823	7,249,917	8,432,000	8,412,080	8,321,762
Losses .. ..	3,452,351	3,993,076	4,881,671	5,016,717	4,993,394
Expenses, commission, and taxes	2,414,946	2,614,007	2,727,885	2,833,854	2,812,676
Trade surplus .. ..	691,526	642,834	815,444	561,509	515,692
Interest, rent, etc. .. ..	680,875	682,957	756,897	783,969	779,314
Total surplus .. ..	1,372,401	1,325,791	1,572,341	1,345,478	1,295,006
Dividends and Bonuses paid ..	590,412	620,812	607,961	641,085	659,704
Ratio to premium income of—					
(a) Losses .. per cent.	52.64	55.08	57.98	59.64	60.00
(b) Expenses, etc. .. per cent.	36.82	36.05	32.35	33.69	33.80
(c) Trade surplus .. per cent.	10.54	8.87	9.67	6.68	6.20

(iii) *Liabilities and Assets.* The liabilities and assets for the same period are set out in the following tables. Comparison of the results for 1928–29 with those for 1924–25 shows that paid-up capital increased by 10 per cent. and reserves by 48 per cent. While loans on mortgage decreased by 25 per cent., Government securities increased by 30 per cent., and landed and other property showed a growth of 34 per cent.

## FIRE, MARINE, AND GENERAL INSURANCE COMPANIES, 1925 TO 1929.

Heading.	1924-25.	1925-26.	1926-27.	1927-28.	1928-29.
<b>PAID-UP CAPITAL, RESERVES, AND LIABILITIES.</b>					
	£	£	£	£	£
Paid-up capital .. .. .	5,851,076	6,131,149	6,292,050	6,400,284	6,423,425
Reserves and re-insurance funds <sup>(a)</sup>	6,784,411	7,401,536	8,637,831	9,487,950	10,048,875
Undivided profits .. .. .	645,024	664,181	706,528	612,827	766,041
Losses unsettled .. .. .	852,267	913,982	987,670	988,700	935,219
Sundry creditors, etc. .. .	2,216,401	2,436,815	2,309,610	2,379,748	2,417,780
Dividends, etc., to pay .. .	350,057	384,029	384,006	387,887	405,109
Life assurance funds <sup>(b)</sup> .. .	1,867,294	2,208,553	1,436,372	1,706,108	2,008,769
Total liabilities .. .. .	18,566,530	20,140,245	20,754,067	21,963,504	23,005,218
<b>INVESTMENTS AND OTHER ASSETS.</b>					
	£	£	£	£	£
Loans on mortgage .. .. .	1,017,259	1,175,228	727,850	759,382	768,378
Government securities, etc. .. .	10,231,700	10,939,880	12,004,751	12,668,290	13,331,925
Landed and other property .. .	2,644,736	2,908,637	2,841,654	3,307,205	3,550,460
Fixed deposit, etc. .. .. .	1,403,416	1,467,234	1,929,271	1,828,566	1,850,771
Loans on life policies <sup>(b)</sup> .. .	46,939	60,533	62,451	84,871	104,175
Investments .. .. .	121,363	165,153	139,055	234,321	239,496
Cash and bills receivable .. .	868,604	899,232	763,272	757,970	769,923
Sundry debtors and other assets .. .	2,232,463	2,474,348	2,285,763	2,322,899	2,390,090
Total assets .. .. .	18,566,530	20,140,245	20,754,067	21,963,504	23,005,218

<sup>(a)</sup> Including amount required as reserves against unexpired risks.

<sup>(b)</sup> Some of the companies transact Life Business.

(iv) *Marine Insurance.* Separate returns regarding this branch of insurance are not available. Act No. 11 of 1909, "An Act relating to Marine Insurance," passed by the Commonwealth Parliament, and assented to on the 11th November, 1909, altered the conditions under which marine policies had up till then been issued.

## § 7. Friendly Societies.

1. *General.*—Friendly societies are an important factor in the social life of the community, as probably one-third of the total population of Australia comes either directly or indirectly under their influence. Their total membership approaches 600,000 but as certain benefits, such as medical attendance and free medicines, and in many cases funeral expenses, are granted to members' families as well as to members themselves, this figure must, even when due allowance is made for young and unmarried members, be multiplied by about four to arrive at the total number of persons more or less connected with these societies. Legislation has conferred certain privileges on friendly societies, but, on the other hand, it insists on their registration, and it is the duty of the Registrars in the various States, prior to registering a new society, to see that its proposed rules are conformable to the law, and that the scale of contribution is sufficiently high to enable the promised benefits to be conferred on members. Societies are obliged to forward annual returns as to their membership and their finances to the Registrar, and reports are published in most of the States dealing with the returns thus received.

In the following tables the figures for South Australia and Tasmania are for the calendar year 1928, while those for the other States relate to the fiscal year 1927-28.

2. Number of Societies, Lodges, and Members.—The number of different societies and lodges, the total number of benefit members at the end of the year, and their average number during the year are shown in the following table :—

## FRIENDLY SOCIETIES.—SOCIETIES, LODGES, AND MEMBERS, 1928.

State.	Year ended—	Number of Registered Friendly Societies.	Number of Lodges.	Benefit Members at end of year.	Average No. of Benefit Members during the year.
New South Wales	30.6.28	33	2,413	242,199	240,363
Victoria ..	"	59	1,481	161,850	161,130
Queensland ..	"	18	(a) 578	67,057	66,852
South Australia ..	31.12.28	17	699	78,284	78,353
Western Australia	30.6.28	14	341	23,509	23,265
Tasmania ..	31.12.28	20	186	24,958	25,016
Total ..	—	—	5,698	597,857	594,979

(a) Excluding Juvenile Branches.

With regard to the number of registered Friendly Societies no total is given for Australia, since many of the societies operate in all the States.

3. Sickness and Death Returns.—Sick pay is generally granted for a number of months at full rates, then for a period at half rates, and in some societies is finally reduced to quarter rates. The following table shows the total number of members who received sick pay during the year, the number of weeks for which they received pay in the aggregate, and the average per member sick, and further the number of benefit members who died during the year, together with the proportion of deaths per thousand average members :—

## FRIENDLY SOCIETIES.—SICKNESS AND DEATH RETURNS, 1928.

State.	Year ended—	Number of Members who received Sick Pay.	Total Number of Weeks Sick Pay Granted.	Average Number of Weeks per Member Sick.	Deaths of Benefit Members and Wives.	Proportion of Deaths to 1,000 Average Benefit Members.
New South Wales	30.6.28	52,130	(a)	(a)	(a)	(a)
Victoria ..	"	31,202	315,827	10.12	2,088	12.96
Queensland ..	"	11,114	99,173	8.92	553	8.27
South Australia ..	31.12.28	14,173	155,348	10.96	1,110	14.17
Western Australia	30.6.28	4,571	36,189	7.92	188	8.08
Tasmania ..	31.12.28	4,931	42,550	8.63	366	14.63
Total ..	—	118,121	(b)649,087	(b) 9.84	(b) 4,305	(b) 12.14

(a) Not available.

(b) Exclusive of New South Wales.

4. Revenue and Expenditure.—(i) *Revenue.* The financial returns are not prepared in the same way in each State, but an attempt has been made in the subjoined table to group the revenue under the main headings :—

## FRIENDLY SOCIETIES.—REVENUE, 1928.

State.	Year ended—	Entrance Fees, Members' Contributions, and Levies.	Interest, Dividends, and Rents.	All other Income.	Total Revenue.
		£	£	£	£
New South Wales	30.6.28	808,887	205,222	60,836	1,074,945
Victoria ..	"	550,557	251,488	149,655	951,700
Queensland ..	"	235,109	81,997	(a)	317,106
South Australia ..	31.12.28	250,772	121,896	44,503	417,171
Western Australia	30.6.28	74,315	22,974	37,779	135,068
Tasmania ..	31.12.28	86,048	21,554	13,257	120,859
Total ..	..	2,005,688	705,131	306,030	3,016,849

(a) Included in Interest, dividends, and rents.

(ii) *Expenditure.* The returns relating to expenditure are more complete than those for revenue. The figures show that the excess of revenue for the year was £614,913 for Australia. The revenue exceeded the expenditure by more than one pound per average benefit member.

#### FRIENDLY SOCIETIES.—EXPENDITURE, 1928.

State.	Year ended—	Sick Pay.	Medical Attendance and Medicine.	Sums Paid at Death of Members and Members' Wives.	Adminis-tration.	All other Expendi-ture.	Total Expendi-ture.
		£	£	£	£	£	£
New South Wales	30. 6. 28	307,321	329,816	75,460	156,444	33,585	902,626
Victoria .. ..	"	198,205	222,146	36,221	108,733	141,984	707,289
Queensland ..	"	70,879	96,075	28,372	53,541	(a)	248,867
South Australia ..	31. 12. 28	93,276	100,420	38,086	52,766	27,805	312,353
Western Australia	30. 6. 28	26,614	27,825	5,657	22,727	39,077	121,900
Tasmania .. ..	31. 12. 28	32,560	26,472	19,700	18,752	11,417	108,901
Total .. ..	—	728,855	802,754	203,496	412,963	253,868	2,401,936

(a) Included in administration.

It appears from the above figures that sick pay averaged about 22s. 7d. per week per average benefit member, but, as the returns include pay at half and quarter rates, and as the proportion of these to full rates is not stated, the average given must be taken for what it is worth. Medical attendance and medicine came to about 26s. per average benefit member.

5. *Funds.*—The two foregoing tables show that the surplus of revenue over expenditure in all States amounted to £614,913 for the year, and a small surplus must, of course, result annually in every society which levies adequate contributions to enable it to meet all possible claims. These accumulations of profits are generally invested, and at the end of the year 1928 the total funds of friendly societies amounted to £12,957,679, (£21 14s. per benefit member), of which approximately £12,750,000 was invested.

### § 8. Probates.

1. *Probates and Letters of Administration.*—The value of the estates left by deceased persons gives some idea of the distribution of property among the general population. There were in 1928 approximately 46,500 deaths of adult persons, while the number of probates and letters of administration granted during the same period was 18,570. It would therefore appear that about two-fifths of the adults who died during the year were possessed of sufficient property to necessitate the taking out of probate. The details for each State are shown in the table hereunder :—

#### PROBATES AND LETTERS OF ADMINISTRATION, 1928.

State.	Year ended—	Number of Estates.			Net Values of Estates.		
		Probates.	Letters of Adminis-tration.	Total.	Probates.	Letters of Adminis-tration.	Total.
					£	£	£
New South Wales ..	30. 6. 28	7,749	(a)	7,749	21,819,953	(a)	21,819,953
Victoria .. ..	31. 12. 28	4,504	1,676	6,180	16,679,553	(a)	16,679,553
Queensland .. ..	30. 6. 28	794	179	973	b 4,681,897	b 377,011	5,058,908
South Australia ..	31. 12. 28	1,670	172	1,842	3,890,649	134,375	4,025,024
Western Australia ..	"	880	377	1,257	2,303,762	220,499	2,524,261
Tasmania .. ..	"	505	64	569	1,286,323	59,743	1,346,066
Total .. ..	—	16,102	2,468	18,570	50,662,137	791,628	51,453,765

(a) Included with Probates.

(b) Gross value.

2. Intestate Estates.—The number of intestate estates placed under the control of the Curator during the year, and the amount of unclaimed money paid into Consolidated Revenue in each State during the year 1928, are given hereunder :—

INTESTATE ESTATES, 1928.

Particulars.	N.S.W.	Vic.	Q'land.	S. Aust.	W. Aust.	Tas.	Total.
Intestate estates placed under control of Curator during 1928—							
Number .. .. .	(a)	(b)	1,387	218	251	e 125	c 1,961
Value .. .. . £	(a)	(b)	864,074	69,994	d 28,959	e 20,736	c 983,763
Unclaimed money paid into Consolidated Revenue by Curator during 1928 .. .. . £	163,332	(b)	120,085	4,442	1,974	1,541	c 291,374

(a) Included with Probates. (b) Not available. (c) Incomplete. (d) Gross Value.  
 (e) Estates wound up by Public Trustee.