

CHAPTER IX.

PRIVATE FINANCE.

A. GENERAL.

In previous issues of the Official Year Book information relating to Private Finance was included in the Chapter dealing with Finance generally. Commencing with this issue, however, a separate chapter is devoted to the subject of Private Finance which is subdivided into the following sections :—

Banking, including Savings Banks ;
Companies ;
Insurance ;
Friendly Societies ; and
Probates.

B. BANKING.

§ 1. 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. The Commonwealth Bank Act, 1924, assented to on the 20th August, 1924, and brought into operation on the 10th October, 1924, provided for a broadening of the scope of the Commonwealth Bank. Several amendments to the original Act were included in this measure and a further amendment in 1927 provided for the separation of the Savings Bank from the General 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. Banks transacting business in any State are obliged under the existing State laws to furnish a quarterly statement of their assets and liabilities, and they have since the year 1908 furnished to the Commonwealth Statistician under the *Census and Statistics Act 1905* quarterly statements which contain the average of the thirteen weekly statements prepared by each bank. These returns form the basis on which the statistics included herein have been compiled.

2. *Presentation of Banking Statistics.*—In presenting statistical tabulations relating to average liabilities and assets, it is considered desirable to show the figures for the Commonwealth Bank separately from those of other cheque-paying banks. The aggregate business of all trading banks is, however, given in additional paragraphs. Previously it was customary to show separate figures for each State, but it has been decided to discontinue this practice. The figures quoted in all cases refer to the average liabilities and assets within the Commonwealth of Australia.

3. Banks in Operation, Capital Resources, etc.—(i) Year 1931. 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, 1931. 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, 1931.

Bank.	Paid-up Capital.	Reserves.	Balance on Profit and Loss Account and Dividends Declared but not Paid.	Total Shareholders' Funds.	Dividends.	
					Amount for Year.	Average Rate per cent.
	£	£	£	£	£	%
Australian Joint Stock Banks—						
Bank of Australasia ..	4,500,000	4,475,000	462,027	9,437,027	585,000	13
Union Bank of Australia Ltd. English, Scottish and Australian Bank Ltd. ..	4,000,000	4,850,000	170,010	9,020,010	280,000	7
Bank of New South Wales ..	3,000,000	3,190,000	417,134	6,607,134	240,000	8
Commercial Banking Coy. of Sydney Ltd. ..	7,500,000	6,150,000	335,678	13,985,678	731,250	9½
Australian Bank of Commerce Ltd. (a) ..	4,739,012	4,300,000	313,786	9,352,798	402,816	8½
Primary Producers' Bank of Australia Ltd. (b) ..	2,208,000	1,111,880	59,507	3,379,387	88,320	4
National Bank of Australasia Ltd. ..	439,402	81,706	9,423	530,531	..	..
Commercial Bank of Australia Ltd. ..	5,000,000	3,300,000	349,112	8,649,112	425,000	8½
Ballarat Banking Coy. Ltd. Queensland National Bank Ltd. ..	4,117,350	2,250,000	207,683	6,575,033	305,263	4 Pref., 11¼ Ord. 7½
Queensland Deposit Bank Ltd. (c) ..	153,000	92,500	11,478	256,978	11,475	6½
Federal Deposit Bank Ltd. (d) ..	1,750,000	860,000	43,307	2,653,307	113,750	6½
Brisbane Permanent Building and Banking Co. ..	66,836	52,225	11,824	130,885	6,074	9
Bank of Adelaide ..	328,024	92,000	17,508	437,532	30,280	9
	400,000	130,000	22,172	552,172	40,000	10
	1,250,000	1,000,000	91,295	2,341,295	87,500	7
Total Australian Joint-Stock Banks ..	39,451,624	31,935,311	2,521,944	73,908,879	3,346,728	..
Other Cheque-paying Banks—						
Commonwealth Bank of Australia—						
General Bank ..	4,000,000	1,185,718	..	5,185,718	..	..
Rural Credits ..	1,458,128	236,839	..	1,694,967	..	..
(h) Rural (New South Wales Government) ..	5,509,200d	559,001	..	6,068,201	..	..
State Bank of South Australia ..	1,809,000e	..	..	1,809,000	..	..
Total Australian Banks ..	52,227,952	33,916,869	2,521,944	88,666,765	..	..
Bank of New Zealand ..	6,858,113	3,575,000	1,077,695	11,510,808	817,968	(f)
Comptoir National d'Escompte de Paris (g) ..	3,225,806	3,466,887	167,118	6,859,811	516,128	16
Yokohama Specie Bank Ltd. (g) ..	10,000,000	11,500,000	1,143,613	22,643,613	1,000,000	10
Grand Total	72,311,871	52,458,756	4,910,370	129,680,997	5,680,824	..

(a) Subsequently amalgamated with Bank of New South Wales. (b) Subsequently in liquidation. (c) Subsequently amalgamated with Brisbane Permanent Building and Banking Co. (d) Stock and debentures issued. (e) Capital advanced by Government of South Australia and Sale of Bonds. (f) Dividends for 1930-31.—Preference "A," 10 per cent.; Preference B (and Bonus), 13-2/11 per cent.; "C" Long Term Mortgage, 6 per cent.; "D" Long Term Mortgage, 7½ per cent.; Ordinary (and Bonus), 14½ per cent.; and Guaranteed Stock, 4 per cent. (g) Approximate. (h) Subsequently absorbed by Commonwealth Bank.

(ii) *Suspension of Payments.* (a) *Rural Bank Department, Government Savings Bank of New South Wales.*—Owing to the continuous demands of depositors depleting the liquid assets of the bank, the Commissioners decided, after abortive negotiations for its absorption by the Commonwealth Savings Bank, to suspend payments to depositors from 22nd April, 1931, until further notice.

On 7th September, 1931, the Government appointed new Commissioners and the Bank re-opened, accepting deposits in what were termed "new business" accounts. No arrangements had then been completed to enable depositors in the "old business" division to withdraw deposits, although transfers from one account to another in that division were permitted.

Negotiations for the absorption of the Bank by the Commonwealth Bank were re-opened by the new Commissioners, and early in December, 1931, agreement was reached in regard to all aspects of the transfer.

Under the agreement, the Rural Bank transferred to the Commonwealth Bank the liabilities of the "old business division" to the public, consisting of deposits amounting to £11,167,796, in addition to those assets comprising fixed deposits with Trading Banks (£936,280) and deposits with the New South Wales Treasury (£506,685)—a total of £1,436,965. The net difference between the liabilities and assets so transferred was covered by the issue of inscribed stock or debentures of the Rural Bank Department. The whole of the liabilities and assets of the "new business division" were transferred as a going concern to the Commonwealth Bank.

The Commonwealth Bank, under the terms of the agreement, made available to fixed depositors of the "old business division" 10 per cent. of the amount of their deposits as from 15th December, 1931. In January, 1932, all restrictions on the operation of depositors on their accounts were removed.

(b) *Primary Producers' Bank of Australia Ltd.* On the 24th August, 1931, the Primary Producers' Bank of Australia Ltd. was forced to close its doors owing to the depletion of its liquid assets. Before closing, unsuccessful attempts had been made to amalgamate with some other financial house, and at the end of September, 1931, steps were taken for the winding up of the bank's business.

(c) *Federal Deposit Bank.* Following on the closure of the Primary Producers' Bank, which had its origin in Queensland, considerable uneasiness developed amongst depositors in the small banks, and the stream of withdrawals seriously embarrassed the managements of these institutions. The Brisbane Permanent Building and Banking Co. Ltd., and the Queensland Deposit Bank received the support of some of the stronger trading banks, and were able to withstand the demands on their resources. The directors of the Federal Deposit Bank decided to suspend payment as from 5th September, 1931, and court orders were subsequently issued for placing the affairs of the bank in the hands of a liquidator. At the end of October, 1931, a scheme of settlement was placed before depositors, providing for the immediate payment of small current accounts and extended payment of higher amounts.

(iii) *Amalgamations.* Negotiations for the amalgamation of the Australian Bank of Commerce Ltd. with the Bank of New South Wales were completed and became effective from the 17th November, 1931.

On the 12th November, 1931, an agreement was completed for the amalgamation of the Brisbane Permanent Building and Banking Co. Ltd., and the Queensland Deposit Bank.

4. *Commonwealth Bank.*—(i) *General.* A brief account of the foundation of the Commonwealth Bank was given in Nos. 6 to 10 of the Official Year Book. Although Savings Bank business was transacted in some States from July, 1912, the Bank was formally opened for general and Savings Bank business on the 20th January, 1913, and as no capital was advanced and the initial expenses were heavy, the operations in the early years resulted in a small loss. The increasing prosperity of the institution due to Savings Bank business, the holding of Government accounts and the stimulus of War finance soon enabled the early deficits to be reduced until on June 30th, 1915, they were entirely extinguished.

An important stage in the history of the Bank was the passing of the Commonwealth Bank Act, 1924, which was assented to on the 20th August, 1924, and brought into operation on the 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 were included, in accordance with which the following changes were made:—(1.) A Board of Directors was 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 was strengthened by the capitalization of £4,000,000 of the accumulated profits, and the Treasurer was authorized to raise by loans sums aggregating £6,000,000 and to lend the proceeds to the Commonwealth Bank as additional capital. The Government 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. The operations of the Bank, which holds in addition to the Commonwealth Government's accounts, those of the States of Victoria (portion only), Queensland, South Australia, Western Australia and Tasmania, and many local governing bodies, have led to its development in the direction of a Central Bank. Unlike ordinary commercial banks, it does not offer special inducements to attract private accounts.

The Bank has played a most important part in the financing of Government deficits during the years 1930-31 and 1931-32. References to this aspect of its business are given in the Appendix to this volume. It may be mentioned here that in December, 1931, the Bank Board undertook the responsibility of regulating sterling exchange and announcing rates each week.

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 the 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.

Particulars of the aggregate net profits from the initiation of the Bank to the end of each of the last five financial years are as follow:—

COMMONWEALTH BANK.—AGGREGATE PROFITS.

Date.	Aggregate Net Profit to Date.			
	General Bank.	Savings Bank.	Rural Credits Department.	Total.
	£	£	£	£
30th June, 1927 ..	4,585,181	1,446,333	26,000	6,057,514
„ 1928 ..	4,909,327	1,795,822	61,266	6,766,415
„ 1929 ..	5,367,950	2,037,057	109,928	7,514,935
„ 1930 ..	5,868,398	2,288,389	179,337	8,336,124
„ 1931 ..	6,502,217	2,522,576	265,890	9,290,683

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, 1931, the latter fund had benefited to the extent of £2,310,403.

(ii) *Liabilities in Australia, 1930-31 and 1931-32.* The following table gives particulars of the average liabilities for each quarter from September, 1930 to June, 1932 :—

**COMMONWEALTH BANK OF AUSTRALIA.—LIABILITIES,
QUARTERLY AVERAGES.**

Quarter Ended—	Bills in Circulation.	Balances Due to Other Banks. (b)	Deposits.			Total Liabilities.
			Not Bearing Interest.	Bearing Interest.	Total Deposits.	
	£	£	£	£	£	£
30th September, 1930 ..	278,909	15,665,654	11,605,134	13,451,927	25,057,061	41,001,624
31st December, 1930 ..	510,043	20,824,225	10,765,755	13,551,578	24,317,333	45,651,601
31st March, 1931 ..	424,783	29,715,891	a 7,907,248	13,793,605	21,700,853	51,841,527
30th June, 1931 ..	265,871	32,234,744	a 8,425,860	14,785,744	23,211,604	55,712,219
30th September, 1931 ..	213,065	22,960,881	a 8,795,686	16,681,966	25,477,652	48,651,598
31st December, 1931 ..	193,945	22,233,101	a 8,924,199	18,399,107	27,323,306	49,750,352
31st March, 1932 ..	387,631	32,099,900	a 9,019,923	26,253,882	35,273,805	67,761,336
30th June, 1932 ..	449,679	29,119,080	a 8,606,629	26,609,760	35,216,389	64,785,148

(a) Government "Set off" Accounts (Interstate) deducted, cheque-paying banks."

(b) Includes deposits of "other

(iii) *Liabilities in Australia, June Quarter, 1928 to 1932.* The average liabilities for the June quarter of the years 1928 to 1932 are given in the table below. In any comparisons with previous years, it should be noted that the Savings Bank Department functioned as a separate entity after June, 1928.

**COMMONWEALTH BANK OF AUSTRALIA.—AVERAGE LIABILITIES, JUNE
QUARTERS.**

Quarter ended 30th June—	Bills in Circulation.	Balances Due to Other Banks. (c)	Deposits.				Total Liabilities.
			Not Bearing Interest.	Bearing Interest.	Savings Bank Deposits.	Total Deposits.	
	£	£	£	£	£	£	£
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	(a)	27,892,544	37,376,325
1930 ..	278,860	16,937,846	12,279,194	13,090,193	(a)	25,369,387	42,586,093
1931 ..	265,871	32,234,744	b 8,425,860	14,785,744	(a)	23,211,604	55,712,219
1932 ..	449,679	29,119,080	b 8,606,629	26,609,760	(a)	35,216,389	64,785,148

(a) The Commonwealth Savings Bank was created a separate department on 9th June, 1928.

(b) Government "Set-off" Accounts, Interstate deducted. (c) Includes deposits of "other cheque-paying banks".

(iv) *Assets in Australia, 1930-31 and 1931-32.* The average assets for each quarter from September, 1930, to June, 1932, were as follows :—

COMMONWEALTH BANK OF AUSTRALIA.—ASSETS, QUARTERLY AVERAGES.

Quarter Ended—	Coin.	Bullion.	Austra- lian Notes.	Government and Municipal Securities. (a)	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.
30th September, 1930	£ 1,065,225	£ 1,967	£ 6,894,138	£ 24,092,893	£ 629,785	£ 386,360	£ 3,975	£ 12,549,111	£ 45,623,454
31st December, 1930	883,768	4,677	6,058,032	29,521,156	665,116	200,760	6,039	12,494,150	49,833,698
31st March, 1931	798,128	31,547	6,049,966	33,115,776	668,114	125,329	10,893	13,334,830	56,134,583
30th June, 1931	537,291	29,649	4,136,174	39,977,658	683,075	127,289	10,614	13,113,024	58,614,774
30th September, 1931	548,565	73,185	4,038,522	33,647,790	765,929	93,574	9,104	13,265,205	52,441,874
31st December, 1931	595,225	137,676	5,632,460	39,397,985	815,036	402,040	16,196	12,024,761	50,021,379
31st March, 1932	695,970	42,843	5,711,834	39,188,906	933,867	624,022	13,561	11,522,964	58,733,967
30th June, 1932	850,787	67,508	6,028,267	36,548,954	928,096	648,350	6,375	11,792,021	56,870,338

(a) Includes short-term loans in Australia.

(b) Government "Set-off" accounts (Interstate) deducted.

(v) *Assets in Australia, June Quarter, 1928 to 1932.*—Particulars of the assets for the June quarter of the last five years are given in the following table :—

COMMONWEALTH BANK OF AUSTRALIA.—AVERAGE ASSETS,
JUNE QUARTERS.

Quarter Ended— 30th June—	Coin.	Bullion.	Austra- lian Notes.	Government and Municipal Securities. (b)	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.
	£	£	£	£	£	£	£	£	£
1928 ..	755,581	51,302	4,507,681	57,057,707	644,182	142,832	2,154,022	16,697,661	82,010,968
1929(a) ..	1,044,917	1,663	4,216,102	13,695,886	519,511	80,311	3,042	14,721,274	34,282,706
1930(a) ..	1,376,712	1,760	5,743,707	23,282,564	540,053	170,345	3,025	15,111,842	46,230,008
1931(a) ..	537,291	29,649	4,136,174	39,977,658	683,075	127,289	10,614	13,113,024	58,614,774
1932(a) ..	850,787	67,508	6,028,267	36,548,954	928,096	648,350	6,375	11,792,021	56,870,358

(a) Excludes Commonwealth Savings Bank.

(b) Includes short-term loans in Australia.

(c) Government "Set-off" accounts (Interstate) deducted.

5. *Other Cheque-paying Banks.*—(i) *General.* The term "Other Cheque-paying Banks" has been adopted in preference to "Joint-stock Banks." The latter term, although used for some time, was not strictly correct, as the statistics relating thereto for recent years included returns for the Rural Bank Department of the Government Savings Bank of New South Wales and the State Bank of South Australia, both of which are governmental banking institutions. The figures showing average liabilities and assets given in paragraphs (ii) to (v) immediately following are, however, comparable with those given under "Joint-stock Banks" in previous issues.

(ii) *Liabilities in Australia, 1930-31 and 1931-32.* Particulars of the average liabilities of "Other Cheque-paying Banks" for each quarter from September, 1930, to June, 1932, are given in the table following :—

OTHER CHEQUE-PAYING BANKS.—LIABILITIES, QUARTERLY AVERAGES.

Quarter ended—	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.	
	£	£	£	£	£	£	£
30th Sept., 1930	199,275	2,680,741	1,726,138	84,566,033	195,203,800	279,769,833	284,375,987
31st Dec., 1930	198,968	2,835,331	2,044,137	85,246,308	195,399,108	280,645,416	285,723,852
31st March, 1931	198,735	2,330,994	1,919,704	85,607,491	195,305,722	280,913,213	285,362,646
30th June, 1931	198,478	2,330,632	1,727,353	82,620,931	195,855,323	278,476,254	282,732,717
30th Sept., 1931	198,151	2,148,754	1,538,586	79,733,594	194,524,824	274,258,328	278,143,819
31st Dec., 1931	197,342	2,374,876	1,530,029	88,833,969	195,411,635	284,245,604	288,347,851
31st March, 1932	197,289	2,224,167	1,318,118	93,030,651	195,801,166	288,831,817	292,571,391
30th June, 1932	197,121	2,131,777	1,398,712	87,830,372	196,194,572	284,024,944	287,752,554

(iii) *Liabilities in Australia, June Quarters, 1928 to 1932.* The next table shows the average liabilities of "Other Cheque-paying Banks" for the quarters ended 30th June, 1928 to 1932.

OTHER CHEQUE-PAYING BANKS.—AVERAGE LIABILITIES, JUNE QUARTERS.

June Quarter.	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.	
	£	£	£	£	£	£	£
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
1930	199,337	2,829,140	2,938,944	91,688,866	193,506,073	285,194,939	291,162,360
1931	198,478	2,330,632	1,727,353	82,620,931	193,855,323	278,476,234	282,732,717
1932	197,121	2,131,777	1,398,712	87,830,372	196,194,572	284,024,944	287,752,554

(iv) *Assets in Australia, 1930-31 and 1931-32.* The average assets of the banks are shown in the following table:—

OTHER CHEQUE-PAYING BANKS.—ASSETS, QUARTERLY AVERAGES.

Quarter ended.	Coin.	Bullion.	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, Overdrafts, and all other Assets.	Total Assets.
	£	£	£	£	£	£	£	£	£
30th Sept., 1930	2,635,127	134,498	33,796,918	20,361,706	8,171,607	5,132,990	1,491,030	279,031,995	350,755,871
31st Dec., 1930 ..	2,027,570	143,381	38,463,738	23,083,876	8,237,209	4,784,225	1,673,511	278,719,160	357,132,670
31st March, 1931	1,980,146	127,368	47,616,122	23,070,643	8,231,169	5,542,301	1,587,346	268,820,423	356,975,518
30th June, 1931..	1,812,599	165,936	51,314,263	22,674,055	8,347,211	5,110,114	1,362,381	263,471,760	354,258,319
30th Sept., 1931..	1,832,725	178,415	43,426,605	29,077,170	8,443,502	5,553,056	1,081,973	262,202,472	351,795,918
31st Dec., 1931 (a)	1,844,146	243,516	41,014,173	34,624,195	8,448,729	6,666,151	1,341,768	254,456,003	348,638,681
31st March, 1932(a)	1,892,441	285,080	51,255,006	40,697,248	8,387,791	6,219,266	1,424,042	248,444,800	358,605,674
30th June, 1932(a)	1,722,283	241,448	47,933,637	44,349,844	8,242,497	5,528,715	1,295,806	249,125,494	358,439,724

(a) Includes Assets of "Old business" division of the Rural Bank Department of the New South Wales Government Savings Bank.

(v) *Assets in Australia, June Quarter, 1928 to 1932.* The average assets of the banks for the June quarters of each of the years 1928 to 1932 are given below.

OTHER CHEQUE-PAYING BANKS.—AVERAGE ASSETS, JUNE QUARTER.

June Quarter.	Gold and Silver and Other Metals, Coin, Bullion or Bars.	Australian Notes and Cash with Commonwealth Bank.	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.
	£	£	£	£	£	£	£	£
1928	25,796,158	27,284,852	23,918,520	6,975,330	5,554,746	2,129,041	240,677,748	332,336,395
1929	25,455,684	23,108,635	24,391,764	7,358,170	5,119,493	2,135,397	267,831,631	355,400,684
1930	4,752,840	33,462,049	20,466,859	7,939,765	6,674,517	1,870,263	284,283,139	359,449,432
1931	1,978,535	51,314,263	22,674,055	8,347,211	5,110,114	1,362,381	263,471,760	354,258,319
1932a	1,963,731	47,933,637	44,349,844	8,242,497	5,528,715	1,295,806	249,125,494	358,439,724

(a) Includes assets of "Old business" division of Rural Bank Department of New South Wales Government Savings Bank.

6. All Cheque-paying Banks.—(i) *General.* Particulars of the aggregate average liabilities and assets of all cheque-paying banks in the Commonwealth, including the Commonwealth Bank of Australia, are given in the subjoined paragraphs.

(ii) *Liabilities in Australia, 1930-31 and 1931-32.* The average liabilities of all cheque-paying banks for each quarter of the two years ending June, 1932, were as follow:—

ALL CHEQUE-PAYING BANKS.—LIABILITIES—QUARTERLY AVERAGES.

Quarter ended—	Notes in Circulation.	Bills in Circulation.	Balances Due to Other Banks.(b)	Deposits.			Total Liabilities.
				Not Bearing Interest.	Bearing Interest.	Total Deposits.	
	£	£	£	£	£	£	£
30th Sept., 1930	199,275	2,959,650	17,391,792	96,171,167	208,655,727	304,826,894	325,377,611
31st Dec., 1930	198,968	3,345,374	22,868,362	96,012,063	208,950,686	304,962,749	331,375,453
31st March, 1931	198,735	2,755,777	31,635,595	a 93,514,739	209,099,327	302,614,066	337,204,173
30th June, 1931	198,478	2,596,503	33,962,097	a 91,046,791	210,641,067	301,687,858	338,444,936
30th Sept., 1931	198,151	2,361,819	24,499,467	a 88,529,190	211,206,790	299,735,980	326,795,417
31st Dec., 1931	197,342	2,568,821	23,763,130	a 97,758,168	213,810,742	311,568,910	338,098,203
31st March, 1932	197,289	2,611,798	33,418,018	a 102,050,574	222,055,048	324,105,622	360,332,727
30th June, 1932	197,121	2,581,456	30,517,792	a 96,437,001	222,804,332	319,241,333	352,537,702

(a) Government "Set-off accounts, Interstate (Commonwealth Bank) deducted. (b) Deposits of Other Cheque-paying Banks with Commonwealth Bank are treated in returns as "Balances due to Other Banks".

(iii) *Liabilities in Australia, June Quarters, 1928 to 1932.* The next table shows the average liabilities in Australia for the June quarter of the years 1928 to 1932.

ALL CHEQUE-PAYING BANKS.—AVERAGE LIABILITIES, JUNE QUARTERS.

Quarter Ended 30th June—	Notes in Circulation.	Bills in Circulation.	Balances due to Other Banks. (b)	Deposits.				Total Liabilities.
				Not Bearing Interest.	Bearing Interest.	Savings Bank Deposits.	Total.	
	£	£	£	£	£	£	£	£
1928 ..	200,326	3,827,576	14,905,684	126,580,188	187,268,820	45,705,114	359,554,122	378,487,708
1929 ..	199,846	3,912,580	11,854,721	127,694,774	202,472,486	(a)	330,167,260	346,134,407
1930 ..	199,337	3,108,000	19,876,790	103,968,060	206,596,266	(a)	310,561,326	333,748,453
1931 ..	198,478	2,596,503	33,962,097	99,046,791	210,641,067	(a)	301,687,858	338,444,936
1932 ..	197,121	2,581,456	30,517,792	96,437,001	222,804,332	(a)	319,241,333	352,537,702

(a) The Commonwealth Savings Bank was created a separate department of the Commonwealth Bank on 9th June, 1928. (b) Deposits of Other Cheque-paying Banks with Commonwealth Bank are treated in returns as "Balances due to other Banks." (c) Government "Set-off" Accounts, Interstate (Commonwealth Bank) deducted.

(iv) *Assets in Australia, 1930-31 and 1931-32.* Particulars of the average assets in Australia for each quarter of the years 1930-31 and 1931-32 are given in the following table:—

ALL CHEQUE-PAYING BANKS.—ASSETS, QUARTERLY AVERAGES.

Quarter Ended—	Coin.	Bullion.	Australian Notes and Cash with Commonwealth Bank.	Government and Municipal Securities. (a)	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.
	£	£	£	£	£	£	£	£	£
30th Sept., 1930 ..	3,700,352	136,465	40,691,056	44,454,599	8,801,392	5,519,350	1,495,005	291,581,106	396,379,325
31st Dec., 1930 ..	2,911,338	148,058	44,521,770	52,605,032	8,902,325	4,984,985	1,679,550	291,213,310	406,966,368
31st March, 1931 ..	2,778,274	158,915	53,666,088	65,186,419	8,899,283	5,667,630	1,598,239	282,155,253	413,110,101
30th June, 1931 ..	2,349,890	195,585	55,450,437	66,265,713	9,030,286	5,237,403	1,372,995	276,584,784	412,873,093
30th Sept., 1931 ..	2,381,290	251,600	47,465,127	66,274,960	9,209,431	5,646,630	1,091,077	275,467,677	404,237,792
31st Dec., 1931 ..	2,439,371	381,192	46,646,633	66,502,180	9,263,765	7,068,191	1,357,964	266,480,764	398,660,060
31st March, 1932 ..	2,588,411	327,923	56,966,840	67,886,154	9,321,658	6,843,288	1,437,603	259,967,764	417,339,641
30th June, 1932 ..	2,573,070	308,956	53,961,904	68,098,798	9,170,593	6,177,065	1,302,181	260,917,515	415,310,082

(a) Includes short-term loans in Australia. (b) Government "Set-off" Accounts, Interstate (Commonwealth Bank) deducted.

(v) *Assets in Australia, June Quarters, 1928 to 1932.* The average assets in Australia for the June quarters of the years 1928 to 1932 were as follows:—

ALL CHEQUE-PAYING BANKS.—AVERAGE ASSETS, JUNE QUARTERS.

Quarter ended 30th June—	Coin and Bullion.	Austral-an Notes. (a)	Government and Municipal Securities.	Landed Property.	Balances Due from Other Banks.	Notes and Bills of Other Banks.	Advances and All other Assets.	Total Assets.
	£	£	£	£	£	£	£	£
1928..	26,603,041	31,792,533	80,976,227	7,619,512	5,697,578	4,283,063	257,375,409	414,347,363
1929..	26,502,264	27,324,737	38,087,650	7,877,681	5,199,714	2,138,439	282,552,905	389,683,390
1930..	6,131,312	39,205,756	43,749,423	8,479,818	6,844,862	1,873,288	299,394,981	405,679,440
1931..	2,545,475	55,450,437	b 62,651,713	9,030,286	5,237,403	1,372,995	276,584,784	412,873,093
1932..	2,882,026	53,961,904	b 80,898,798	9,170,593	6,177,065	1,302,181	260,917,515	415,310,082

(a) Includes Cash with Commonwealth Bank. (Commonwealth Bank) deducted.

(b) Government "Set-off" Accounts, Interstate

(vi) "*Liquid Assets*" and *Liabilities.* While it is not strictly correct to assume that a division of deposits with cheque-paying banks into those bearing interest and not bearing interest would in all cases coincide with a definite division into fixed deposits and current accounts respectively, in the absence of the data required to permit of an accurate apportionment, such a division has been adopted for the purposes of this analysis, wherein liabilities "at call" are to be understood as embracing the notes of banks of issue still outstanding and deposits not bearing interest. Since 1912, the former item has steadily decreased and is now of almost negligible dimensions. The figures used to show "liquid assets" comprise coin, bullion, and Australian notes, including cash with Commonwealth Bank.

The statement hereunder shows for the June quarter of each year, 1928 to 1932, in respect of all cheque-paying banks combined, particulars of total liabilities to the public, "liabilities at call" and "liquid assets," together with the percentages of the latter on each of the former items.

ALL CHEQUE-PAYING BANKS.—LIQUID ASSETS AND LIABILITIES, JUNE QUARTERS.

Quarter ended 30th June.—	Total Liabilities to the Public.	Liabilities at Call.	Liquid Assets.		
			Total.	Percentage on—	
				Total Liabilities to the Public.	Liabilities at Call.
	£	£	£	%	%
1928 ..	378,487,108	126,780,514	58,395,574	15.4	46.1
1929 ..	346,134,407	127,894,620	53,827,001	15.6	42.1
1930 ..	333,748,453	104,167,397	45,337,068	13.6	43.5
1931 ..	a 338,444,936	a 91,245,269	57,995,912	17.1	63.6
1932 ..	a 352,537,702	a 96,634,122	56,843,930	16.1	58.8

(a) Government "Set-off" Accounts, Interstate, of Commonwealth Bank deducted.

The unsettled business conditions during the past two years necessitated the holding of a much greater proportion of the banks' assets in liquid form than was hitherto considered necessary. For the June quarters of the years 1931 and 1932 the proportions of "liquid" assets to "call" liabilities were approximately 64 and 59 per cent. respectively, while for several years previously, the percentage was roughly between 40 and 46.

The percentages of "liquid assets" on the liabilities "at call" and on total liabilities are given in the following table for the June quarters of the years 1928 to 1932 in respect of the Commonwealth Bank and other cheque-paying banks separately :—

PERCENTAGE OF "LIQUID ASSETS" ON LIABILITIES "AT CALL" AND TOTAL LIABILITIES—JUNE QUARTERS.

Quarter ended 30th June—	On Total Liabilities.			On Liabilities "at Call."		
	Common- wealth Bank.	Other Cheque- paying Banks.	Total.	Common- wealth Bank.	Other Cheque- paying Banks.	Total.
1928 ..	% 6.5	% 17.9	% 15.4	% 35.7	% 47.4	% 46.1
1929 ..	14.1	15.7	15.6	30.1	44.0	42.1
1930 ..	16.7	13.1	13.6	58.0	41.6	43.5
1931 ..	8.4	18.8	17.1	55.8	64.3	63.6
1932 ..	10.7	17.3	16.1	80.7	56.7	58.8

(vii) *Advances, and Advances and Investments.—Percentage on Total Deposits.*

The table following shows particulars for the June quarters 1928 to 1932 of the percentages of Advances, and Advances and Investments on total deposits of the Commonwealth and other cheque-paying banks :—

ALL CHEQUE-PAYING BANKS.—PERCENTAGE OF ADVANCES, AND ADVANCES AND INVESTMENTS ON TOTAL DEPOSITS (a), JUNE QUARTERS.

Quarter ended 30th June—	Advances on Total Deposits.			Advances and Investments on Total Deposits.		
	Common- wealth Bank.	Other Cheque- paying Banks.	Total.	Common- wealth Bank.	Other Cheque- paying Banks.	Total.
1928 ..	% 23.9	% 83.1	% 71.6	% 105.3	% 91.4	% 94.1
1929 ..	52.8	88.6	85.6	101.9	96.7	97.1
1930 ..	59.6	99.7	96.4	151.3	106.9	110.5
1931 ..	56.5	94.6	91.7	228.7	102.8	112.5
1932 ..	33.5	87.7	81.7	137.3	103.3	107.1

(a) Includes deposits with and advances and investments of Commonwealth Savings Bank in 1928.

(viii) *Deposits per head of Population.* Particulars of the deposits per head of population, calculated on the mean population of the quarter, are given for the June quarter of each of the past five years in the following table. The figures given, which are based on the aggregate for all cheque-paying banks in each State, are not adjusted on account of the Government "set-off" accounts of the Commonwealth Bank.

ALL CHEQUE-PAYING BANKS.—DEPOSITS (a) PER HEAD OF POPULATION.

Quarter ended 30th June—	New South Wales (b).	Victoria.	Queensland.	South Australia.	Western Australia.	Tasmania.	Northern Territory.	Total.
	£	£	£	£	£	£	£	£
1928 (a) ..	53.0	54.8	48.7	41.5	34.3	34.5	51.9	50.0
1929 ..	54.7	58.8	50.6	39.7	33.7	35.7	47.4	51.9
1930 ..	52.5	52.2	47.2	38.7	29.2	34.3	37.6	48.3
1931 ..	48.5	53.9	45.8	38.5	30.4	32.7	35.6	47.0
1932 ..	44.0	67.1	44.9	41.7	35.4	36.2	34.3	49.5

(a) Excludes deposits with Commonwealth Savings Bank. (b) Includes Federal Capital Territory.

It may be mentioned here that deposits of "other cheque-paying banks" with the Commonwealth Bank are treated in the returns as "balances due to other banks."

(ix) *Proportion of Non-Interest Bearing Deposits to Total Deposits.* The subjoined table shows for each State the proportion of non-interest bearing deposits to the total deposits during the June quarter of each of the years 1928 to 1932. The figures relate to all cheque-paying banks and no adjustment has been made in respect of Government "set-off" accounts of the Commonwealth Bank.

ALL CHEQUE-PAYING BANKS.—PROPORTION OF NON-INTEREST BEARING DEPOSITS TO TOTAL DEPOSITS. (a)

Quarter ended 30th June—	New South Wales (b)	Victoria.	Queensland.	South Australia.	Western Australia.	Tasmania.	Northern Territory.	Total.
	%	%	%	%	%	%	%	%
1928 ..	43.1	35.2	43.0	34.5	50.9	41.8	55.9	40.3
1929 ..	41.9	33.3	41.1	32.8	49.3	38.7	54.9	38.7
1930 ..	37.0	28.3	33.8	28.8	43.9	36.2	52.2	33.5
1931 ..	34.0	26.3	33.0	25.8	40.2	29.1	49.2	31.0
1932 ..	37.1	25.0	33.1	26.5	39.9	31.6	49.3	31.2

(a) Excludes deposits with Commonwealth Savings Bank. (b) Includes Federal Capital Territory.

7. *Deposit Rates.*—The "Premiers Plan" for financial rehabilitation included, *inter alia*, provisions for the reduction of bank interest rates for deposits and advances. The steps taken in this direction are referred to in the Appendix to this volume, but the statement below shows the changes made in the deposit rates during 1931 and 1932.

BANK DEPOSIT RATES.

Dates.	Rate on Deposits for—			
	Three Months.	Six Months.	Twelve Months.	Two Years.
To 25th June, 1931 ..	4½	4½	5	5½
26th June, 1931 ..	3½	3½	4	4½
27th November, 1931 ..	3	3½	3½	4
8th March, 1932 ..	2½	3	3½	4
May-June, 1932 (a) ..	2½	3	3½	3½

(a) All banks did not take simultaneous action.

8. Clearing House Returns.—Particulars of the aggregate bank clearings for each capital city, as furnished by the Associated Banks, Melbourne, are given in the following table. Since October, 1929, transactions connected with the issue and redemption of Treasury Bills have resulted in largely inflated clearings. These transactions are of an abnormal character, and for the years 1929 to 1931 are shown separately. A weekly average of bank clearings is compiled from information supplied by the Commonwealth Bank, Sydney, and published in the Quarterly Summary of Australian Statistics.

CLEARING HOUSE RETURNS.—VALUE OF BILLS, CHEQUES, ETC., 1870 TO 1931.

Year.	Sydney.	Melbourne.	Brisbane.	Adelaide.	Perth.	Hobart.
	£'000.	£'000.	£'000.	£'000.	£'000.	£'000.
1870 .. ..	..	68,221	..	..	..	..
1880 .. ..	..	103,353	..	..	..	..
1890 .. ..	..	315,190	..	..	..	..
1895	108,509	130,787	..	..	..	..
1900	144,080	159,949	..	..	..	..
1905	189,826	187,632	32,255	..	..	..
1910	274,344	261,383	61,060	..	..	..
1915	357,803	299,295	96,291	60,950	..	..
1920	764,546	725,006	160,539	166,011	80,758	..
1925	909,114	803,083	192,968	171,092	101,085	25,557
1926	954,253	790,111	195,710	178,898	103,523	25,691
1927	1,034,894	825,676	192,274	186,752	111,454	26,805
1928	1,033,511	762,851	196,566	164,166	112,503	28,226
1929—						
Ordinary Transac-	..	812,105	..	..	..	..
tions .. ..	..				
Treasury Bills Tran-	..	2,566	..	..	..	..
sactions .. ..	..				
Total	1,043,320	814,671	196,253	156,686	114,587	27,365
1930—						
Ordinary Transac-	872,390	697,641	..	..	..	..
tions						
Treasury Bills Tran-	20,771	28,274	..	..	..	..
sactions						
Total	893,161	725,915	167,999	125,684	89,034	23,092
1931—						
Ordinary Transac-	683,176	566,865	..	..	..	..
tions						
Treasury Bills Tran-	151,512	85,999	..	..	..	..
sactions						
Total	834,688	652,864	144,814	96,867	71,356	18,057

9. Rates of Exchange.—(i) *Australia on London.* The following statement, which has been prepared from data very kindly supplied by the General Manager of the Bank of New South Wales, Sydney, gives particulars of the various rates of exchange, Australia on London, in operation since 16th October, 1913. The details given show the value in Australia of £100 in London according to the rates quoted by the Associated Banks for buying and selling £100 in London on telegraphic transfer. Prior to 30th October, 1920, when "T.T." buying rates were not quoted, the rate was determined approximately by applying the difference between the buying and selling rates for "On Demand" drafts to the quoted "T.T." selling rate.

EXCHANGE RATES.—AUSTRALIA ON LONDON, TELEGRAPHIC TRANSFER,
1913 TO 1932.

Date on which Rate began to Operate.	Exchange.				Commission for £100 (Sterling).
	London.	Australia (Mean of Buying and Selling Rates).			
		£ sterling 100	£ 100 plus	£ s. d.		s. d.
16th October, 1913	0 6 3	8 9
19th August, 1914	0 10 0	15 0
29th September, 1914	0 15 0	15 0
24th October, 1914	1 0 0	15 0
12th May, 1915	0 17 6	15 0
30th September, 1915	1 0 0	12 6
23rd February, 1916	1 5 0	12 6
15th November, 1916	0 18 9	13 9
29th May, 1917	0 12 6	15 0
3rd October, 1917	0 7 6	15 0
12th January, 1920	0 2 6	15 0
8th October, 1920	0 15 0	15 0
14th October, 1920	0 13 9	16 3
30th October, 1920	1 5 0	15 0
10th December, 1920	1 15 0	15 0
23rd December, 1921	1 10 0	15 0
17th February, 1922	1 2 6	12 6
6th April, 1922	0 15 0	15 0
15th May, 1922	0 10 0	15 0
14th July, 1922	0 2 6	15 0
8th September, 1922	100 less	0 3 9	13 9
10th October, 1922	0 7 6	12 6
7th November, 1922	0 10 0	15 0
14th January, 1924	1 0 0	10 0
22nd February, 1924	1 5 0	10 0
10th March, 1924	1 10 0	10 0
8th May, 1924	2 0 0	10 0
5th September, 1924	2 5 0	10 0
29th September, 1924	2 10 0	10 0
15th October, 1924	3 0 0	10 0
6th May, 1925	0 12 6	2 6
10th June, 1925	0 2 6	2 6
9th June, 1926	0 1 3	3 9
20th April, 1927	100 plus	0 6 3	3 9
27th June, 1927	0 8 9	3 9
8th July, 1927	0 11 3	3 9
19th March, 1928	0 15 0	5 0
22nd July, 1929	1 0 0	5 0
3rd September, 1929	1 5 0	5 0
10th October, 1929	1 10 0	5 0
18th December, 1929	1 17 6	5 0
28th January, 1930	2 6 3	6 3
17th February, 1930	2 16 3	6 3
10th March, 1930	3 16 3	6 3
24th March, 1930	6 6 3	3 9
9th October, 1930	8 15 0	5 0
6th January, 1931	15 6 3	3 9
13th January, 1931	18 3 9	3 9
17th January, 1931	25 5 0	5 0
29th January, 1931	30 5 0	5 0
18th March, 1932	25 5 0	5 0

The "Commission" which represents the banks' "turn" on each £100 sterling exchanged has been computed by taking half the difference between the buying and selling rates.

(ii) *Australia on New Zealand.* Particulars of the rates of exchange, Australia on New Zealand, in force in 1931 are given hereunder.

EXCHANGE RATES.—AUSTRALIA ON NEW ZEALAND, 1931.

On and after—	"Telegraphic Transfer" or "On Demand."	
	Buying.	Selling.
	£ s. d.	£ s. d.
4th June, 1931	118 12 6	119 7 6
3rd December, 1931	113 12 6	114 7 6

The above quotations are on the basis of £100 in New Zealand.

(iii) *Interstate.* Exchange rates between the several capital cities of the States at 30th June, 1931, were as follows:—

INTERSTATE EXCHANGE RATES, 30TH JUNE, 1931.

Between.	And—					
	Sydney.	Melbourne.	Brisbane.	Adelaide.	Perth.	Hobart and Launceston.
	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.
Sydney .. .. .	.. .. .	2 6	2 6	5 0	10 0	5 0
Melbourne	2 6	.. .. .	7 6	2 6	7 6	5 0
Brisbane	2 6	7 6	.. .. .	10 0	12 6	10 0
Adelaide	5 0	2 6	10 0	.. .. .	5 0	7 6
Perth	10 0	7 6	12 6	5 0	.. .. .	12 6
Hobart and Launceston	5 0	5 0	10 0	7 6	12 6	.. .. .

§ 2. Savings Banks.

1. *General.*—The inauguration of Savings Banks in Australia dates from the year 1819, when a private Savings Bank was opened in Sydney, New South Wales. In the other States provision for placing deposits with Savings Banks dates from 1842 in Victoria; 1851 in Queensland; 1840 in South Australia; 1863 in Western Australia (a Savings Bank was opened in 1856 but was closed a year later); 1835 in Launceston; and 1845 in Hobart. Some of these early banks functioned as private institutions, but were later absorbed by or amalgamated with Government Savings Banks, except the Hobart and Launceston institutions, which have been Trustee Savings Banks since 1848. With these two exceptions all Savings Banks operating in the States are now either Commonwealth or State Government institutions.

Post Office Savings Banks were established in all States except South Australia dating from 1863 onwards.

2. *The Commonwealth Savings Bank.*—The Commonwealth Savings Bank opened for business 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 New South Wales, South Australia and Western Australia on the 13th January, 1913. The Tasmanian State Savings Bank was absorbed by the Commonwealth Bank in January, 1913, and the Queensland State Savings Bank was taken over in 1920. The Savings Bank Department was separated from the General Bank in June, 1928, and has since then functioned as a separate entity, publishing its own balance-sheets and profit and loss accounts.

3. **Recent Amalgamations.**—(i) *Government Savings Bank of New South Wales.*—Owing to the depletion of the liquid assets of the bank consequent upon the continuous demands of depositors, the Commissioners, after abortive negotiations for the absorption of the institution by the Commonwealth Savings Bank, decided to suspend payments to depositors from the 22nd April, 1931, until further notice.

On the 7th September, 1931, the Government appointed new Commissioners, and the Savings Bank re-opened, accepting deposits repayable on demand in what were termed "new business" accounts. No arrangements had then been completed to enable depositors in the "old business" division to withdraw deposits, although transfers from one account to another in that division were permitted.

Negotiations for the absorption of the Government Savings Bank by the Commonwealth Savings Bank were re-opened by the new Commissioners, and early in December, 1931, agreement was reached upon all contentious aspects of the transfer. The full terms of the agreement are contained in the New South Wales Act No. 62 of 1931. The Commonwealth Savings Bank on and from the 15th December, 1931, provided relief to depositors in the "old business" division to the extent of up to £10 or 10 per cent. of their deposits, whichever was the greater, and early in 1932 depositors were allowed full access to their deposits.

(ii) *State Savings Bank of Western Australia.*—During August, 1931, increasing withdrawals caused the Government of Western Australia to negotiate for the amalgamation of the State Savings Bank with the Commonwealth Savings Bank, and the transfer was effected in October, 1931.

4. **Extension of Facilities.**—The prime object of the foundation of Savings Banks in Australia was the encouragement of thrift—deposits of one shilling and upwards being accepted—nevertheless the facilities offered, while preserving the original object, have led to developments in another direction. Although depositors may not operate on their accounts by means of cheques, they have practically all the other advantages of a current account, in addition to receiving interest on their minimum monthly balances, while no charge is made by the banks for keeping the accounts.

For many years considerable use has been made of the Savings Bank account as an alternative to maintaining a fixed deposit with a cheque-paying bank. Deposits in Savings Banks may be withdrawn at any time with a minimum loss of interest, the rate of which is now about the same as that offered by trading banks for six months' deposits.

5. **Classification of Depositors' Balances.**—The classification of deposits published by Savings Banks does not permit of a fully detailed analysis with respect to Australia as a whole, but information supplied by four State institutions shows that at 30th June, 1931, the amount on deposit in accounts with balances of less than £100 represented 21 per cent. of the total deposits; balances of over £100 but under £500, 48 per cent.; over £500 but under £750, 16 per cent.; over £750 but under £1,000, 8 per cent.; while those of over £1,000 accounted for 7 per cent. School, Penny Bank, and Special Purpose accounts have been excluded in determining the above percentages. At 30th June, 1930, it was estimated that approximately 95 per cent. of the accounts open had balances of under £300, while the deposits in such accounts represented about 48 per cent. of the total amount on deposit. In the absence of complete information, therefore, inferences respecting the amount of deposits per head of population must be made with caution.

6. **Number of Accounts.**—The collection of information regarding the number of accounts has been discontinued for the reasons set out as follows. In the first place it is possible in some States for the same person to have accounts in both Commonwealth and State Savings Banks. Secondly, the amalgamations referred to in para. 3 have resulted in a very considerable reduction in the number of accounts in New South Wales and Western Australia. Effective comparison of the present number of accounts open with those for previous years is, therefore, not possible.

7. Rates of Interest on Deposits.—The "Premiers' Plan" of 1931, which is dealt with in the appendix to this volume, provided, *inter alia*, for the reduction of the banks' rate of interest on deposits and advances. The Commonwealth Savings Bank reduced the rate of interest on depositors' balances by one per cent. from 1st July, 1931, and the other Savings Banks have since taken similar action. The statements given hereunder show the rates of interest allowed at 30th June, 1931, and at 30th June, 1932, respectively by (i) State or Trustee Banks and (ii) by the Commonwealth Bank.

The table hereunder refers to interest rates allowed by State Savings Banks :—

STATE SAVINGS BANKS—INTEREST RATES ON DEPOSITS.

State.	Interest-bearing Limit.	Rates at 30th June, 1931.	Rates at 30th June, 1932.
	£	%	%
New South Wales	1,000	4	(d)
Victoria	1,000	4 (a)	3 ; (b) 3½
Queensland	(e)	(e)	(e)
South Australia	1,000	4½	3½
Western Australia	Unlimited	£1-£500..4 £501-£1,000..3½ Over £1,000..3	(d)
Tasmania—			
Hobart	300	4½ ; (c) 5	3 ; (c) 4
Launceston	300	4½	3½

(a) Similar rate for Deposit Stock. (b) Deposit Stock. (c) Fixed Deposits, twelve months. (d) Absorbed by Commonwealth Bank, see following table. (e) State Savings Bank amalgamated with Commonwealth Bank in 1920.

Particulars regarding the rates allowed by the Commonwealth Savings Bank are incorporated in the following table :—

COMMONWEALTH SAVINGS BANK—INTEREST RATES ON DEPOSITS.

State.	Interest-bearing Limit.	Rate at 30th June, 1931.	Rate at 30th June, 1932.
		%	%
New South Wales	£1,300	£1-£500 .. 4	3
Victoria		£501-£1,000 .. 3½	2½
South Australia		£1,001-£1,300 3	2
Western Australia			
Tasmania	£2,000	£1-£500 .. 4	3
Queensland		£501-£2,000 .. 3½	2½

8. Statistical Returns.—Commencing from July, 1931, monthly returns have been furnished by Savings Bank authorities, and the collated data is disseminated in the form of monthly press notices. In addition, the particulars are published in the Quarterly Summary of Australian Statistics issued by the Commonwealth Statistician. The information given in the following paragraphs relates to the deposits at the 30th June in each year. For convenience of reference the information has been grouped under the following headings—

- (i) All Savings Banks ;
- (ii) Commonwealth Savings Banks ; and
- (iii) State (including Trustee Banks in Tasmania) Savings Banks.

9. All Savings Banks.—(i) *Returns for Year 1930-31.* The following statement gives details of the business transacted by all Savings Banks for the year 1930-31.

ALL SAVINGS BANKS.—PARTICULARS, 1930-31.

States and Territories.	Amount on deposit at 30th June, 1930.	Amount deposited during year 1930-31.	Interest added during year 1930-31.	Total.	Amounts withdrawn during year 1930-31.	Amount on deposit at 30th June 1931.
	£	£	£	£	£	£
New South Wales	82,465,430	57,878,169	2,789,845	143,133,444	73,322,675	69,810,769
Victoria ..	69,367,253	48,452,879	2,447,917	120,268,049	57,025,521	63,242,528
Queensland ..	23,901,136	20,966,572	851,255	45,718,963	23,364,638	22,354,325
South Australia ..	24,012,176	13,131,971	951,307	38,095,454	16,673,396	21,422,058
Western Australia	11,728,617	10,510,982	427,709	22,667,308	11,799,887	10,867,421
Tasmania ..	5,699,321	3,605,006	225,468	9,529,795	4,163,971	5,365,824
Northern Territory	48,913	36,013	1,704	86,630	43,372	43,258
Federal Capital Territory ..	287,671	301,456	9,792	598,919	329,705	269,214
Total ..	217,510,517	154,883,048	7,704,997	380,098,562	186,723,165	193,375,397

(ii) *Deposits—Years 1927 to 1932.* The table hereunder shows for all Savings Banks the amount at credit of depositors and the average deposits per head of population at 30th June, 1927 to 1932. The figures for 1932 are preliminary and subject to revision.

ALL SAVINGS BANKS.—DEPOSITS.

30th June.	N.S.W.	Victoria.	Q'land.	S. Aust.	W. Aust.	Tas.	N. Ter.	Fed. Cap. Ter.	All States.
TOTAL.									
	£	£	£	£	£	£	£	£	£
1927	78,145,643	65,352,619	22,452,749	23,600,897	9,694,396	5,079,274	48,025	206,090	204,579,693
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	11,609,190	5,811,458	47,291	279,355	225,485,704
1930	82,465,430	69,367,253	23,901,136	24,012,176	11,728,617	5,699,321	48,913	287,671	217,510,517
1931	69,810,769	63,242,528	22,354,325	21,422,058	10,867,421	5,365,824	43,258	269,214	193,375,397
1932	71,647,869	65,680,220	22,951,758	21,566,825	10,217,739	5,586,621	40,440	274,836	197,966,308

PER HEAD OF POPULATION.

	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.
1927	32 19 3	37 17 1	25 2 1	41 6 10	25 3 7	24 8 0	11 5 6	27 5 3	33 3 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	
1930	33 3 8	38 18 0	25 7 4	41 7 2	28 0 4	26 8 10	10 5 0	32 10 9	33 15 7	
1931	27 16 11	35 3 8	23 5 10	36 14 2	25 16 9	24 9 9	9 5 11	31 16 6	29 14 11	
1932	28 6 10	36 7 8	23 11 9	36 16 0	24 3 8	25 5 4	4 8 19	32 15 6	30 4 7	

For the year ended 30th June, 1932, all States combined show an increase in deposits of £4,550,530 or about 2.4 per cent. All the States except Western Australia, where the fall was 6 per cent., showed increases. In Victoria and Tasmania the increase amounted to 4 per cent.; in New South Wales and Queensland to 2½ per cent.; and in South Australia to under 1 per cent.

Since the year 1921, deposits per head increased at the rate of roughly 3 per cent. per annum up to a high point of £35 per head in 1929. In the war years before 1921 the rate of increase was even more rapid. From June, 1929, to June, 1931, there was a decline of 16 per cent., but in the year ended 30th June, 1932, the downward trend was reversed and deposits increased by nearly 2 per cent. The deposits per head, however, are still about 15 per cent. below the high point of 1929—the decreases for each State being—New South Wales, 19 per cent.; Victoria, 11 per cent.; Queensland, 9 per cent.; South Australia, 15 per cent.; Western Australia, 14 per cent.; and Tasmania, 7 per cent.

Considered in relation to purchasing power, the figures are more satisfactory. Retail prices (food and housing) have fallen 23 per cent. since 1929, while the purchasing power of deposits per head has increased by about 10 per cent. during the same period although the nominal value has fallen 15 per cent.

10. Commonwealth Savings Bank.—(i) *Returns for Year 1930-31.* Returns for the States and Territories for the year 1930-31 have been incorporated in the table below.

COMMONWEALTH SAVINGS BANK.—RETURNS, 1930-31.

States and Territories.	Amount on Deposit at 30th June, 1930.	Amount Deposited during Year 1930-31.	Interest Added during Year 1930-31.	Total.	Amounts Withdrawn during Year 1930-31.	Amounts on Deposit at 30th June, 1931.
	£	£	£	£	£	£
New South Wales	11,899,198	17,603,121	439,948	29,942,267	15,449,330	14,492,937
Victoria ..	6,424,278	7,411,803	221,000	14,060,081	7,955,817	6,104,264
Queensland ..	23,901,136	20,966,572	851,255	45,718,963	23,364,638	22,354,325
South Australia ..	2,145,811	1,836,635	72,517	4,054,963	2,103,812	1,951,151
Western Australia	3,240,252	3,293,314	107,556	6,641,122	3,852,749	2,788,373
Tasmania ..	1,682,727	1,078,253	57,822	2,818,802	1,299,384	1,519,418
Northern Territory	48,013	36,013	1,704	86,630	43,372	43,258
Federal Cap. Ter.	220,559	249,660	7,623	477,842	257,907	219,935
Total ..	49,562,874	52,478,371	1,759,425	103,800,670	54,327,009	49,473,661

(ii) *Deposits—Years 1927 to 1932.* The amount on deposit with the Commonwealth Savings Bank in each State, in the Territories of New Guinea and Papua, and in London, at the 30th June in each of the years 1927 to 1932 was as follows:—

COMMONWEALTH SAVINGS BANK.—DEPOSITS.

Place of Deposit.	At 30th June—					
	1927.	1928.	1929.	1930.	1931.	1932.
	£	£	£	£	£	£
New South Wales	10,287,555	10,974,932	11,832,307	11,899,198	14,492,937	(a) 17,647,869
Victoria ..	6,072,831	6,045,409	6,577,350	6,424,278	6,104,264	7,098,817
Queensland ..	22,452,749	23,324,829	24,075,504	23,901,136	22,354,325	22,951,758
South Australia	2,566,300	2,365,059	2,296,777	2,145,811	1,951,151	2,127,288
Western Australia	2,728,867	2,949,438	3,214,231	3,240,252	2,788,373	(a) 10,217,739
Tasmania ..	1,577,731	1,646,895	1,801,289	1,682,727	1,519,418	1,581,718
Northern Territory	48,025	64,617	47,291	48,913	43,258	40,440
Federal Capital Territory ..	206,090	196,017	213,882	220,559	219,937	274,836
Total ..	45,940,148	47,567,196	50,058,631	49,562,874	49,473,661	115,940,465
Papua and New Guinea (b) ..	95,923	106,217	112,583	114,914	107,919	125,931
London (b) ..	442,949	450,739	434,141	371,936	236,151	233,605
Grand Total ..	46,479,020	48,124,152	50,605,355	50,049,724	49,817,731	116,300,001

(a) State Savings Bank absorbed during 1931-32. (b) Not included in the figures given in paras. (1) and (ii).

(iii) *Balance Sheet, 30th June, 1931.* The Commonwealth Savings Bank publishes a half-yearly balance-sheet, and the statement hereunder shows the position at the 30th June, 1931.

COMMONWEALTH SAVINGS BANK.(a)—BALANCE-SHEET, 30TH JUNE, 1931.

Liabilities.		Assets.	
£		£	
Reserve Fund ..	1,528,672	Coin and Cash Balances ..	3,887,995
Depositors' Balances ..	49,817,731	Australian Notes ..	101,171
Other Liabilities ..	255,493	Government Securities ..	30,579,865
		Securities of Municipal and Other Public Authorities ..	14,916,051
		Other Assets ..	2,116,814
	51,601,896		51,601,896

(a) Includes London, Papua and Territory of New Guinea Branches.

(iv) *Profits.* For the year ended 30th June, 1931, the profits earned by the Commonwealth Savings Bank were £234,187, one-half of which was paid to the National Debt Sinking Fund and the remainder carried to reserves. The aggregate net profit from the inception of the bank to the 30th June, 1931, was £2,522,576.

II. *State Savings Banks.*—(i) *Returns for 1930-31.* Particulars of the transactions of all State Savings Banks for the year 1930-31 are given hereunder. Throughout the following tables the figures for Tasmania refer to the Trustee Savings Banks in Hobart and Launceston. Although the accounts of these institutions are made up for half-yearly periods ending 28th February and 31st August, the managements have furnished particulars of deposits at 30th June in each year since and including 1929.

STATE SAVINGS BANKS.—RETURNS, 1930-31.

State or Territory.	Amount on Deposit at 30th June, 1930.	Deposits during 1930-31.	Interest added 1930-31.	Total.	With- drawsals during 1930-31.	Total Deposits 30th June, 1931.
	£	£	£	£	£	£
New South Wales ..	70,566,232	40,275,048	2,349,897	113,191,177	57,873,345	55,317,832
Victoria ..	62,942,975	41,038,076	2,226,917	106,207,968	49,069,704	57,138,264
Queensland (a) ..	..	..	..	..	..	..
South Australia ..	21,866,365	11,295,336	878,790	34,040,491	14,569,584	19,470,907
Western Australia ..	8,488,365	7,217,668	320,153	16,026,186	7,947,138	8,079,048
Tasmania (b) ..	4,016,594	2,526,753	167,646	6,710,993	2,864,587	3,846,406
Northern Territory (c) ..	..	..	..	..	..	..
Federal Capital Territory ..	67,112	51,796	2,169	121,077	71,798	49,279
Total ..	167,947,643	102,404,677	5,945,572	276,297,892	132,396,156	143,901,736

(a) State Savings Bank absorbed by Commonwealth Bank in 1920. (b) Trustee Savings Banks, Hobart and Launceston. (c) No State Savings Bank in operation.

(ii) *Deposits—Years 1927 to 1932.* The following statement shows the amount on deposit with State Savings Banks at the 30th June in each of the years 1927 to 1932.

STATE SAVINGS BANKS.—DEPOSITS.

State or Territory.	At 30th June—					
	1927.	1928.	1929.	1930.	1931.	1932.(e)
	£	£	£	£	£	£
New South Wales ..	67,858,088	70,652,735	73,895,206	70,566,232	55,317,832	(d)
Victoria ..	59,279,788	62,781,359	66,129,641	62,942,975	57,138,264	58,581,403
Queensland (a) ..	..	..	..	..	..	..
South Australia ..	21,034,597	22,576,629	22,931,625	21,866,365	19,470,907	19,439,537
Western Australia ..	6,965,529	7,695,935	8,394,959	8,488,365	8,079,048	(d)
Tasmania (f) ..	(g)3,501,543	(g)3,875,871	4,010,169	4,016,594	3,846,406	4,004,903
Northern Territory (b) ..	..	..	..	..	..	..
Federal Capital Territory ..	(c)	38,737	65,473	67,112	49,279	(d)
Total ..	158,639,545	167,621,266	175,427,073	167,947,643	143,901,736	82,025,843

(a) State Savings Bank amalgamated with Commonwealth Bank in 1920. (b) No State Savings Bank in operation. (c) Included with New South Wales. (d) State Savings Bank amalgamated with Commonwealth Savings Bank. (e) Preliminary figures. (f) Trustee Savings Banks, Hobart and Launceston. (g) At 31st August.

(iii) *Assets.* At 30th June, 1931, the assets of all State Savings Banks amounted to £155,654,320, distributed as shown hereunder.

STATE SAVINGS BANKS.—ASSETS, 30TH JUNE, 1931.

Particulars.	New South Wales. (b)(d)	Victoria.	Queensland. (a)	South Australia.	Western Australia. (d)	Tasmania. (c)	Total.
	£	£	£	£	£	£	£
Government Securities	28,080,801	28,657,563	..	9,669,446	6,602,260	1,907,958	74,918,028
Municipal Securities	2,874,324	2,757,541	..	370,381	339,937	400,525	6,742,708
Other Public Securities	14,765,442	16,232,279	..	394,356	542,970	30,000	31,965,047
Mortgages ..	2,694,596	1,677,577	..	6,370,392	39,554	933,500	11,715,619
Other Investments ..	23,552	36,454	..	..	..	..	60,006
Securities held by Commonwealth Bank against Special Deposit Account ..	1,106,623	..	..	..	..	..	1,106,623
Outstanding Interest, Dividends and Rents	..	804,303	..	289,547	48,719	62,588	1,205,157
War Service Homes Landed and House Property ..	1,740,000	818,143	..	126,297	71,462	11,751	2,767,653
Fixed Deposits	7,275,086	7,045,000	..	2,187,000	400,000	497,100	17,404,186
Cash at Credit of Trust Account ..	..	..	..	110,000	..	..	110,000
Cash in hand, in transit and on Current Account ..	390,418	2,985,940	..	1,195,412	109,582	413,881	5,205,233
All other Assets ..	21,528	1,828	..	..	..	340	23,696
Total Assets ..	58,972,370	63,556,992	..	20,712,831	8,154,484	4,257,643	155,654,320

(a) State Savings Bank amalgamated with Commonwealth Bank in 1920. (b) Includes Federal Capital Territory. (c) Year ended 31st August, 1931. See para. (i). (d) Subsequently amalgamated with Commonwealth Bank.

(iv) *Profit and Loss Accounts 1930-31.* Details of the Profit and Loss Accounts of the several State Savings Banks for the year 1930-31 are given in the following table.

STATE SAVINGS BANKS.—PROFIT AND LOSS ACCOUNTS FOR YEAR ENDED 30TH JUNE, 1931.

Particulars.	New South Wales. (a)(e)	Victoria.	Queensland. (b)	South Australia.	Western Australia. (e)	Tasmania. (c)	Total.
	£	£	£	£	£	£	£
<i>Dr.</i>							
Interest allotted to Depositors ..	2,352,066	2,226,917	..	878,790	320,153	166,462	5,944,388
Amount allotted to Consolidated Revenue ..	..	..	..	..	16,640	..	16,640
Amount carried to Reserves and Depreciation Funds ..	..	..	..	174,030	..	7,098	181,128
Writing off Bank Premises ..	46,793	20,500	..	..	..	..	67,293
Expenses of Management ..	436,464	473,598	..	118,272	53,732	28,555	1,110,621
All other Expenses ..	..	165,021	..	(d) 52,671	20	1,682	219,394
Balance carried forward ..	284,601	353,047	..	98,556	20,105	80,698	837,007
Total ..	3,119,924	3,239,083	..	1,322,319	410,650	284,495	8,376,471
<i>Cr.</i>							
Balance brought forward ..	20,418	131,928	..	97,095	16,864	74,020	340,325
Interest, Dividends, and Rents ..	3,099,506	3,107,155	..	1,225,224	390,667	210,475	8,036,146
All other Receipts ..	..	..	..	..	3,119	..	3,119
Total ..	3,119,924	3,239,083	..	1,322,319	410,650	284,495	8,376,471

(a) Includes Federal Capital Territory. (b) State Savings Bank amalgamated with Commonwealth Bank in 1920. (c) Year ended 31st August, 1931; see para. (i). (d) Includes £40,000, provision for interest accrued on Depositors' Balances from 7th to 30th June, 1931. (e) Subsequently amalgamated with Commonwealth Savings Bank.

C. 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 four Tasmanian companies. The paid-up capital of these twenty-one companies amounted to £1,355,952; reserve funds and undivided profits to £1,024,570; other liabilities, £541,414; total liabilities, including capital, £2,921,936. Among the assets are included—Deposits with Governments, £225,976; other investments in public securities, fixed deposits, etc., £579,775; loans on mortgage, £493,855; property owned, £1,032,297; other assets, £590,033. Of the twenty-one companies, ten show the total amount of the estates, etc., under administration, the total for 1931 being approximately 128 millions. In respect of the twenty-one companies, net profits for the year totalled £155,792, of which £119,110 was paid in dividends.

§ 3. Registered Building and Investment Societies.

1. Summary.—Returns have been received relating to 218 societies, but the information is not exhaustive, as particulars regarding unimportant organizations are not included.

REGISTERED BUILDING AND INVESTMENT SOCIETIES.—SUMMARY, 1930.

Particulars.	N.S.W., ^(d) 1929-30.	Vic., 1930.	Q'land., 1929-30.	£. Aust., 1930.	W. Aust., 1929-30.	Tas., 1930.	Total.
Societies making returns—							
Permanent .. No.	7	22	} 10	{ 8	5	} 4	218
Terminating .. No.	136	3					
Total .. No.	143	25	10	24	12	4	218
Number of shareholders ..	(c) 2,125	9,487	8,011	16,663	17,071	4,778	58,135
Number of shares ..	(c) 28,774	(a)	2,051,728	63,179	38,800	48,751	b2,231,232
Number of borrowers ..	(c) 4,492	12,302	5,535	3,308	2,960	1,670	30,267
Income for year from							
Interest .. £	192,843	388,935	99,672	34,104	64,873	51,537	831,964
Working expenses for year £	102,868	182,894	13,302	21,808	47,164	6,668	374,704
Amount of deposits during year .. £	468,684	1,286,799	228,983	190,144	279,582	48,830	2,503,022
Repayment of loans during year .. £	748,877	1,052,065	254,136	151,929	239,011	124,235	2,570,253
Loans granted during year £	832,834	868,247	174,899	100,818	312,765	142,102	2,431,665

(a) Not available.

(b) Exclusive of Victoria.

(c) Permanent societies only.

(d) Excludes seven Terminating Societies and three Investment Societies for which complete details are not available.

2. **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 1930. The figures quoted for the States of Victoria, South Australia and Tasmania refer to the calendar year 1930, while those for the remaining States are for the fiscal year 1929-30.

REGISTERED BUILDING AND INVESTMENT SOCIETIES.—LIABILITIES, 1930.

State.	Paid-up Capital or Subscriptions.	Reserve Funds.	Deposits.	Bank Overdrafts and other Liabilities.	Total Liabilities.
	£	£	£	£	£
New South Wales ..	2,894,379	690,927	621,073	131,114	4,337,493
Victoria ..	2,035,108	789,190	1,898,543	328,487	5,051,328
Queensland ..	1,358,030	44,047	5,934	98,461	1,506,472
South Australia ..	764,853	85,003	53,024	11,922	914,802
Western Australia ..	861,184	..	120,007	49,349	1,030,540
Tasmania ..	334,613	102,154	278,870	8,015	723,652
Total ..	8,248,167	1,711,321	2,977,451	627,348	13,564,287

REGISTERED BUILDING AND INVESTMENT SOCIETIES.—ASSETS, 1930.

State.	Advances on Mortgage.	Landed and House Property, Furniture, etc.	Cash In Hand and on Deposit and other Assets.	Total Assets.
	£	£	£	£
New South Wales ..	3,715,194	156,892	465,407	4,337,493
Victoria ..	4,759,273	155,633	136,422	5,051,328
Queensland ..	1,434,899	42,821	28,752	1,506,472
South Australia ..	849,439	28,809	36,554	914,802
Western Australia ..	982,012	22,771	25,757	1,030,540
Tasmania ..	644,041	10,390	69,221	723,652
Total ..	12,384,858	417,316	762,113	13,564,287

§ 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 1930. The particulars given for New South Wales relate to societies registered under the Co-operation Acts 1923-1929. Particulars of those Producers' Societies which are also Consumers' Societies are included under the former heading only.

CO-OPERATIVE SOCIETIES.—SUMMARY, 1930.

Particulars.	N.S.W.(e) 1929-30.	Vic. 1929-30.	Qld. 1929-30.	S.A. 1930.	W.A. 1929-30.	Tas. 1929-30.	Total.
PRODUCERS' SOCIETIES.(a)							
Number of Societies ..	92	71	52	33	7	12	267
Number of Branches ..	(c) 38,498	20	53	9	42	25	(d) 149
Number of Members ..	38,498	42,380	36,288	6,870	10,004	5,509	139,549
Gross Turnover (Sales) £	14,769,572	6,798,367	7,207,424	555,064	1,446,514	479,304	31,256,245
Other Income ..	17,002	308,241	57,272	105,288	213,730	18,422	719,955
Total Income ..	14,786,574	7,106,608	7,264,696	660,352	1,660,244	497,726	31,976,200
Total Purchases during Year £	7,577,168	5,530,797	4,953,893	613,500	1,204,305	416,804	20,356,467
Total Expenditure (b) £	9,779,579	6,932,455	6,111,850	827,428	1,614,134	920,713	26,186,159
Rebates and Bonuses ..	536	6,121	13,866	29,808	20,105	213	70,709
Dividends on Share Capital £	12,946	27,300	18,649	13,216	2,341	2,367	76,819
Rate per cent. ..	1.55	2.76	3.47	6.80	0.91	2.92	2.65

CONSUMERS' SOCIETIES.

Number of Societies ..	47	30	6	9	58	3	153
Number of Branches ..	(c) 59,019	11	23	47	20	2	(d) 103
Number of Members ..	59,019	13,531	23,429	38,992	8,285	466	143,722
Gross Turnover (Sales) £	3,553,038	952,024	49,878	1,174,481	883,246	82,996	6,695,663
Other Income ..	17,265	25,335	13,753	36,814	48,114	2,051	143,332
Total Income ..	3,570,303	977,359	63,631	1,211,295	931,360	85,047	6,838,995
Total Purchases during Year £	2,190,255	770,511	39,580	900,941	745,728	69,303	4,716,318
Total Expenditure (b) £	2,874,111	942,164	60,124	1,141,935	898,593	151,812	6,068,739
Rebates and Bonuses ..	244,040	40,008	728	29,199	17,120	1,371	332,466
Dividends on Share Capital £	36,815	9,274	7,110	26,780	11,155	1,083	92,217
Rate per cent. ..	3.62	5.43	24.65	4.74	5.59	5.26	4.61

(a) Particulars for Producers' Societies which are also Consumers' Societies are included under Producers' Societies only. (b) Includes purchases. (c) Not available. (d) Excluding New South Wales. (e) Particulars relate to Societies registered under Co-operation Acts 1923-29.

2. Liabilities and Assets.—The next table gives the liabilities and assets.

CO-OPERATIVE ORGANIZATIONS.—LIABILITIES AND ASSETS, 1930.

Particulars.	N.S.W.(c) 1929-30.	Vic. 1929-30.	Qld. 1929-30.	S.A. 1930.	W.A. 1929-30.	Tas. 1929-30.	Total.
PRODUCERS' SOCIETIES.(d)							
Liabilities—	£	£	£	£	£	£	£
Paid-up Capital ..	834,816	990,631	536,850	194,341	257,636	81,036	2,895,310
Loan Capital ..	(a) 223,456	123,899	228,027	174,698	45,277		4,127,017
Bank Overdraft ..	1,733,067	1,063,159	104,739	165,752	233,184	31,759	
Accumulated Profits ..	643,826	182,273	66,713	34,442	40,563	11,063	1,854,629
Reserve Funds ..		259,532	369,127	118,773	111,698	16,619	
Sundry Creditors ..	(b)	368,403	569,519	242,745	571,134	27,098	1,778,899
Other Liabilities ..		85,581	45,045	164,775	4,374	19,501	319,276
Total Liabilities ..	3,211,709	3,173,035	1,815,892	1,148,855	1,393,287	232,353	10,975,131
Assets—							
Land and Buildings ..	1,645,412	1,350,999	537,738	142,630	124,447	97,129	4,957,618
Machinery, Plant and other fixed Assets ..			618,739	259,556	145,126	35,842	
Stocks ..	528,638	551,793	289,204	516,045	172,380	51,232	2,109,292
Sundry Debtors ..	867,672	933,809	263,371	92,622	764,442	30,887	2,952,803
Cash in hand and on deposit ..	94,245	49,449	57,705	53,165	12,702	2,469	269,735
Profit and Loss Account ..		90,193	2,536	8,547	10,855	3,699	115,830
Other Assets ..	75,742	196,792	46,599	76,290	163,335	11,095	569,853
Total Assets ..	3,211,709	3,173,035	1,815,892	1,148,855	1,393,287	232,353	10,975,131

(a) Including Sundry Creditors. (b) Included in Bank Overdraft, &c. (c) Particulars relate to Societies registered under Co-operation Acts, 1923-1929. (d) Particulars for Producers' Societies which are also Consumers' Societies are included under Producers' Societies only.

Co-operative Organizations.—Liabilities and Assets, 1930—continued.

Particulars.	N.S.W.(c) 1929-30.	Vic. 1929-30.	Qld. 1929-30.	S.A. 1930.	W.A. 1929-30.	Tas. 1929-30.	Total.
CONSUMERS' SOCIETIES.							
Liabilities—	£	£	£	£	£	£	£
Paid-up Capital ..	1,016,778	170,946	28,849	565,041	199,629	20,580	2,001,823
Loan Capital ..	} 682,842	66,685	11,974	140,329	10,958	..	} 1,127,162
Bank Overdraft ..		99,687	2,337	47,930	60,745	3,675	
Accumulated Profits ..	} 432,544	24,439	3,713	2,352	30,615	4,876	} 894,518
Reserve Funds ..		117,307	8,807	148,305	113,470	8,090	
Sundry Creditors ..	(b)	84,750	3,333	36,991	136,770	11,281	273,125
Other Liabilities ..	..	7,717	2,387	2,178	11,519	3,868	27,669
Total Liabilities ..	2,132,164	571,531	61,400	943,126	563,706	52,370	4,324,297
Assets—							
Land and Buildings ..	} 1,072,568	175,748	30,161	270,385	96,865	13,907	} 1,792,885
Machinery, Plant and other fixed Assets ..		32,915	3,325	67,948	27,404	1,659	
Stocks ..	507,616	162,535	16,345	310,326	174,851	18,582	1,190,255
Sundry Debtors ..	423,421	165,493	4,650	182,969	226,612	8,371	1,011,516
Cash in hand and on deposit ..	52,034	25,745	4,551	18,063	16,935	6,446	123,774
Profit and Loss Account ..	..	..	104	6,837	2,593	3,064	12,598
Other Assets ..	76,525	9,095	2,264	86,598	18,446	341	193,269
Total Assets ..	2,132,164	571,531	61,400	943,126	563,706	52,370	4,234,297

(a) Including Sundry Creditors. (b) Included in Bank Overdraft, &c. (c) Particulars relate to Societies registered under Co-operation Acts, 1923-1929.

D. INSURANCE.**§ 1. General.**

Although insurance business is conducted under State laws where such laws are in existence, or otherwise under various Companies Acts or Special Acts, Section 51 of the Commonwealth Constitution Act confers the necessary powers on the Commonwealth Parliament to legislate in regard to "insurance other than State insurance; also State insurance extending beyond the limits of the State concerned". In 1905, the Commonwealth Parliament passed "An Act relating to Assurance on the Lives of Children by Life Assurance Companies or Societies", but no further legislation relating to life assurance was enacted until 1932, when Act No. 4, "An Act relating to Insurance" was passed. The principal features of this latter Act are given hereunder.

Companies, persons or associations of persons carrying on insurance business are required to deposit money or approved securities with the Commonwealth Treasurer, to the extent specified in the schedule hereunder. In the case of an existing Company, the specified deposit must be made within six months after the commencement of the Act, and a new company must lodge its deposit before conducting business. The penalty for failing to lodge the prescribed deposit is £2,000, and, in addition, £500 per day for each day on which business is unlawfully carried on.

SCHEDULE OF DEPOSITS.

Class of Company.	Life Assurance Business.	Other Insurance Business.
Existing companies (Australian and foreign)	£1,000 for every £5,000 of net liability up to a maximum deposit of £50,000	£1,000, periodically as prescribed, for each £5,000 of annual premium income. Maximum deposit £40,000
New companies—Australia	£5,000 per annum until maximum of £50,000 is reached. For mutual companies, after the initial deposit of £5,000, £1,000 per annum until deposit reaches a maximum of £50,000	Initial deposit, £5,000. £1,000, periodically as prescribed for every £5,000 by which the premium income exceeds £25,000 until deposit reaches a maximum of £40,000
Overseas—		
British	£50,000	£50,000
Foreign	£60,000	£60,000

Deposits in respect of existing Life Assurance Companies are based on their net liability and those in respect of other insurance business on the annual premium income.

Initial deposits must be accompanied by prescribed certified returns showing the extent of the business, and prescribed annual returns must also be submitted to the Treasurer by depositors. The penalty for false return is imprisonment for two years.

Money deposited is to be invested by the Treasurer in prescribed securities at the discretion of the depositor, and all interest accruing on deposits or securities is to be paid to depositors. Deposits are to remain as security against liability to policy-holders, and are to be available to satisfy judgments obtained in respect of policies.

If the value of money and approved securities deposited has depreciated below the value required by the Act, the Treasurer may require the depositor to lodge additional deposits to bring the total to the prescribed amount.

After this Act comes into force, no State laws governing insurance deposits shall operate. Deposits held by States on 1st February, 1932, may remain with the States until the Treasury requires their return to depositors who must immediately make deposits with the Treasurer to the prescribed extent.

The following are not regarded as insurance businesses under this Act:—

- Staff superannuation schemes;
- Schemes of religious organizations solely for insurance of their property; and
- Friendly Society, Union and Association schemes involving superannuation or insurance benefits to employees.

This Act does not apply to State insurance within the limits of the State concerned.

In 1909, the Commonwealth Parliament passed an "Act relating to Marine Insurance" which altered the conditions under which marine insurance policies had previously been issued.

§ 2. Life Assurance.

[NOTE.—A Conspectus of Australian Life Assurance Legislation was published in Official Year Book No. 18, 1925, in Chap. XXVII. "Miscellaneous."]

1. *General.*—Returns for the year 1930 have been collected from life assurance societies, with results which are in the main satisfactory. The figures in the succeeding paragraphs refer to Australian business only, except where otherwise indicated.

2. *Companies Transacting Business.*—(i) *General.* The number of companies transacting life assurance business in Australia during 1930 was 30, three of which were overseas companies. Of the twenty-seven Australian companies, seven are purely mutual, and twenty are proprietary companies. One office is a State government institution.

(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 Europe or America have been restricted to the Australian business.

3. *Australian Business, 1930.*—(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 over 45 million pounds (18 per cent.), the average per policy has increased from £293 to £326. The amount assured in 1930 represents an average of approximately £45 per head of population.

ORDINARY LIFE ASSURANCE.—AUSTRALIAN BUSINESS.

Year.	Policies in Force.	Amount.	Average per Policy.	Annual Premium Income.
	No.	£	£	£
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
1929	908,807	290,313,414	319	9,513,249
1930	901,645	294,267,070	326	9,780,876

(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 15 million pounds (27 per cent.) in the period under review. The average amount per policy in 1930 was £44, compared with an average of £39 in 1926.

INDUSTRIAL LIFE ASSURANCE.—AUSTRALIAN BUSINESS.

Year.	Policies in Force.	Amount.	Average per Policy.	Annual Premium Income.
		No.	£	£
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
1929	1,640,989	71,053,864	43	4,170,989
1930	1,598,877	69,977,444	44	4,259,755

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 nearly 57 per cent., and interest, dividends, and rent to almost 40 per cent. of the Australian income.

ORDINARY LIFE ASSURANCE.—AUSTRALIAN INCOME.

Heading.	Amount.			
	1927.	1928.	1929.	1930.
	£	£	£	£
Premiums—New	1,027,378	1,133,529	1,067,895	1,021,764
Renewal	7,505,345	8,021,031	8,445,354	8,759,112
Consideration for annuities	62,766	83,941	92,841	69,969
Interest, dividends, and rents	5,611,813	6,070,259	6,469,996	6,808,125
Other receipts	244,769	686,337	341,546	371,218
Total Income	14,452,071	15,995,097	16,417,632	17,030,188

In 1930, outgo amounted to £11,252,790, of which claims accounted for almost 48 per cent., surrenders nearly 16 per cent., expenses of management 8 per cent., and commission 6 per cent.

ORDINARY LIFE ASSURANCE.—AUSTRALIAN OUTGO.

Heading.	Amount.			
	1927.	1928.	1929.	1930.
	£	£	£	£
Claims	4,936,336	4,990,017	5,389,720	5,356,945
Surrenders	975,115	1,049,259	1,164,504	1,761,192
Annuities	103,990	101,752	116,015	103,451
Commission	691,972	752,344	769,252	681,424
Expenses of management	883,879	963,876	928,696	932,179
Licence fees and taxes	175,902	186,952	425,202	509,337
Shareholders' dividends	74,080	78,263	102,367	92,953
Cash bonuses paid to shareholders	444,322	483,033	579,490	758,991
All other expenses	190,755	350,866	395,726	1,056,318
Total outgo	8,476,351	8,956,362	9,870,972	11,252,790

The excess of income over outgo during the past four years was as follows:—1927, £5,975,720; 1928, £7,038,735; 1929, £6,546,660; and 1930, £5,777,398.

(ii) *Industrial Business.* The aggregate Australian income for the years 1927 to 1930 of societies transacting industrial business was as follows:—

INDUSTRIAL LIFE ASSURANCE.—AUSTRALIAN INCOME.

Heading.	Amount.			
	1927.	1928.	1929.	1930.
	£	£	£	£
Premiums—New and renewal ..	3,524,919	3,884,416	4,170,989	4,259,755.
Consideration for annuities ..	13	13	14	..
Interest, dividends, and rents ..	914,468	981,444	1,105,141	1,205,959.
Other receipts	21,812	17,328	18,732	17,477
Total income	4,461,212	4,883,201	5,294,876	5,483,191

Outgo during 1930 totalled £3,730,624. Claims amounted to almost 43 per cent., commission 24 per cent., and expenses of management 14 per cent.

INDUSTRIAL LIFE ASSURANCE.—AUSTRALIAN OUTGO.

Heading.	Amount.			
	1927.	1928.	1929.	1930.
	£	£	£	£
Claims	1,170,393	1,278,853	1,408,735	1,586,080
Surrenders	125,638	150,508	194,202	317,384
Annuities	295	254	195	195
Commission	847,891	944,909	988,565	895,421
Expenses of management ..	456,872	464,057	508,883	520,102
Licence fees and taxes ..	31,478	33,549	87,186	106,229
Shareholders' dividends ..	67,762	70,034	68,980	66,705
All other expenses	60,174	87,040	129,597	238,508
Total outgo	2,760,503	3,029,204	3,386,343	3,730,624

The excess of income over outgo for each of the past four years was:—1927, £1,700,709; 1928, £1,853,997; 1929, £1,908,533; and 1930, £1,752,567.

5. *Liabilities and Assets, 1930.*—(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.

Heading.	Amount.			
	1927.	1928.	1929.	1930.
	£	£	£	£
Shareholders' capital, paid up ..	1,978,098	1,965,386	1,729,408	1,706,160
Assurance and annuity funds ..	78,419,126	85,295,617	91,938,296	90,551,713
Other funds	7,409,078	8,330,742	9,532,291	11,098,669
Claims admitted but not paid ..	846,112	891,849	920,549	884,365
All other liabilities	2,192,928	2,619,086	2,521,056	2,684,814
Total Australian liabilities (a)	90,845,342	99,102,680	106,641,600	106,925,721

(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.

Heading.	Amount.			
	1927.	1928.	1929.	1930.
	£	£	£	£
Government and municipal securities	62,202,524	65,206,148	70,578,790	72,777,464
Mortgages	29,144,316	32,378,820	34,632,357	37,852,782
Loans on companies' policies ..	11,576,592	12,644,271	13,864,243	16,795,179
Landed and house property ..	4,467,563	4,944,345	5,327,568	5,691,395
Life interests and reversions ..	204,552	143,710	151,724	175,093
Other investments	2,670,305	3,089,755	3,195,550	3,404,720
Outstanding premiums	963,851	1,001,740	1,052,187	1,170,984
Outstanding interest, dividends, and rents	1,142,496	1,303,410	1,425,585	1,525,703
Cash	2,570,576	2,724,952	2,015,003	2,169,606
Establishment and organization accounts	1,288,052	1,320,700	1,259,921	1,084,240
All other assets	2,043,220	2,286,136	1,096,050	1,308,602
Total Australian assets ..	118,274,047	127,043,987	134,598,978	143,955,768

(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. 22."

The total assets of all life companies operating in Australia amounted to £401,119,245 in 1930, of which government and municipal securities (£113,188,129), and mortgages (£103,526,816), represented more than 50 per cent.

6. *New Policies issued in Australia, 1930.*—(i) *Ordinary Business.* During 1930 73,897 new policies were issued for £29,664,852. The average amount per policy was £401, which compares with an average of £326 per policy for all policies which were in existence at the end of 1930.

(ii) *Industrial Business.* New policies to the number of 279,408 were issued during the year, for a total of £14,003,189. The average per policy was over £50, or £6 more than the average for all industrial policies which were current at the end of 1930.

7. *Policies Discontinued in Australia.*—(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, including annuities, discontinued in the last three years, and the reasons for discontinuance are given in the following table :—

ORDINARY LIFE ASSURANCE.—POLICIES(a) DISCONTINUED IN AUSTRALIA.

Mode.	1928.		1929.		1930.	
	No. of Policies.	Amount.	No. of Policies.	Amount.	No. of Policies.	Amount.
		£		£		£
Death or maturity ..	16,134	3,704,379	17,280	3,933,620	17,151	3,838,242
Surrender ..	16,340	4,479,639	15,823	4,409,649	19,928	6,192,092
Forfeiture ..	34,535	11,776,182	32,538	11,461,656	33,566	13,789,977
Total ..	67,009	19,960,200	65,641	19,804,925	70,645	23,820,311

(a) Includes Annuities.

(ii) *Industrial Business.* The number of policies discontinued in this branch each year is also very large. Of the total amount of discontinuance during 1930 only 20 per cent. was due to death or maturity, while 75 per cent. was due to forfeiture.

INDUSTRIAL LIFE ASSURANCE.—POLICIES DISCONTINUED IN AUSTRALIA.

Mode.	1928.		1929.		1930.	
	No. of Policies.	Amount.	No. of Policies.	Amount.	No. of Policies.	Amount.
		£		£		£
Death or maturity ..	53,624	1,282,237	56,374	1,388,032	61,159	1,555,890
Surrender ..	9,158	448,426	11,111	553,886	16,915	830,367
Forfeiture ..	169,921	8,978,480	183,605	9,680,842	231,991	12,253,600
Total ..	232,703	10,709,143	251,090	11,622,760	310,065	14,639,857

8. *Conspectus of Australian Life Assurance Legislation.*—A conspectus of Australian Life Assurance Legislation as then existing appeared in Official Year Book No. 18, pp. 1041 to 1059.

§ 3. Fire, Marine, and General Insurance.

1. *Australasian Companies*.*—(i) *General.* Returns in some detail are available showing the revenue and expenditure, assets and liabilities, and investments of 39 insurance companies having their head offices either in Australia, New Zealand, or Fiji. The business transacted by these companies represents roughly 60 per cent. of the total Australian business, some particulars of which are given in the succeeding pages.

(ii) *Revenue and Expenditure.* The most important items of revenue and expenditure are given below. The trade surplus in 1930–31 was £133,269, or 1.91 per cent. of premium income.

* The statistical information in this paragraph has been extracted from the Australasian Insurance and Banking Record.

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

Heading.	1926-27.	1927-28.	1928-29.	1929-30.	1930-31.
	£	£	£	£	£
Premiums, less re-insurances ..	8,432,000	8,412,080	8,321,762	8,304,632	6,975,834
Losses	4,881,671	5,016,717	4,993,394	4,829,345	4,293,384
Expenses, commission, and taxes	2,727,885	2,833,854	2,812,676	2,795,130	2,549,181
Trade surplus	815,444	561,509	515,692	680,157	133,269
Interest, rent, etc.	756,897	783,969	779,314	829,410	787,978
Total surplus	1,572,341	1,345,478	1,295,006	1,509,567	921,247
Dividends and Bonuses paid ..	607,961	641,085	659,704	653,595	574,626
Ratio to premium income of—					
(a) Losses per cent.	57.98	59.64	60.00	58.15	61.55
(b) Expenses, etc. .. per cent.	32.35	33.69	33.80	33.66	36.54
(c) Trade surplus .. per cent.	9.67	6.68	6.20	8.19	1.91

(iii) *Liabilities and Assets.* The liabilities and assets for the same period are set out in the following tables. Comparison of the results for 1930-31 with those for 1926-27 shows that paid-up capital increased by 3 per cent. and reserves by 19 per cent. Government securities and landed and other property each increased by 20 per cent., and loans on mortgage by 16 per cent.

FIRE, MARINE, AND GENERAL INSURANCE COMPANIES.

Heading.	1926-27.	1927-28.	1928-29.	1929-30.	1930-31.
PAID-UP CAPITAL, RESERVES, AND LIABILITIES.					
	£	£	£	£	£
Paid-up capital	6,292,050	6,400,284	6,423,425	6,541,033	6,479,866
Reserves and re-insurance funds (a)	8,637,831	9,487,950	10,048,875	10,136,075	10,236,760
Undivided profits	706,528	612,827	766,041	784,695	622,801
Losses unsettled	987,670	988,700	935,219	974,016	933,350
Sundry creditors, etc. ..	2,309,610	2,379,748	2,417,780	2,419,285	1,979,736
Dividends, etc., to pay ..	384,006	387,887	405,109	376,091	354,279
Life assurance funds (b) ..	1,436,372	1,706,108	2,008,769	2,331,665	2,603,598
Total liabilities	20,754,067	21,963,504	23,005,218	23,562,860	23,210,390

INVESTMENTS AND OTHER ASSETS.

	£	£	£	£	£
Loans on mortgage	727,850	759,382	768,378	829,079	845,085
Government securities, etc.	12,004,751	12,668,290	13,331,925	13,932,258	14,464,207
Landed and other property	2,841,654	3,307,205	3,550,460	3,584,044	3,397,399
Fixed deposits, etc.	1,929,271	1,828,566	1,850,771	2,194,546	1,667,753
Loans on life policies (b) ..	62,451	84,871	104,175	136,899	182,574
Investments	139,955	234,321	239,496	149,841	165,630
Cash and bills receivable ..	763,272	757,970	769,923	670,078	603,896
Sundry debtors and other assets	2,285,763	2,322,899	2,390,090	2,066,115	1,883,846
Total assets	20,754,067	21,963,504	23,005,218	23,562,860	23,210,390

(a) Including amount required as reserves against unexpired risks.

(b) 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.

2. *Aggregate Australian Business.*—(i) *States.* While the foregoing statements relate to those companies only whose head offices are located in Australasia or Fiji, the following particulars which are somewhat restricted in the range of information available are in respect of all Companies operating in Australia.

The appended table shows for each State the aggregate premium income, less reinsurances and returns, and claims paid, less reinsurances, together with the proportions of losses on premiums for all classes of insurance other than life for the years 1929-30 and 1930-31. The figures for 1929-30 published on p. 308 of Official Year Book No. 24, have been revised by the inclusion of particulars relating to Workers' Compensation Insurance in Queensland and by the deduction of amounts representing payments to and recoveries from insurers outside the State from the premium income and losses of insurance companies operating in Queensland.

FIRE, MARINE, AND GENERAL INSURANCE—PREMIUMS AND LOSSES, STATES.

State.	Premiums, less reinsurances and returns.		Losses, less reinsurances.		Proportion of Losses on Premiums.	
	1929-30.	1930-31.	1929-30.	1930-31.	1929-30.	1930-31.
	£	£	£	£	%	%
New South Wales ..	6,038,874	4,789,032	3,330,404	2,640,800	55.15	55.14
Victoria ..	3,569,734	3,240,266	1,975,075	1,587,632	55.33	49.00
Queensland ..	1,597,841	1,543,388	883,865	863,182	55.32	55.93
South Australia ..	977,459	786,942	355,946	298,770	36.42	37.97
Western Australia ..	1,226,101	965,892	581,607	485,620	47.44	50.28
Tasmania ..	313,429	285,497	112,988	206,919	36.05	72.48
All States ..	13,723,438	11,611,017	7,239,885	6,082,923	52.76	52.39

The extraordinary increase in the proportion of losses on premiums in Tasmania was mainly due to heavy losses in the Fire Department, where the ratio increased from 37.7 per cent. in 1929-30 to 84.5 per cent. in 1930-31. On the other hand the Victorian ratio for fire losses decreased from 62 per cent. to 45.4 per cent. in 1930-31.

(ii) *Classes of Insurance.* The statement hereunder shows premiums and losses in respect of the principal classes of risks, with the proportions of losses on premiums for the years 1929-30 and 1930-31.

FIRE, MARINE, AND GENERAL INSURANCE.—PREMIUMS AND LOSSES, PRINCIPAL CLASSES OF RISK.

Class of Risk.	Premiums, less reinsurances and returns.		Losses, less reinsurances.		Proportion of Losses on Premiums.	
	1929-30.	1930-31.	1929-30.	1930-31.	1929-30.	1930-31.
	£	£	£	£	%	%
Fire ..	6,046,048	5,713,334	3,128,470	2,628,328	51.74	46.00
Workers' Compensation ..	2,866,586	2,142,873	1,935,077	1,554,697	67.50	72.55
Motor Vehicle ..	2,589,402	1,911,040	1,366,664	1,122,434	52.78	58.73
Marine ..	918,064	667,552	346,356	249,271	37.73	37.34
Personal Accident ..	409,555	349,936	189,113	158,019	46.18	45.16
All other ..	893,783	826,282	274,205	370,174	30.68	44.80
Total ..	13,723,438	11,611,017	7,239,885	6,082,923	52.76	52.39

During each of the above years, the volume of business measured by the amounts of premium income shows that fire insurances represented slightly under 50 per cent. of the total, while the proportion of motor vehicle and workers' compensation insurances was between 16 and 21 per cent.

With a receding volume of business in 1930-31, it is safe to make the general inference that slightly more than half the premiums received are paid out in satisfaction of claims, and slightly less than half are required for expenses and profits.

E. 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 exceeds 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.

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, 1930.

State.	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 (c) ..	33	2,511	252,086	249,908
Victoria	55	1,471	164,899	164,603
Queensland	18	(a) 599	67,895	67,620
South Australia	17	740	76,363	77,074
Western Australia	14	353	24,993	24,759
Tasmania	20	193	27,155	(b) 27,157
Total .. .. .	.. .. .	5,867	613,391	611,121

(a) Excluding Juvenile Branches. (b) Estimated. (c) Exclusive of twenty miscellaneous societies consisting of Medical Institutes, Dispensaries, and Accident and Burial Societies.

With regard to the number of registered Friendly Societies a total is not given for Australia, as 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, 1930.

State.	Number of Members who received Sick Pay.	Total Number of Weeks Sick Pay Granted.	Average Number of Weeks per Member Sick.	Benefit Members.	
				Deaths.	Proportion of deaths per 1,000 (Average).
New South Wales ..	45,355	(a)	(a)	1,985	7.94
Victoria	32,674	349,691	10.70	1,608	9.77
Queensland	12,205	113,305	8.28	605	8.95
South Australia ..	14,102	172,317	12.22	767	9.96
Western Australia ..	5,243	41,209	7.86	203	8.20
Tasmania	4,769	51,717	10.84	230	8.47
Total	114,348	(b) 728,239	(b) 10.56	5,398	8.83

(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, 1930.

State.	Year ended—	Entrance Fees, Members' Contributions, and Levies.	Interest, Dividends, and Rents.	All other Income.	Total Revenue.
		£	£	£	£
New South Wales ..	30.6.30	815,551	226,889	68,925	1,111,365
Victoria .. ..	..	563,222	273,324	48,700	885,246
Queensland .. ..	..	242,211	89,914	(a)	332,125
South Australia ..	31.12.30	242,061	127,307	33,062	402,430
Western Australia ..	30.6.30	86,475	26,769	30,053	143,297
Tasmania	31.12.30	91,008	22,070	13,667	126,745
Total .. ..	..	2,040,528	766,273	194,407	3,001,208

(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 £519,384 for Australia, representing about 17s. od. per average benefit member.

FRIENDLY SOCIETIES.—EXPENDITURE, 1930.

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 ..	30.6.30	319,329	331,052	86,790	171,410	42,422	951,003
Victoria .. ..	..	215,454	229,532	38,480	118,046	97,337	698,849
Queensland .. ..	..	83,086	105,466	31,997	55,183	(a)	275,732
South Australia ..	31.12.30	101,824	101,257	34,878	54,421	30,046	322,426
Western Australia ..	30.6.30	29,126	33,834	10,182	19,731	31,353	124,226
Tasmania	31.12.30	34,243	29,674	18,001	19,672	7,998	109,588
Total .. ..	..	783,062	830,815	220,328	438,463	209,156	2,481,824

(a) Included in administration.

It appears from the above figures that sick pay averaged about 25s. 8d. 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 27s. 2d. per average benefit member.

5. Funds.—The two foregoing tables show that the surplus of revenue over expenditure in all States amounted to £519,384 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 1930 the total funds of friendly societies amounted to £14,033,165, (£22 16s. per benefit member), of which approximately £13,500,000 was invested, principally on mortgage, loans on members' homes, and in Government and Municipal securities.

F. 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 1930 approximately 44,283 deaths of adult persons, while the number of probates and letters of administration granted during the same period was 19,977. It would therefore appear that about 45 per cent. 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, 1930.

State.	Year ended—	Number of Estates.			Net Values of Estates.		
		Probates.	Letters of Administration.	Total.	Probates.	Letters of Administration.	Total.
					£	£	£
New South Wales ..	30.6.30	(e) 8,406	(a)	8,406	25,002,546	(a)	25,002,546
Victoria ..	31.12.30	4,991	1,657	6,648	19,926,784	(a)	19,926,784
Queensland ..	30.6.30	878	194	1,072	(b)4,448,7869	(b)361,425	4,810,211
South Australia ..	31.12.30	1,588	352	1,940	4,020,13	210,643	4,230,782
Western Australia ..	"	(c) 888	361	1,249	1,796,849	212,245	2,009,094
Tasmania ..	"	577	85	662	1,568,944	42,479	1,611,423
Total ..	..	17,328	(d) 2,649	19,977	56,764,048	(f) 826,792	57,590,840

(a) Included with Probates. (b) Gross value. (c) Applications lodged. (d) Excluding New South Wales. (e) Includes Letters of Administration. (f) Excludes New South Wales and Victoria.

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 1930, are given hereunder :—

INTESTATE ESTATES, 1930.

Particulars.	N.S.W.	Vic.	Q'land.	S. Aust.	W. Aust.	Tas.	Total.
Intestate estates placed under control of Curator during 1930—							
Number ..	(a)	(b)	1,349	(g) 186	332	(e) 89	1,956
Value .. £	(a)	(b)	635,588	(g) 76,671	(d) 26,460	(e) 32,008	(e) 770,727
Unclaimed money paid into Consolidated Revenue By Curator during 1930 £	(f)	7,401	12,891	4,528	6,862	30,165	61,847

(a) Included with Probates. (b) Not available. (c) Incomplete. (d) Gross Value. (e) Estates wound up by Public Trustee. (f) Not paid to Consolidated Revenue—held by Public Trustee (g) Included with Letters of Administration.